

AGREEMENT

BETWEEN
COOPER STANDARD AUTOMOTIVE
CANADA LIMITED



AND
THE INTERNATIONAL UNION OR THE
UNION
UNITED STEELWORKERS OF AMERICA

RECEIVED
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MITCHELL, ONTARIO

DATED APRIL 1, 2005 TO MARCH 31, 2008.

09555(05)

COLLECTIVE **LABOUR** AGREEMENT

entered into as of the 1st day of April, 2005

BETWEEN :

COOPER ~~STANDARD~~ AUTOMOTIVE CANADA LIMITED

A company incorporated under the laws of the province of Ontario,

with Head Office at the City of Stratford,

hereinafter called the "**COMPANY**"

- and -

UNITED STEELWORKERS OF AMERICA

affiliated with the **AFL-CIO** and the **CLC**,

hereinafter called the "**INTERNATIONAL UNION**"

Or "**The Union**".

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ARTICLE I - PURPOSE

1.01 The general purpose of this agreement is to establish mutually satisfactory relations between the Company and its employees and to provide machinery for the prompt and equitable disposition of grievance and to establish and maintain satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this agreement, keeping in mind at all times that the welfare and prosperity of the employees is contingent upon the Company's ability to successfully compete in the trade and in the sale of its products.

1.02 Both the Company and the Union realize that human relations are not always perfect and each party pledges, therefore, that so far as it is concerned there will be no undue criticism directly or indirectly towards either party.

1.03 Both parties agree as to their desire to work in harmonious relationship and undertake:

(A) That there shall be no discrimination, interference, restraint, coercion, by or on behalf of the Company regarding any employee covered by this agreement because of membership in the Union.

(B) That the Union or its agents shall not, either by definite action or spoken word, intimidate any employee, nor shall they carry on any Union activities during the working hours (except as provided for in this agreement).

ARTICLE II - RECOGNITION

2.01 (A) The Company recognizes the International Union as the bargaining agent for the bargaining unit composed of all employees of the company in its plant numbered 4 in Mitchell, Ontario, save and except the employees enumerated in 2.01 (B).

(B) **Supervisors**, persons above the rank of **supervisor**, timekeepers and time clerks, office and sales staff.

2.02 Whenever the word Union is used throughout this agreement, it shall mean, with respect to the bargaining unit at Plant 4, the International Union and its Local 719, and whenever the word employee or employees is used, it shall mean the employee or employees within this bargaining unit.

(A) In the event of a transfer of a substantial part of the work from the plant mentioned in 2.01 (A), and the transfer will result in the lay-off of one or more employees, the Company shall notify the Union of the transfer as soon as it is practicable so to do. The Company shall, if the Union so requests, meet with the committees for the purpose of considering what, if anything, should be done in the circumstances to arrange for the employment of the employee or employees about to be laid off.

2.03 Any employee may take up any personal matter directly with the Company at any time.

2.04 It is the function of the supervisor to develop proper methods, perform experimental set up work and instruct operators as to the proper methods and quality required. It is agreed that supervisors or other excluded personnel will not perform operations regularly performed by employees in the bargaining unit except for brief periods as necessity requires as in emergencies beyond the control of the Company or when required as employees are not immediately available. The Company will not contract out **regular production work or work related to production work (rework)** that could be efficiently performed by the bargaining unit if bargaining unit employees are available to perform the work at a quality level and at a cost effectiveness that is satisfactory to the Company. The Company agrees to meet with a union representative prior to contracting out.

ARTICLE III - COMPANY RIGHTS COMPANY SECURITY

3.01 The Union acknowledges that it is the exclusive function of the Company to:

(A) Maintain order, discipline and efficiency.

(B) Hire, discharge, transfer, promote, demote or discipline employees and determine qualifications needed for jobs, provided that a claim of unfair promotion, demotion, transfer, determination of qualifications or a claim that an employee has been unjustly discharged or disciplined may be the subject of a grievance and dealt with as hereinafter provided.

(C) Generally to manage the industrial enterprise in which the Company is engaged, and without restricting the generality of the foregoing, to determine the number of plants, products to be manufactured, methods of manufacturing, schedules of production,

kinds and location of machines and tools to be used, processes of manufacturing and assembling, the engineering and designing of its products and the control of the materials and parts to be incorporated in the products produced.

(D) Establish occupational groups and to discontinue, restrict or expand the same upon prior discussion with the Union.

(E) To establish an incentive pay plan for jobs throughout its plants and by agreement between the parties hereto, to alter, modify, amend and discontinue the same from time to time.

3.02 It is recognized that the continuity of production free from work stoppages, slow-downs or strikes, is essential to the efficient and economical operation of the Company's business. It is agreed therefore, that the Company shall have the right without hindrance, other than by grievance procedure to discipline employees who violate any provisions of this agreement. It is further agreed that the Company has the right to establish and/or alter reasonable rules and regulations to be observed by employees, examples of which are attached hereto as appendix "C". Such rules and regulations shall not be inconsistent with this agreement. If the Union questions that the agreement has been violated, the Union shall have the right to avail itself of the grievance procedure as provided for in this Agreement.

3.03 Verbal and reprimand notations placed on an employee's record by his/her supervisor are to be signed by the employee concerned as having been read. If the employee has any questions he/she cannot clear up with his/her supervisor, or feels the reprimand is not in order, he/she will have five normal working days in which to file a grievance, which will then be handled in the established grievance procedure. If the employee's grievance is upheld, the notation will be removed from his/her record. A copy of the verbal written warnings will be given to the union.

If an employee has had a verbal or reprimand notation or a written warning placed on his/her record and if he/she has been continuously employed for twelve months or intermittently employed for the equivalent of twelve months, without having a further verbal or reprimand notation placed on his/her record, it is understood that said verbal or reprimand shall not be used against him/her.

The company will advise the Union and allow a steward to be present at any meeting where any discipline is given, unless no steward is on shift. In these situations, the Union will be advised as soon as possible. It is also understood that the

Company has the right to have discussions with employees without a steward present (unless requested by the employee) as they do not form part of the discipline procedure.

(A) When an employee is to receive any disciplinary action, the Company will make all attempts to notify the employee of impending disciplinary action within ten working days, unless reasons preclude the Company from doing so. A copy of such written notice will be provided to the Union.

3.04 It is recognized that the Company is interested in the health of the employees both from the standpoint of employee's personal safety and from the standpoint of efficiency.

Therefore the Company will have the right to ask employees to take medical examinations from a Company doctor and may also make an appointment for a Doctor or Nurse to visit an employee's home during illness.

3.05 Nothing in this article shall be construed as giving the Company the right to violate or misinterpret this Agreement or any other Agreement between the parties.

**ARTICLE IV - UNION SECURITY
DEDUCTION OF UNION DUES**

4.01 All present employees who are members of the Union or who become members of the Union, shall remain members of the Union in good standing and shall pay Union Dues as a condition of continued employment with the Company. This provision shall remain effective during the term of this Agreement or any extension thereof or any successor Agreement.

4.02 All present employees, who are not presently members of the Union shall pay Union Dues as a condition of continued employment with the company. This provision shall remain effective during the term of this Agreement or any extension thereof or any successor Agreement.

4.03 Employees transferred into employment which is covered by this Agreement and all new employees, hired after the effective date of this Agreement, shall become members of the Union, and shall remain members of the Union in good standing and shall pay Union Dues, as a condition of continued employment with the Company. This provision shall remain effective during the term of this Agreement or any extension thereof or any successor Agreement.

4.04 The Company agrees to deduct from the wages of any employee who are the members of the Union and who shall as a condition of employment certify in writing on forms supplied by the Union that they authorize such deduction; their monthly Union Dues in accordance with the International Constitution of the United Steelworkers of America and remit said deduction to The International Secretary, United Steelworkers of America, P.O. Box 13083, Postal Station "A", Toronto, Ontario, M5W 1V7. Such remittance shall be documented on an accompanying form R-115. A copy of Form R-115 and the remittance cheque shall be forwarded to the Union's Staff Representative.

4.05 (a) The Company shall forward the deductions as provided for in this Article prior to the fifteenth (15th) day of the following month to the International Secretary-Treasurer of the Union by cheque as directed by the Union, accompanied by the following information:

(i) From whose pay deductions have been made and the amount.

(ii) From whose pay no deductions have been made and the reasons why no deductions have been made.

(iii) Those who have left the employ of the Company.

(iv) A properly filled out check-off certification form supplied by the Union.

(v) A properly filled out membership application card supplied by the Union.

(b) The Company shall forward to Local 719 of USWA a copy of the above information along with the following:

(i) A list of those who have left the employ of the Company.

(ii) A properly filled out Membership Application form supplied by the Union.

(iii) The Company agrees to provide the Union with a list of employees giving names, department, machine, and shift and any reasonable information requested by the Union.

4.06 The Union shall indemnify and save the Company harmless against any and all claims, demands, suits or other forms of liability by reason of action taken for the purposes of complying with the provisions of this Article.

4.07 The Union shall notify the Company in writing of changes in dues or any other changes in the constitution affecting the

Company's obligations under this Article. The Union shall notify the Company in writing of the name of the Local Union Treasurer.

4.08 The Union shall have the right to post notices of meetings and such other notices as may be of interest to the employees. These notices will be posted on special bulletin boards.

4.09 The Company agrees that individual passes will be issued where necessary to permit Union Representatives to enter the plant after hours for the purpose of transacting business arising out of this Agreement.

ARTICLE V - NEGOTIATING COMMITTEE

5.01 The Union will appoint or otherwise select Stewards. The Union will inform the Company of the names of the Chief Steward and other Stewards immediately upon their appointment or selection. Only one Steward shall be appointed or selected for each zone or production area and the Company shall be notified forthwith of each appointment or selection.

(A) The Local will appoint or otherwise select one Chief Steward and other Stewards on each shift to cover the same zone or production area which each foreman of the Company has under his/her supervision or control on each shift. The names of the Chief Steward and the names of the other Stewards and the names of their replacements, if any, will be forwarded forthwith to the personnel department of the Company following their appointment or selection.

5.02 It is mutually agreed that employees shall not be eligible to serve as Union Stewards or members of the negotiating committee until they have completed a minimum of 6 months service.

5.03 (A) The Union acknowledges that Stewards, members of committees and Union officers have regular duties to perform on behalf of the Company, and that such persons will not leave their regular duties without obtaining the permission of their foreman or immediate supervisor, who will grant such leave as soon as convenient, and when resuming their regular duties, they will report to their foreman or supervisor.

(B) It is clearly understood that Stewards and other Union officers will not absent themselves from their regular duties unreasonably in order to deal with the grievances of employees and that in accordance with this understanding, the Company will

compensate such employees for all time spent during their normal shift hours on such work. Payment will be at base rate plus shift premium where applicable except that for employees working on incentive, payment will be at base rate x 1.2 plus shift premium where applicable.

5.04 The Company acknowledges the right of the Union to appoint or otherwise select a negotiating committee of not more than four employees for the bargaining unit and will recognize and deal with said committee with respect to any matter arising from time to time during the term of this Agreement. An international representative of the Union will participate in such negotiations if requested to do so by the Union. The said committee will cooperate with the Company in the administration of this Agreement.

5.05 Notwithstanding the provisions of section 5.04, the number of employees on the negotiating committee shall be up to four employees from the bargaining unit for the purpose of negotiating with the Company with respect to proposed amendments to this Agreement, notice of which shall have been given pursuant to Article XIII.

5.06 The Company will pay the plant negotiating committee for all time spent at any meeting called by the Company at base rate plus shift premium where applicable except that for employees working on incentive, the payment will be at base rate x 1.2 plus shift premium where applicable.

5.07 For meetings called by the Company or by the Union for negotiating grievances and/or amendments to this agreement up to but not including arbitration and/or conciliation, the Company will pay each member of such committee or substitute or replacement of a committee member, who attends, for all hours while in attendance at the applicable rate. Payment for such time spent shall be at base rate plus shift premium where applicable, except that for employees working on incentive, payment will be base rate x 1.2 plus shift premium where applicable. Conciliation is defined as any meeting held with the Conciliator/Mediator in attendance.

GRIEVANCE PROCEDURE

5.08 This grievance procedure is intended to provide an orderly and prompt settlement of grievances. It is generally understood that an employee or the Union has no grievance until the supervisor concerned first has been given an opportunity to adjust the complaint. If the employee or the Union does not receive a satisfactory answer, then the following steps of the

grievance procedure must be followed promptly:

STEP 1: The employee, accompanied by the department steward or the chief steward, or the Union, whichever is the griever, shall discuss the grievance with the immediate supervisor concerned. Failing satisfactory settlement, the employee and the Union representative shall inform the supervisor concerned, that the grievance shall be put in writing and taken to Step 2 within two normal working days.

STEP 2: The grievance shall be signed by the department steward, or a member of the grievance committee. A grievance committee member or the President shall present the grievance to the plant superintendent or his/her representative. If the committee members are unavailable to present or advance the grievance in a timely manner, the time limits will be extended by the amount of time that the members are unavailable. After any necessary discussion on a grievance submitted by 3:00 p.m. of any Thursday, the Company shall answer the grievance in writing and deliver a copy to the department steward by 3:00 p.m. the following Wednesday. Failing satisfactory settlement under Step 2, notice shall be given within three normal working days that the grievance is being taken to Step 3.

STEP 3: A meeting shall be held between the Company and the grievance committee with, an International Representative of the USWA participating if requested to do so by the Union. If the grievance is not settled within fifteen days or such time as mutually agreed to, the grievance may be referred to arbitration by either party, if done so within thirty-five days.

Prior to arbitration the grievance may, upon mutual agreement of the parties, be referred to a Grievance Mediator. Any settlement agreed to in mediation shall be binding upon the parties. If the parties fail to reach a mutually satisfactory settlement the grievance may be referred to arbitration as set out herein.

STEP 4: In the event that no accord is reached through the procedure herein provided, the parties shall endeavour to agree upon an arbitrator to whom the grievance or grievances shall be referred for settlement. If no arbitrator is agreed upon within 30 days, the provisions of the paragraph next following shall apply. If an arbitrator is agreed upon, the costs and fees of the arbitrator shall be shared equally by the Union and the Company.

STEP 5: When either party requests that a grievance be submitted to arbitration, they shall make such request in writing

addressed to the other party of this agreement and at the same time appoint an arbitrator. Within five days thereafter the other party shall appoint an arbitrator. The two arbitrators so appointed shall confer promptly and if within five days they fail to settle the grievance, they shall attempt to select by agreement a chairman of an arbitration board. If they are unable to agree upon such chairman within a further period of twenty-four hours, they may then request the Minister of Labour for the Province of Ontario to appoint an impartial chairman.

It is agreed that the Union's right to initiate a grievance under this section 5.08 shall be limited to Union president or Grievance Committee.

It is also agreed that any and all of the time limits set forth above may be extended by mutual consent in writing and signed by both parties.

5.09 No grievance, after it has once been submitted to the grievance committee for adjustment shall be settled except through the grievance committee, or if otherwise, with the consent and approval of the committee.

5.10 (A) The proceedings of the arbitration board will be expedited by the parties hereto and the majority decision of the arbitrators will be final and binding upon the parties hereto.

(B) The arbitration board shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement: nor shall the arbitration board have authority to decide a dispute involving a question of a general wage level demand.

(C) No matter may be submitted to arbitration which has not been properly carried through all steps of the grievance procedure, except by mutual consent.

(D) The parties hereto shall pay for the time and expense of their appointed members to the board and shall share equally the expenses of the chairman of the board.

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

5.12 Notwithstanding the provisions of Section 5.10 (C) it is understood that the Company may bring forward, at any meeting held with the grievance committee, any complaint with respect to the conduct of the Union, or its members, and if such complaint by the Company is not settled to the mutual satisfaction of the conferring parties, it may be treated as a grievance and referred to arbitration in the same way as the grievance of an employee. It is understood and agreed that this section applies to violations of contract.

5.13 Meetings of the grievance committee with the Company may be mutually arranged when necessary.

5.14 (A) The Company agrees to hear, through the orderly procedure herein provided for the handling of grievance a case where an employee claims he/she has been unjustly discharged, suspended, laid off or recalled in violation of seniority rights, provided the employee files his/her grievance in writing within five normal working days from the date of discharge, suspension, lay-off or recall.

(B) The Company further agrees that should it be decided by mutual conclusion or arbitration that the employee has been unjustly discharged or suspended or has not been laid off or recalled in accordance with his/her seniority rights as outlined in this Agreement, such employee shall be reinstated to full seniority rights and compensated for wages and benefits by any arrangement which is just and equitable in the opinion of the conferring parties or arbitration as the case may be.

(C) When an employee has been dismissed without notice he/she shall be informed by the Company that he/she has the right to interview his/her steward in a suitable place for a reasonable period of time before leaving the plant premises.

(D) When the Company believes an offence has been committed that warrants a suspension, the Company will notify the Union and hear evidence from the Union for a period of 48 hours, after such notification, in an attempt to mitigate the discipline.

After consideration of the Union's position, the Company will impose the disciplinary action they believe appropriate.

(E) Article 5.14(D) shall not apply when the alleged violation may endanger the safety of the employee themselves or any other employee, or of such nature that it would be inadvisable to retain the employee in the plant.

Eg. Such violations involving being under the influence of an intoxicant, immoral conduct, theft, sabotage, fighting or matters of similar nature.

5.15 There shall be no lockout, strike, sit down, or slowdown nor stoppage of work either partial or complete over any matters during the term of this Agreement.

**ARTICLE VI - HOURS OF WORK
PAY AND OVERTIME**

6.01 The normal work period shall be 40 normal hours per week consisting of 8 normal working hours per day upon each normal work day scheduled Monday through Friday inclusive.

6.02 (A) Notwithstanding the provisions of section 6.01, when it is necessary to schedule an operation or job to more than a one shift basis, employees assigned to such operation or jobs on the 11:00 p.m. to 7:00 a.m. shift may commence their normal work period at or prior to 11:00 p.m. Sunday.

(B) It is understood that the starting time for shifts on certain operations must be flexible to meet customer and/or operating requirements. Prior to making any change the Company will meet with the Union to discuss the changes and inform the Union of any decision regarding changes in starting times of shifts.

6.03 (A) The base rate for the employees shall be as set out in Appendix B1, B2, B3 and B4.

(i) The base rate or;

(ii) The base rate plus that percentage of the base rate by which the employee's production on a full shift plus overtime exceeds the standard of production as predetermined by the Company.

6.04 Overtime payment for hours worked in addition to the normal eight hours per day and up to twelve hours on each day Monday through Friday and up to eight hours on Saturday shall be paid at time and one-half of the base rate. Overtime payment for all hours worked over twelve hours on any day Monday through Friday and all hours of work over eight hours on Saturday and all hours worked on Sunday or holidays shall be paid at double time of the base rate.

(A) Overtime hours on Saturday shall be the hours between eleven p.m. Friday and eleven p.m. Saturday except for employees working an afternoon shift which terminates at midnight. In such cases overtime hours on Saturday shall be the hours between midnight Friday and midnight Saturday.

(B) Overtime hours on Sunday shall be the hours between eleven p.m. Saturday and eleven p.m. Sunday except for employees working an afternoon shift which terminates at midnight. In such cases overtime hours on Sunday shall be the hours between midnight Saturday and midnight Sunday.

6.05 (A) When deemed necessary by the Company, the employee shall be asked to work additional hours on normal work days and on Saturday and Sunday. The Company agrees to keep overtime at a minimum but when overtime is necessary it will be offered equitably amongst the employees usually doing the work. However, if not enough employees agree to work, the Company may order to do the work those employees with the least amount of overtime who normally do the work. Overtime procedures shall be:

- 1) Overtime will be offered to employees working in the group, usually doing the work, (with the least amount of overtime), on the shift that is required to work, then the other shifts.
- 2) Overtime will be offered to employees, in the group, on the same shift (not usually doing the work) who are capable of doing the job, (with the least amount of overtime), then the other shifts.
- 3) Overtime will be offered to employees, with group seniority, working outside the group, who are capable of doing the job (with the least amount of overtime), on the same shift, then other shifts.
- 4) Overtime will be offered to any employee who can do the job beginning with those on the shift required (with the least amount of overtime), then the other shifts.
- 5) Overtime will be offered to employees working on restricted duties, if the work is within the employee's medical restrictions.

It is understood that if the Company does not believe an employee is capable of doing the job at a satisfactory level of production under number 3 & 4 above, they will not be selected to work overtime. The employee will be responsible to notify the Company

in writing of their wish to be refamiliarized. A copy of the request will be given to the union. The Company will arrange to refamiliarize the employee as soon as practical.

(B) When production overtime work is needed for the day shift on Saturday or Sunday, the procedure for distribution will be as follows:

1) When 4, 5, or 6 hours are needed, day shift will be asked as per the Collective Labour Agreement.

2) When 8 hours overtime is needed, the day shift will be asked for the first 4 hours and the second shift will be asked for the remaining 4. If the shift is still not filled, **then** employees will be asked to work for 8 hours, according to section 6.05(A) (1) prior to asking employees outside the group to work. This will only be done however when the Company knows before the completion of the shift on Thursday that 8 hours is necessary. If because of unforeseen contingencies a shift needs to be elongated at the last minute, part 2 would not apply.

3) The midnight shift will remain unaltered under this agreement and the Collective Labour Agreement.

4) Part (2) would also not apply when more than 10 hours of overtime is needed on the Saturday.

5) During a shift change, overtime on Saturday will be offered to the shifts from the previous week. Overtime on Sunday will be offered to the shifts from the following week.

6) When working more than one (1) overtime shift on a Saturday or Sunday, persons will be required to work their own shift.

6.06 The Company does not guarantee to provide work for an employee for regularly assigned hours or for any other hours.

6.07 No overtime will be paid to employees involved in a change of hours requested by an employee **or the union**, unless the employee would have received overtime pay except for such a change.

6.08 When an employee is requested by the Company to change shifts other than on a weekend, he/she shall be paid at the rate of time and one-half for hours worked on the first shift to which he/she is transferred. This section shall not apply when the shift change is made under clause 10.07 (D) or when the change is

made at the request of the employee(s).

6.09 The regular pay period shall be one week of seven days beginning with any shift starting at or after 11:00 pm on Friday.

6.10 A day shall consist of twenty-four hours and shall commence **4 hours prior to** the starting time of an employee's shift.

6.11 The Company shall provide one ten minute rest period during each half shift.

(A) The Company shall provide one ten minute rest period to all employees who are scheduled to work one and one-half hours overtime immediately following their normal shift hours. This rest period will be granted at the beginning of the overtime period.

(B) If less than 8 hours of overtime is scheduled for Saturdays, Sundays, or holidays, employees will receive a 10 minute rest period every two (2) hours.

6.12 A five minute period shall be allowed the mechanical department employees (maintenance, machinists, tool & die makers) **and employees working in group 38 and 45** and a three minute period to all other employees for machine clean up, putting away the Company's and their own tools and washup at the end of each shift.

6.13 (A) When direct labour employees are on an operation scheduled to operate on three shifts, the lunch periods for these employees shall be reduced to twenty minutes and the Company shall pay for the lunch period.

(B)(i) When indirect labour employees are on an operation scheduled to operate on three shifts the lunch periods of these employees who are working the afternoon shift or the midnight shift shall be reduced to twenty minutes and the Company shall pay for the lunch periods.

(B)(ii) When indirect labour employees are on an operation scheduled to operate on a regular three shift rotation, the lunch periods of these employees shall be reduced to twenty minutes and the Company shall pay for the lunch periods.

(C) When only one maintenance department employee is working in the plant (regardless of shift) his/her lunch period

shall be reduced to twenty minutes and the Company shall pay for the lunch period.

(D) In order to qualify, employees eligible for paid lunches under subsections (A), (B) & (C) above must remain on Company property during their lunch periods.

ARTICLE VII - PAID HOLIDAYS

7.01 The following 12 holidays, namely New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, December 24th, Christmas Day, December 26th and December 31st, and one personal floater **and one day to be observed during the Christmas shutdown period** will be paid for, subject to the following sections of this article at 10 times the employee's base rate for employees on incentive and 8 times the base rate for employees on non-incentive.

7.02 The employee, in order to qualify for such holiday pay, must have completed 30 calendar days of employment with the Company and must work the normal scheduled shift immediately preceding and following the holiday, unless absent one of such shifts, but not both, with good reason acceptable to the Company. Good reason shall include lay-offs, approved leave of absence, union business etc.

(A) An employee who does not qualify for holiday pay because he has not completed 30 calendar days of employment with the Company on the date the holiday is observed shall be entitled to pay for such holiday retroactively when he/she has completed 30 calendar days of employment, if he/she has fulfilled all other qualifying requirements of section 7.02.

(B) If an employee is laid-off within 5 working days prior to observance of the holiday and remains laid-off following the observance of the holiday, but is recalled and reports within 5 working days following the holiday, the employee will be eligible for holiday pay.

7.03 When one of the holidays occurs during the vacation period of an employee otherwise eligible for such holiday pay, he/she will be paid for the holiday in accordance with this article. No vacation days will be scheduled on holidays identified in section 7.01.

7.04 The following paid holidays will be observed as listed below:

New Year's Day: **Jan. 2, 2006, Jan. 1, 2007, Jan. 1, 2008.**

Good Friday: Apr. 14, 2006, Apr. 6, 2007, March 21, 2008.
 Victoria Day: May 23, 2005, May 22, 2006, May 21, 2007.
 Canada Day: July 1, 2005, June 30, 2006, July 2, 2007.
 Civic Holiday: Aug. 1, 2005, Aug. 7, 2006, Aug. 6, 2007.
 Labour Day: Sept. 5, 2005, Sept. 4, 2006, Sept. 3, 2007.
 Thanksgiving: Oct. 10, 2005, Oct. 9, 2006, Oct. 8, 2007.
 December 24th: Dec. 29, 2005, Dec. 27, 2006, Dec. 24, 2007.
 Christmas Day: Dec. 27, 2005, Dec. 25, 2006, Dec. 25, 2007.
 December 26th: Dec. 26, 2005, Dec. 26, 2006, Dec. 26, 2007.
 December 31st: Dec. 30, 2005, Dec. 29, 2006, Dec. 31, 2007.
 Extra Day at Christmas: Dec. 28, 2005, Dec. 28, 2006, Dec. 27, 2007.

7.05 (A) For all hours worked between 7:00 am on the day of observance of the holiday until 7:00 am on the following day, payment shall be made at double the employee's base rate in addition to holiday pay, if qualified for as set out above.

(B) Where employees under section 6.02 commence their work week at 11:00 pm Sunday, sub-section (A) shall read as follows: for all hours worked between 7:00 am on the day prior to the day of observance of the holiday until 7:00 am of the day of observance of the holiday, payment shall be made at double the employee's base rate in addition to holiday pay, if qualified for as set out above.

7.06 Employees will receive one (1) day off with pay or pay in lieu of, if they report for work each regular scheduled shift for 200 consecutive days. (Saturday and Sunday included).

For each 400 consecutive working days, employees will receive three (3) days off with pay or pay in lieu of.

Paid holidays, bereavement days, and Union business shall be counted as days worked. Four day, ten hour shifts shall be counted as five (5) days worked.

Annual vacations, layoffs or subpoena witness (employee shall provide to the Company a copy of subpoena and proof of court attendance) shall not interrupt an employee's accumulation of days.

Employees will be paid 10 times their base rate if they are on incentive, and 8 times their base rate if they are on a non-incentive job. Days may be taken with the mutual consent of the parties either together, separately, or in half days, (two half days of four hours each equal one day) keeping in mind that production requirements must be maintained at all times.

Employees who exercise an Emergency Leave day will have 10 days deducted from their Perfect Attendance counter for each occurrence.

ARTICLE VIII - SPECIAL WAGE POLICIES

8.01 For factory injuries requiring first aid or outside medical attention, payment shall be allowed for the remainder of the normal shift hours during which the accident occurred or until the employee returns to work, whichever is the sooner, at the employee's base rate plus shift premium where applicable except that for employees working on incentive, payment will be at base rate x 1.2 plus shift premium where applicable. The above, with respect to medical attention, applies only when the employee agrees to be treated by a doctor immediately available in the municipality in which the plant is located.

8.02 (A) On the day of inventory, employees shall be paid their base rate plus shift premium where applicable for employees so engaged except that for employees working on incentive, payment will be at base rate x 1.2 plus shift premium where applicable.

(B) Experimental work shall be paid for at the base rate of non-incentive employees so engaged plus shift premium where applicable except that for employees working on incentive, payment will be at base rate x 1.2 plus shift premium where applicable.

8.03 For all work performed on scheduled second and third shifts between the hours of 3:00 pm and 7:00 am the Company will pay a night shift premium of 40 cents per hour.

8.04 Employee punching in late will be paid from the beginning of the next **six** hundredth hour period.

8.05 Employees reporting for work, who had no reason to believe work was not available, shall be provided with a minimum of four hours work or pay in lieu thereof at base rate plus shift premium where applicable except that for employees who work on incentive, payment will be at base rate x 1.2 plus shift premium where applicable. This payment will not apply in the case of major mechanical or electrical breakdown, fire, flood, labour dispute or other cause beyond the control of the Company. However, anytime work is not going to be available the company will make every reasonable effort to advise the employees.

8.06 An employee who is specially called in to work in any emergency at any time after the close of his/her shift, shall be through when this emergency is over, but shall nevertheless receive a minimum of four hours pay at base rate plus the applicable overtime rate plus shift premium where applicable,

except that for an incentive employee, payment will be at the base rate plus the applicable overtime rate plus shift premium, plus 1.2 times the base rate when the opportunity to earn incentive is not present.

8.07 In the event of bereavement in the employee's family, which shall include father, mother, husband, wife, grandparents, son, daughter, grandchildren, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, spouse's parents, grandparents, common-law spouse, common-law spouse's parents, step-parents., and step-children which may necessitate an employee to be absent from his/her scheduled work within his/her normal work week, claim for payment for lost time on normal hours for three consecutive working days including the funeral day may be made to the Company after the occurrence and with a submission of proof. Payment for such time so lost shall be at the employee's base rate plus shift premium where applicable except that for an incentive employee payment will be at base rate x 1.2 plus shift premium where applicable. If the employee is eligible for any other form of remuneration to which the Company contributes, payment shall not be made under this section for such day or days.

The above is intended to allow bereaved employees three normal working days off with pay, not including statutory holidays. This paid bereavement period will be extended to 5 working days upon the death of an employee's **current** spouse or child only.

When the Company is notified, during an employee's vacation, that a death has occurred in the employee's family, as identified as above, the vacation will be extended by the length of bereavement taken, that is, up to three days (or five days if applicable), and the employee will receive bereavement for those days.

Unpaid compassionate leave (maximum one day) for an employee to attend the funeral of an aunt, uncle, niece, or nephew will be granted by the Company without affecting their consecutive working days for perfect attendance.

It is understood that "in-law" relationships will be broken by divorce but not death of the blood relative who established the "in-law" relationship, unless and until the "in-law" relative or employee remarries.

The employee, in order to qualify for such bereavement pay, must have completed 30 calendar days of employment with the Company.

8.08 (A) The Company agrees to pay an employee who serves as a juror or a subpoenaed crown witness in a legally constituted court the difference between his/her earnings as a juror or subpoenaed crown witness and what he would have earned at base rate plus shift premium where applicable had he/she worked his/her normal scheduled shift. In the case of an incentive employee payment will be the difference between his/her earnings as a juror or subpoenaed crown witness and what he/she would have earned at base rate x 1.2 per hour plus shift premium where applicable, had he/she worked his/her scheduled shift. In order to be eligible for payment, employees must notify their supervisors within twenty-four hours after receipt of notice of selection for jury duty or notice to appear as a crown witness and must furnish a written statement from the appropriate public official showing the date and time served and the amount of pay received.

(B) If an employee selected for jury duty or to appear as a subpoenaed crown witness is working other than the day shift, an employee from the day shift who is qualified will be chosen by the Company to substitute for the selected employee on his/her shift.

(C) Any employee who is convicted under the Highway Traffic Act (including unpaid traffic fines) or Criminal Code for driving offences and is subsequently incarcerated, upon written request, may be granted a leave of absence for the period of incarceration. A request for such leave must be submitted to the Company no later than five (5) days following the commencement of the employee's sentence. Such request shall not be unreasonably denied.

8.09 (A) When an employee is permanently transferred from one job to another, for reasons such as displacement through seniority procedures or application for transfer, he/she shall be paid according to the job transferred to.

(B) When any employee is temporarily transferred from his/her regular job, he/she shall be paid at the base rate of his/her regular job or the base rate of the job transferred to, whichever is greater, plus any earned incentive pay.

(C) When an employee is displaced or transferred in accordance with (A) or (B) above and there is a subsequent vacancy in the job he/she was displaced or transferred from, the affected employee will be placed in the job as soon as possible.

8.10 Payment for members of the plant safety committee, as described in Section 12.02 (A) and (B), shall be at base rate plus shift premium where applicable except that for incentive members payment shall be at base rate x 1.2 plus shift premium where applicable.

Preamble

8.11 Added to the gross earnings will be a cost of living allowance on hours paid for and on the basis of a one (1) cent adjustment for each change of 0.12 in the Consumer Price Index.

Adjustments will be made quarterly in each year of this Agreement in accordance with the following schedule. Calculations will be made in each January, April, July and October during this Agreement using the Consumer Price Index in effect on April 1, 2004 as a base (February 2004 Index) to determine the amount of increase in cents. **Quarterly calculations will be made based upon the weighted average of the three respective months.**

(A) The cost of living allowance will be adjusted up or down in accordance with the foregoing yearly schedules and in each case beginning with the first pay period in the month for which the adjustment is scheduled.

(B) In no event will a decline in the Consumer Price Index justify a reduction to the employee's base rates.

In the event the 'Bureau of Statistics shall not issue the appropriate index before the beginning of one of the pay periods referred to in the above schedules, any adjustments in the allowance required by such index shall be paid retroactively to the beginning of the appropriate pay period referred to in the above schedules as soon as the index for the period is received.

No adjustments retroactive or otherwise shall be made in the amount of the cost of living due to any revision which later may be made in the published figures for the index for any month on the basis of which the allowance shall have been determined.

Continuance of the cost of living allowance shall be contingent upon the availability of the index in its present form using 1986=100.

There will be a cost of living allowance fold-in to the base rate of thirty (30) cents effective on April 1, 2002.

8.12 Working leaders, facilitators, and lead hands shall be paid

a differential of .35 cents over and above the highest rate paid any one over whom they are a leader and in the event they cease to be a working leader, facilitator, or lead hand they will be paid the rate of the job they are transferred to.

ARTICLE IX - INCENTIVE PAY PLAN

9.01 Pursuant and subject to the provisions of Section 3.01 (E) the Company has established the incentive pay plan described in Appendix "A" which is attached hereto and forms part of this Agreement.

9.02 For the employee's protection, established incentive standards will not be altered except because of a change in material, equipment, method of manufacture, a demonstrable clerical error or by mutual agreement. Only those elements affected by the change will be revised.

9.03 If an established incentive standard is disputed by an employee working on it and it is altered as a result of the dispute, the established standard as altered shall be retroactive for all employees working on it to the date the established standard was established but in no case shall this period of time exceed forty-five calendar days.

9.04 An incentive standard shall be deemed to be installed when the current rate has been posted on the applicable work station, where possible, as a Code 2 standard for 24 normal working hours, listed in the appropriate routing books and the employee or employees immediately concerned are notified thereof.

9.05 Only employees in the bargaining unit who are working on incentive will be time studied for the purpose of establishing incentive standards.

9.06 Any incentive standard established by the Company pursuant to Section 3.01 (E) and Appendix "A" may be reviewed at any time at the request of the Union and at the review, the Union may have present, the Union Time-Study person or one of its international time study experts.

9.07 With respect to non incentive standards, the following will apply:

Development of Standards

Required levels of production shall be set by the Company and the

load factor for each job will not exceed 100%.

Implementation of Standards

Employees being time studied will be told why the study is being made. The result of the standard will be given to the employee involved and the Union Time Study Representative. All current rates will be listed in routing book and made readily available to employees.

The Union may, at any reasonable time and from time to time, have a time study expert attend at the Mitchell plant to inquire into the particulars of any established and installed standard, and the Company shall furnish all reasonable and relevant information necessary to enable the expert to complete the said inquiry. Where there is a discrepancy in the standards, a Union time study will be conducted.

Change in Standards

Established standards will not be altered except because of a change in material, equipment, method of manufacturing, a demonstrable clerical error or by mutual agreement. Only those elements affected by the change will be revised.

Where there is a dispute concerning the production standard, the Company will present substantiation and a copy of all details involved in the setting of the production standards to the Union. The Company will provide the Union with any changes made to standards within twenty four (24) hours prior to implementation.

These shall include all facts, data, studies, (allowed and disallowed time) or any information pertaining to the operation that is considered pertinent to clear up the dispute.

It is the intent of the Company and the Union to continue a harmonious relationship to solve any problems in this regard. It is understood that failing appropriate resolve, this plan shall be subject to the grievance procedure.

ARTICLE X - SENIORITY

10.01 An employee shall be considered to be on probation until he/she has completed 60 working days of continuous satisfactory service with the Company, but shall, on the completion of the said service be given seniority rights from the date of hiring. In the case of intermittent employment, his/her hiring date for seniority purposes shall be 60 days prior to the date of completion of 60 working days of satisfactory service.

10.02 Seniority shall be accumulated by the time worked in the employ of the Company, plus time lost not in excess of two years, due to each lay-off or each leave of absence, except that in no case shall an employee accumulate more seniority while on such lay-off or leave of absence, than an amount equivalent to the amount of seniority he/she had on the effective date of such lay-off or leave of absence. **In the case of leaves granted pursuant to 10.16, this shall be three years.**

10.03 Seniority lists, copies of which shall be lodged with the Union and posted on the plant bulletin board at least four times a year, shall be prepared and maintained by the Company as follows:

(A) A master seniority list covering all employees who have served their probationary period as provided in section 10.01.

(B) A seniority list of each occupational group.

10.04 All seniority rights of an employee, who leaves the employ of the Company, shall cease where:

(A) He/she voluntarily resigns.

(B) He/she has been discharged and such discharge is not reversed through the grievance procedure.

(C) He/she is absent for three consecutive working days for reasons other than illness or injury without having applied for and obtained a leave of absence for a definite period from the Company, unless there is a good reason, acceptable to the Company provided for such failure to meet this time limit.

(D) 1. He/she is absent for seven consecutive days due to illness or injury unless the Company is notified of such condition in writing by the employee or his/her agent within the said seven days, provided, however, that such notification shall be deemed to have been given if the employee is incapacitated to the extent that he/she cannot notify the Company within the time and in the manner aforesaid, unless failure to provide written notification is for good reason.

2. He/she is absent due to illness or injury and has notified the Company or has been deemed to have notified the Company within the time and in the manner in the next preceding paragraph provided, but fails to report for work when medically approved for return to work.

(E) He/she fails, after a lay-off to report for work within five working days after notification that he/she should return shall have been delivered or mailed by registered mail to the last address given to the Company by the employee. If, however, the employee does report within thirty calendar days and has a satisfactory excuse for his/her failure to report earlier, his/her seniority status shall be maintained but he/she shall not be permitted to exercise his/her seniority rights to displace another employee. He/she shall, however, be permitted to fill the next available vacancy and after so doing shall be permitted to exercise his/her seniority rights.

(F) He/she has been laid off for three years or over.

10.05 Employees must notify the personnel department of the Company in writing of any change of address and the Company shall acknowledge, in writing, receipt of any such notification. The Company may rely on the last address given to it on sending notices to the employees.

10.06 (A) An employee must work in a occupational group (Groups 13, 14, 17, 20, 27, 30, 32, 33, 34, 35, 39, 42, 43 and 45) for a trial period of up to 55 working days and in all other occupational groups for a trial period of up to 40 working days to acquire occupational group seniority. When his/her trial period is completed his/her name will be placed on the appropriate occupational group seniority list. When an employee is removed, except through layoff, from an occupational group during his/her probationary period, he/she will lose all days accumulated towards seniority in that group.

(B) An employee will not be entitled to seniority within an occupational group until he/she is entitled to have his/her name placed on the master seniority list. The time spent within an occupational group while acquiring master seniority shall count towards acquiring occupational seniority.

(C) When an employee has completed his/her trial period within an occupational group, he/she will be entitled to have his/her occupational group seniority coincide with his/her master seniority.

(D) Employees while not working in an occupational group will be described as working in pool.

(E) An employee who leaves an occupational group voluntarily will retain occupational group seniority and may return to such occupational group through lay-off or job posting providing

such employee is able to do the work required.

10.07 Seniority rights of employees shall be exercised upon a lay-off or recall as follows:

PREAMBLE

Prior to any lay-off or recall, the Company agrees to meet, discuss, and review with the local Union president or their designate the list of people to be laid off or recalled.

Whenever possible, in the case of a layoff of one week or greater, employees who are laid off will receive notification in writing from the Company.

(A) An employee working in an occupational group shall be entitled to seniority over an employee in that group having less seniority than his/her own.

(B) An employee laid off from an occupational group shall be entitled to seniority rights by reference to the master seniority list among pool help if he/she is able to do the work required of him/her. The Company shall within 3 normal working days place such employee within another occupational group if he/she has seniority therein and if he/she is able to do the work required of him/her and lay-off an employee from such latter group who in turn may exercise his/her seniority rights, if any in the manner aforesaid.

(C) On the lay-off of an employee working in pool, seniority shall be exercised among pool only by reference to the master list, provided the employee with greater seniority is able to do the work required of him/her. If such an employee is laid off from pool and if he/she has more seniority, according to the master seniority list than an employee working in an occupational group, he/she shall, within three normal working days, be placed in an occupational group, if he/she is able to do the work required of him/her without training and at the normal level of production which will satisfy the Company that he/she will be able to achieve the normal level of quality production in a reasonably short period of time, and the employee replaced in the occupational group may exercise his/her seniority rights, if any, as in this article provided. Employees having the same seniority dates will be laid off and recalled in clock number order.

(D) An employee laid off while working on one shift shall not be entitled to exercise his/her seniority rights upon another

shift until after the lapse of one working day, exclusive of the day of lay-off. The Company may, however, permit the exercise of the said rights after the lapse of one working day.

(E) In the event of the breakage of tools or the happening of unforeseen contingencies, the Company may temporarily transfer an employee for the remainder of the shift to work other than his/her usual work and in such event seniority rights shall not be exercised by an employee.

(F) An employee when transferred to an occupational group (not pool) shall be deemed to be serving a trial period within such group for such number of days as may appear appropriate or necessary, provided however, that such employee shall not be considered to be serving a trial period after completing 40 working days (mechanical groups 55 working days) within such group. He/she shall for such trial period retain his/her seniority, if any, within the group from which he/she was transferred.

(G) When an employee is laid off from an occupational group and does not have occupational group seniority in another occupational group he/she shall be entitled to seniority rights by reference to the master seniority list among pool if he/she is able to do the work required of him/her. If such an employee is laid off from pool and if he/she has more seniority, according to the master seniority list than an employee working in an occupational group, he/she shall, within three normal working days, be placed in an occupational group, if he is able to do the work required of him/her without training and at the normal level of quality production, or at a level of production which will satisfy the Company that he/she will be able to achieve the normal level of quality production in a reasonably short period of time, and the employee replaced in the occupational group may exercise his/her seniority rights, if any, as in this article provided.

(H) It is understood and agreed by the parties that in the case of a one (1) day layoff, employees will not be allowed under any circumstances, to exercise any seniority rights other than in the department or group in which the employee is working.

(I) (i) It is understood that employees will not be permitted to exercise their seniority rights in skilled trades, quality control or groups 39, 42 and 45 or others as mutually agreed upon by the parties, except under section 10.07(B).

(ii) The parties agree that some jobs require more job knowledge and familiarization than others. The Company therefore

agrees that when it becomes aware of a layoff of two weeks or longer, it is willing to place senior employees who have exhausted all their rights under section 10.07, in order for these employees to obtain adequate job knowledge. The number of senior employees allowed into these groups will be limited to ten percent of the number of employees currently working in the group (intent minimum one employee). Once acceptable efficiencies by the transferring individuals have been met, an equal number of employees having the least seniority in these groups will be displaced and this process will be repeated until all senior employees have been placed in positions. The Company reserves the right to remove employees from the group if he/she is not able to do the work required of him/her at the normal level of quality production or at a level of production which will satisfy the Company that he/she will be able to achieve the normal level of quality production in a reasonably short period of time.

10.08 (A) Permanent job openings in the bargaining unit, except **direct jobs**, shall be posted for the bargaining unit for (2) two normal working days. If additional openings arise during the remainder of the one month period from the date of the posting it will not be necessary to repost the opening. It is also understood in the cases of new program launches, 'this one month stipulation may be waived for the initial placing of the successful applicants. **In the case of new direct jobs, a notice will be posted to allow employees an opportunity to submit a transfer.**

(B)(i)A selection under this section will be based on master seniority providing the applicant has the necessary qualifications and ability to satisfactorily perform the job. Selection will be made within 5 normal working days following removal of the posting in accordance with the preceding subsection 10.08(A). Notwithstanding the foregoing, vacancies in the groups listed below for:

GROUPS - 8, 13, 14, 17, 19, 21, 20, 27, 30, 32, 33, 34, 35, 39, 41, 42, 43, 45
will be posted with the understanding that master seniority may not apply to the said posting.

(ii)If when a posting for **an indirect** occupational group has gone up and the senior person on said posting has less seniority than a person on lay-off, vacation, leave of absence, WCB and W.I., then these persons will be given an opportunity to apply for said posting if they will be available to start work within 10 days of the job being required. Employees who are

absent from work may have the Union executive and/or bargaining committee and/or steward sign on their behalf.

(C) All applicants not selected who have greater seniority than the successful applicant will be re-interviewed by the plant superintendent or his/her representative and following the interview the Company will advise the Union committee of its position and will for a period of 48 hours hear representations from the committee and/or the rejected employee with respect to his/her rejection.

(D)(i) A successful applicant on a job posting **or permanent transfer** may not apply on a subsequent posting for a period of four months from the date of his/her final selection, unless displaced during the four month period.

(ii) If a successful applicant on a job posting has not been moved to their new position within one month from the date of their acceptance, they shall be eligible to sign another posting and section 10.08(D)(i) shall not apply.

(E) The periods of time provided in subsections (A) and (C) shall be exclusive of Saturdays, Sundays and holidays.

(F) All applicants who apply for a job opening in accordance with the preceding subsection 10.08 (A) shall be notified in writing (without reason) of their selection or rejection.

(G) Pool employees will be given an opportunity to indicate in writing, the **direct jobs** in which they prefer to work and in the event of permanent **or temporary** openings in a pool area, the Company will take into consideration those preferences.

Preferences must be re-submitted in writing **before every March 31st** if not honoured and also re-submitted in writing if honoured and the employee is subsequently laid off. These preferences will be honoured according to seniority. Exception

10.09 Seniority shall be the first consideration in cases of promotions, demotions, upgrading or transfers for employees, providing such an employee has the necessary qualifications and ability to satisfactorily perform the job.

10.10 (A) When, because of a **sickness or disability**, or period on workers compensation of **20** normal working days or longer, **or vacation period or leave of absence of 10 working days or longer** it is necessary to temporarily fill an opening in an **indirect** occupational group with other than employees with seniority in

the occupational group, a notice similar to a permanent job opening notice shall be posted for (2) two normal working days.

(B) This notice shall state that the opening is a temporary opening and should not exceed six (6) months, except in the case of a maternity leave, and unless mutually agreed upon by the parties.

(C) The Company will select the applicant for this temporary opening in the same manner as a selection would be made under Section 10.08 (B) for permanent job opening, for quality control, skilled trades, and groups 39, **42 & 45**. For all other groups, an applicant working in another **indirect** group will not be considered if his/her transfer to this group creates an **indirect** occupational group opening that must be filled. However if there is evidence satisfactory to the Company that the temporary opening will be 4 months or more, an applicant in another occupational group may apply.

(D) The successful applicant will not accumulate working days toward seniority within the occupational group while working within the group on a temporary basis, but his/her working days will be recorded and if he/she puts in the 40 working days required for a non-mechanical group or the 55 working days required for a mechanical group he/she will receive the top rate of pay of the group.

(E) When the employee whose leave of absence created the temporary job opening returns to work, the employee who filled the opening will be transferred back into the job he/she was performing before the transfer in accordance with his/her seniority rights. If the employee's original job no longer exists, the employee will be transferred back to the group he/she was transferred from.

(F) The days he/she worked in the occupational group on a temporary basis will be recorded for future reference.

(G) If the temporary **indirect** occupational group opening becomes a permanent job opening, it shall be posted as required under Section 10.08 (A), and selection for the job will be made in accordance with Section 10.08 (B). Any days worked by an applicant in the posted group when it was a temporary opening shall not be considered over and above the seniority rights of another applicant.

(H) If the applicant selected for the permanent opening worked in the occupational group on a temporary basis, the days

he/she worked in this group, shall count toward his/her occupational group seniority.

(I) An employee placed in an occupational group opening under a temporary job opening, must fulfil the duties of the job to the Company's satisfaction, or he/she will be removed from the job and the job will be filled by the selection process provided for in this section.

10.11 Any employee transferred or promoted out of the bargaining unit and returned back to the bargaining unit shall only accumulate the seniority acquired while in the bargaining unit. They may be transferred back into employment covered by this agreement provided that the transfer is to a vacancy existing at the time. These employees shall, after the completion of the probationary period, be placed on the master seniority list with a seniority rating based on their original date of hire minus any time spent while not working in the bargaining unit. These employees will lose all group seniorities held before transferring out of the bargaining unit and will have to work the appropriate probationary periods for groups to regain their seniority status.

10.12 Following lay-off, employees shall be recalled in accordance with their seniority rights as provided in this Article.

10.13 Any of the seniority provisions contained in this Article or its sections or subsections may be superseded at any time by other arrangements mutually agreed upon by the Company and the Union.

LEAVE OF ABSENCE

10.14 Leave of absence without loss of seniority shall be granted to pregnant employees with seniority prior to the commencement of the eleven week period before delivery will occur, as certified by a legally qualified medical practitioner, or a shorter period if in the written opinion of the practitioner is sufficient.

(A) The Company may require the pregnant employee to commence her leave of absence prior to the commencement of the eleven week period if in the opinion of the Company she cannot reasonably perform her duties, or the employee herself may, if she has seniority at the time, commence her leave of absence prior to the commencement of the eleven week period but not earlier than the fourth month of pregnancy.

(B)(i) The Company will grant the pregnant employee six weeks leave of absence following delivery, or such shorter period as in the written opinion of a qualified medical practitioner is considered sufficient.

(ii) An employee who has been employed for at least thirteen (13) weeks may request, in writing at least two weeks prior to the anticipated commencement of the leave, and shall be granted, the following leave of absence without pay. It is understood by both parties that the following is for informational purposes and that the full text of the applicable sections of the Employment Standards Act of Ontario, the Regulations to the Act, and any subsequent changes, modifications, or amendments thereto shall govern the actual circumstances of the leave.

(iii) Pregnancy leave of a maximum of seventeen (17) weeks is available to the natural mother of the child and the request for leave must be accompanied by a certificate from a qualified medical practitioner stating the expected birth date. Pregnancy leave ends seventeen (17) weeks after the commencement or on an earlier date provided the employee advises the Company, in writing, at least four (4) weeks in advance of an earlier return date.

(iv) Parental leave of a maximum of eighteen (18) weeks is available to each parent or either a natural or an adopted child. The parental leave of a natural mother must begin immediately following the expiration of her pregnancy leave, otherwise, parental leave must commence within thirty five (35) weeks of the date of the child's birth or coming into custody, care and control of the parent. Parental leave ends eighteen (18) weeks after commencement or an earlier date provided the employee advised the Company, in writing, at least four (4) weeks in advance of an earlier return date.

(v) During either pregnancy or parental leave, seniority continues to accrue and the employee continues to participate in each type of benefit plan provided by the Company, and all required contributions will continue to be made, unless the employee elects in writing not to continue participation in the benefits. However, in order to have optional pension amounts be continued, the employee must advise the Company in writing of their wish to continue making their employee contributory payments during the leave. Upon return from pregnancy or parental leave, the employee will be reinstated to the position they held prior to the leave, if it still

exists, or to a comparable position, if it exists.

10.15 The Company agrees to grant leave of absence in cases of bona fide illness or injury, with seniority accumulated as provided for in Section 10.02.

10.16 The Company agrees to grant leave of absences whenever possible, without loss of seniority, to attend union business.

(a) Leaves not to exceed 7 consecutive calendar days and a maximum of 5 employees will not be unreasonably denied if the Company is given 7 calendar days prior notice. It is understood that the term unreasonably denied will protect the Company in situations where productivity requirements would be jeopardized or in situations where more than one person per area will be out at the same time unless the Company is able to replace the extra individuals without apparent hardship.

(b) For periods not to exceed 30 consecutive days and a maximum of 2 employees, leaves shall not be denied if the Company is given a minimum of 30 calendar days. An exception to this could occur where leaves for more than three employees have been previously been approved pursuant to section (a) for the same time period.

(c) When a maximum of one person is requested for a leave in excess of one year, but less than 3 years, from the International Office of the USWA, leaves shall not be denied if the Company is given a minimum of 30 calendar days prior notice.

(d) While on such leaves under section (a), (b) and (c) of this article, the employees shall not engage in activities which are in conflict with the interests of the Company. These leaves shall be in writing and seniority shall be accumulated as provided in section 10.02.

10.17 An employee who has been elected to a position in Municipal council may request a leave to attend to his/her duties. When making his/her request the employee shall advise the Company of his/her schedule of council duties as far in advance as possible. The Company will not unreasonably deny a request for a leave for the hours necessary during the shift to attend to the employee's council duties. If requested, the employee will provide proof of meeting attendance and make up the time if requested by the Company.

10.18 The Company may grant leave of absence requested in writing by an employee for other than illness or injury. This leave shall be in writing and seniority shall be accumulated as provided for in Section 10.02. The approval will be granted far enough in advance so as to permit the employee to make the necessary arrangements, if possible within two weeks of receiving the request.

10.19 An employee who is absent from work because of a compensable injury incurred in the employ of the Company is not considered to be on leave of absence in the meaning of this Article. Such employee shall return to work when medically fit to do so subject to the seniority provisions of this Article and will be credited with full accumulation of seniority. This Section in no way restricts the Company's rights under Article III.

10.20 An employee who returns from a leave of absence shall be returned to his/her job that he/she was performing prior to the commencement of the leave in accordance with his/her seniority and other provisions of this agreement. If the employee's original job no longer exists, the employee will be transferred back to the group he/she was transferred from.

10.21 In the event of an employee suffering a major disability exception may be made to the seniority provisions of this Agreement in favour of such employee, but in the event of a lay-off or recall after a lay-off, he/she shall be subject to the seniority provisions of this Agreement which would have applied had he/she not been disabled. Following recall after a lay-off, exception may again be made to the seniority provisions of this Agreement in favour of such employee. However, in no case will the returning employee displace an employee out of an occupational group who has more occupational seniority in that group than has the returning employee.

10.22 An employee may request and the Company may grant a leave of absence with full accumulation of seniority for an extended vacation trip. The approval will be granted far enough in advance so as to permit the employee to make the necessary arrangements pertaining to the vacation trip.

10.23 The Company will notify employees in writing as soon as possible when their request for an Emergency Leave has been declined.

ARTICLE XI - VACATIONS

11.01 Employees with thirty years or more of Company service credit as of June 30th in the current year will receive five weeks vacation with vacation pay of 11.5% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year. At the Company's discretion the fifth, fourth and third week may not necessarily be given consecutively with any other regular vacation period.

11.02 Employees with twenty-four years or more of Company service credit as of June 30th in the current year will receive five weeks vacation with vacation pay of 11% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year. At the Company's discretion the fifth, fourth and third week may not necessarily be given consecutively with any other regular vacation period.

11.03 Employees with twenty years or more but less than twenty-four years of Company service credit as of June 30th in the current year will receive five weeks vacation with vacation pay of 10% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year. At the Company's discretion the fifth, fourth, and third week may not necessarily be given consecutively with any other regular vacation period.

11.04 Employees with fifteen or more but less than twenty years of Company service credit as of June 30th in the current year will receive four weeks vacation with vacation pay of 9% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year. At the Company's discretion the third and fourth week may not necessarily be given consecutively with any other regular vacation period.

11.05 Employees with ten years or more but less than fifteen years of Company service credit as of June 30th in the current year will receive three weeks vacation with vacation pay of 8% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year. At the Company's discretion the third week may not necessarily be given consecutively with any other regular vacation period.

11.06 Employees with five years or more but less than ten years of Company service credit as of June 30th in the current year

will receive three weeks vacation with vacation pay of 7% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year. At the Company's discretion the third week may not necessarily be given consecutively with any other regular vacation period.

11.07 Employees with less than five years of Company service credit as of June 30th in the current year will receive two weeks vacation with vacation pay of 4% of their gross earnings (including taxable benefits) from July 1st of the previous year through June 30th of the current year in compliance with the vacation with pay section of the Ontario Employment Standards Act. **Employees with a seniority date of January 1st to June 30th of that year will receive one week of vacation entitlement in that year. Employees with a seniority date earlier than January 1st will receive two weeks vacation in that following year.**

11.08 A minimum vacation allowance of forty times base rate per eligible week for non-incentive employees and forty times base rate x 1.2 per eligible week for incentive employees with at least one year Company service credit shall be paid to all employees who were not working due to medically certified sickness or injury. This clause will not be applicable unless the employee has worked a minimum of three months in a twelve month period immediately proceeding June 30th.

11.09 When an employee, with at least one year Company service credit has been absent for more than three months because of a compensable injury during a vacation year, and for that reason only his/her vacation pay calculated in accordance with the preceding section of the Article is reduced, the vacation pay to which he/she is entitled shall be increased, providing the employee has not violated Company safety rules and instructions when injured. The employee's vacation pay shall be increased so as to reflect no loss in vacation pay for any part of time lost over three months but not exceeding nine months in the calendar year. Payment shall be at base rate times forty hours per eligible week for a non-incentive employee and base rate x 1.2 times 40 hours per eligible week for an incentive employee.

11.10 When an employee's employment with the Company is terminated for any reason, he/she will be paid any accrued vacation pay in accordance with the vacation pay percentage of the Section 11.01 through 11.06 he/she is classified in because of his/her service credit at the time of his/her termination.

11.11 The dates of vacation will be determined by the Company but the Union and the Company will meet **or a copy of the vacation posting will be given to the union for review 5 days prior to posting vacations of each year. The Company will not post the vacation notice before the 21st of February and no later than May 10th of each year.**

11.12 Employees will be able to take vacation entitlement any time prior to February 28 of the following year. **For employees required to work over the Christmas shutdown, this time period will be extended to March 31st.** Payment for vacation will be made when the employee actually takes the time off, if the employee chooses to draw it, or **prior to shutdown** if no request is made to defer it. Employees in order to be paid for their vacation entitlement on time must submit a vacation entitlement form to Human Resources at least two weeks ahead of time, or prior to June 1st of the year of vacation.

This clause is not intended to allow accumulation of vacations from one year to the next.

Any unused vacation pay to be paid the last day prior to Christmas. First vacation day (if only one day taken) to be given one weeks pay if the employee chooses to draw it. Then, when more days taken, no more pay until one week of time is taken.

Senior employees will be entitled to book their first two weeks of vacation entitlement by seniority if submitted for approval by the Company no later than 5 working days after the **posting** referred to in section 11.11. Following this date, vacation entitlement will be approved on a first come, first serve basis. Exceptions to this clause may be granted in the cases of extenuating circumstances where employees may need approval prior to April 30th.

11.13 The Company will respond to vacation requests within two weeks of its receipt on the appropriate form. Exceptions to this include the time period when senior employees have preferred booking, as referred to above, and at shutdown periods such as Christmas when schedules are unknown.

ARTICLE XII - MISCELLANEOUS

12.01 The Company will furnish and maintain without charge to the employee special wearing apparel considered necessary on the

effective date of this agreement or during the term of this Agreement by mutual agreement between the Company and the Union.

Special wearing apparel shall include coveralls or smocks for all employees working on maintenance, paint line, buffing and quality control. The Company will also supply wearing apparel for employees working in shipping or receiving during the winter months.

The Company agrees to pay a safety footwear allowance of **eighty** five dollars, substantiated by receipts, every two years, to employees who work in areas that have been mutually agreed upon by the Joint Health & Safety Committee, the Company, and the Union as mandatory safety footwear areas. Maintenance employees will receive **eighty** dollars, substantiated by receipts, every year for safety footwear.

In areas deemed by the Company for employees to wear mandatory safety glasses, the Company will pay for prescription eyeglasses and frames (CSA), to a maximum of once every two years if necessary. The choices of supplier and style of lenses and glasses will be made by the Company.

12.02 (A) There shall be a plant safety advisory committee consisting of three members appointed by the Company and four plant employees with one alternate appointed by the Union. It shall be the duty of this committee to meet as often as necessary for the purpose of devising ways and means of eliminating hazards and to formulate policies for approval which shall promote the safe operation of the Company's plant. It shall also be the duty of a committee member to meet as soon as possible following any serious injury or fire in the plant for the purpose of investigating the accident scene and help determine the cause of the injury.

(B) The Company agrees to pay lost time wages for one (1) Union Health and Safety committee member at the rate of pay as described in Clause 8.10 of the Collective Labour Agreement, to attend the R/PIC Health and Safety Conference, twice a year.

12.03 (A) Notwithstanding their seniority status, the president of Local 719 shall be continued at work as long as work of their classification or work they are willing and able to do is available in the plant.

(B) The president of Local 719 shall be retained on the day shift. During prolonged absences of the president (one week or more) a designate may be substituted on day shift, provided the

Company receives written notice 2 weeks in advance.

12.04 In accordance with the Ontario Labour Relations Act, the Welfare Benefit Plan, Retirement Benefit Plan, Appendices A, B1, B2, B3, and D shall form part of the Collective Labour Agreement.

12.05 The general duties of the Occupational Safety and Health Committee shall be:

(A) To make a monthly inspection of the plant or place of employment for the purpose of determining hazardous conditions, to check unsafe practices and to receive complaints and recommendations with respect to these matters.

(B) To investigate promptly all serious accidents and any unsafe conditions or practices which may be reported to it. Such investigations shall include accidents which might have caused injury to a worker whether or not such injury occurred.

(C) To hold regular meetings at least monthly for the discussion of current accidents, their causes, suggested means of preventing their recurrence, and reports of investigations and inspections.

(D) To keep records of all investigations, inspections, complaints, recommendations, together with minutes of meetings. The minutes shall indicate what action has been taken with respect to suggestions or recommendations previously made, and if no action has been taken, the reasons therefore shall be given.

(E) The Union Co-chairperson of the Joint Health and Safety Committee, or designate, shall have the right to accompany all authorized Ministry of Labour Inspector on tours of the plant and shall receive copies of any reports sent to the Company pertaining to such inspection.

(F) Accident, injury and occupational illness records shall be kept by the Company and those not considered medically confidential shall be made available to the Joint Occupational Health and Safety Committee. These records shall include all reports required by the Ministry of Labour under the Occupational Health and Safety Act. The Company also agrees to make available to the Committee upon request, the trade name and/or technical description, (including chemical analysis, if available) of any compound and substances used in the plant.

12.06 An employee may refuse work or do particular work where he or she has reason to believe that:

(A) Any equipment, machine, device or thing he/she is to use or operate is likely to endanger themselves or another employee, or,

(B) The physical condition of the workplace or the part thereof in which he/she works or is to work is likely to endanger themselves.

(C) The Company and employees will follow the work refusal procedure as prescribed in the Occupational Health and Safety Act (1997) as a minimum standard.

12.07 (A) If as set down in Article 12.06, an employee refuses to work or do particular work, he/she shall promptly report the circumstances of his refusal to his Supervisor, or management representative, who shall forthwith investigate the report with the certified worker or designate or a representative of the Occupational Safety and Health Committee.

(B) Following the investigation and any steps taken to deal with the circumstances that caused the employee to refuse to work or do particular work, if the employee continues to have reasonable grounds to believe that carrying out the work would endanger themselves or another employee, then an inspector representing the Ministry of Labour shall be notified to investigate the refusal to work and they shall give their decision in writing as soon as practicable.

(C) The employee shall be found reasonable alternate work until the issue in dispute has been resolved.

12.08 Pending the investigation and decision of the inspector, no employee shall be assigned to use or operate the equipment, machine, device or thing or to work in the workplace or the part thereof which is being investigated, unless in the presence of a Union member of the Joint Health and Safety Committee, or if none available, a designate, selected by the Union, the worker has been advised of the other worker's refusal and the reasons for the refusal.

12.09 No disciplinary action shall be taken against any employee by reason of the fact that he/she has properly exercised the right conferred upon them under any act respecting the Occupational Health and Safety of employees.

12.10 (A) No employee shall be required or allowed to work on any job or operate any piece of equipment until they have received proper education, training and instruction.

(B) All employees shall follow the Company safety rules at all times while on the Company premises and use or wear the personal protective devices that the Company requires to be used or worn.

(C) The Company will ensure that all members receive chemical hazard training. This training shall include WHMIS education and training.

(D) Current Corporate policy on in plant equipment release will be followed when existing machinery has been moved, altered or when new machinery comes into the plant.

(E) The Worker's Health and Safety Center will be considered as one of the providers for health and safety training. **All union members of the Joint Health and Safety Committee shall be provided appropriate hazard specific training as determined by the Company and the Union.**

(F) **Upon completion of an employee's WSIB Form 7, a copy of the form shall be provided to the Union's WSIB representative in exchange for the employee's Form 6.**

ALTERNATE WORK COMMITTEE

12.11 The employer agrees that a joint Alternate Work Committee, with equal representation of Union and Management workers, will be structured to facilitate the accommodation of employees with work related disabilities, in the workplace. The employer shall provide the necessary education and resources to ensure the effectiveness of the committee.

(A) It is understood that the goal of the committee is to work cooperatively with the Company to assist in finding available work for injured workers within their medical restrictions.

In any formal meeting with an injured worker concerning his/her injury, the injured worker may request a member of the Alternate Work Committee to be present. If no such member is available a Union member of JHSC may substitute if available.

12.12 The employer shall provide the union with a copy of the accident/incident report when it is filed.

12.13 The Company recognizes that some soft tissue injuries are work related. The Union recognizes the Company is working through ergonomic issues in dealing with these soft tissue injuries. Through the use of the Alternate Work Committee,

Company and Union will strive to help employees cope with their injury and get back to pre-injury work.

ARTICLE XIII - AGREEMENT AND DURATION

13.01 When this Agreement has been executed by the International Union and Bargaining Agents as mentioned in Section 2.01 (A) and ratified by the Local, it shall constitute the entire agreement between the Company and the International Union and the Bargaining Agents, save and except any existing separate agreements between the Company and the Union or said Local or either of them covering welfare and pension benefit plans.

13.02 Amendments to this Agreement may be made in writing by mutual consent of both parties if signed by the duly authorized representatives of the parties.

13.03 This Agreement shall be in effect until the 31st day of March, **2008** and shall continue from year to year thereafter unless either party gives notice in writing to the other party within a period of ninety (90) days before the expiry date of its desire to amend this agreement.

Signed this 25th day of November, 2004.

For the Company

Howard Hallam

Allison Gale

Glenn Geurten

**For the United
Steelworkers of America**

Doug Brown

**On behalf of its
Local 719:**

Joyce Cronin

James Kummer

Vicki Siertsema

Billy Tugwell

ARTICLE XIV - SKILLED TRADES

14.01 Skilled Trades Classifications shall be as listed below:

- Group # 13 Machinist
- Group # 14 Maintenance
- Group # 17 Tool & Die Maker
- Group # 20 Leader Maintenance
- Group # 27 Machinist Apprentice
- Group # 30 Certified Maintenance Electrician
- Group # 32 Certified Industrial Millwright
- Group # 33 Industrial Millwright Apprentice
- Group # 34 Maintenance Helper
- Group # 35 Certified Machinist

This list in no way restricts the Company's rights under Section 3.01 (D) of this agreement.

Skilled Trades Groups are exempt from new hire progression rates.

14.02 (A) Millwright Apprentice and Machinist Apprentice wage classes set out as follows:

MILLWRIGHT AND MACHINIST APPRENTICE

YEAR 1		
End of 4th year	\$ 23.27	(95%)
End of 3rd year	\$ 22.05	(90%)
End of 2nd year	\$ 20.82	(85%)
End of 1st year	\$ 19.60	(80%)
1st year	\$ 18.37	(75%)

YEAR 2		
End of 4th year	\$ 23.70	(95%)
End of 3rd year	\$ 22.45	(90%)
End of 2nd year	\$ 21.20	(85%)
End of 1st year	\$ 19.96	(80%)
1st year	\$ 18.71	(75%)

YEAR 3		
End of 4th year	\$ 23.98	(95%)
End of 3rd year	\$ 22.72	(90%)
End of 2nd year	\$ 21.46	(85%)
End of 1st year	\$ 20.20	(80%)
1st year	\$ 18.93	(75%)

In order to obtain top rate, employees must pass the Provincial

exam from the Ministry of Skills and Development.

(B) A temporary or permanent Maintenance Helper will earn a base rate equivalent with the first year millwright apprentice base rate. A sixty (60) day probationary period will be in place and the rate will be ten (10) cents less than a first year millwright apprentice during this period. There will only be as many permanent or temporary helpers as millwright apprentices in permanent positions.

(C) It is the intent of this clause that **employees** will be selected to apprenticeship openings by seniority **when all factors are equal, including skills, abilities, and aptitude. When the Company chooses a less senior employee for these openings, they will meet with the senior candidates to discuss the reasons.** Current Maintenance employees (Group 14) will have first opportunity to enrol in Apprenticeship openings or they may remain in Group 14. **In order to remain in the apprenticeship program, an employee must continue to be enrolled in the academic requirements as dictated by the Ministry of Skill Development and must be able to satisfactorily perform all requirements of the job, with adequate training.**

(D) In order to be selected for a permanent or temporary Maintenance Helper position, the applicant must successfully pass a practical and written test.

14.03 The Company will replace tools belonging to skilled trades personnel listed above which are broken or worn because of use in performance of their duties. An inventory of such tools that are beyond the expected tools listed below will be provided to the Company for approval and replacement.

1 set flat screw drivers	1 set of Phillips screw drivers
1 set Robertson screw drivers	1 pair of 10-inch vice grips
1 6-inch adjustable wrench	1 10-inch adjustable wrench
1 12-inch adjustable wrench	1 hack saw
1 12-foot tape measure	1 pair regular pliers
1 pair needle-nose pliers	1 pair side cutters
1 pair water pump pliers	1 3/8 inch drive spinner
1 3/8 inch drive ratchet with short & long sockets	1 set punches
2 sets allen wrenches (1 long, 1 short)	1 set flat chisels
1 claw hammer	1 centre punch
1 set combination wrenches 3/8" to 1-1/4"	1 1-1/2 lb. ball peen hammer
	1 2-1/2 lb. ball peen hammer
	1 pin & drift punch set

14.04 Seniority for layoffs will be recognized by apprentices over the certified counterparts if they are able to perform the necessary functions. However, if machinery is installed which only allows certified personnel to work on it, apprentices would not be allowed to exercise seniority.

The same concept would apply to overtime allocation.

14.05 When skilled trades personnel are deemed by the Company to require training, this training will be paid for by the Company. When training is required in a skilled trade, the most senior employee in each work team will be trained, and will be paid at the applicable rate.

14.06 Work that normally falls within the duties of Skilled Trades employees will not be contracted out if such contracting out is significant enough to result in the layoff of Skilled Trades employees or delays the recall of laid off Skilled Trades employees. Contracting out will not be used to avoid filling a permanent vacancy within the bargaining unit in cases where plant production requirements are level or increasing.

APPENDIX "A" INCENTIVE PLAN

1. TYPE OF PLAN

This incentive pay plan is designed, but not guaranteed, to provide the average qualified employee working on a time studied direct labour production job operating under standard conditions the opportunity to earn approximately 20% over the base rate for the job by applying reasonable proportionate effort, attention and care to the job. It is understood that since there is no such thing as an average employee, some employees may earn in excess of 20% while others may earn less than 20%. The incentive pay plan is known as a "100%" or "standard hour plan". For each 1% increase in production over standard the employee receives a 1% increase over the incentive rate. There is no ceiling on earnings.

2. INCENTIVE STANDARD

The standard is expressed in terms of standard hours required to produce 1000 units, such as pieces, pounds or feet. It

measures how many units an average qualified employee can produce under standard conditions in one hour at a normal pace. It includes time allowances for miscellaneous work elements, short delays which are unavoidable even when the job is running properly and allowances for rest and personal needs. An employee earns incentive pay by producing more than standard. The incentive pay is computed on the base rate as set forth in Appendix "B".

For example, if the standard is 100 pieces per hour, i.e. 10.0 standard hours per thousand pieces, the average qualified employee, by applying reasonable proportionate extra effort, attention, and care to the job should, working as provided in paragraph 1, turn out 960 pieces in an 8 hour shift. He/she will then have earned 9.6 standard hours.

960 x 10 standard hours = 9.6 hrs.
 1000 pieces
 or
 Rate 600 min. M earned 576 min.
 Base Rate \$1.60 hr. Worked 480 min.
 Earned Rate \$1.92 hr. Bonus 96 min. or 20%

If the base rate on the job is \$1.60 per hour, his/her earnings for the shift will be \$15.36 (\$1.60 x 9.60 standard hours), \$2.56 more than he/she could have earned at the base rate.

3. BASE RATE GUARANTEED

In all cases the employee's earnings are at least the number of hours worked times the base rate of the job.

For example, if the standard is 10 standard hours per 1000 pieces and the employee turns out 700 pieces in an 8 hour shift, he/she has earned only 7 standard hours.

700 x 10 standard hours = 7 hours
 1000 pieces
 or
 Base Rate \$1.60 hr. worked 480 min.
 Rate Paid \$1.60 hr. minus 60 min. or 12-1/2%

In such case, if the base rate of the job is \$1.60 per hour, his/her earnings for the shift are \$12.80 (1.60 x 8 hours), not \$11.20 (1.60 x 7 standard hours).

4. INCENTIVE EARNINGS PAID BY THE JOB

If an employee works on two incentive jobs which are operating properly for four hours each on one shift at a base rate of \$1.60 per hour and produces 5 standard hours on the first job and 4.6 standard hours on the second job, he/she earns 9.6 standard hours for the shift. His/her earnings for the shift will be \$15.36 ($\1.60×9.6 standard hours).

If in the second job he/she earns only 3.5 standard hours, he/she is paid 9 standard hours for the shift. His earnings for the shift are then \$14.40 (1.60×9 standard hours).

5. PAYMENT WHEN NOT ON INCENTIVE

(A) JOB NOT COVERED BY INCENTIVE

When an employee works on a job which is not covered by an incentive standard he/she is paid the base rate of the job.

Assume an employee works on two jobs, four hours each at a base rate of \$1.60 per hour. The first job is on incentive and the employee produced 4.8 standard hours, while the second job is not on incentive. His/her earnings for the day are \$14.08 ($\1.60×4.8 standard hours plus $\$1.60 \times 4$ hours).

(B) DOWNTIME

Downtime is when the employee is unable to produce at all because of lack of material, machine breakdown, waiting for set-up etc. In such cases, the operator shall ring out and contact his/her foreman who will authorize the applicable downtime when the job is restarted or the operator is reassigned if such downtime is six (6) minutes or more. Downtime is paid at the base rate of the job.

Assume an employee works on a job 7.5 hours producing 9 standard hours and then encounters .5 hour of downtime because the job was "out of stock". If the base rate \$1.60, his/her earnings for the day will be \$15.20 ($\1.60×9 standard hours plus $\$1.60 \times .5$ hours).

(C) NON-STANDARD

If the employee is unable to produce enough units to earn the equal of the base rate because of poor material or improperly operating equipment, then the operation is on non-standard.

The employee encountering such difficulty will immediately contact his/her foreman. If in the judgement of the foreman, the incentive standard does not apply, the foreman will authorize the employee to work on a non-standard basis. The employee will then be paid the base rate for the pieces produced during this time until the trouble is corrected. All non-standard time cards will be authorized by the **supervisor** and a time study **person** before the non-standard period is granted.

For example, suppose the employee works 5 hours on incentive at \$1.60 base rate, producing 6 standard hours, and then has trouble for 3 hours. The **supervisor** and time study **person** authorize the 3 hours on non-standard. His/her earnings for the shift will be \$14.40 ($\1.60×6 standard hours plus $\$1.60 \times 3$ hours).

6. DEVELOPMENT OF INCENTIVE STANDARD

(A) STANDARD TIME

The standard time per piece produced is the length of time required by an average qualified operator working at normal pace and under standard conditions to produce one piece. This time is determined by stop-watch time study observation or standard data derived from time study in the plant.

The definition of normal pace is: walking 3 miles per hour over smooth level ground without load.

(B) ALLOWANCE FOR MISCELLANEOUS WORK AND SHORT UNAVOIDABLE DELAYS

In each job there are miscellaneous work elements, such as obtaining stock, handling scrap pieces, disposing of finished work and miscellaneous delays inherent in the job. The normal time required to perform such work is added to and becomes part of the standard time per piece.

Also an allowance of 3% is made to cover short unavoidable delays which occur irregularly, such as interruptions by oilers, inspectors, and instructions from the **supervisor**.

(C) ALLOWANCE FOR FATIGUE

An allowance of 5% is included in the standard for fatigue.

(D) ALLOWANCE FOR PERSONAL NEEDS

An allowance of 5% is included in the standard for personal needs and 1.25% allowance for end of shift workplace clean-up.

(E) MACHINE OPPORTUNITY ALLOWANCE

On some jobs the employee's production is limited by the machine. In such cases, in addition to the other applicable allowance, a "machine opportunity allowance" is added to the standard machine time to provide the employee working as provided in paragraph 1 the opportunity to earn 20% incentive pay.

(F) SCRAP ALLOWANCE

In some operations there is a certain amount of unavoidable scrap. Since the incentive pay plans pay for good pieces only, the normal time lost making and handling scrap which cannot be avoided by close attention on the part of the operator is added to and becomes part of the standard time per piece.

The operator turns in his/her production separately - good pieces and scrap pieces.

7. INSTALLATION OF STANDARDS

The Company will establish incentive standards when and where it considers it practical and economical so to do. Employees being time studied will be told why the study is being made. The result of the incentive standard will be given to the employees involved. Incentive pay on the incentive standards starts on the date the standard is installed. All current rates will be listed in routing books and made available to employees upon request.

8. CHANGE IN STANDARDS

Established incentive standards will not be altered except because of a change in material, equipment, method of manufacturing, a demonstrable clerical error or by mutual agreement. Only those elements affected by the change will be revised. During the recent negotiations, the following assurances were made:

(1) No incentive standard is altered merely because a part number is changed.

(2) No incentive standard is altered merely because additional or extra effort results in high earnings.

9. SUBSTITUTE AND ADDED OPERATIONS

Substitute and added operations are normally paid at the base rate. However, if the quantity of parts to be produced in the opinion of the company justifies the installation of an incentive standard, it will be installed.

10. TEMPORARY INCENTIVE STANDARDS

Temporary incentive standards in accordance with paragraph 1 may be installed when it is impracticable to use established standards because of job conditions varying due to equipment, material, process or method employed.

Temporary incentive standards are applicable to those jobs that would eventually have established standards and are applicable for a time not exceeding 30 days of job operation or 6 months of elapsed time.

Temporary incentive standards will be listed in the routing books and marked as temporary.

11. The within described plan shall be subject to the grievance procedure.

12. In establishing an incentive standard for a group, the Company will install a group incentive standard based on the controlling or limited operation.

Each member of the group will receive the same percentage incentive pay.

Revisions of incentive group standards may be made from time to time pursuant to paragraph 8. Such revised standard shall be based on whichever operation, following the revision, controls or limits production.

13. The payment codes under the incentive pay plan are as follows:

- Code 1 - Estimated Standard - No incentive pay
- Code 2 - Permanent Standard - Incentive pay
- Code 3 - Temporary Standard - Incentive pay (see section 10)
- Code 4 - Non-Standard Condition - Incentive pay on deviation where applicable.

14. All incentive rates will not be calculated on hiring rates. The incentive rate will be increased from \$9.89 to \$10.50 per hour effective April 1, 2002.

APPENDIX "B1"
Year No. 1
LABOUR RATES BY OCCUPATIONAL GROUPS
EFFECTIVE - APRIL 1, 2005.

INCENTIVE DIRECT GROUPS

Group	Rate
3 Pressing	18.39

Group	DIRECT NON-INCENTIVE LABOUR	Start	Grp. Sen.
1 Light Pool (Chrys Left Hand +0.20. Body Cush +.10)			19.49
2 Heavy Pool			20.06
26 Repairs and Rework			20.00
28 Assembly		19.80	20.01
38 Insert Prep (Spray Booth +.30, Wheelabrator +.22)			19.68
40 T800 Operator (Utility +.13)		20.11	20.27
41 Robotic Welding Operator		20.27	20.48
44 Injection Pressing		20.15	20.31

Group	INDIRECT LABOUR	Start	Grp. Sen.
7 SetUp, Mtl Handlg, Gen Relief-Press and Inj Press		20.19	20.40
8 Inspector Quality Control		20.28	20.49
9 Receiving, Shipping, Stock Handling		20.27	20.48
10 Material Handlers, Checkers, Tow motor Operators		20.03	20.19
13 Machinists		21.50	22.14
14 Maintenance		21.35	21.82
16 Material Handlers, Checkers - Janitorial		20.03	20.19
17 Tool and Die Maker		22.01	22.54
19 Quality Control Inspector & Technician		20.68	20.89
20 Leader Maintenance		21.72	22.19
21 Working Leader - Groups 8 & 19		21.05	21.26
22 Mold Cleaning		19.98	20.19
24 Set-Up, Mtl Handling, General Relief-Insert Prep		20.19	20.40
27 Machinist Apprentice (see Skilled Trades)			
30 Certified Maintenance Electrician		24.39	25.03
32 Certified Industrial Millwright		24.02	24.50
33 Industrial Millwright Apprentice (See Skilled Trades)			
34 Maintenance Helper		19.23	19.39
35 Certified Machinist		24.02	24.50
39 T800 Facilitator		20.49	20.75
42 Press Line Lead Hand		20.49	20.75
43 Quality Technician		20.68	20.89
45 Insert Prep Lead Hand		20.49	20.75

Premiums for afternoon shift and midnight shift - .40

Above rates subject to new hire progression rates to start at 80% of the base rate for the first 12 months, 85% for the next 9 months, 90% for the next 6 months, and 95% for the next 3 months. This is to exclude Skilled Trades.

APPENDIX "B2"
Year No. 2
LABOUR RATES BY OCCUPATIONAL GROUPS
EFFECTIVE - APRIL 1, 2006.

INCENTIVE DIRECT GROUPS

Group	Rate
3 Pressing	18.64

Group	DIRECT NON-INCENTIVE LABOUR	Start	Grp. Sen.
1 Light Pool (Chrys Left Hand +0.20. Body Cush +.10)			19.74
2 Heavy Pool			20.31
26 Repairs and Rework			20.25
28 Assembly		20.05	20.26
38 Insert Prep (Spray Booth +.30, Wheelabrator +.22)			19.93
40 T800 Operator (Utility+.13)		20.36	20.52
41 Robotic Welding Operator		20.52	20.73
44 Injection Pressing		20.40	20.56

Group	INDIRECT LABOUR	Start	Grp. Sen.
7 SetUp, Mtl Handlg, Gen Relief-Press and Inj Press		20.44	20.65
8 Inspector Quality Control		20.53	20.74
9 Receiving, Shipping, Stock Handling		20.52	20.73
10 Material Handlers, Checkers, Tow motor Operators		20.28	20.44
13 Machinists		21.95	22.59
14 Maintenance		21.80	22.27
16 Material Handlers, Checkers - Janitorial		20.28	20.44
17 Tool and Die Maker		22.46	22.99
19 Quality Control Inspector & Technician		20.93	21.14
20 Leader Maintenance		22.17	22.64
21 Working Leader - Groups 8 & 19		21.30	21.51
22 Mold Cleaning		20.23	20.44
24 Set-Up, Mtl Handling, General Relief-Insert Prep		20.44	20.65
27 Machinist Apprentice (see Skilled Trades)			
30 Certified Maintenance Electrician		24.84	25.48
32 Certified Industrial Millwright		24.47	24.95
33 Industrial Millwright Apprentice (See Skilled Trades)			
34 Maintenance Helper		19.68	19.84
35 Certified Machinist		24.47	24.95

39 T800 Facilitator	20.74	21.00
42 Press Line Lead Hand	20.74	21.00
43 Quality Technician	20.93	21.14
45 Insert Prep Lead Hand	20.74	21.00

Premiums for afternoon shift and midnight shift - .40
 Above labour rates subject to new hire progression rates to start at 80% of base rate for the first 12 months, 85% for the next 9 months, 90% for the next 6 months, and 95% for the next 3 months.
 This is to exclude Skilled Trades.

APPENDIX "B3"
Year No. 3
LABOUR RATES BY OCCUPATIONAL GROUPS
EFFECTIVE - APRIL 1, 2007.

INCENTIVE DIRECT GROUPS

Group	Rate
3 Pressing	18.84

Group	DIRECT NON-INCENTIVE LABOUR	Start	Grp. Sen.
1 Light Pool (Chrys Left Hand +0.20. Body Cush +.10)			19.94
2 Heavy Pool			20.51
26 Repairs and Rework			20.45
28 Assembly		20.25	20.46
38 Insert Prep (Spray Booth +.30, Wheelabrator +.22)			20.13
40 T800 Operator (Utility+.13)		20.56	20.72
41 Robotic Welding Operator		20.72	20.93
44 Injection Pressing		20.60	20.76

Group	INDIRECT LABOUR	Start	Grp. Sen.
7 SetUp, Mtl Handlg, Gen Relief-Press and Inj Press		20.64	20.85
8 Inspector Quality Control		20.73	20.94
9 Receiving, Shipping, Stock Handling		20.72	20.93
10 Material Handlers, Checkers, Tow motor Operators		20.48	20.64
13 Machinists		22.25	22.89
14 Maintenance		22.10	22.57
16 Material Handlers, Checkers - Janitorial		20.48	20.64
17 Tool and Die Maker		22.76	23.29
19 Quality Control Inspector & Technician		21.13	21.34
20 Leader Maintenance		22.47	22.94
21 Working Leader - Groups 8 & 19		21.50	21.71
22 Mold Cleaning		20.43	20.64
24 Set-Up, Mtl Handling, General Relief-Insert Prep		20.64	20.85

27 Machinist Apprentice (see Skilled Trades)		
30 Certified Maintenance Electrician	25.14	25.78
32 Certified Industrial Millwright	24.77	25.25
33 Industrial Millwright Apprentice (See Skilled Trades)		
34 Maintenance Helper	19.98	20.14
35 Certified Machinist	24.77	25.25
39 T800 Facilitator	20.94	21.20
42 Press Line Lead Hand	20.94	21.20
43 Quality Technician	21.13	21.34
45 Insert Prep Lead Hand	20.94	21.20

Premiums for afternoon shift and midnight shift - .40

Above labour rates subject to new hire progression rates to start at 80% of base rate for the first 12 months, 85% for the next 9 months, 90% for the next 6 months, and 95% for the next 3 months.

This is to exclude Skilled Trades.

APPENDIX "D"
LETTER OF UNDERSTANDING

LETTER #1

It is agreed by the parties that when inventory is to be performed by the facility on one shift and one day only, a voluntary list will be posted on the bulletin board. Those employees on all shifts wishing to work the inventory will sign this voluntary inventory list and will be selected in order of master seniority. If the required number of employees is not met through this method, the work will be assigned by reverse master seniority on the shift required. If an employee from a shift other than the shift required for inventory signs up and works the inventory, there will be no shift-change premium paid. For employees taking the day off out of seniority, attendance will be classified as a management permitted leave.

LETTER #2
PLANT CLOSURE

In the event that the Company should decide to close the plant:

1) The Company will notify the Local and International Union where possible, six (6) months, but at least two (2) months prior to cessation of operation.

2) The parties will meet to discuss ways of attempting to avert the closure.

3) If attempts to avert the plant closure are not successful, the Company and the Union representatives will meet to discuss the manner in which the closure is carried out.

4) Benefit coverage for medical/dental and life insurance shall be provided to employees whose employment is terminated by the Company as a result of the plant closure in accordance with a negotiated formula agreed between the parties.

5) If an employee is displaced because of closure and receives a lower pay rate, severance pay will be calculated on the higher rate.

6) Employees will be allowed vacation pay in lieu of time off for vacation.

7) Where practical, and with appropriate qualifications, bargaining unit members will be used to dismantle and remove

equipment and/or for other services.

8) If an employee finds employment after the plant closure announcement but prior to date of closure and he/she gives the Company two weeks notice in writing, he/she shall be entitled to severance pay no less than in accordance with the Employment Standards Act of Ontario.

9) The Company will establish a procedure for processing of Health and Welfare claims, etc., for terminated employees.

10) The Company will provide job search and social counselling to affected employees under the auspices of a Provincial and/or Federal Industrial Adjustment Committee.

11) The Company is committed to working closely with the Union to implement this committee. The chairperson will be selected by the committee, subject to the approval of the Industrial Adjustment Service. The Committee shall consist of up to three representatives from the Company and a minimum of three representatives from the Union, to be chosen by each respectively.

The terms agreed to in this letter of understanding concerning the plant closure are in addition to any benefits or rights which may flow from the existing Collective Labour Agreement between the parties or from any applicable Provincial Legislation. The signing of this letter of understanding in no way affects the interpretation by either party of the applicable legislation as it pertains to plant closure.

LETTER #3

RE: TIME AND MOTION STUDY

When there is a disputed standard, whether new or revised, the Union Time Study Person will be involved with the Company Industrial Engineering Department in the resolution of the dispute.

While involved in the resolution of the new or revised standards, the Union Time Study Person will be paid their regular wage, or in the case of an incentive worker, their base rate x 1.2.

It is agreed by both parties if said dispute cannot be resolved by the local Union Time Study Person, the local Union shall have the right to bring in the International Time Study Specialist, in an effort to resolve such disputed standards.

It is further agreed that the Company will notify the local Union in advance, before implementing any changes relating to any incentive standards, procedures, systems, etc., and if required shall provide and pay for any necessary training for the local Union Time Study Person.

LETTER #4
LETTER OF INTENT
RE: HEAT
PLANT # 4 LOCAL 719

The Company will maintain a policy with regards to Heat Stress/Exit (HSE26) and Hot Weather Plan (HSE41) and this will be followed by the plant. Upon request, a copy shall be given to the union.

LETTER #5
B.E.S.T. PROGRAM

The Company and the union agree on the benefits of a successful and efficient BEST program. The Company agrees to work cooperatively with the union in order to accomplish this goal.

The parties therefore will meet within six months of ratification to determine how this may be accomplished. Issues for discussion shall include but not be limited to:

- minimum number of participants
- curriculum to be used
- progress of applicants
- ensuring proper instruction
- expected level of attendance

Once mutual agreement for these and any other issues is reached, the parties will determine scheduling requirements for continued instruction.

**LETTER #6
TEMPORARY WORK SHORTAGE**

After a one week duration, seeing a trend toward an ongoing shortage of work, (eg. Two or three four hour work days or two full day layoffs) the Company will meet with the Union to discuss and review whatever measures there maybe to protect senior employees.

**LETTER #7
PRESSLINE TRAINING**

Employees chosen by the Company to train new employees on the pressline (group 3), shall, while training, be paid their previous days incentive rate (not to exceed 140%) or their base rate plus 1.2 times their incentive rate, whichever is greater. This understanding will only remain in effect until such time as incentive is no longer paid for this group.

**LETTER #8
LETTER OF UNDERSTANDING
ACCIDENTAL DEATH AND DISMEMBERMENT
INSURANCE COVERAGE**

The Repatriation benefit is subject to a maximum coverage amount of \$10,000.00. The Rehabilitation benefit is subject to a maximum coverage amount of \$10,000.00. The Occupational Training benefit is subject to a maximum coverage amount of \$5,000.00. These amounts are subject to change, and the Union will be notified in the event of such change.

**Letter # 9
Letter of Understanding
Procedure for Overtime Sign Up Sheets**

1. An overtime sign up sheet will be posted in an agreed upon location in advance for potential overtime. Employees will indicate their availability by signing the sheet.
2. This sheet will be posted on Friday by noon and will be removed the following Wednesday at 3pm. It will cover overtime opportunities from 11pm on the Friday of that week until the following Friday at 11pm.
3. A list of eligible employees for weekend overtime will be posted by Thursday at 3pm. Those who are required to work will be advised by their supervisor.

4. Overtime will be offered to employees according to 6.05.
5. Employees who are absent from work and have been chosen to work overtime will be called by a supervisor in the presence of a union steward.
6. A copy of the sign up sheets and any lists posted will be given to the Union **upon their request.**
7. In those instances where the Company is unable to post a sign up sheet, overtime will be offered according to 6.05.

Letter # 10
Non Discrimination and Non Harassment

Both the Company and the Union are committed to providing a workplace free of discrimination and harassment. Providing fair and equitable treatment for all employees is best achieved in an environment where all individuals interact with mutual respect for each other's rights. All employees are expected to treat all persons with courtesy and consideration and must not engage in discrimination or harassment because of a prohibited ground contrary to the Ontario Human Rights Code. This joint policy shall be interpreted in accordance with and subject to the provisions of the Code.

Letter # 11
Weekend Shift

1. The weekend shift would comprise of two twelve hour shifts to occur one on a Saturday, and one on a Sunday (unless a holiday weekend, see number 15). Shift premium would be paid on shifts that commence at 11pm, 11am or 7pm, but not 7am. The Company reserves the right to alter the hours of the weekend shift in order to meet production requirements. We will attempt to give as much notice as possible to the employees affected.
2. Holiday pay and attendance award days are as per the Collective Labour Agreement and would be paid over and above the hours worked on weekends.

3. Pay: Twelve hours pay at time and one half for the first day of the weekend shift; twelve hours pay at double time for the second day of the weekend shift. Total is forty two hours pay. For Employment Insurance purposes, credited hours will be 1.5 times the hours worked on Saturday and 2 times the hours worked on Sunday.
4. Employees working weekend shift under this agreement will receive a twenty minute paid lunch and four-ten minute paid break periods.
5. Cost of living allowance paid for hours paid (42 hours), plus COLA on additional hours paid for.
6. Each shift will equal 2.5 days for seniority and for attendance award days.
7. Pay for bereavement will occur only if time lost, up to three days and according to the provisions of 8.07 at the applicable rate.
8. Any employee unable to work their scheduled shift for the weekend will be responsible to find someone on the full shift to switch with them. This will not be a Company responsibility. A shift change authorization form must be fully completed for approval. Where there is a failure to find someone, the employee is required to work their scheduled shift.
9. The employee will give the Company written notice of their wish to switch a shift.
10. If an employee wishes to join the weekend shift, which had previously wished not to join, they must wait for an opening on the shift.
11. Sick and accident will be paid as per the Collective Labour Agreement with Saturday and Sunday equating to the normal five days of production and the five days of production equaling a weekend.
12. When deemed necessary by the Company, employees shall be asked to work additional hours on normal week days and on Saturday and Sunday.

Overtime procedures will be as follows:

- (a) An overtime sign up sheet will be posted in an agreed upon area in advance for potential overtime. Employees will indicate their availability by signing this sheet.
 - (b) Overtime will first be offered to employees usually doing the work, on the shift that is required to work, with the least amount of overtime, provided they are eligible to work those hours. If an employee on the weekend shift signs up for 8 hours and has the lowest hours, they will be chosen to work if the overtime shift duration is more than 4 hours.
 - (c) If not enough employees working in the area make their availability known to work, the Company will begin to ask employees working outside the area who are able to do this work.
13. Christmas holidays will be paid as per this agreement on holidays. Time off from the weekend shift may or may not be given but holidays will be paid regardless. The parties agree to meet prior to Christmas shutdown to determine if alternate days can be scheduled to ensure no loss of earnings.
14. One weekend shift would equate to one week's vacation for vacation entitlement.
15. When deemed necessary by the Company, employees will be asked to work additional hours on Saturday and Sunday per 6.05 of the Collective Labour Agreement. On long weekends, the Company reserves the right to operate the weekend shift on a Saturday and Monday or Friday and Sunday shift in order to meet production requirements.
16. When the weekend shift is a straight shift, the Company will post a new sign up sheet every six months for those who wish to sign up for the weekend shift. Employees will be chosen by master seniority and must be currently working in that area and capable of performing all of the required duties.
- 17 For time off purposes, Saturday will require two allotment of days off and Sunday will require three allotments of days off.

18. When there is an area of production working a weekend shift (not only maintenance), the Company will post all job postings for 48 hours over the weekend shift or will attempt to contact the employee by phone in the presence of a union representative.

Letter # 12
Number of Hours in a Day

Both master and group seniority will be counted as a day when 4 hours or more work has been completed. This shall also apply in order for a day to be counted toward Perfect Attendance.

WELFARE BENEFIT PLAN

ENTERED INTO THIS 1ST DAY OF APRIL 2005

BETWEEN:

COOPER-STANDARD AUTOMOTIVE CANADA LIMITED

A COMPANY INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO

WITH HEAD OFFICE AT THE CITY OF STRATFORD,

HEREINAFTER CALLED THE "COMPANY"

- and -

UNITED STEELWORKERS OF AMERICA

affiliated with the AFL-CIO and the CLC,

hereinafter called the "INTERNATIONAL UNION"

Or "The Union".

ARTICLE 1 - HOSPITAL AND MEDICAL

1.01 OHIP

A health care premium of \$200 will be established for employees who have worked a minimum of 120 days in the preceding year. This will be paid to each employee every January (starting January 1, 2006) to help subsidize the new health premium. This will be in effect as long as the current Ontario Health Premium is in place.

1.02 EXTENDED HEALTH BENEFITS

The Company shall provide for extended health benefits in accordance with this section 1.02 for eligible employees and eligible dependent(s), if any, following completion of their probationary period, provided such benefits are not covered by any government agency.

This benefit will be at reasonable and customary rates where there is no amount specified.

"Reasonable and customary rate" will be interpreted to mean the exclusion of charges which are in excess of those usually made for the service, treatment or supplies in the absence of insurance coverage, or in excess of the general level of the rates in this area.

1. Drugs, serums, injectable, vaccines, oral contraceptives and insulin requiring the prescription of a medical physician or dentist, except, for vitamins or vitamin preparations (unless injected) and patent or propriety medicines purchased from a registered pharmacist or physician.

(A) The employee will be required to pay the first two(2) dollars per each prescription for drug charges.

(B) The Company will provide that the insurance carrier will pay the druggist direct where possible.

2. Private duty nursing (RN) or licensed practical nursing in the home or hospital subject to a maximum of five thousand, five hundred dollars (\$5,500) in a three (3) consecutive year period.

3. Registered or licensed physiotherapist, including diagnostic, to a maximum of \$600 per calendar year.

4. Laboratory testing and x-rays.

5. Purchase or rental of special remedial appliances, .trusses, braces, crutches, artificial limbs, eyes.

6. Specialised treatments such as radium, deep x-ray and radioisotopes, oxygen, plasma or blood transfusion, surgical dressing and bandages.

7. Ambulance service to the nearest hospital.

8. Registered clinical psychologist in the amount of fifty percent (50%) for such services, to a maximum of two hundred and fifty dollars (\$250) in a twelve (12) consecutive month period per calendar year for each of such services.

9. Registered masseurs, osteopaths, naturopaths, podiatrists and chiropractors to a maximum of three hundred dollars (\$300) in a twelve (12) consecutive month period per calendar year for each of such services. X-ray examinations are limited to one (1) per year for each service. **For Chiropractor care, the maximum will be \$380 per calendar year.**

10. Qualified speech therapist to a maximum of three hundred and sixty dollars (\$360) during any period of twelve (12) consecutive months per calendar year. **Effective April 1, 2007, increase this coverage to \$375.00.** Such coverage must be certified as necessary by a medical physician or dentist.

11. Medical fees where legal while travelling or residing outside Ontario when such fees are in excess of the Ontario Medical Association schedule of fees and are not greater than the amount that would be paid in Ontario if it were legal to provide such benefits in Ontario.

12. Hearing aids to a maximum of six hundred (\$600) once in a 2 year period.

13. Eye glasses to a maximum of **two hundred and sixty dollars (\$260)** April 1, 2005, **two hundred and seventy dollars (\$270)** April 1, 2006, **two hundred and seventy five dollars (\$275)** April 1, 2007 in any period of twenty-four months with a written prescription from a medical physician or optometrist. **The Company will pay \$40 towards the cost of an eye examination for the employee and dependants once every two years.**

14. Dental surgeon, including dental prosthesis, required for a treatment of a fractured jaw or accidental injuries (caused by external and violent means) to natural teeth provided treatment takes place within six (6) months of the accident.

15. Deluxe Out-of-Country medical coverage which provides benefits while you or your eligible dependants are vacationing, or travelling for other than health reasons.

16. Custom made prescribed orthotic insoles/shoes to a maximum of \$190 every two calendar years, **effective April 1, 2006 and \$200 effective April 1, 2007.**

1.03 DENTAL EXPENSE BENEFIT

The Company will provide dental expense benefits according to this section 1.03 for employees and their dependents, following completion of their probationary period.

1. Maximum benefits - The maximum benefit amount payable for basic and major services combined is \$1750 per calendar year and \$1750 effective April 1, 2005, \$1800 effective April 1, 2006 and \$1900 effective April 1, 2007 for a lifetime for orthodontic services.

2. Treatment plan - When the total cost of proposed dental work is expected to exceed \$300.00, the Company recommends that a treatment plan be filed for benefit determination prior to the date treatment is rendered.

3. Eligible Expense - Eligible expenses are those which are recommended as necessary by a physician or dentist that are not in excess of the suggested fee for general practitioners in the **2003** Dental Fee Guide effective April 1, **2005**, and the **2004** Dental Fee Guide effective April 1, **2006**, and the **2005** Dental Fee Guide effective April 1, **2007**, or the minimum fee specified in the **2003** Denturist Fee Guide effective April 1, **2005**, the **2004** Denturist Fee Guide effective April 1, **2006**, the **2005** Denturist Fee Guide effective April 1, **2007** of the Province of Ontario.

The Company reserves the right to use the least expensive method of treatment that would provide a professionally adequate result. The eligible expenses are limited to the following:

TYPE A SERVICES - 100% PAYABLE

EXAMINATIONS

Complete oral examination (once every 24 months)

** (once every 36 months - adults only)

Limited oral examination, previous patient (once every 9 months)

Limited oral exam, new patient (once in 36 months)

Specific oral exam

Emergency examination

Mixed dentition analysis (once every 24 months)

Miscellaneous comprehensive or general oral exam

Miscellaneous specified oral examination

DIAGNOSTIC SERVICES

Radiographic examination (x-ray)

complete series intra oral films (once every 24 months)

complete series intra oral films (once every 36 months)

Periapical films

Occlusal films

Posterior bite-wing films (once in 9 consecutive months per adult), (twice in any 12 months per child)

Extra oral x-rays

Panoramic film (twice in any 12 months per child), (once every 36 months per adult)

Interpretation of radiographs from another source

Duplicate x-rays

TESTS AND LABORATORY EXAMINATIONS

Microbiological test
 Histological test
 Cytological examination
 Pulp vitality test
 Laboratory reports
 Diagnostic casts

PREVENTIVE SERVICES

Prophylaxis (twice in any 12 months) ** (once in 9 months - adults only)
 Preventative recall packages (subject to exclusions) (twice in any 12 months)

Preventative recall packages (subject to exclusions) (once in 9 months per adult, twice in 12 months per child)

Fluoride Treatment - Topical Application (twice in any 12 months)
 ** (once in 9 months - adults only)

Fluoride Treatment - Self Administered (twice in any 12 months)
 (once in 9 months - adults only)

Individual oral hygiene instruction (plaque control once in 12 months/family/max. \$50)

Group oral hygiene instruction

Oral hygiene reinstruction within 6 months (once in 12 months)

Audio-visual oral hygiene instruction (once in 12 months)

Caries/pain control - with band

Interproximal discing of teeth

Habit breaking appliances

Space maintainers, band type (applicable only to dependent children under 18 years of age)

Space maintainers, stainless steel crown type (applicable only to dependent children under 18 years of age)

Space maintainers, cast type (applicable only to dependent children under 18 years of age)

Space maintainers, acrylic (applicable to dependent children under 18 years of age)

Space maintainers, acid etched pontic type (applicable only to dependent children under 18 years of age)

Space maintainers, maintenance (applicable only to dependent children under 18 years of age)

Nutritional counselling (once every 36 months per family)

Polishing and finishing restorations

Occlusal pit and fissure sealants

Protective athletic mouth appliance (once yearly)

Restorative Services

Caries, trauma, and pain control/pulp capping

Endodontic Services

Pulpotomy

Pulpectomy

Apexification, including dentogenic media

Opening and drainage

Periodontic Services

Application of displacement dressings

Management of oral infections

Desensitization

Repairs, Relining and Rebasing

Denture rebasing/relining (once in 36 months)

Surgical Services

Surgical Incision, intra oral

Surgical exploration, intra oral

Surgical incision, extra oral

Surgical exploration, extra oral

Fractures, splints and wiring

Replantation of avulsed tooth or teeth

Repositioning of displaced teeth, repairs-lacerations (under 2cm)

Repairs-lacerations (over 2cm)

Control of hemorrhage

Post surgical' care

Tracheotomy or crico-thyroidotomy

Orthodontic Services

Ortodonitic Exam

Cephalometric x-rays, films

Cephalometric x-rays, tracing and interpretation

Adjunctive General Services

Emergency Treatment

Miscellaneous forensic services

Drugs (injections)

TYPE B SERVICES - 80% Payable

Diagnostic Services

Treatment planning

Consultation with patient

Restorative Services

Amalgam restorations
 Primary teeth
 Permanent teeth

Amalgam core restoration/one retentive pin
 Retentive pins for amalgams and restorations
 Prefabricated metal restorations; primary teeth
 Prefabricated metal restorations, permanent teeth
 Prefabricated plastic restorations, primary teeth
 Prefabricated plastic restorations, permanent teeth
 Tooth coloured restorations, permanent anteriors
 Tooth coloured veneer applications
 Miscellaneous tooth coloured restorations
 Tooth coloured restorations, core in conjunction with crown
 Posts and cores
 Crown made to partial denture clasp

Endodontic Services

Pulpotomy
 Root canal therapy
 Apexification
 Apicectomy/Apical Curettage
 Retrofilling
 Root Amputations
 Isolation of tooth to maintain aseptic operating field
 Hemisection
 Enlargement of canal/pulp chamber
 Removal of tooth & replantation
 Exploratory access of previously treated tooth
 Retreatment of previously treated tooth
 Opening and Drainage

Periodontic Services

Gingival curettage
 Gingivoplasty
 Gingivectomy
 Flap approach surgery
 Soft tissue grafts
 Coronally positioned grafts
 Operation proximal wedge
 Guided tissue regeneration
 Post surgical treatment
 Provisional splinting

Dental floss ligation
 Occlusal equilibration
 Scaling and root planing

Special periodontal appliances (Including occlusal guards)
 Periodontal appliance maintenance, adjustment, reline or repairs
 Periodontal re-evaluation

Repairs, Relining and Rebasing

Denture repairs or additions
 Denture rebasing/relining (once in 36 months)
 Denture tissue conditioning (once in 36 months)

Removable Prosthodontics

Denture adjustments
 Prophylaxis and polishing - Dentures
 Denture remake (once in 36 months)
 Resilient liner (once in 36 months)
 Resetting of teeth (once in 36 months)

Oral and Maxillofacial Surgery

Removal, erupted teeth, uncomplicated
 Removal, erupted teeth, complicated
 Removal, impacted teeth
 Removal, residual roots
 Surgical exposure of teeth
 Surgical repositioning
 Enucleation
 Alveoplasty
 Removal of bone
 Tuberosity/Tuberplasty
 Gingivoplasty and/or stomatoplasty
 Excision of vestibular hyperplasia
 Shaving of papillary hyperplasia
 Vestibuloplasty, sub-mucous
 Surgical excision, benign tumors
 Surgical excision, malignant tumors
 Surgical excision, cysts or granulomas
 Marsupialization of cyst
 Reduction of fractures, closed reduction
 Reduction of fractures, open reduction
 Repositioning of displaced teeth
 repairs-lacerations (under 2cm)
 Repairs-lacerations (over 2cm)
 Frenectomy
 Frenectomy with myotomy or frenoplasty
 Glossectomy
 Temporomandibular joint dislocation treatment
 Treatment of salivary glands
 Antral surgery

Orthodontic Services

Surgical exposure of tooth for treatment

Adjunctive General Services

Anaesthesia of any kind is not payable unless used in conjunction with:

- (1) Oral surgery (excision)
- (2) Periodontal surgery, or
- (3) Fractures and dislocations

General anaesthesia

Provision of facilities, equipment & supplies

Neuroleptanalgesia

Inhalation sedation

Intravenous sedation

Intramuscular sedative drugs

Combined sedation

Consultation with member of profession

Written or telephone reports

TYPE C SERVICES - 50% Payable**Restorative Services**

Prefabricated metal restorations, primary teeth

Prefabricated metal restorations, permanent teeth

Prefabricated plastic restorations, primary teeth

Prefabricated plastic restorations, permanent teeth

Tooth coloured restorations

Inlay restorations

Onlay restorations

Retentive pins for inlays, onlays, & crowns

Posts and cores

Plastic crowns

Plastic crowns, transitional

Porcelain or ceramic crowns

Metal crowns

Metal or plastic copings

Laboratory processed veneers

Restorative procedures to overdentures

Recementation or rebonding in inlays, onlays, crowns or veneers

Removal of inlays, onlays, crowns or veneers

Porcelain staining

Removable Prosthodontics

Complete permanent dentures, standard

Complete permanent dentures equilibrated or gnathological

Complete transitional dentures

Partial transitional dentures
 Partial immediate dentures
 Partial dentures, resilient retainer
 Partial immediate dentures, resilient retainer
 Partial dentures, clasps and rests
 Partial immediate dentures, clasps/rests
 Partial dentures with lingual bar
 Partial immediate dentures with lingual bar
 Partial dentures with acrylic base
 Partial dentures, altered cast impression technique
 Denture adjustments
 Denture adjustments, cast metal

Fixed Prothodontics

Bridge pontics, cast metal/porcelain
 Bridge pontics, acrylic
 Temporary bridge pontics, acrylic
 Natural tooth pontic, temporary
 Replacement, removal, recementation
 Fixed bridge repairs
 Fixed bridge retainers
 Temporary fixed bridge retainers
 Porcelain or ceramic retainers
 Precision attachments
 Metal cast retainers
 Abutment preparation
 Telescoping crown unit
 Fixed porcelain prosthesis
 Retentive pins for retainers

TYPE D SERVICES - 80% PAYABLE

Orthodontics

Covers reasonable and customary charges for Orthodontic Services outlined below, providing such Dental procedures have as their objective the correction of malocclusion of the teeth and/or irregularities of tooth position and dental arches providing such Dental Care is necessary according to the standards of good dental practice.

Benefits are based on the lesser of the Dentist's charge or the suggested Fee Guide specified in the Schedule of Benefits

Covered Orthodontic Services

Orthodontic observations, adjustments or appliances
 8000 series (retention appliance pays at 50%)

Payment of Orthodontic Claims

Payment for orthodontic expenses will be made on one of the following basis:

- If a receipt or completed claim form is submitted for each treatment as the charge is incurred, payment for the covered cost of the charge will be made as the charge is incurred.
- Quarterly payments will be made only upon receipt of a completed claim form or receipt from the Dentist or Orthodontist that the treatment plan has continued through the 3 months for which the payment is due.

Exclusions

Expenses incurred in connection with any of the following are not Covered Dental Expenses:

1. Services, treatments, appliances, and supplies which are not set forth under Covered Dental Procedures outlined in this Dental Plan.
2. Dental surgery or dental treatment for cosmetic purposes, unless such surgery or treatment is required for correction of damage caused by an accidental blow to the mouth but only to the extent that such surgery or treatment is a Covered Dental Expense.

3. Extension of benefits - no dental benefits are payable after termination of coverage, except as provided in Article V. However, such benefits are payable under the following:

(i) Where the impression for a denture (including crowns, inlays or onlays) was taken prior to the date of the coverage termination and the denture is installed within 30 days of the coverage termination, or

(ii) Where the termination of coverage is due to the death of the employee, the expense benefit will be payable for a dependent provided, the service is rendered within 90 days following the death and provided it is a series of planned services that commenced prior to the death or rendered at definite dental appointments made prior to the death.

1.04 The expense benefits referred in Section 1.02 and 1.03 will not be covered under this Agreement as follows:

- Services covered by workers compensation act or other statute;
- Self inflicted injuries or illness while sane or insane;
- Dental services or appliances other than those provided in this Article;
- Home delivery charges for prescription drugs;
- Services required as a result of the employee or dependent participating in a criminal offence;
- Services required as a result of war or hostilities of any kind;

- Services performed by a person who is ordinarily a resident in the patient's home or who is a member of the patient's immediate family;
- Services for which reimbursement is payable due to the legal liability of any other party, to the extent of such reimbursement;
- Services levied by a physician or dentist for time spent travelling, broken appointments, transportation costs, room rental charges, advice by phone or other means of telecommunications;
- Cosmetic surgery or treatment, unless such surgery or treatment is for accidental injuries which commenced within 90 days of an accident;
- The replacement of an existing dental appliance which has been lost, mislaid or stolen;
- Services and supplies rendered for full mouth re-construction, for vertical dimension correction, or for a correction to temporal mandibular joint dysfunction.

1.05 Co-ordination of benefits - This provision operates in the event that an employee or dependent is covered under more than 1 plan providing expense benefits such as those provided under Sections 1.02 or 1.03 and ensures that while claim may be made under all plans that the total reimbursement does not exceed the actual expenses incurred. **All seniority employees are entitled to coordinated basic dental coverage through the insurance carrier.**

ARTICLE II - LIFE INSURANCE AND A.D. & D.

2.01 Each employee upon completion of his/her probationary period will be insured for group life insurance according to the schedule set out below which will provide for the payment of a death benefit under the terms and conditions ordinarily found in a group life insurance policy issued in the Province of Ontario. The effective coverage for this agreement is:

Effective April 1, 2005	- \$34,000.00
Effective April 1, 2006	- \$35,000.00
Effective April 1, 2007	- \$36,000.00

2.02 The policy of group life insurance shall provide that a person within 31 days after his/her life insurance ceases because of termination of employment for any reason, shall have the privilege of obtaining, without medical examination, an

individual policy of life insurance of a class and under the conditions specified by the insurer in the individual's certificate of insurance.

2.03 The policy of group life insurance shall provide that if an employee becomes totally disabled before attaining the age of 65 years, his/her life insurance will be extended, without payment of premium during the continuance of such total disability, subject to his/her satisfying the insurer of the continuance of disability in the manner prescribed in the certificate of insurance.

2.04 (A) Each employee will be insured under terms of accidental death and dismemberment insurance for an additional amount equal to his/her life insurance coverage defined in Section 2.01. The sum will be payable in the case of death or loss of both hands, or loss of both feet, or sight of both eyes or any two of those members when such loss occurs within 365 days of the date of the accident. Payment of one-half of the principal sum will be provided for in the case of loss of one hand, one foot or the sight of one eye, under the same conditions. The contract will contain such limitations and conditions as are provided for insurance contracts of this type by Insurance Act, R.S.O. 1980 Chap. 218.

(B) Accidental Death and Dismemberment and Benefits - If injury shall, within 365 days of the date of the accident causing such injury, result in any of the following losses, the Insurance Company will pay for loss of or permanent and total loss of use of the following. The loss of life, both hands, both feet, entire sight of both eyes, one hand and one foot, one hand and the entire sight of one eye, one foot and the entire sight of one eye, or speech and hearing shall pay by the principle sum. The loss of one arm or one leg shall pay three quarters of the principle sum. The loss of one hand, one foot or the entire sight of one eye shall pay two thirds of the principle sum. The loss of speech or hearing shall pay one half of the principle sum. The loss of four fingers of either hand shall pay one quarter of the principle sum. The loss of all toes of one foot shall pay one eighth of the principle sum. The loss of thumb and index finger of either hand shall pay one third of the principle sum. The loss of hearing in one ear shall pay one sixth of the principle sum. Quadriplegia (paralysis of both upper and lower limbs), paraplegia (complete paralysis of both lower limbs), and hemiplegia (complete paralysis of upper and lower limbs of one side of body) shall be payable at two hundred percent of the principle sum. "Loss" as above used with reference to hand or foot means complete severance at or above the wrist or ankle

joint but below the elbow or knee joint; as used with reference to arm or leg means complete severance at or above the elbow or knee joint; as used with reference to thumb and fingers means complete severance at or above the metacarpophalangeal joint; as used with reference to toes means complete severance at or above the metatarsophalangeal joint; as used with reference to eye, speech and hearings means to irrevocable loss thereof. Any indemnity payable for Loss of Use shall be paid only if such loss is permanent, total and irrevocable and shall have been continuous for a period of twelve months from the date of the accident. "Loss" as above used with reference to Quadriplegia, Paraplegia, and Hemiplegia means permanent and irrevocable paralysis of such limbs. Indemnity provided under this part will not be paid under any circumstances for more than one of these losses, the greatest, sustained by the Employee as the result of any one accident.

(C) Repatriation Benefit - If injury results in the loss of life of an employee within 365 days of the date of the accident, the Insurance Company will pay the actual expense incurred for preparing the Decease for burial and cremation and the shipment of the body of the employee to the city of residence of the deceased, subject to a maximum amount as defined in the Letter of Understanding.

(D) Rehabilitation Benefit - If injury caused by an accident requires that the employee undergoes special training in order to be qualified to engage in a special occupation in which he would not have engaged except for such injury, the Insurance Company will pay the reasonable and necessary expense incurred for such training by the employee within 365 days of the date of the accident subject to a maximum, as a result of any one accident, as defined in the Letter of Understanding. Payment shall not be made for travelling or clothing expenses, nor for room, board or other ordinary living expenses. Benefits payable under this part shall be limited to only one policy in the event this benefit is contained in two or more policies insured to the Policyholder by the Insurance Company.

(E) Occupational Training Benefit - In the event of the Accidental Death of an employee and if indemnity for such loss becomes payable in accordance with the terms of this policy, the Insurance Company will pay the reasonable and necessary expenses actually incurred within three years from the date of such accident by the spouse of the employee who engages in a formal occupational training program in order to become specifically qualified for active employment in an occupation for which he would not otherwise have sufficient qualifications, not to exceed

in the aggregate amount as defined in the Letter of Understanding for all such expenses. Payment shall not be made for room, board, or other ordinary living, travelling or clothing expenses.

Benefits payable under this part shall be limited to only one policy in the event this benefit is contained in two or more policies issued to the Policyholder by the Insurance Company.

(F) Termination of Insurance of an Employee - The insurance of any employee shall immediately terminate on the earliest of the following dates:

- (i) at the date this policy is terminated;
- (ii) on the premium due date if the Policyholder or the employee fails to pay the required premium for an employee except as the result of an inadvertent error;
- (iii) on the date an employee reaches 65 years of age;
- (iv) on the date the employee ceases to be associated with the Policyholder.

(G) Notice and Proof of Claim - The employee or his agent, or a beneficiary entitled to make a claim or his agent, shall

- (i) give written notice of claim to the Insurance Company:
 - (a) by delivery thereof, or by sending it by registered mail, to the Head Office or chief agency of the Insurance Company in the Province, or
 - (b) by delivery thereof to an authorized agent of the Insurance Company in the province,
 not later than thirty days from the date of the accident;
- (ii) within ninety days from the date of the accident for which the claim is made, furnish to the Insurance Company such proof of claim as is reasonably possible in the circumstances of the happening of the accident and the loss occasioned thereby; and
- (iii) if so required by the Insurance Company, furnish a certificate as to the cause and nature of the accident for which the claim is made and as to the duration of the disability caused thereby, from a medical practitioner legally qualified to practice in the province.

Failure to give notice of claim or furnish proof of claim within the time prescribed will not invalidate the claim if the notice of proof is given or furnished as soon as reasonably possible and in no event later than one year from the date of the accident and if it is shown that it was not reasonably possible to give notice or furnish proof within the time so prescribed.

2.05 The Company will continue to carry \$1,000.00 group life insurance on former employees who retired under Section 5.01

(normal retirement) Section 5.02 (disability retirement) and Section 5.05 (early retirement) of the retirement benefit plan agreement on or before October 31, 1977.

(A) The Company will continue to carry \$2,000.00 group life insurance coverage on each employee who retires on or after November 1, 1977 and before November 1, 1980 under Sections 5.01 (normal retirement) or 5.05 (early retirement) of the retirement benefit plan agreement.

(B) The Company will continue to carry \$4,000.00 group life insurance coverage on each employee who retires on or after November 1, 1977 and before July 1, 1986 under Sections 5.01 (normal retirement), 5.02 (disability retirement) or 5.05 (early retirement) of the retirement benefit plan.

(C) The Company will continue to carry \$10,000.00 group life insurance coverage on each employee who retires on or after July 1, 1986 under Sections 5.01 (normal retirement), 5.02 (disability retirement), or 5.05 (early retirement) of the retirement benefit plan.

2.06 The group life insurance and accidental death and dismemberment insurance terminates when the employee terminates his/her employment unless otherwise provided in this Article.

ARTICLE III - SICK AND ACCIDENT BENEFITS

3.01 If bodily injuries caused by non-occupational accident or sickness shall totally and continually disable an employee who has completed his/her probationary period, so that he/she cannot work, the Company will make provisions for the payment to such employee of weekly indemnity will be 55% for EI Max on April 1, 2002 for the first 17 weeks for disability, and \$425.00 per week for the last 15 weeks of disability. The current EI maximum is a weekly benefit of \$413. **Effective April 1, 2006, the benefit shall be 60% of the EI Maximum to a maximum of \$435 for the first 17 weeks and \$450 for the last 15 weeks.**

3.02 Weekly indemnity will be payable for a period of such continuous total disability, while under the care of a physician, but the period shall not exceed thirty-two consecutive weeks.

In the case of disabilities arising out of pregnancy or related causes, the employee must have been enrolled for nine consecutive months and the period of disability shall not exceed thirty-two weeks.

3.03 Periods of disability due to the same cause will be treated as the same period of disability, unless the employee has recovered and returned to full time work for a period of 15 calendar days. Periods of disability due to different causes will be treated as different periods of disability if separated by recovery and return to full time work.

3.04 All benefits under Section 3.01 will commence with the first day accident and/or confinement in hospital, second day out patient and fourth day sickness.

3.05 The date on which the disability begins shall be deemed to be the first day upon which the employee fails to report to the Company for work or is required to cease work during his/her shift and the date upon which the disability terminates shall be deemed to be the date before the first day upon which the employee is capable of returning to work. This date shall be that set by the attending physician. Part weeks shall be indemnified at the rate of one-seventh of the weekly amount for each calendar day of disability.

3.06 Weekly indemnity benefits shall not be payable for any disability resulting from:

1. Any injury or sickness for which the employee is not under the care of a physician.

2. Any injury or sickness covered by worker's compensation.

3. Injury sustained or sickness contracted as a direct or indirect result of war or engaging in a riot or illegally engaging in a disturbance of the peace. Benefits for injuries due to an automobile accident to which the Ontario no-fault benefits schedule applies are payable only during the first week of disability.

A long term disability program will also be implemented to cover prolonged disability beyond 32 weeks. Maximum of \$1350/month. **Two year "own occupation" definition will apply and CPP qualifier will not apply for the first two years.**

3.07 The Company shall reimburse the employees for medical documentation required by the Company or the Insurance carrier to a maximum of \$ **15.00** per document.

ARTICLE IV - DEPENDENT

4.01 (A) The term "Dependent" means a person not in the employ of the Company who is:

1. The legal spouse or common-law spouse, but only if the common-law spouse has co-habited with the employee for a period of not less than one year and has been publicly represented as a spouse. Only one spouse at any time may be claimed.

2. Any unmarried, natural, adopted, step-child or foster child or other child under the age of 21 years who depends on the employee for support and lives with the employee in a parent-child relationship. A fully employed child is not a dependent under this definition.

3. The unmarried children of 21 years or more of age who are dependent on the employee for support and maintenance and who are either mentally or physically incapable of self support. Fully employed children are not dependants under this definition.

(B) An employee will be considered to be single and without dependants until he/she has properly enrolled his/her dependants on the application forms applicable to the specific dependent benefits and he/she may be required to furnish such proof as the Company may reasonably require to establish the eligibility of any person claimed as a dependent. He/she must further inform the Company promptly of any changes in the status of his/her dependants which would affect their eligibility for benefits.

4.02 (A) The dependants of an eligible employee shall be eligible to receive benefits in respect to any disability suffered or incurred on or after the date on which such dependent is properly enrolled under this plan.

(B) Dependants of any employee shall cease to be eligible for benefits under the plan on the date on which the employee ceases to be eligible, and in the case of the death of an employee, at the end of the billing period in which such death occurred.

ARTICLE V - PAID COVERAGE ON TERMINATION

5.01 (A) An employee whose active employment is terminated by lay-off, a leave of absence for personal reasons, or a leave for

union duties shall be covered for all benefits until the end of the month following the month in which the lay-off or leave of absence commences.

(B) An employee whose active employment is terminated by confirmed sickness or injury whether covered by worker's compensation or not, shall be covered for all benefits until the end of the month in which such period has reached 52 weeks duration.

(C) An employee whose active employment is terminated by a leave of absence because of pregnancy shall be covered for all benefits during her leave granted under Section 10.14 of the collective labour agreement plus any period of time in which she receives sick and accident benefits because of complications.

(D) An employee who is purchasing additional life insurance coverage or semi-private hospital coverage or any other additional coverages through payroll deductions must submit payments for the additional coverages to the Company in advance if he/she wishes them to continue during the period of time in which the Company is carrying coverages under Section 5.01 (A), (B) & (C). Premiums must be submitted by the 25th of the month in which benefit coverage is still active. Employees shall only utilize this privilege while on lay-off status or until employed elsewhere.

(E) Provision will be made that an employee may carry on benefit coverage for himself/herself and his/her dependants beyond the periods set out above, except weekly indemnity and when on lay-off weekly indemnity, life and accidental death and dismemberment, by payment monthly in advance to the Company, of the total premiums applicable to such benefits. Such payment shall be the responsibility of the employee and this privilege will terminate on termination of employment or failure to pay the premiums as provided. Premiums must be submitted by the 10th of each month.

5.02 A seniority employee, who returns to active employment from lay-off or leave of absence shall be eligible for all benefits for himself/herself and his/her dependants on his/her return to work.

5.03 An employee whose active employment is terminated by discharge for cause or voluntary separation or by entering military service shall cease to be eligible for any benefits under this Article as of his/her date of termination.

5.04 Benefit coverage for employees who retire under the retirement benefit plan agreement (RBPA) before November 1, 1980 are covered for benefits under Section 1.01 until age 65. Employees who retire under the retirement benefit plan agreement on or following November 1, 1980 will be covered with benefits as follows:

(A) Normal Retirement - Section 5.01 of RBPA

Life insurance coverage as stated in Section 2.05

Vision coverage (only)	- same as active employees
Dental coverage	- same as active employees

(B) Disability Retirement - Section 5.02 of RBPA

Life insurance coverage as stated in Section 2.03 until age 65 as stated under Section 2.05 as of age 65.

Drug and vision coverage	- same as active employees
Dental coverage	- same as active employees

(C) Early Retirement - Section 5.05 of RBPA

Life insurance coverage as stated under Section 2.05

Drug and vision coverage	- same as active employees
Dental coverage	- same as active employees

(D) Dependent Coverage under these sections shall cease when the retired employee ceases to be eligible because of age or death.

ARTICLE VI - RESPONSIBILITY

6.01 The Company shall have the sole responsibility and authority consistent with the provisions of this Article for the operation and administration of the benefits provided and may enter into contract or contracts to supply the benefits, provided such contract does not alter or reduce the benefits. The Company shall, however, be deemed to have complied with its obligation under this Article if it pays the premiums mentioned in Section 1.01 and if it obtains, and the Union approves, a contract or contracts with an insurer or insurers with respect to the matter dealt with in this Article.

6.02 The insurer shall issue or cause to be issued a certificate to each employee eligible for benefits which will describe the

benefits and privileges provided hereunder by said insurer. The employee shall be deemed to accept all the benefits and privileges thus described and all the liabilities and obligations except the liability and obligation to pay the premium fee, or other regular charge of the insurer, except as provided in Section 5.01 (E).

6.03 If a dispute shall arise between the Company or its insurer as the case may be, and an employee as to whether such employee is, or continues to be suffering from bodily injury or sickness of a degree, extent and type that gives rise to a claim for benefits, such dispute shall be resolved as follows:

(A) The employee or disabled person shall be examined by a physician appointed for that purpose by the Company or the insurer and by a physician appointed for that purpose by the Union.

(B) If they shall disagree concerning the kind and nature of the disability the question shall be submitted to a third physician selected by the said two physicians. The opinion of the third physician after examination of the disabled person and consultation with the other two physicians, shall be accepted by the Company or the insurer, the Union and the employee as evidence of the facts therein disclosed and the degree, extent and type of disability suffered by the disabled person. The fees and expenses of the third physician shall be shared equally by the Company or the insurer and the Union.

6.04 (A) Should any dispute arise between the Company and an employee with reference to eligibility for benefits or payment of claims under this agreement, or if a dispute should arise between the Company and the Union as to whether the Company has provided and continues to provide benefits as herein described, such dispute 'may be taken as a grievance under the grievance provisions of the collective labour agreement then in effect, omitting however all steps preceding presentation of grievance, in which the personnel manager participates.

(B) If a grievance is taken to arbitration under the provisions of the collective labour agreement, the arbitrator or board of arbitration, insofar as it may be necessary to the determination of such grievance, shall have authority only to interpret and apply the provisions of this agreement and the collective labour agreement.

(C) The arbitrator or arbitration board shall have no authority to add to or subtract from any provision of this Agreement or to

waive or fail to apply any requirement of eligibility for benefit.

(D) The decision of an arbitrator or the majority decision of an arbitration board on any grievance properly referred shall be binding upon the Company, the Union and the employee.

ARTICLE VII - FEDERAL & PROVINCIAL LAWS

7.01 This Article is subject to such amendment from time to time as may be necessary to meet the requirements of any applicable federal or provincial laws, orders or regulations and relevant provisions of the Insurance Act of Ontario shall be deemed to apply except to the extent that such provisions may be waived or are superseded by the express provisions of this Article.

7.02 The benefits under this Article may be modified or discontinued after three months notice to the Union, but not prior to the effective date of any change in the legislation referred to hereinafter, should the whole or any part of the expenses to the Company be disallowed as a deduction for income tax purposes or should the income tax laws be changed to provide for disallowance in whole or in part of payments of this class and kind as income tax deductions. Should modification or discontinuance of one or more of the benefits become necessary for any of these reasons negotiations will be resumed immediately after such notice is given.

7.03 If at any time the Federal or Provincial Government passes legislation which directly or indirectly has the effect of providing or discontinuing benefits similar to one or more of the benefits described in this Article for which the employees as a class shall be eligible, the benefit or benefits affected shall terminate upon the expiration of thirty days after the proclamation of such statute or upon the date the statute comes into effect whichever is later. During such thirty day period or such longer period as may expire after date of proclamation of the statute, the parties will meet for the purposes of negotiating any amendments required or desirable to assure that the aggregate of the statutory benefits and the benefits provided under this Article shall approximate in kind and money value to the benefits provided under this Article before said statutory enactment.

ARTICLE VIII - UNION

8.01 The Union agrees that it shall not:

1. Make any demand that benefits under this Article be changed in any respect or that additional benefits be provided or that the Company contribute or pay any greater amount for such benefits for the employees than required in this Article.

2. Engage in or continue to engage in, or in any manner encourage or sanction any strike or other action which will interfere with work or production at the plants of the Company for the purpose of securing any such changes.

ARTICLE IX - DURATION OF AGREEMENT

9.01 Amendments to this plan may be made in writing by mutual consent of both parties.

Signed this 25th day of November, 2004.

For the Company

Howard Hallam

Allison Gale

Glenn Geurten

**For the United
Steelworkers of America**

Doug Brown

On behalf of its Local 719

Joyce Cronin

James Kummer

Vicki Siertsema

Billy Tugwell

MONEY PURCHASE PLAN

The retirement benefit plan will be converted to a money purchase plan effective April 1, 1992, allowing for the Company to contribute a monthly amount **as follows:**

Effective April 1, 2005, employees with less than 10 years of service \$95 per month, employees with 10 years but less than 20 years of service \$140 per month, employees with 20 or more years of service \$150 per month.

Effective April 1, 2006, employees with less than 10 years of service \$100 per month, employees with 10 years but less than 20 years of service \$150 per month, employees with 20 years or more of service \$175 per month.

The Company will also allow a **monthly** \$20, \$30, \$45 or \$60 voluntary employee contribution through payroll deductions which would be matched by the Company. The options would be available to commence and terminate each year of this agreement at March 31st. These voluntary contributions would be deducted through weekly payroll deductions. All employees who take the highest match will be permitted to contribute an additional \$50 per month, through weekly payroll deductions, with no Company match. An employee would become a member of the plan after attainment of his/her master seniority.

Anyone retiring during the term of this agreement would be guaranteed no less than \$20 per month per year of service under the defined pension plan with all rules of early retirement being applicable. **The Company agrees for this contract ONLY to increase the guaranteed pension minimum from \$20 to \$23 effective April 1, 2005. This will be used as a window for retirements during the Collective Labour agreement.**

The rules governing this plan will be available in a separate plan text to be formulated by the Company and the Union during the term of this agreement.

RETIREMENT BENEFIT PLAN

ENTERED INTO

AS OF THE 1st DAY OF April 2005

BETWEEN :

COOPER-STANDARD AUTOMOTIVE CANADA LIMITED

A Company incorporated under the laws of the Province of Ontario,
with Head Office at the City of Stratford.

hereinafter called the "Company"

- and -

UNITED STEELWORKERS OF AMERICA

affiliated with the AFL-CIO and the CLC,
hereinafter called the "INTERNATIONAL UNION"

Or "The Union".

Retirement Benefits Index

Article I - PURPOSE

Article II - INTERPRETATIONS

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Article IV - CREDITED SERVICE

Article V - RETIREMENT AND DEATH BENEFITS

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Article VII - GENERAL PROVISIONS

Article VIII - MODIFICATION AND TERMINATION

This Retirement Benefit Plan agreement is made and entered into as of the first day of January, 1966 between the Company and the Union. The "Company" as used herein means Cooper-Standard Automotive Canada Ltd. with respect to its bargaining unit at Plant 4, Mitchell, Ontario. The Union as used herein means the International Union or the Union of the United Steelworkers of America.

The Retirement Benefit Plan Agreement was amended effective January 1, 1972, February 1, 1975, November 1, 1977, November 1, 1980, April 1, 1989 and further amended April 1, 1992 as set forth herein. All benefits accrued under the Retirement Benefit Plan Agreement and all rights acquired by the member employees up to April 1, 1992 remain unaffected except as improved and enhanced by the terms of the Retirement Benefit Plan Agreement as amended herein.

ARTICLE 1 - PURPOSE

1.01 This Retirement Benefit Plan (hereinafter referred to as the Agreement) is hereby established for the purpose of providing pension benefits, as described herein, subject to obtaining and retaining such approval of the Retirement Benefit Plan by the relevant tax authorities as the Company may deem necessary to establish that the Company is entitled to deduct the amount of its contributions to the pension fund as an expense before taxes under the provisions of the Income Tax Act, or any other applicable tax laws, as now in effect or as hereafter amended or adopted.

1.02 The Pension Benefit Plan Agreement dated March 7, 1965 applies without change or amendment with respect to all benefits attributable to service prior to January 1, 1966. The terms of such agreement including, but not limited to, the provisions relating to eligibility for benefits, amount of benefits, and manner of payment of benefits shall govern and control the payment of all benefits attributable to service prior to January 1, 1966, under such agreement, former employees who have acquired the right to a deferred vested pension under such Agreement and individuals who are employees, as defined in this Agreement, on January 1, 1966.

1.03 Subject to the provisions of this Agreement, the Company shall determine the manner in which the plan shall be administered.

ARTICLE II - INTERPRETATIONS

2.01 The term "Employee" means any employee of the Company who is a member of the bargaining unit as defined in the applicable sections of the Collective Labour Agreement and meets the applicable eligibility requirements of this Agreement.

2.02 The term "Pensioner" means a person who has retired and has become and remains eligible for a pension under this Agreement.

2.03 The term "Physician" means a medical practitioner who is registered under the Medical Act of the Province of Ontario or such similar statute or law as governs the practice of medicine.

2.04 The term "Collective Labour Agreement" shall mean the current Collective Labour Agreement between the Company and the Union as may be amended or supplemented, or any successor agreement.

2.05 The term "Layoff" shall mean the same as the definition of lay-off in the Collective Labour Agreement.

2.06 The term "Normal Retirement Date" means the first day of the month next following an employee's 65th birthday.

2.07 The term "Credited Service" means the service of an employee which has been and remains credited to him/her in accordance with the provisions of Article IV.

2.08 The term "Continuous Service" means the service of an employee with the Company as accumulated and retained under the Collective Labour Agreement.

2.09 The term "Effective Date" means January 1, 1966.

2.10 The term "Totally and Permanently Disabled" means disabled by bodily injury or disease (other than disability which -

(i) Resulted from or consists of chronic alcoholism or self-induced addiction to narcotics, or

(ii) Was contracted, suffered or incurred while the employee was engaged in, or resulted from his/her having engaged in a criminal enterprise, or

(iii) Resulted from wilfully self-inflicted injury, or

(iv) Can be established as due to service in the Armed Forces of any country which in the certified opinion of a physician who is selected by or satisfactory to the Company will presumably, permanently, continuously and wholly prevent the employee, during the remainder of his/her life, from meeting the job requirements of any job covered by the Collective Labour Agreement.

2.11 "Actuary" shall mean a person, being a fellow of the Canadian Institute of Actuaries, appointed by the Company for the corporation including such a person.

2.12 "Commuted Value" shall mean the actuarial present value of the pension or other benefit to which an employee, or his/her spouse or designated beneficiary, if applicable, is or will become entitled and which conforms to generally accepted actuarial principles and is accepted under the Pension Benefits Act, 1987 (Ontario) and regulation thereunder.

ARTICLE III - FINANCING

3.01 Pension Fund

The Company shall establish a Pension Fund for the purpose of providing the pension benefits under this Agreement. Such fund shall be either a trust fund, or an insured fund, or a combination thereof. The Company shall pay currently into the Pension Fund, such amounts as the actuary, retained by the Company for the purposes of the plan, shall certify to be necessary to provide the current service costs and for amortization within the period prescribed by law of any unfunded liability or experience deficiency after taking into consideration the assets of the Pension Fund and such other factors as may be deemed relevant. The Company at its option may, from time to time, pay into the Pension Fund additional amounts.

3.02 Disbursements from Pension Fund

The Pension Fund shall be used in accordance with this Agreement, to pay such pensions as are payable under this Agreement.

3.03 Pension Payable Solely From Pension Fund

The Pension which shall be payable in accordance with the provisions of this Agreement shall be paid solely from the Pension Fund and each employee or pensioner or other person who

shall claim a right to any payment under this Agreement shall be entitled to look only to the Pension Fund for such payment, and no liability for the payment of pensions under this Agreement shall be imposed upon the Company, or the officers, directors, or stockholders of the Company.

3.04 Nonalienation of Benefits

The pensions payable from the Pension Fund shall be deemed alimentary and for the personal maintenance of the pensioners and, shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, or to attachment or legal process for debts of pensioners except to such an extent as may be required by law.

ARTICLE IV - CREDITED SERVICE

4.01 An employee's credited service shall mean his/her years and completed months of continuous service acquired after January 1, 1966, and retained and accumulated as provided for in the Collective Labour Agreement, subject to the following:

(i) An employee who has been on lay-off, after the effective date of this Agreement, will accumulate credited service for time lost up to two years during any period of lay-off, but the time will be credited only when he/she returns to active employment at the end of the period.

(ii) An employee who has been on a paid leave and periods of sabbatical, total disability, maternity leave, or leave with the International Union or its affiliates (paid or unpaid) may accumulate credited service for time lost in accordance with Section 10.02 of the Collective Labour Agreement.

4.02 An employee will lose his/her credited service, unless otherwise provided for in this Agreement, when his/her employment with the Company is terminated for any reason or when he/she retires on a monthly pension under this Agreement.

4.03 The records of the Company shall be presumed to be correct with respect to dates covering term of employment, non-employment, or disability retirement of an employee, pensioner or applicant for pension, unless shown beyond a reasonable doubt to be incorrect. An applicant for pension or pensioner shall prove his/her age by evidence satisfactory to the Company.

ARTICLE V - RETIREMENT AND DEATH BENEFITS**5.01 Normal Retirement**

(A) An employee who retires on or after the effective date of this Agreement, and who has attained his/her normal retirement date and has 2 or more years of continuous service, shall be eligible for a monthly pension upon his/her retirement. Such monthly pension shall consist of an amount payable for life of \$5.00, multiplied by the number of years of his/her credited service accumulated between the effective date of this Agreement, and his/her normal retirement date if that date be on or before October 31, 1978. In no event shall any payment be made after the death of the pensioner unless he/she shall have elected an optional benefit under Section 5.03 of this Agreement. The monthly pension for an employee who retires after October 31, 1978 but before November 1, 1979 shall consist of an amount payable for life of \$7.00 multiplied by the number of years of his/her credited service accumulated between the effective date of this agreement, and his/her normal retirement date. In no event shall any payment be made after the death of the pensioner unless he/she shall have elected an optional benefit under Section 5.03 of this Agreement.

The monthly pension for an employee who retires after April 1, 1989 shall consist of an amount payable for life equal to \$16.00 multiplied in either case by the number of years of his/her credited service accumulated between the effective date of this Agreement and his/her retirement date. The normal retirement date of an employee shall be the first day of the month next following the attainment of age 65. Each employee who reaches normal retirement date on or after April 1, 1989 shall be entitled to receive his/her pension from his/her normal retirement date. In no event shall any payment be made after the death of the employee unless he/she shall have elected, or have been required to elect, an optional benefit under Article 5.03.

The monthly pension for an employee who retires after October 31, 1979, but before November 1, 1980 shall consist of an amount payable for life of \$8.00 multiplied by the number of years of his/her credited service accumulated between the effective date of this Agreement and his/her normal retirement.

In no event shall any payment be made after the death of the pensioner unless he/she shall have elected an optional benefit under Section 5.03 of this Agreement. The monthly pension for an employee who retires after October 31, 1980 shall consist of an amount payable for life of \$10.00 multiplied by the number of years of his/her credited service accumulated between the

effective date of this Agreement and his/her normal retirement date. In no event shall any payment be made after the death of the pensioner unless he/she shall have elected an optional benefit under Section 5.03 of this Agreement. The monthly pension for an employee who retires after April 1, 1983 shall consist of an amount payable for life of \$12.00 multiplied by the number of years of his/her credited service accumulated between the effective date of this Agreement and his/her normal retirement date. In no event shall any payment be made after his/her death of the pensioner unless he/she shall have elected an optional benefit under Section 5.03. The monthly pension for an employee who retires after July 1, 1986 shall consist of an amount payable for life of \$13.00 multiplied by the number of years of his/her credited service accumulated between the effective date of this Agreement and his/her normal retirement date. The monthly pension for an employee in Plant 4 (Local 719) who retires after April 1, 1989 shall consist of an amount payable for life of \$16.00 multiplied by the number of years of his/her credited service accumulated between the effective date of this Agreement and his/her normal retirement date. In no event shall any payment be made after the death of the pensioner unless he/she shall have elected an optional benefit under Section 5.03.

(B) The absence of an employee from active employment at any time when he/she would be eligible for normal retirement under this Agreement shall not preclude his/her retirement at that time without return to employment, provided that such absence is due to disability or sick leave, lay-off or other company approved leave of absence.

5.02 Disability Retirement Pension

(A) An employee who becomes totally and permanently disabled prior to his/her normal retirement date and has 10 or more years of continuous service shall be eligible for a disability pension. Such pension shall be calculated under Section 5.01.

(B) The disability pension shall become payable, if he/she shall then be living, on the first day of the month next following the latest of: (i) The date on which he/she shall have filed an application for such pension with the Company on a form supplied by the Company, (ii) The date on which his/her disability retirement shall have commenced, or (iii) The date on which he/she ceased to receive remuneration from the Company or draw weekly indemnity benefits under the Welfare Benefit Plan Agreement, and it shall be payable on the first day of each month thereafter up to and including the earlier of the month in which

his/her disability retirement shall end as provided in this Article; or, the month in which his/her death occurs, unless he/she shall have elected, or been required to elect, an optional benefit under Article 5.03.

(C)An employee applying for a disability pension shall, if requested by the Company, submit to one or more physical examinations by a physician or physicians selected by the Company in order that the Company may determine whether such employee is totally and permanently disabled and thus entitled, if otherwise qualified, to a disability pension.

(D)Any pensioner on disability retirement shall be required to submit to a physical examination at any reasonable time and place during such retirement up to his/her normal retirement date for the purpose of determining his/her condition, whenever such examination shall be requested by the Company, but not more often than twice in any calendar year after total and permanent disability has been established. An employee or pensioner who refuses to submit to any physical examination properly requested in accordance with the provisions of this Section 5.02 may have his/her disability pension suspended until he/she does submit to such physical examination.

(E)If, after his/her retirement on disability pension but before his/her normal retirement date, a pensioner shall cease to be totally and permanently disabled, his/her disability pension shall cease.

(F)If a pensioner's disability pension ceases pursuant to the provisions of the preceding sub-section, 5.02 (E), the Company will re-employ the pensioner in accordance with his/her seniority existing at the date of his/her retirement if the Company has a job available for him/her that he/she can do to the satisfaction of the Company.

If the Company does not rehire the pensioner and the only reason for not doing so is because the pensioner does not have the ability to perform the available job to the satisfaction of the Company, then the pensioner's disability pension will continue in accordance with Sub-Section 5.02 (E).

(G)Any employee who has retired on a disability pension in accordance with Section 5.02 of this Agreement and who is re-employed upon the termination of his/her disability shall, upon his/her subsequent retirement under any section of this Agreement, be entitled to a pension based on his/her credited service accumulated on his/her disability retirement date increased by any credited service attributable to his/her service

subsequent to his/her date of re-employment.

5.03 Optional Pension Benefit.

(A) Normal Form of Pension

The normal form of pension under the Agreement is payable for the lifetime of the employee.

(B) Automatic Form of Pension

Any employee who has a spouse at the time of pension commencement must take his/her pension in a joint and survivor form under which the pension benefit shall continue to the spouse after the death of the employee at the rate of 60% of the pension which in payment to the employee immediately prior to his/her death and shall continue to be paid for the lifetime of the spouse. In this event, the amount of pension payable to the employee shall be reduced such that the value of his/her pension benefit shall be actuarially equivalent to the normal form of pension.

Any other form of pension provided herein may be elected if the employee and his/her spouse both waive the entitlement to this joint and survivor form of payment in the prescribed form or by means of a certified copy of a domestic contract as defined under the Family Law Act. To be valid, the waiver must be delivered to the Company within the 12-month period immediately preceding the commencement of payments.

(C) Optional Forms of Pension

Subject to Article 5.03 (B), an employee may elect an optional form of pension by notifying the Company in writing prior to his/her date of retirement of the optional type of pension he/she wishes to receive. The amount of pension payable to an employee under an optional form shall be reduced such that the value of his/her optional pension benefit shall be actuarially equivalent to the normal form of pension. Any election of an optional type of pension may be revoked or altered to another optional type if done in writing prior to the commencement of his/her pension. Any option elected becomes binding upon the commencement date of the pension.

The optional forms of pension available are as follows:

(i) Life - Guaranteed Five Years

This type of pension provides payments for the entire lifetime of the employee and guarantees that, should the employee die after his/her pension has commenced but before he/she has received 60 monthly payments thereof, the payments shall be continued to his/her beneficiary or estate until 60 monthly payments in all have been made.

(ii) Life - Guaranteed Ten Years

This type of pension provides payments for the entire lifetime of the employee and guarantees that, should the employee die after his/her pension has commenced but before he/she has received 120 monthly payments thereof, the payments shall be continued to his/her beneficiary or estate until 120 monthly payments in all have been made.

(iii) Life - Guaranteed Fifteen Years

This type of pension provides payments for the entire lifetime of the employee and guaranteed that, should the employee die after his/her pension has commenced but before he/she has received 180 monthly payments thereof, the payments shall be continued to his/her beneficiary or estate until 180 monthly payments in all have been made.

(iv) Joint and Survivorship Plan

(a) A joint and survivor pension which shall continue to the joint annuitant after the death of the employee in the same amount as received by the employee immediately prior to the date of his/her death; Or

(b) A joint and survivor pension which shall continue to the joint annuitant after the death of the employee at a reduced amount.

In the event of the death of the joint annuitant before the commencement date of the pension, the option will be cancelled and the pension will become payable to the employee in the normal form. In such case, the employee may elect another option in writing prior to the date of commencement of his/her pension.

5.04 Deferred Vested Pension

Any employee whose services are terminated prior to his/her normal retirement date and who has 10 or more years of continuous service at the date of termination of employment shall be entitled to a deferred vested pension calculated in accordance with Article 5.01 of this Agreement, as in effect on the last day of active employment, and payable from his/her normal retirement date.

Any employee whose services are terminated on or after January 1, 1988 and prior to his/her normal retirement date and who has 2 or more years of credited service but less than 10 years of continuous service at the date of termination of employment shall be entitled to deferred vested pension calculated in accordance with Article 5.01 of this Agreement, as in effect on the last day of active employment, reduced by his/her accrued pension benefit as at December 31, 1986, and payable from his/her normal retirement date.

A person entitled to a deferred vested pension benefit shall make written application to the committee not earlier than sixty days prior to the commencement of such pension. Upon application made later than normal retirement date, retroactive payments will be made for the elapsed months after normal retirement date.

An employee whose services are terminated on or after January 1, 1988 and who is not entitled to the immediate payment of a pension benefit shall have the right to elect that, in lieu of his/her deferred vested pension, an amount equal to the commuted value of his/her deferred vested pension be paid out of the pension fund in a lump sum:

(i) To the pension fund of another pension plan, providing the administrator of the other pension plan agrees to accept the payment;

(ii) Into the employee's registered retirement savings plan (RRSP), providing the institution receiving the funds agrees to administer the funds in accordance with the requirements of the Pension Benefits Act, 1987; or

(iii) To a Canadian Life Insurance Company for the purchase of a life annuity, such life annuity not to commence more than 10 years before his/her normal retirement date.

An employee whose services are terminated on or after January 1, 1988 shall receive written notice of his/her

entitlements under the Agreement and the options available to him/her within 30 days of his/her termination of service or within 30 days of the Company's notification of his/her termination of service, whichever is later.

5.05 Early Retirement

An employee who has attained age 55 may retire early under this Agreement at any time prior to his/her normal retirement date and receive the pension benefit set out in Article 5.01, reduced such that the value of the early retirement pension is actuarially equivalent to the value of the pension payable from normal retirement date.

An employee who has attained age 55, has completed 10 or more years of continuous service, may retire early under this Agreement at any time prior to his/her normal retirement date and receive the pension benefit set out in Article 5.02, reduced by 4/10 of 1% for each month by which his/her early retirement date precedes his/her normal retirement date.

An employee whose service is terminated on or after January 1, 1988 and who is entitled to a deferred vested pension payable from the fund on his/her normal retirement date may request that his/her pension benefit commence on the first day of any month after his/her attainment of age 55 and prior to his/her normal retirement date. In such event, the pension shall be reduced such that the value of the early retirement pension is actuarially equivalent to the value of the deferred vested pension.

5.06 Method of Payment

The Company may adopt such procedures as it shall find convenient with respect to the payment of pensions where the amount payable is less than \$10.00 per month and may pay any such pension quarterly or annually.

5.07 Pensioner Unable to Manage His/her Affairs

If the Company finds in its opinion, that any pensioner to whom a pension is payable from the pension fund is unable to manage his/her affairs because of illness or accident, any payment due (unless a prior claim therefore shall have been made by a duly appointed guardian, committee or other legal representative) may be paid to the spouse, a child, a parent, or a brother or sister of the pensioner or to any person deemed by the Company to have incurred expense for such pensioner. However, the Company shall endeavour to give effect to the wishes

of the pensioner in this respect when such wishes shall have been expressed in writing by the pensioner before he/she shall have become unable to manage his/her affairs. Any such payment shall be a payment for the account of the pensioner and shall be a complete discharge of any liability under this Agreement therefore.

5.08 Maximum Pension Permitted

The benefit paid to a pensioner will not exceed the maximum pension permitted under paragraph 9 (G) of information circular 72-13R6 as published by Revenue Canada Taxation.

5.09 Benefits on Death

Upon the death of an employee on or after January 1, 1988 and prior to his/her retirement, his/her spouse shall be entitled to a lump sum amount calculated as the commuted value of the employee's accrued pension benefit at his/her date of death reduced by his/her accrued pension benefit as at December 31, 1986. If the employee has no spouse, the lump sum amount will be payable to his/her designated beneficiary or, if none, to his/her estate.

Upon the death of a former employee whose service was terminated on or after January 1, 1988 and who is entitled to a deferred vested pension payable at his/her normal retirement date, his/her spouse shall be entitled to a lump sum amount calculated as the commuted value of the former employee's deferred vested pension reduced by his/her accrued pension benefit as at December 31, 1986 if such accrued pension benefit was included in the calculation of the deferred vested pension. If the former employee has no spouse, the lump sum amount will be payable to his/her designated beneficiary or, if none, to his/her estate.

Upon the death of an employee who is receiving a pension from the fund at his/her time of his/her death, pension payments shall cease immediately unless an optional form of pension was elected at the time of retirement in which case benefits shall be paid in accordance with the optional pension elected.

5.10 Designated Beneficiary

An employee may, by written notice to the Company, designate a person to receive the benefits payable under the Agreement on his/her death and may also, by written notice to the Company, alter or revoke such designation from time to time, subject

always to the provisions of any law governing the designation of beneficiaries.

Notwithstanding the above, an employee who has a spouse may not designate any other beneficiary to receive benefits in respect of the employee's service on and after January 1, 1987 unless the employee and his/her spouse both waive the entitlement to any death benefits in the prescribed form or by means of a certified copy of a domestic contract as defined under the Family Law Act.

ARTICLE VI - ELIGIBILITY

6.01 New Employees

A new employee becomes eligible from his/her date of hire when he/she has completed his/her probationary period as defined in the Collective Labour Agreement. No medical examination will be required.

6.02 Lay-off or Leave of Absence

Credited service shall be accumulated and retained as provided for in Section 4.01.

6.03 Voluntary Termination or Discharge

An employee loses all rights under this Agreement except any deferred vested rights he/she has acquired under Section 5.04.

ARTICLE VII - GENERAL PROVISIONS

7.01 The Company shall be the administrator of the plan and as such shall have the sole responsibility and authority consistent with the provisions of this Agreement for the operation and administration of the plan.

7.02 Coverage under this Agreement shall not give any employee any additional right to be retained in the employment of the Company, and all employees shall remain subject to discipline, discharge or lay-off to the same extent as if this Agreement has not been put into effect.

7.03 A copy of this Agreement and any amendments thereto will be supplied to each employee. The complete text will be available for examination at the offices of the Company.

7.04 Should the Federal or Provincial Government pass legislation creating a program which would enable or require the Company to transfer a deferred vested pension of a person whose employment has terminated into a special fund, the Company may participate in such a program, and such participation shall be considered a complete discharge of the Company's liabilities under this Agreement.

7.05 The seniority of any employee who retires in accordance with this Agreement shall cease for the purpose of applying the provisions of any Collective Labour Agreement which now is or hereafter shall be in effect between the Company and the Union, except that if a pensioner is rehired on cessation of his/her disability retirement, he/she shall be credited with the service which he/she has at the time of his/her disability retirement and shall accumulate further service from the time he/she starts work after he/she has been rehired.

7.06(A) Should any dispute arise between the Company and an employee with reference to eligibility for benefits or payment of claims under this Agreement, or if a dispute should arise between the Company and the Union as to whether the Company has provided and continues to provide benefits as herein described, such dispute may be taken as a grievance under the grievance provisions of the Collective Labour Agreement then in effect, omitting however all steps preceding presentation of grievance, in which the personnel manager participates.

(B) If a grievance is taken to arbitration under the provisions of the Collective Labour Agreement, the arbitrator or board of arbitration, insofar as it may be necessary to the determination of such grievance, shall have authority only to interpret and apply the provisions of this Agreement and the Collective Labour Agreement.

(C) The arbitrator or arbitration board shall have no authority to add to or subtract from any provision of this Agreement or to waive or fail to apply any requirement of eligibility for benefit.

(D) The decision of an arbitrator or the majority decision of an arbitration board on any grievance properly referred shall be binding upon the Company, the Union and the employee.

7.07 Should any dispute arise between the Company and any employee applicant for a disability pension or pensioner on disability retirement as to whether he/she is, or continues to

be, totally and permanently disabled as defined in this Agreement, such dispute shall be resolved as follows.

(A) The employee applicant or pensioner shall be examined by a physician appointed for that purpose by the Company and by a physician appointed for that purpose by the Union.

(B) If they disagree concerning either total and permanent disability, or disability under Section 5.02, as the case may be, the question shall be submitted to a third physician selected by the said two physicians. The opinion of the third physician, after examination of the disabled person and consultation with the other two physicians shall decide such question and such decision shall be binding upon the Company, the Union and the disabled person. The fees and expenses of the third physician shall be shared equally by the Company and the Union.

7.08 No action taken in performance of the terms of this Agreement and consistent herewith shall be construed or interpreted to be a violation of any of the terms of any Collective Labour Agreement between the Company and the Union.

7.09 The Union shall be furnished with such pertinent information as it may reasonably request from time to time, with respect to the pension benefits hereunder.

7.10 Splitting of Credits on Marriage Breakdown

The spouse of an employee who is party with such employee to a domestic contract as defined in Part IV of the Family Law Act, 1986 may become entitled, pursuant to such domestic contract or to an order under Part I of such act, to payment of a portion of the employee's benefits under this Agreement.

ARTICLE VIII - MODIFICATION AND TERMINATION

8.01 This agreement is subject to such amendments from time to time as may be necessary to meet the requirements of any applicable Federal or Provincial Laws, orders, or regulations.

8.02 This Agreement may be modified or discontinued, after sixty days notice to the Union, but not prior to the effective date of any change in the legislation referred to hereinafter, should the whole or any part of the expenses to the Company be disallowed as a deduction for income tax purposes, or should income tax laws be changed to provide for disallowance in whole or in part payments of this class and kind as income tax deductions. Should

modification or discontinuance of this Agreement become necessary for any of these reasons, negotiations will be resumed immediately after such notice is given.

8.03 If at any time, the Federal or Provincial Government passes legislation which directly or indirectly has the effect of providing benefits similar to one or more of the benefits described in this Agreement for which the employees as a class shall be eligible, this Agreement shall terminate in respect to that benefit or benefits upon the expiration of thirty days after the proclamation of such statute or upon the date the statute comes into effect, whichever is later. During such thirty day period or such longer period as may expire after date of proclamation of the statute, the parties will meet for the purpose of negotiating any amendments required or desirable to assure that the aggregate of the statutory benefits and the benefits provided under this Agreement consistent with previous costs of this Agreement, shall approximate in kind and money value to the benefits provided under this Agreement before said statutory enactment.

8.04 Procedure for allocating the pension fund upon termination of this Agreement.

In the event of termination of the plan, the assets then remaining in the trust fund, after providing the expenses of the plan, shall be allocated by the committee, to the extent that they shall be sufficient for the purpose of paying retirement benefits (based on credited service to the date of termination of the plan), to participants, former participants and retired participants in the following order of precedence:

(A) First, to provide for:

(1) The continuation of annuities in the form in effect with respect to them immediately prior to the plan's termination for those persons who are pensioners, beneficiaries, and contingent annuitants under the plan at its termination,

(2) The payment of an immediate annuity, in an amount equal to the retirement benefit he/she would have received had he/she retired on the date of termination to each participant who on the date of termination qualifies for a normal retirement benefit under Section 5.01.

(3) The payment of a deferred annuity commencing at age sixty-five (65) in an amount equal to his/her vested deferred retirement benefit to each person who terminated employment and

is eligible for such a benefit pursuant to Section 5.04.

(4) The payment of a deferred annuity equal to the vested deferred retirement pension to which he/she would have been entitled if the date of the plan's termination were the date of termination of his/her employment, to each other participant not in any class above who at the date of the plan's termination is at least age forty-five (45) and has completed at least ten (10) years of credited service.

There shall be no priority among the above, any person, whether in group (1), (2), (3) or (4), stands on the same rung of the ladder with a person in any other group.

(B) Second, if any such assets remain after complete allocation for the purposes of (A) above, they shall be allocated after first establishing classes of participants who are less than age sixty-five (65) on the date of termination and are potentially eligible for a normal retirement benefit by treating each successively younger five (5) year age group as a class using the age sixty-five (65) as a base. An order of allocation priority shall then be established beginning with the oldest class. The assets shall then be allocated to participants in each such class who have an interest herein on account of credited service prior to the date of termination of the plan in an amount equal to the actuarial value of such interest. The allocations of the amounts, if any, in each class for full or reduced retirement benefits for such participants shall be on the basis of annuity values providing for the payment of such benefits (commencing at the age of first eligibility for a normal retirement benefit) in the form, applicable to such participants, which would have prevailed had the plan not been discontinued with application for reduction of retirement benefits, as in (A) above.

Such allocation shall be accomplished through the continuance of the trust fund which shall be maintained without earmark as to the severable equitable interests of those having a share allocated as above. The allocation of assets in this Section is merely for the purpose of determining the adequacy of the trust fund to provide reserves for retirement benefits of a certain monthly amount, and is not intended to give any participant legal title to a share of the trust fund or to vest in any participant such right, title and interest in the trust fund as to entitle him/her to a segregation of his/her aliquot share of the trust fund as a separate account.

Notwithstanding the foregoing, if the trustees, upon finding that it is not practicable or desirable under the

circumstances to continue the trust fund with respect to some or all of the groups listed above, the trustees may provide for the disposition of all or a part of the trust fund in a manner other than by the continuance of the trust fund with respect to some or all of the groups listed above, but no change shall be affected thereby in the order of precedence and basis for allocation above established.

Further, if required to dispose of the trust fund other than by its continuance because of a government rule or statute, such trust fund shall be disposed of in accordance with such rule or statute. If any allocation produces a retirement benefit of less than fifty dollars (\$50.00) per year for any person, the trustees may pay in lieu of a retirement benefit a lump sum of equivalent actuarial value.

Anything in this plan which might be construed to the contrary notwithstanding however, it shall be impossible at any time for any part of the corpus or income of the trust fund to revert to the Company.

8.05 AMENDMENTS

Amendments to this plan may be made in writing by mutual consent of both parties.

In witness whereof each of the parties hereto has caused this plan to be signed the **25th day of November, 2004** by its authorized representatives as of the day and year first above written.

FOR THE COMPANY

Howard Hallam

Allison Gale

Glenn Geurten

**FOR THE UNITED
STEELWORKERS OF AMERICA**

Doug Brown

ON BEHALF OF LOCAL 719

Joyce Cronin

James Kummer

Vicki Siertsema

Billy Tugwell

APPENDIX "C"
COMPANY RULES

This list of rules is not intended to be complete and personnel are warned that violations of any Company rules will be sufficient grounds for disciplinary action ranging from reprimand to discharge.

- (A) Stealing Company property or that of fellow workers.
- (B) Reporting production falsely or punching other than employee's own card.
- (C) Sabotage.
- (D) Violation of safety rules.
- (E) Reporting for work intoxicated.
- (F) Disorderly or immoral conduct on Company property.
- (G) Obtaining employment on basis of false information.
- (H) Absenteeism.
- (I) Lateness.
- (J) Continual uncooperativeness.
- (K) Avoidable waste of material.
- (L) Defective workmanship.
- (M) Low production.
- (N) Endangering life of the employee or that of fellow employee.
- (O) Smoking in prohibited areas or at prohibited times.
- (P) Insubordination.