

**COLLECTIVE
AGREEMENT**

BETWEEN



BURLINGTON PLANT

AND



Independent Paperworkers Of Canada

BURLINGTON LOCAL 949

JUNE 1, 2008 – MAY 31, 2013

10282 (03)

MISSION STATEMENT

The parties of this agreement are committed to working safely while continuously striving for operational excellence and efficiency, delivering exceptional value to our customers while being environmentally responsible and community minded.

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ARTICLE I – RECOGNITION

The Company recognizes the Independent Paperworkers of Canada as the sole bargaining agent of all employees of Smurfit-MBI at Burlington, save and except supervisors, persons above the rank of supervisor, office staff and security guards.

ARTICLE II – UNION SECURITY

1. All present, reinstated members, and new employees once they have completed their probationary period, will, as a condition of continued employment, become members of the union and maintain membership in good standing.
2. Subject to the requirements of any applicable provincial or federal law, the Company shall deduct membership dues from the date of employment from all employees within the bargaining unit on a weekly basis.

The Local Union shall advise the Company in writing of the amount of weekly deduction to apply to each employee with the bargaining unit. If there should be any change in the amount of such deduction, the Company shall be advised in writing of such change by the Local Union two weeks prior to its effective date. With the monthly remittance of union dues, the Company shall furnish the local union with a duplicate statement showing monthly the amount deducted and the names of all employees from whom deductions were made. The Company shall collect any arrears in union dues from employees providing wages owing and payable to the employee(s) are sufficient to cover the deduction.

3. Union dues will be made available to the designated Union official by the tenth day of each month. The monthly remittance will cover a complete month (i.e. first and last week inclusive).
4. Union dues total for the calendar year will be shown on forms T4 each year, and will be available by the last day of February.
5. The Company will deduct the Union's initiation fee (fixed amount) from new members from the first pay following the completion of their probationary period.

ARTICLE III – RESERVATIONS TO MANAGEMENT

All functions of management, including the right to discipline, unless specifically limited by this Agreement, are reserved to and are vested exclusively in the Company.

ARTICLE IV – WORK BY EXCLUDED PERSONS

Employees excluded from the bargaining unit will not perform work performed by members of the bargaining unit except in cases of instructions.

ARTICLE V – TRANSFER OUTSIDE THE BARGAINING UNIT

An employee who voluntarily accepts a position outside the bargaining unit shall maintain and continue to accumulate seniority for a period of twelve (12) months for the purpose of transferring back in the bargaining unit provided the employees pay their outstanding dues for the period they were out of the bargaining unit.

If an employee returns to the bargaining unit within this period, either by the Company or his own choice, he shall return to his last permanent posted position in the bargaining unit. The application of the article shall only apply once to any individual involved accumulative to twelve (12) months.

If the employee does not return to the bargaining unit within the specified time period above he shall lose all of his seniority prior to leaving the bargaining unit and the time he was accumulating while outside the bargaining unit and if the Company decides to maintain his employment in the bargaining unit they may do so provided no one is on layoff and the employee will start accumulating a new seniority date from the day he returned to the bargaining unit as a new employee, however this will not affect his company service credits.

ARTICLE VI – CONTRACTING OUT

The Company agrees not to contract out work presently performed by members of the bargaining unit to the extent that employees presently employed are deprived of a job.

ARTICLE VII – GRIEVANCE PROCEDURE

1. Any complaint or grievance concerning an alleged violation or misinterpretation of the provisions of this agreement shall be processed in accordance with the following procedure. The Union may process a policy grievance on behalf of the Local.
2. (a) An employee shall not have a grievance until he has discussed with his supervisor the matter giving rise to this complaint; this discussion will take place as soon as possible and if requested within two (2) hours. This must be done within ten (10) working days of the occurrence of the event giving rise to the complaint.

(b) An employee who wishes to pursue his complaint shall be accompanied by his or her Union representative. The discussion between the employee, the Supervisor and the shop steward shall take place as soon as possible after presentation of the complaint. If the supervisor fails to resolve the complaint within the twenty-four plant operating hours following its presentation, the employee may have recourse to the grievance procedure.
3. (a) Formal grievance meetings will be held between the hours of 7:00 a.m. and 3:00 p.m. unless otherwise mutually agreed to between the Company and the Union.

(b) A Union Representative shall not lose pay if it is necessary for him to process a grievance during his regular scheduled hours of work, excluding the time spent at arbitration.

Union Representatives will not leave their regular duties without receiving permission from their regular supervisor. Such permission will not be unreasonably withheld.

- (c) A meeting should be held at each step of the Grievance Procedure for the purpose of resolving the outstanding grievance.

4. Grievance Procedure:

Step 1 - If an employee's complaint is not resolved as provided in paragraph 2 above, two (2) Union Representatives and the employee may, within the five (5) working days following the supervisor's reply, or the date on which the supervisor should have given a reply, present the complaint in writing to the Production Manager. The Production Manager shall give his reply in writing within the forty-eight (48) plant operating hours immediately following presentation of the grievance.

Step 2 - If the grievance is not resolved, the Union may refer the grievance to the Plant Manager of the Company or his delegated representative. The Plant Manager or his delegated representative shall give his reply in writing within the ten (10) days following the meeting. If the grievance is not resolved, it may be referred to Grievance Commission Panel or apply for Arbitration as outlined in the Ontario Labour Act. The parties must mutually agree to have the grievance submitted to the Grievance Commission Panel. If no agreement is reached, the grievance will be submitted to arbitration as outlined in the Ontario Labour Relations Act. Such decision must be made within the thirty (30) working days immediately following receipt of the reply of the Plant Manager or his delegated representative or the date on which this reply should have been given.

- 5. When an employee is suspended or discharged, the Local Union President or his accredited representative will be notified. Any grievance arising out of such disciplinary action may be presented at Step 1 of the Grievance Procedure (Production Manager level) within the five (5) working days immediately following the suspension or discharge.

6. Arbitration:

The Grievance Commission or an Arbitrator shall be governed by the following provisions:

- a) The Grievance Commission or the arbitrator shall hear and determine the subject of the grievance and shall issue a decision which is final and binding upon the parties and upon any employee affected by it.
- b) The Commission or the Arbitrator shall not have the power to alter or amend any of the provision of this agreement.
- c) If the Grievance Commission or an arbitrator determines that the Company has imposed a penalty on an employee for cause, the commission or the arbitrator may substitute such lesser penalty as they or he or she considers just and reasonable in all the circumstances.
- d) The Commission or the Arbitrator shall have the power to relieve against noncompliance with time limits except that the matter or redress may be restricted to the time limits as set out in the grievance procedure if such the issue of timeliness is raised by either party.

Each party shall pay its own costs and the fees and expenses of witnesses or committee members called by it, and of its representatives. The fees and expenses of the commission or the Arbitrator shall be shared equally between the parties.

ARTICLE VIII – SENIORITY AND SERVICE

1. Plant seniority shall be all seniority an employee accumulates in a particular plant.

Job seniority is the length of time an employee spends on a job once he has been awarded the job posting.

The Company shall prepare and revise the seniority list and list of addresses and listed telephone numbers every six (6) months and provide the Local Executive with six (6) copies. Sufficient copies of separate seniority indicating the date of hiring, and the posting, held by each employee will be posted on the department bulletin board.

2. PROBATIONARY EMPLOYEES

An employee shall be considered probationary until he or she has worked cumulatively for four hundred and eighty (480) hours for non-maintenance or production employees and one thousand (1000) hours for maintenance (Trades) employees. The probationary period shall apply only once to any individual person regardless of the time between employment periods.

During the probationary period, an employee shall not acquire any recall seniority or service rights and may be dismissed at any time without recourse to the grievance procedure.

Upon completion of their probationary period employees shall be credited with full seniority and service dating back to the commencement of their probationary period.

The Union will be notified when an employee has completed four hundred (400) hours for non-maintenance or production employees and nine hundred (900) hours, for maintenance employees, of work. The Union and the employee will be notified when the employee has completed the probationary period.

If a probationary employee is to be separated, he or she and the Local Union will be told the reason for the separation in writing.

STUDENTS

Students will only be hired for relief purposes during the school holiday period (May 1st to September 15th unless mutually agreed otherwise between the Company and the Union) and will be defined as probationary employees for the full duration of their employment.

Students are excluded from the application of any of the Group Insurance Plans including the Retirement Plan.

Students' eligibility for statutory holidays will be governed by the Employment Standards Act of Ontario.

Students will not be employed to fill permanent vacancies.

Employees shall be considered terminated:

1. An employee shall be considered terminated and continuous service shall be deemed to have been broken if he:
 - i) voluntarily leaves the service of the Company.
 - ii) Is laid off in excess of twelve (12) consecutive months for one employee with less than one (1) year of service; twenty-four (24) consecutive months for an employee with one (1) but less than five (5) years of service; thirty-six (36) consecutive months for an employee with more than five (5) years of service;
 - iii) Refuses an offer of recall as stipulated in Article X – CUTBACKS, LAYOFFS AND RECALLS.
 - iv) Is discharged for just cause and not reinstated pursuant to the grievance and arbitration procedure;
 - v) Accidents, sickness, industrial injury and transfers from one plant to another, of the Company shall not break continuous employment.

Company service shall be the length of continuous service equal to an employee's plant seniority, plus the length of the service recognized by the Company in the employ of St. Laurent Paperboard Inc. or other owned or affiliated Companies at the time he was hired by the Container Division.

ARTICLE IX – JOB POSTINGS AND TRANSFERS

1. JOB VACANCIES

- a) A temporary vacancy is defined as a job of less than thirty (30) operating days' duration or a job, which becomes vacant because the incumbent is absent on approved leave.
- b) A permanent job vacancy is defined as a vacancy of more than thirty (30) operating days duration, which is not due to absence on approved leave.

Temporary Vacancies – (Where lines of progression exist)

Temporary Job Vacancies in a line of progression will be filled from within the department and selection will be based on job seniority from the next lower classification within the line where the vacancy exists.

Overtime will not apply if the work can be performed at straight time by qualified employee(s) present at the plant, first by the senior qualified in the department on shift, then by the senior qualified employee on a plant-wide basis.

1. All incumbents currently “Frozen” in their classification shall have the right to remain frozen or they may “unfreeze” themselves at any time. Should incumbents “unfreeze” themselves they shall not be allowed to “freeze” again except for reasons as set out in paragraph 2 below.

An employee who is by-passed because of refusal of promotion, shall be considered junior to all employees who by-pass him for promotional purposes only.

2. It is understood that employees who apply to an entry job in a line of progression must progress to the top of that line and will not be allowed to “freeze” themselves unless for medical reasons. It is also understood that no step in a line of progression will be blocked by “freezing” due to medical reasons and/or lack of capability to progress upwards.

LINES OF PROGRESSION

1. Lines of progression are defined as progression from one classification to another as established in each line as agreed to between the Company and the Union.
2. Any subsequent changes to these established lines of progression will be discussed and agreed to between the Company and the Union prior to implementation.

3. PROMOTION – DEMOTION WITHIN THE LINES OF PROGRESSION

A) ENTRY JOBS: All entry jobs will be posted on the plant bulletin board and selection will be based on plant wide seniority.

B) JOBS WITHIN THE LINES OF PROGRESSION: Permanent vacancies above the entry job in a line of progression will be filled by the most senior employee by job seniority in the next lower position in that particular line of progression.

- c) When a permanent vacancy occurs above the entry job because a number of incumbents are frozen on the lower job(s) in that line of progression the vacancy will still be posted as an entry job but it will stipulate that the employee will be expected to move directly into the higher position which gave cause for the posting in the first place and the selection process will be the same as in A) above.
4. In the case of a reduction in the work force, employees will be demoted step-by-step down their line of progression in the exact reverse order of their promotion.
5. Employees in an established line of progression will be provided with “on the job” training for at least one position above the position they are currently holding at any given time in order to prepare them for promotion within their line of progression. If the employees are incapable of advancing beyond their present level, they will be frozen in their present job position, subject to the job position not being blocked.
6.
 - a) Employees may be moved back down the lines of progression when it becomes apparent that the employees cannot perform their duties in an efficient manner.

- b) Employees moving back down their line of progression as per 6a above will retain the job seniority they had on that job prior to their promotion to the highest job position.

TEMPORARY VACANCIES

Where no lines of progression exist, temporary vacancies can be filled from within the department in which they occur and from the employees on the shift in which they occur. Selection will be made from the most senior employee willing and qualified to perform the job in question.

Should the temporary vacancy continue into the following week, the senior qualified employee will be scheduled on the job.

If overtime is required to fill the vacancy first the weekly scheduled counterpart will be kept over or called in.

Filling Permanent Job Vacancies

- i) Within five (5) working days of the job becoming vacant, it will be posed on the plant board for five (5) working days.
- ii) The most senior applicant will be awarded the permanent posting. If the successful applicant requires training, it will be provided within fifteen (15) working days. In the event that the Company is not able to commence the training period within the fifteen (15) days, the Company agrees to commence the training program on the first Monday following the elimination of the reason that caused the delay in the first place.

Exception: Trade Job postings and Truck Drivers' postings shall outline the qualifications necessary to perform the job.

- iii) Employees who are absent have the right to apply for the permanent vacancy provided they make their intentions known to the Company prior to the posting being taken down.
- iv) Employees off on sick leave, W.S.I.B. extended leave of absence, will not hold up the granting of a posting unless it is known at the time of the posting when the employees will be returning and such time is less than twelve (12) months.
- v) Prior to the Company posting the name of the employee selected the Company will confirm with the employee(s) as to whether or not they still want the posting. The employee will acknowledge his acceptance of the posting by signing off no later than 24 hours after he has been informed that he has been selected for the posting. Once the employee has confirmed his acceptance his name will be posted for 5 days from the date of his acceptance. That particular posting will be deemed completed and any further vacancies shall be reposted accordingly.
- vi) If after a reasonable period (no more than 30 days of actually working on the job in question) it is determined that the employee is unable to perform the normal duties of the job he was awarded he shall be returned to his former posted position if it has not already been filled through the job posting procedure without loss of any type of seniority. If the employee's previous job posting has been filled through the job posting procedure then the employee shall be deemed general help.

- vii) New Equipment – Whenever equipment is being put into the Burlington Plant, which falls into the same category as existing similar equipment, the position on the new piece of equipment will be offered to the senior posted employees in the same job category before employees are moved up the line of progression or the jobs are posted.

ARTICLE X – CUTBACKS, LAY-OFFS AND RECALLS

A Cutback is defined as a reduction of the work load or equipment and no one is actually physically laid off.

A lay-off is defined as when someone is actually physically laid off as a result of a reduction in plant operations.

The procedure for cutbacks will be as follows:

Steps one to five apply to non-lines of progression.

Step six applies to both non-lines and lines of progression.

Step 1 Employees will remain in their own department when work is available.

Step 2 No senior employee, nor any other employee, may bump into a posted job.

Step 3 Senior employees may bump into scheduled jobs on their shift in their own department.

Step 4 If no jobs are available, the displaced employee will be moved out of his department only after all displaced employees junior to him have been moved out of his department first.

Step 5 The senior displaced employee(s) will be assigned to the highest paying job they are capable of performing that is available outside of their department.

Step 6 When an employee is scheduled outside his/her department during cutbacks, and a piece of equipment is being scheduled for overtime in the department where the displaced employee holds a posting, the displaced employee on that shift will be brought back to his/her department after all employees scheduled in the department have been asked to work the overtime.

Movement of Personnel due to Cut-backs

In the event an employee's scheduled or posted job becomes short of work or the work at hand is not required for immediate delivery, he may be moved to any open job that requires filling for the remainder of his shift. If the work shortage continues into the second day, the senior qualified employee will be rescheduled into existing jobs available in the department. Should there be a machine or mechanical breakdown, the machine crew which is on shift at the time of the breakdown will be given work to finish their shift.

Transfers

An employee for whom there is work on his or her weekly scheduled job, will not be temporarily rescheduled elsewhere and be replaced on this job by another employee, except in cases of lay-offs or cutbacks, unless the employee is willing to move, or there are no other qualified employees on that shift to do the work required.

Layoff and Recall

When operators are to be curtailed, all those employees who have passed their probationary period and for whom no work will be available in the coming weeks, will be so notified by the end of their shift on Thursday.

Should it be necessary to curtail operations after the weekly schedule is posted, the employee who will be laid off will be so notified twenty-four (24) hours preceding the starting time of the shift he would have worked had he not been laid off. The provisions of this Article do not apply if curtailment is caused by fire, failure of any utilities, or major breakdown, in which case however employees shall remain at work and do assigned work until they have accumulated a minimum of four (4) hours pay from the start of their shift or four (4) hours pay at their scheduled rate if no work is available.

- a) If employees are to be laid off, students will be laid off first, then all probationary employees, and then those with lesser plant seniority will be laid off, provided the employee or employees with greater plant seniority have the qualifications to perform the job or jobs available.
- b) Employees who are laid off will retain recall rights in accordance with Article VIII – Seniority. Employees will be recalled by telephone. If the employee cannot be reached, he will be recalled by registered mail to his last known address. An employee who chooses not to return may be excused without loss of recall rights provided such refusal does not interfere with the efficiency and operation of the plant and provided the employee provides proof that he is gainfully employed elsewhere.

When recalled by registered mail, the employee must signify his intention to return within twenty-one (21) days of the mailing of the notice. If an employee fails to comply with the above or to report for work as requested, he or she shall be considered to have quit voluntarily, unless a reasonable cause exists.

Laid off employees will be recalled in reverse order of lay-off provided they have the qualifications to perform the work available. No new employees will be hired while any employee who has passed his or her probationary period is on lay-off, unless lay-off is a result of exercising their rights in accordance with b) above.

If there is a reduction of the work force in whole or in part, the Company agrees that it will not hire any new employees without first offering permanent employees from the plant where reduction took place, the vacancies available. If the employee accepts the transfer, he will take with him his full Company service credits, but will have a new plant seniority date. Employees so transferred will not have to complete a new probationary period and will automatically be enrolled in any insurance plans which may have been discontinued as a result of the reduction or closure of his original place of employment.

ARTICLE XI - NOTIFICATION

1. It shall be the duty of employees to notify the Company promptly in writing of any changes of their address and telephone number. If the employee plans to be away for an extended period, the Company must be so notified. If an employee fails to do this, the Company will not be responsible for failure of a notice to reach such employee.
2. Employees who are coming off Workplace Safety and Insurance Board or Weekly Indemnity and are returning to work must notify their plant by Thursday noon preceding their return to work to allow for easier scheduling. If an employee fails, through neglect, to notify the plant by Thursday noon preceding his/her return to work, he or she will be placed on any job that is available and will be paid the rate of the job performed until a new work schedule is in effect.
3. The Company will supply the Union with copies of work schedules and lay-off lists at the time they are produced.

ARTICLE XII – UNION COMMITTEES

The Company and the Union agree to meet at the request of either party for the purpose of discussing matters that relate to the operation of the plant and/or the collective agreement.

Meetings shall take place at times mutually agreeable to the parties. Employees attending these meetings who are on shift, will not lose pay for their regular shift hours.

The Company agrees to recognize that the Union Executive may require, from time to time, additional employees to attend such meetings and the Union agrees to limit attendance to those that are necessary in order to conduct the business at hand.

ARTICLE XIII – AUTOMATION AND TECHNOLOGICAL CHANGES

The Company will advise the Union as soon as possible, and in any case not less than ninety (90) days before the introduction thereof, of technological changes and/or automation which the Company has decided to introduce which will result in the demotion, transfer or lay-off of employees.

Should the introduction of technological or automation changes result in permanent lay-off of more than five (5) plant employees before the expiry date of this collective agreement, the Company is prepared to consider a special early retirement incentive program with the objective of minimizing the impact of such changes on affected employees and possibly reduce the number of employees that could be laid-off.

Furthermore, the Company will attempt, within reasonable means, not to replace employees, who leave the service of the Company for any reason during that period, by hiring new permanent employees.

Whenever such changes occur, a Joint Committee will be established in the plant. It shall be the function of the Committee to review and discuss the effects of such technological or automation

changes on the employment status of employees and to consider practical ways and means to minimizing the adverse effect on employees displaced by such changes.

An employee who is permanently set back to a lower paid job because of technological change or automation will receive the rate of his permanent job at the time of the set back for a period of six (6) months, and for a further period of six (6) months, he will be paid an adjusted rate which will be midway between the rate of his permanent job at the time of the set back and the rate of his new permanent job. At the end of this twelve (12) month period, the rate of his new permanent job will apply.

Employees who are set back because of automation and technological changes shall be considered permanently set back after thirty (30) days. When an employee loses his job through automation or technological change, he will be given the first opportunity to a permanent job posting and the Company will train him for this job providing the employee has the seniority and ability.

SEVERENCE PAY

Should the Company permanently close down a plant or any part of a plant, and as a result of this permanent closure terminate the services of any employees, such employees who are terminated will be entitled to separation pay as follows:

Employees with at least three (3) years of continuous service but less than five (5) years of continuous service will be entitled to severance pay equal to two percent (2%) of their total earnings for the last full period of continuous service. This severance pay will not interfere with their recall rights.

Employees with five (5) years of continuous service or more will be entitled to two percent (2%) of their total earnings for their last full period of continuous service or one (1) week's pay for each year of continuous service up to a maximum of twenty-six (26) weeks as provided for in the Employment Standards Act, whichever is the greater.

If the employee chooses the two percent (2%) option, it will not interfere with nor cancel his recall rights under the collective agreement to recall.

If the employee chooses the payment as provided for under the Employment Standards Act one (1) week for each year of continuous service up to a maximum of twenty-six (26) weeks, he shall forfeit his rights to recall under the collective agreement and shall be deemed to have terminated his employment. However, the employee may elect to have his week's pay entitlement sent to the appropriate ministry to be held in trust as provided for under the act until his full recall rights have been exhausted. If at any time while on recall the employee decides to withdraw his money from trust, the employee will have terminated himself as a result of such withdrawal.

It is understood that under no circumstances will the employee be entitled to receive both the severance pay as provided for under the collective agreement (2% formula) and the entitlement provided for under the employment standards act one (1) week for each year of continuous

service up to a maximum of twenty-six (26) weeks except that the employee with five (5) years of continuous service or more who chooses to take the two percent formula (2%) at the time of indefinite lay-off will be entitled to the difference in pay to make up his entitlement under the employment standards act (if any such difference exists) once his recall rights have been exhausted.

ARTICLE XIV – STRIKES OR LOCKOUTS

There shall be no strike, walkout, lockout, or other similar interruptions of work during the life of this Agreement.

ARTICLE XV – RETIREMENT AND GROUP INSURANCE PLANS

1. A summary of the Group Insurance Plans and Retirement Plan in effect is included in Appendix D which forms part of this Agreement.]
2. A copy of the Group Insurance Plan Master Policy and a complete copy of the Smurfit-MBI Employees' Retirement Plan covering the employees who are members of the local unions' signatory to this Agreement, will be remitted to each local unit, as well as to the National Union.

ARTICLE XVI – LETTERS OF INTENT

The Memorandum of Agreement and Letters of Intent signed between the Company and the Union shall form and become part of this Agreement.

ARTICLE XVII – HOURS OF WORK

Definition of the Work Week

The Work week shall be five (5) days and a total of forty (40) hours, Monday to Friday, inclusive.

Hours for Shift Workers

The schedule of hours for shift workers shall be:

11:00 p.m.	to	7:00 a.m.
7:00 a.m.	to	3:00 p.m.
3:00 p.m.	to	11:00 p.m.

unless mutually agreed to between the Company and the Union.

Employees, subject to the terms of this Collective Agreement, shall rotate in sequence weekly unless mutually agreed between the Union and the Company.

An employee who wishes to change shifts with another employee must first have the permission of his supervisor and provide the name of the employee with whom he is changing shifts. Such permission will not be unreasonably withheld.

The hours of work for the Die Mounter on Fridays are from 7:00 a.m. to 3:00 p.m. and from 11:00 a.m. to 7:00 p.m. on a five (5) day operation.

- i) In the event that during the week, and after the scheduled work week has started, an employee is required to change to a shift other than that to which he was scheduled, that employees will be paid time and one-half (1-1/2) for the first shift worked after the change.
- ii) Should an employee be required to change to a shift other than indicated on the schedule, before the beginning of the regular work week, he will be entitled to time and one half (1-1/2) for the first shift worked after the change, unless the employee is so advised of the change at least twenty-four (24) hours before the start of the first shift in regular work to which the schedule refers.
- iii) The above section i) and ii) shall not apply in the event that the change is for the convenience of the employees.
- iv) If the Die Room should go to a three (3) shifts and the current shift arrangement presents problems, the Union and management will revisit the issue to change the Friday hours from 11:00a.m. to 7:00p.m. to 3:00p.m. to 11:00 p.m.

SEVEN (7) DAY – TWENTY-FOUR (24) HOUR OPERATION

The Company may operate the plant, or a portion of the plant or perform maintenance work on a seven (7) day basis per week, once they have exhausted the normal hours available in a five (5) day operation, (Monday to Friday) on the required equipment.

In the event the Company decides to do so, the application provisions of the labour agreement will be amended accordingly and scheduled, and will be mutually agreed to between the Company and the Union. If no agreement can be reached, the schedule will be based on a 3-2, 2-2, 2-3 schedule, twelve (12) hour shift. (see letter of intent).

The Company will provide the Union with a minimum of two (2) weeks' notice.

Overtime

All hours worked will be paid at straight time rates with overtime rates applicable outside of the employee's scheduled hours of work and for all hours worked on Sunday or a statutory holiday.

There shall be no pyramiding of overtime.

General

It is the understanding of the parties that should any changes be required to ensure the commencement of seven (7) day operations, the parties will work together to bring about the

smooth implementation of this change with the knowledge that it is the Company's ultimate right to implement the continuous seven (7) day operation.

Overtime

- a) The Company's policy is to keep overtime to a minimum and overtime will not apply if the work can be performed at straight time by qualified employees in the plant. If overtime is necessary, the Union will cooperate with the Local Management in fulfilling reasonable overtime man hours to meet production schedules.
- b) Permanent employees will be given preference on overtime work providing they are qualified and willing to perform the work in question.
- c) There shall be no pyramiding of overtime.
- d) Time and one-half the employee's scheduled occupational rate or time and one-half of the rate for the job performed, whichever is the greater, will be paid for all hours worked outside their scheduled hours of work.
- e) Time and one-half the employee's scheduled occupational rate or time and one-half the rate for the job performed, whichever is the greater, will be paid for all hours worked between 11:00 p.m. Friday and 11:00 p.m. Sunday.
- f) Time and one-half the employee's scheduled occupational rate or time and one-half for the job performed, whichever is the greater, will be paid for all hours worked during the agreed shutdown time for a paid plant holiday.
- g) The Company may schedule up to three (3) maintenance employees to work the day shift (an 8-hour shift) every Saturday by reverse seniority if there are no volunteer maintenance people available. If the Company has three (3) maintenance employees to volunteer for the weekend shift then "mandatory Saturday" does not apply. If there are less than three (3) volunteers, then the mandatory Saturday will be used to fill the balance. Each mandatory Saturday requirement will be filled by continuing up the Maintenance seniority list, junior person first on a rotating basis.

Subject to Company approval the Maintenance employees who must work the mandatory Saturday will be given the option of taking the Monday immediately following the Saturday as a scheduled day off without pay. If the Monday falls on a statutory holiday, then the Tuesday (next work day) will apply. Such approval shall not be unreasonably withheld.

OVERTIME CLASSIFICATION RATE OF PAY

Employees who work a double shift will not be allowed to work more than twelve (12) consecutive hours the following day.

For the purposes of interpretation of the foregoing, any overtime worked beyond four (4) hours shall be considered as a double shift with the exception of employees working the half (1/2) hour overtime for startup and month-end inventory.

Scheduling of Overtime (Three (3) Shift – five (5) day operation)

- a) Saturday or Sunday Overtime (excluding Friday night 11-7)

Step 1: Selection from that weekly schedule will be made by first asking the employee scheduled on that particular job where the overtime is to be worked on the 7-3 shift, if not filled, then by asking the employee scheduled on that particular job from the 3-11 shift; and, if still not filled by asking the employee scheduled on that particular job on the 11-7 shift. If still not filled then ask employees who were scheduled that week on equipment which forms part of a group of similar equipment, e.g. presses, by job seniority on the 7-3 shift first, then by job seniority on the 3-11 shift second; and then by job seniority on the 11-7 shift lastly.

Step 2A: If vacancies remain, employees in the department where overtime is needed, with the ability to do the jobs, will be asked on a plant seniority basis, first, by asking employees scheduled on 7-3 shift; secondly, from 3-11 shift; and thirdly, from 11-7 shift.

Step 2B: (Special for Press Department 200 and 300) If vacancies still remain in Department 200 employees in 300, with the ability to do the job, will be asked on a job seniority basis; first by asking employees scheduled on 7-3 shift, secondly, from the 3-11 shift.

If vacancies still remain in Department 300, employees in 200, with the ability to do the job, will be asked on a job seniority basis; first by asking employees scheduled on 7-3 shift, secondly, from the 3-11 shift, and thirdly, from the 11-7 shift.

Step 2C: If vacancies still exist, weekly scheduled employees within the department with the ability to do the job will be asked on a plant seniority basis.

Step 3: If vacancies still exist, selection will be made from any department on a plant-wide seniority basis, provided the employees have the ability to do the job, regardless of what shift the employees are scheduled on.

If production (non-maintenance) personnel are needed to assist maintenance on an overtime basis, the operator scheduled on that section of equipment or machine being repaired will be asked first on the 7-3 shift. If the scheduled operator refuses the overtime then revert to step 1 of scheduling of overtime A) Saturday and Sunday overtime in order to fill the job.

If any employee, who is eligible under Step One, refuses to work overtime as requested, he or she will be by-passed and will not have the option to select a job, which he chooses and is qualified to work, under the provisions of Step Two.

Employees who are eligible and refuse to work overtime under the provisions of Step One will not be given the option to select another job until the process of steps one, two and three are exhausted.

Employees working on the 11:00 p.m. Thursday to 07:00 a.m. Friday shift will be informed if they are needed for weekend overtime prior to the end of their shifts.

The weekly work schedule will be the basis for the selection of employees to work overtime.

Statutory Holiday Overtime

The same procedure will be followed for statutory overtime selection, as is followed for Saturday and Sunday overtime. Sunday is considered as the beginning of the work week.

Overtime During Regular Scheduled Work Week

Step 1 Regular weekly scheduled employees for the job in question will be asked first to work overtime.

Step 2 If vacancies still exist for the job in question, weekly scheduled employees performing the job will be asked on a job seniority basis.

Step 3 If vacancies still exist, weekly scheduled employees within the department with the ability to do the job will be asked on a plant seniority basis.

Step 4 (Special for Press Department 200 and 300)

- a) If vacancies still remain in Department 200 employees in 300 with the ability to do the job, will be asked on a job seniority basis;
- b) If vacancies still remain in Department 300 employees in 200, with the ability to do the job, will be asked on a job seniority basis;
- c) If vacancies still exist, weekly scheduled employees within the department with the ability to do the job will be asked on a plant seniority basis.

Step 5 If vacancies still exist, plant-wide seniority will be used for overtime selection.

Overtime on Unscheduled Jobs

If overtime is required on an Unscheduled job, selection for overtime will be as follows:

- a) Employees on the previous shift who are capable of performing the job in question and who are scheduled in the department will be asked on the basis of their plant seniority.
- b) Should vacancies still exist, the remaining employees on the previous shift who are capable of performing the job in question will be asked in order of their plant seniority. In Department 200 and 300 first exhaust the department where the overtime is required and then the other part of department 200.
- c) For purposes of the above, an unscheduled operation is defined as a job that has not been scheduled on the weekly schedule for the week in which the overtime is required.
- d) Students will not be assigned overtime during the work week or weekends until permanent employees who are eligible above have been given the opportunity to work the overtime needed.
- e) Planned overtime work schedules will be posted on the Main Bulletin Board and in the Department(s) concerned prior to the overtime being worked.
- f) Employees who work a double shift will not be allowed to work more than twelve (12) consecutive hours the following day.

Friday Night Overtime (11-7)

Selection will be made from the weekly schedule first from employees on the 11-7 shift; secondly, from employees on the 7-3 shift; and thirdly, from employees on the 3-11 shift, in the classification, then in the department, before going to plant-wide seniority.

(Special for the Press Department)

For Friday night overtime the word “Department” shall mean Department If the overtime is in Department – 200 ask Department 200 first and then Department – 300. If the overtime is in Department – 300; ask Department – 300 first and then Department – 200.

a) Meal and Rest Periods

Employees will be granted a twenty (20) minute paid lunch period per shift and one paid ten (10) minute rest period. The present practice as it relates to the corrugator crew shall continue for the life of the collective agreement.

b) Overtime Rest Period

When requested to work overtime employees shall be given a ten (10) minute paid rest period at the end of their scheduled shift.

c) Lunch Periods – Saturday and Sunday

Employees who work five (5) hours or more on Saturday or Sunday will be provided with a twenty (20) minute paid lunch period.

d) Any employee choosing to leave their shift during lunch and break periods, must swipe in and out, to record their absence. Time absent from their shift will not be paid.

Call In

- a) Employees called in to perform work which is not continuous with their regular scheduled hours of work will be paid at the rate of the job performed or their scheduled occupational rate, whichever is the greater, a minimum of four (4) hours straight time pay, or time and one-half (1-1/2) for hours worked outside their regular scheduled hours, whichever is the greater.
- b) Members of the maintenance crew, when called in outside of their regular scheduled hours, will be expected to perform only the work for which they were called. While at the plant on a call-in if emergency maintenance work happens with one (1) hour, the employee will be required to perform the work needed and no additional call-in will apply but strictly the greater of a call-in application or the hours worked at time and one half.

ARTICLE XVIII – WAGE RATES

1. New Classifications

- a) The Company will advise the Union of any changes to existing job classifications or any new job classifications at least thirty (30) days before any changes or new classifications are put into effect.
- b) When a new job is created or there are significant changes in existing jobs, Management will discuss with the Union the rate or rates to be paid. If agreement cannot be reached, the rate proposed by Management will be implemented, and if the Union is not satisfied, it may submit the matter to interest arbitration for final determination. The issue before the Arbitrator will be to determine whether or not the rate proposed by Management is appropriate or if another rate should substitute the one in effect and not whether or not there has been substantial changes to the job before the issue of the rate can be addressed. If the Arbitrator determines that the rate should be amended, it will be retroactive to the date the job was created or the changes were made.

2. Rate Maintenance

- a) Weekly work schedules will be posted by Thursday noon, the week preceding that to which they apply.
- b) An employee will not receive less than his scheduled rate for work performed during his regular scheduled hours that week.
- c) If the Company reassigns an employee to a higher rated job, he will be paid the higher rate for the entire shift during which the reassignment occurs. Should the reassignment continue, the employee will be paid the higher rate for each regularly scheduled shift that week during which he performs the higher rated job. This provision does not apply for normal relief for lunch and rest periods.
- d) While on training courses, approved by Management, employees will be compensated for all time lost from their normal day's pay, including shift differential, provided they would have been scheduled to work on shift, for each day lost while attending such training course.

3. Lead Hand Rate

While an employee is assigned the responsibility of a lead hand, he/she will be paid, while he or she is performing this function, one (\$1.00) dollar per hour over his scheduled occupational rate for the week or fifty (.50) cents an hour over the highest rate he/she is leading, whichever is the greater.

Duties of a Lead Hand

- a) To carry out work schedules as arranged by the shift supervisor.
- b) To direct the personnel working in the department to which he/she is assigned.
- c) During the periods that Lead Hands are assigned for the purpose of replacing supervisory personnel, they will not perform bargaining unit work, except in cases of instruction or if their machine is the sole machine operating in the department.

d) Lead Hands will not be responsible for applying disciplinary action.

1. Classification Rates

a) The classification titles, grades and wage rate schedule are as follows (* Lump Sum):

Grade 2

General Help

Janitor

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$21.42	\$1,400.00	\$21.63	\$21.85	\$22.07	\$22.29	\$22.51	\$22.74	\$23.14

Grade 3

J & L Folder Gluer T.O.

Utility Person

Corrugator Service Person

Bundler

Slitter Scorer Take-off

Curtain Coater Take off/feeder

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$21.87	\$1,400.00	\$22.09	\$22.31	\$22.53	\$22.76	\$22.99	\$23.22	\$23.62

Grade 4

Shipper

Automatic Palletizer Operator

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$22.27	\$1,400.00	\$22.49	\$22.72	\$22.94	\$23.17	\$23.41	\$23.64	\$24.05

Grade 5

Warehouse person (all occupations except Inventory Control)

Shipping Clerk

Stacker Operator (Corrugator)

Waste Control

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$22.70	\$1,400.00	\$22.93	\$23.16	\$23.39	\$23.62	\$23.86	\$24.10	\$24.52

Grade 6

Flexo Rotary Die Press 2nd Person

Flexo Folder 2nd Person

Warehouse person inventory control

J & L Assistant Operator

First class Palletizer Operator

Slitter Scorer Operator

Double Backer

Curtain Coater Operator

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$23.11	\$1,400.00	\$23.34	\$23.57	\$23.81	\$24.05	\$24.29	\$24.53	\$24.96

Grade 7

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$23.58	\$1,400.00	\$23.82	\$24.05	\$24.29	\$24.54	\$24.78	\$25.03	\$25.47

Grade 8

Flexo Rotary Die Press Operator
 Flexo Folder Operator
 Corrugator Operator
 J & L Operator
 A.O.C. Operator
 Die Mounter
 Steel Rule Die Repair

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$23.98	\$1,400.00	\$24.22	\$24.46	\$24.71	\$24.95	\$25.20	\$25.46	\$25.90

Grade 8.5

Order Readiness

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$24.48	\$1,400.00	\$24.72	\$24.97	\$25.22	\$25.47	\$25.73	\$25.99	\$26.44

Grade 9

Oiler Greaser
 Mechanic Machinist

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$24.85	\$1,400.00	\$25.10	\$25.35	\$25.60	\$25.86	\$26.12	\$26.38	\$26.84

Grade 11

Certified Millright

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$27.10	\$1,400.00	\$27.37	\$27.64	\$27.92	\$28.20	\$28.48	\$28.77	\$29.27

Grade 12

Certified Electrician Mechanic

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$28.10	\$1,400.00	\$28.38	\$28.66	\$28.95	\$29.24	\$29.53	\$29.83	\$30.35

Grade 13

Electronic Technician (There will be only one per plant)

15-Aug-07	2008*	1-Jun-09	1-Dec-09	1-Jun-10	1-Dec-10	1-Jun-11	1-Dec-11	1-Mar-12
\$30.77	\$1,400.00	\$31.08	\$31.39	\$31.70	\$32.02	\$32.34	\$32.66	\$33.23

SHIFT DIFFERENTIALS

- a) A shift premium of fifty-five cents (\$0.55) cents per hour, will be paid to employees working between 3:00 p.m. and 11:00 p.m.

- b) A shift premium of ninety cents (\$0.90) per hour, will be paid to employees working between 11:00 p.m. and 7:00 a.m.
- c) The shift premium shall not enter into the calculation of overtime pay.

TRAINING

1. When possible, employees being trained will be scheduled with a posted incumbent.
2. When employees who have been selected for training are placed on the training job, they will remain there until the training period is completed. However, the Company may transfer these employees to other jobs for the purpose of maintaining customer deliveries and product requirements. The time employees have spent on training will be recorded and kept up to date by the Company.
3. Selected employees, while training with a trainer, will be paid the rate of the job they would otherwise have performed had they not been training or the rate of the job they are performing if they are working alone.
4. Employees training on a job shall, for the purpose of overtime, retain their job posted seniority. The trainee, shall slot in as the junior person in his posted classification on the scheduled shift he is training on for the purpose of overtime selection.
5. The trainee shall retain the status for weekly and Friday night overtime as well.

ARTICLE XIX – VACATIONS

1. Vacation Year and Administration

The vacation year will be based on a calendar year.

2. Eligibility and Vacation Pay

- a) Each employee who on January 1st of any year has completed less than one (1) year of continuous employment will be eligible for a vacation with pay under the provision of the applicable provincial Law.
- b) Each employee, who as of January 1st, of any calendar year, has completed one (1) but less than four (4) years' continuous employment, will be eligible for two (2) weeks vacation with vacation pay in that calendar year. Vacation pay will be calculated at the rate of four percent (4%) of the employee's gross earnings in the preceding calendar year, but in no case shall an employee who has received pay for eight hundred and forty (840) hours or more in the preceding calendar year receive less than the equivalent of eighty (80) hours at his or her occupational rate.
- c) Each employee who has four (4) but less than nine (9) years' continuous employment, will be eligible for, beginning in the calendar year in which the employee will complete four (4) years' continuous employment, three (3) week vacation with vacation pay. Vacation pay will be calculated at the rate of six percent (6%) of the employee's gross earnings in the preceding calendar year, but in no case shall an employee who has received pay for eight hundred and forty hours (840) or more in the preceding calendar year receive less than the equivalent of one hundred and twenty (120) hours at his or her occupational rate.

- d) Each employee who has nine (9) but less than twenty (20) years' continuous employment, will be eligible for, beginning in the calendar year in which the employee will complete nine (9) years' continuous employment, four (4) week vacation with vacation pay. Vacation pay will be calculated at the rate of eight percent (8%) of the employee's gross earnings in the preceding calendar year, but in no case shall an employee who has received pay for eight hundred and forty (840) hours or more in the preceding calendar year receive less than the equivalent of one hundred and sixty (160) hours at his or her occupational rate.
- e) Each employee who has twenty (20) but less than twenty-five (25) years' continuous employment, will be eligible for, beginning in the calendar year in which the employee will complete twenty (20) years' continuous employment, five (5) weeks vacation with vacation pay. (Effective June 1st, 2000 – 5 weeks after 18 years of service). Vacation pay will be calculated at the rate of ten percent (10%) of the employee's gross earnings in the preceding calendar year, but in no case shall an employee who has received pay for eight hundred and forty (840) hours or more in the preceding calendar year receive less than the equivalent of two hundred (200) hours at his or her occupational rate.
- f) Each employee who has twenty-five (25) or more years' continuous employment will be eligible, beginning in the calendar year in which the employee will complete twenty-five (25) years' continuous employment, to receive six (6) weeks vacation with vacation pay. (Effective June 1st, 2000 - 6 weeks vacation after 24 years of service). Vacation pay will be calculated at the rate of twelve percent (12%) of the employee's gross earnings in the preceding calendar year, but in no case shall an employee who has received pay for eight hundred and forty (840) hours or more in the preceding calendar year receive less than the equivalent of two hundred and forty (240) hours at his or her occupational rate.
- g) Eligible employees who wish to take more than two (2) week vacation consecutively may do so only between September 15th and the following June 15th.
- h) Eligible employees shall be entitled to two (2) weeks' vacation consecutively or otherwise, if the employee so desires, during the period of June 1st to September 14th.
- i) Vacation pay will be paid through regular payroll deposit during the week following vacation.
- j) Vacation shall be taken in the year in which they are due and may not be accumulated.
- k) An employee who has completed one (1) or more years of continuous employment, who leaves the service of the Company for any reason and who has not taken the full vacation he is eligible to receive, under the provisions of Article XIX – Vacation – Section 3, paragraphs a) to f) inclusive, in the calendar year in which he leaves, will receive at the time of leaving pay in lieu of vacation not taken, plus pay in lieu of vacation rights accrued in the calendar year in which he leaves the employ of the Company, calculated on the following basis:
 - i) Four percent (4%) of his gross earnings in that calendar year for an employee with less than four (4) years' continuous employment;
 - ii) Six percent (6%) of his gross earnings in that calendar year for an employee with four (4) but less than nine (9) years' continuous employment;
 - iii) Eight percent (8%) of his gross earnings in that calendar year for an employee with nine (9) but less than twenty (20) years' continuous employment;
 - iv) Ten percent (10%) of his gross earnings in that calendar year for an employee with twenty (20) but less than twenty-five (25) years' continuous employment. Effective June 1, 2000 twenty (20) changes to eighteen (18);

- v) Twelve percent (12%) of his gross earnings in that calendar year for an employee with twenty-five (25) or more years' continuous employment. Effective June 1, 2000 twenty-five (25) changes to twenty-four (24);
- l) Time lost because of an industrial injury or industrial illness will count as time worked for purposes of determining vacation eligibility, provided the employee has been at work sometime during the year for which he claims vacation with pay.
- m) An employee who, having completed one (1) or more years of continuous employment is discharged for cause, will be entitled to receive (2) week vacation earned during the preceding calendar year, if he has not already been paid, plus vacation pay he is eligible to receive for the calendar year during which he leaves the employ of the Company, calculated at 4%, 6%, 8%, 10% or 12% of his gross earnings from January 1, to date of leaving, depending on the length of service.
- n) Employees entitled to more than three (3) weeks of vacation may opt to receive vacation pay in lieu of time off for any weeks of entitlement in excess of three (3) weeks, provided it does not interfere with security of others and is used for the purpose of maintaining plant operations.

3. General

- a) The company reserves the right to schedule vacations so as not to interfere with plant operations, however, the Company will cooperate with the employees and the Union in an effort to grant vacations at a satisfactory time by giving consideration to the employee's length of service.
- b) The vacation schedule will be posted no later than April 1st, each year. Employees who fail to state their vacation preferences by March 1st will not be entitled to consideration under the provisions of paragraph a) above.
- c) It is the responsibility of the employee to verify their shift on return to work after vacation.

4. Weekly Indemnity Payments and Vacation Pay will not be paid out for the same time period.

If an employee has scheduled his vacation and prior to taking the actual time off applies for and receives Weekly Indemnity, he may reschedule the vacation time at a later date during the vacation year at a time that is mutually acceptable to both the employee and the Company. If the employee chooses to maintain his scheduled vacation time Weekly Indemnity will cease during the vacation time period and the same claim will commence upon the completion of the employee's vacation. Weekly Indemnity payments, if the employee is still off will continue beyond the original fifty-two (52) week period by the same number of weeks the employee had vacation time off.

5. Summer Vacation

The Company may close the plant or any part of the operations for vacation purposes according to the following schedule Burlington – the second and third full weeks of July, Pickering– the second and third full weeks of August, and the above times will rotate yearly. The Union Local and the Maintenance employees will be notified by March 1st of each year

as to the possible requirements and numbers of required maintenance employees needed during these shutdowns. This time work will be on a voluntary basis and if the Company does not have a sufficient qualified number of employees on a voluntary basis, the junior qualified employees will be scheduled.

ARTICLE XX – PAID HOLIDAYS

1. Paid Plant Holidays

a) The following ten (10) days will be deemed as paid Statutory Holidays:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Dominion Day	Boxing Day
Civic Holiday	One (1) additional day during Christmas shut-down period

- b) An additional four (4) hour's pay to each eligible employee on the day prior to Christmas and New Year's Day shut-down, in lieu of an extra holiday.
- c) The Company will discuss with the Union the period of Christmas and New Year's shut-down prior to December of each year.
- d) Plant holidays which fall during an employee's scheduled vacation during the Christmas shutdown will be rescheduled by January 31st of the following year as per the terms of the Collective Agreement. Employees, who schedule vacation during the Christmas shutdown must notify the Company no later than December 1st of the year in question as to which option the employee is choosing to exercise. Floaters not rescheduled by January 31st of the month following the Christmas shutdown will be paid in lieu of time off.
- e) If a plant holiday falls on a Saturday or a Sunday, the following Monday shall be considered to be the paid plant holiday, unless mutually agreed to between the Company and the Union.
- f) Every eligible employee will be entitled to holiday and floating holiday pay at the rate of eight (8) times his straight time regular occupational rate or eight (8) times the employee's scheduled rate for that week, whichever is the greater.
- g) To be eligible for a paid plant holiday, an employee must have worked on his last scheduled work day or shift immediately preceding, and his first scheduled work day or shift immediately following such holiday, unless absent with reasonable excuse, provided the employee has worked sometime within the one hundred and twenty (120) days preceding the holiday in case of absence due to illness or accident and thirty (30) days when on approved leave including lay-off.
- h) The period of shutdown for the ten (10) paid plant holidays will be twenty four (24) consecutive hours.
- i) Any employee who is eligible to receive holiday pay and who is requested to work during the shutdown on a paid plant holiday shall have a day off with pay, at a time mutually convenient to the employee and Company.

- j) In the event a paid plant holiday falls within an employee's vacation period, he shall be paid for the holiday on his next regular pay period.

2. Floating Holiday

- a) Upon completion of his or her probationary period, an employee will be entitled to one floating holiday per calendar year. This floating holiday must be taken in the calendar year in which is due. Floaters will not be granted during the period of June 1st to September 15th unless there is a sufficient replacement available at straight time.
- b) An employee who is eligible for a floating holiday must make his or her request prior to the preparation of the weekly schedule applicable to the week in which the employee wishes to take the holiday. A floating holiday so requested will be granted unless a qualified replacement is not available. Notwithstanding, the above floater will be granted when requested in cases of justified emergency.

ARTICLE XXI- JURY DUTY AND SUBPOENAED WITNESS

The Company will pay a permanent employee the difference between his straight time scheduled occupational rate for a normal day (eight (8) hours) and the amount paid for jury duty or for reporting for jury roll call for each day he is required to serve on a jury or to report for jury selection providing these days are the employee's regular scheduled days of work.

The above paragraph applies to permanent employees who have been subpoenaed to appear in Court as a witness in a civil or criminal case, with the exception of their own case.

ARTICLE XXII – BEREAVEMENT LEAVE

- a)
 - i) When death occurs to the spouse (legal definition), child or step-child of an employee, the employee will be granted a paid leave of absence of not more than five (5) scheduled working days. These five (5) days must be taken within seven (7) calendar days of the day of the funeral.
 - ii) When death occurs to a member of an employee's immediate family, the employee will be granted a paid leave of absence of not more than three (3) scheduled working days. These three (3) days must be taken within seven (7) calendar days of the day of the funeral.
- b) Pay will be at the employee's scheduled straight time occupational rate even though one or more of the days of funeral leave occur on Saturday or Sunday or a paid holiday. The straight time scheduled occupational rate means the occupational rate of the job at which the employee would have worked had he not been on funeral leave.
- c) Members of the immediate family are the employee's mother, father, brothers, sisters, mother-in-law, father-in-law, step-mother, step-father, grandparents and grandchildren.

- d) When death occurs to an employee's brother-in-law or sister-in-law, the employee will be granted a leave of absence of one (1) scheduled working day. This one (1) day off with pay shall be the day of the funeral or memorial service.
- e) Father-in-law, mother-in-law, brother-in-law and sister-in-law apply only to the current spouse of the employee.

ARTICLE XXIII – LEAVE OF ABSENCE

- 1. Leaves of absence for reasons such as routine Doctor or Dentist appointments must be arranged at least the shift before the leave is taken.
- 2. Personal Leave of Absence

The Company may grant a leave of absence in writing to any employee and such permission shall not be unreasonably withheld, and any person who is absent with such written permission shall not be considered to be laid off and his seniority and Company service shall continue to accumulate during his absence. The Company shall *notify* the Union Committee of any leave of absence, except bereavement leave. While on a leave of absence an employee will be responsible to maintain his benefit coverage by paying the full monthly premiums as if he was in a laid off situation.

- 3. Leave of Absence for Business Reasons

Leave of absence will be granted for:

- a) Union activity, including the attendance at a Union School
- b) Work as a full-time Representative of the Union
- c) For attending negotiations, conferences, meeting, etc.

A request for leave of absence of this nature will be made in writing to the Plant Manager as far in advance as possible.

Benefit Coverage

If the leave of absence extends beyond one month at any given time, the employee(s) will be given the opportunity to maintain their insurance coverage. The Company will bill the employee each month and the employee will be responsible to pay such premiums upon receipt of such notice. Failure to maintain premium payments in good standing shall cause the discontinuance of such coverage however, the employee(s) will not have to comply with any waiting period once they return to work.

ARTICLE XXIV – DISCIPLINE

- 1. When discipline is to be handed out the Company will do so only in the presence of a union official.

2. In the case of an employee dismissed for cause, the Company shall state such cause in writing to the employee at the time of dismissal and shall notify the Union President or his accredited representative.
3. A Union Representative and the Supervisor involved, or another management representative shall sign the record of discipline as an acknowledgment of their awareness of its contents. A copy of this record shall be sent to the employee and to the local Union.
4. On-Time Attendance

The Company and the Union believe that the best means of accomplishing this goal is through a positive attitude of cooperation, understanding and education rather than through the negative means of punitive discipline. However, if an individual fails to respond to this positive approach of correctiveness, it must be clearly understood that disciplinary action will be taken, up to and including discharge, as a last resort.

ARTICLE XXV – BULLETIN BOARDS AND UNION OFFICE

1. Bulletin Boards
Notices shall not be posted in the plant except upon the official bulletin boards. A bulletin board will be supplied for Union use only.
2. The Company will provide the Local Union Executive with adequate office space to be used for their Local Business.

ARTICLE XXVI – SAFETY

The Company will contribute up to a maximum of eighty dollars (\$80.00) towards the purchase of one pair of safety shoes per year. The employee will be required to show proof of purchase.

Effective beginning the year 2001, increase the current \$80.00 to \$90.00.

Effective beginning the year 2003, increase the \$90.00 to \$100.00.

Effective beginning the year 2005, increase the \$100.00 to \$110.00.

Effective beginning the year 2006, increase the \$110.00 to \$120.00.

Employees are required to wear personal protective equipment as stipulated in the Plant Rules.

The Company will supply to employees, at no cost, the safety equipment (except safety shoes) required by plant rules for the carrying out of employees' duties.

The Company will maintain the program of certification of authorized clamp and lift truck operators and the appropriate training for electric load movers.

The Company will continue to monitor the quality of air and other items and will keep the Union advised of results as tests are performed.

Eye Protection Policy – Safety Glasses

The Company will pay the cost of regular industrial glasses for employees who are required to wear glasses on the job. These glasses will be obtained as prescribed in the Company's Safety Glasses policy below:

- i) Normal renewals will be covered such as scratches, breakage, loss and prescription changes.
- ii) When new or replacement prescription glasses are required, the necessary form must be obtained from the Human Resources Department.
- iii) A list of approved suppliers will be given to the employee. The glasses must be purchased from the approved list of suppliers. The glasses provided will meet C.S.A. and A.N.S.I. standards.
- iv) The Company will only pay for safety glasses obtained under this procedure.
- v) Should employees choose to order safety glasses with options such as tinted lenses, steel frames, seamless bifocals or contact lenses, they must bear the full cost and no Company contribution will be made. It is the Company's policy to operate all equipment in a safe and efficient manner and with qualified crews and as a minimum the Company agrees to comply with the Occupational Health and Safety Act 1978.

Safety Committee

The Company and the Union agree to cooperate to the fullest extent in promoting safety and Health in the Plant and the avoidance of accidents. The Company and the Union further agree that there will be a Joint Health and Safety Committee in the Plant comprised of an equal number of Union members appointed by the Union and of Management personnel appointed by the Company. The Chair position of this committee will be jointly held by one Union Safety Committee appointee and one Management Committee appointee. The Company and the Union agree that the committee will meet once a month.

Health and Safety training for committee members will be an ongoing process providing joint training in Levels 1, 2 and 3 Health and Safety Fundamentals, Law and Legislation and Regulations, Duties and Responsibilities of committee members as well as Adult Teaching skills as provided by a mutually agreed recognized training facilitator such as the Workers' Health and Safety Center.

Members will be paid for time spent attending meetings and related duties at their appropriate rate of pay.

It is imperative that each and every employee of the Company, unionized and management learn to understand the importance and seriousness of a safe and health workplace. The Company and Union believe that the best means of accomplishing this goal is through a positive attitude of cooperation, understanding, and education rather than through the negative means of punitive discipline. However, if an individual fails to respond to this positive approach of correctiveness it must be clearly understood that disciplinary action will be taken up to and including discharge as a last resort.

ARTICLE XXVII – PAY CHEQUES

The form of payment will be by direct deposit transferred to the employee's account by opening of business on Thursday of each week.

On a week with a Monday Statutory holiday, employee's pay will be deposited into their respective accounts on the Friday of that week.

DEDUCTIONS

The Company will continue to show on the employee's pay stub, all weekly and accumulated deductions in effect as well as accumulated hours.

ARTICLE XXVIII – NO DISCRIMINATION OR INTIMIDATION

The Company and the Union agree that they will not discriminate against any person because of any ground of discrimination prohibited by the Human Rights Code, 1981 or the Canadian Charter of Rights and Freedoms.

Wherever the masculine appears in this Collective Agreement, it shall deem to mean feminine as well.

ARTICLE XIX – GENERAL

1. Smoking Areas:

- a) Smoking will be restricted to specific outdoor smoking areas designated by the Company.
- b) Smokers will only be permitted to smoke on their regular break and lunch periods and no machinery will be shut down for the purpose of smoking.

2. Clothing

- a) The current practice of supplying clothing to the Maintenance Department will be maintained.

ARTICLE XXX - TERMS OF AGREEMENT

1. This agreement shall be in effect from June 1, 2008 to May 31, 2013 and from year to year thereafter subject to renewal or change by either party on ninety (90) days or at least not less than thirty (30) days notice in writing prior to the anniversary date.
2. Either party notifying the other party of a desire to change this Agreement shall do so in accordance with #1 above and the parties shall meet in an endeavour to come to a mutually satisfactory agreement. If no agreement is reached, then either party may terminate this Agreement in accordance with the Ontario Labour Relations Act.

GROUP INSURANCE PLANS AND RETIREMENT PLANS

D1 - LIFE INSURANCE, ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE, WEEKLY INDEMNITY AND LONG TERM DISABILITY PLANS

D1.01 Membership

Membership is mandatory for all permanent employees who have completed their probationary period and the full amount of coverage must be taken.

D1.02 Benefits

a) Life Insurance – Attainment of age 65

An active employee, prior to early retirement is covered for Fifty Thousand Dollars (\$50,000) Life Insurance and Fifty Thousand Dollars (\$50,000) accidental Death and Dismemberment Insurance.

Effective June 1st, 2006 change \$50,000 Life Insurance and \$50,000 A.D.&D. to \$60,000 Life Insurance and \$55,000 A.D.& D.

An insured employee who has completed one (1) year of continuous service at time of lay-off may keep his basic life insurance in force for a period of up to one (1) year provided he pays the full monthly premium in advance each month.

b) Life Insurance after attainment of age 65

Employees who, are actively at work upon attaining age 65 shall be entitled to an amount of Life Insurance to be kept in force, at the Company's expense, upon the attainment of age 65. The amount of Life Insurance shall be in accordance with the following schedule:

<u>AMOUNT OF SERVICE</u>	<u>LIFE INSURANCE</u>
15 Years or more	\$3500.00
13 Years but less than 15 Years	\$3000.00
12 Years but less than 13 Years	\$2500.00
11 Years but less than 12 Years	\$2000.00
10 Years but less than 11 Years	\$1500.00

c) Weekly Indemnity

The Company will pay the cost of a Weekly Indemnity Plan providing a benefit of between 60% and 70% of an eligible employee's normal weekly straight time rate with the percentage to be established as set forth below. Such benefits will be payable from the first day of an accident and/or the first day of hospitalization for

an illness and the fourth day of a illness for the duration of the disability or 52 weeks, whichever is less, subject to Plan eligibility requirements.

The percentage payable will vary with plant experience in accordance with Schedule 1, but in no event shall it be less than required to qualify for registration under Unemployment Insurance Legislation.

A Joint Claims Review Committee will be established in each plant consisting of two (2) members of management and two (2) representatives of the local union. It will be the function to monitor claims experience on a monthly basis, and to recommend measures of improving claims experience.

At six (6) month intervals the average raw experience index based on the 18-month period then ended will be calculated. The benefit percentage for each plant for the forthcoming six (6) months beginning January 1st or July 1st will then be determined in accordance with Schedule 1. The percentage thus established will then apply to illnesses and non-occupational accidents incurred during this six (6) month period. Each will be paid at the established percentage during the benefit period, including recurrence. An employee's normal weekly straight time rate for purposes of calculating the weekly indemnity benefit due shall be 40 times the rate for the job which he is scheduled to perform at the time his accident or illness occurs.

The Weekly Indemnity Plan provides reinstatement of full benefits to the employee, after one month after the employee returns to work, if the disability is new. If the disability is a recurrence or an earlier one, full benefits are reinstated three months after the employee returns to work.

To be eligible to submit a claim for weekly indemnity benefits an employee must:

- i) have completed his or her probationary period, or have completed a period of three months of continuous employment, and
- ii) have returned to active employment with the Company following a lay off, termination for any reason, or a strike, and
- iii) submit the claim for benefits within the twenty (20) day period immediately following the first day of disability due to the illness or accident and be under the treatment of a physician.

The Plan will be registered with the Employment Insurance Commission and the full Employment Insurance premium reduction resulting from such registration will be retained by the Company.

Employees must apply for sickness and/or disability benefits available to them under the terms of Canada Pension Plan Legislation or any other government sponsored disability Plan, excepted benefits provided by the Unemployment Insurance program to persons who are working because of illness, injury or quarantine. Should an employee's application for government benefits be accepted, benefits otherwise payable under the Company Weekly Indemnity Plan will be reduced by the amount payable under the provisions of the government plan(s). Should payments made by the government plan cover a period for which benefits have already been paid by the

Company, employees shall endorse their government benefit cheques in favour of the Insurance Company. Dependent's benefits included in the endorsed cheque(s) will be returned to the employee immediately by the carrier. Such reimbursements will be taken into consideration when calculating claims costs.

- i) The Weekly Indemnity benefits payable will be reduced by any disability or sickness benefits paid under the provisions of any government legislation, excepted the Unemployment Insurance Act, or any Company Benefit Plans.
- ii) Benefit payment shall cease on the effective date of retirement under the provisions of Company Retirement Plans or first of the month following attainment of age 65, whichever occurs first. However an employee who attained age 65 when he receives benefits under the weekly indemnity plan will continue to receive the benefits until a maximum of 15 weeks.

d) LONG-TERM DISABILITY BENEFIT PLAN

The Company will pay the cost of a Long-Term Disability Plan providing benefits as summarized below:

Eligibility

Long Term Disability coverage will apply to all employees covered by the Weekly Indemnity Plan and having completed their probation period.

Qualifying Period

An insured employee will be eligible to receive Long Term Disability Benefits after fifty-two (52) weeks of benefit entitlement for the same disability, under the provisions of the Weekly Indemnity Plan. Benefit payment shall not commence during a lay-off or strike, unless the employee was already on weekly indemnity at the time the lay-off or strike occurred.

Definition of Disability

Disability shall mean an insured employee who has received fifty-two (52) weeks of benefits under the Weekly Indemnity Plan and who for up to the next ensuing twelve (12) months is unable, because of a non-occupational illness or accident, to work at his regular occupation, and thereafter is unable to perform any and every duty of every unionized occupation in the plant for which is reasonably fitted by education, training or experience.

Amount of Benefit

- a) 50% of regular straight time hourly rate, multiplied by 2080, divided by 12, up to a maximum monthly payment of fifteen hundred dollars (\$1,600)

Effective June 1st, 2000 the maximum monthly payment shall be seventeen hundred dollars (\$1,700).

Effective June 1st, 2001 the maximum monthly payment shall be seventeen hundred and fifty dollars (\$1,750)

Effective June 1st, 2002 the maximum monthly payment shall be eighteen hundred dollars (\$1,800)

Effective June 1st, 2003 the maximum monthly payment shall be eighteen hundred and fifty dollars (\$1,850)

Effective June 1st, 2004 the maximum monthly payment shall be nineteen hundred dollars (\$1,900)

Effective June 1st, 2005 the maximum monthly payment shall be nineteen hundred and fifty dollars ((\$1,950)

The regular straight time hourly rate shall be the classified rate of the employee on the date the non-occupational illness or accident commenced.

For all non-occupational illnesses or accidents commencing after the date of ratification.

Death benefits, as defined in the pension plan, will not accrue during this period, except with respect to interest on the employee's contributions made prior to commencement of LTD benefits.

The regular straight time hourly rate shall be the rate of the job which the employee was scheduled to perform on the date the non-occupational illness or accident commenced. For the employee in receipt of Long Term Disability Benefit, the initial hourly rate used will be adjusted on June 1st of each year by the percentage of amount (cents per hour) of the negotiated general wage payment specified in the Labour Agreement in force when the non-occupational illness or accident commenced. The maximum monthly payment remains unchanged for the entire disability period.

- b) The amount of benefit shall be reduced by any payments on behalf of the employee made under any Government disability plans (except increases in such amounts occurring 12 months or more after disablement), or any other non-private disability income plan by reason of the same non-occupational illness or accident.
- c) While receiving benefits under this Plan, an employee will continue to accrue pension benefits at no cost to him. The annual pension benefit accrued will be equivalent to the annual amount that would have been accrued had the employee been contributing on straight time earnings equal to his regular straight time rate multiplied by the number of hours in his annualized normal straight time schedule at the time the disability occurred.

Benefit Period

Benefits will be paid for one month, for each completed month of service prior to the onset of disability, while the employee is disabled but in no event beyond attainment of the age required to qualify for Voluntary Early Retirement. Upon attainment of the age requirement for Voluntary early Retirement, the service requirement of 20 years with respect to unreduced early retirement, under the provisions of the Employee's Retirement Plan of Smurfit-MBI, will be waived for employees eligible to receive Long Term Disability payments.

Duration of Benefits

Benefits shall cease:

- a) On the date the employee ceases to be disabled as defined in the Plan or,

(Note: If there is a recurrence of the same disability with six (6) months of return to work, a new qualifying period will not be required, and the disabled employee will be eligible for any balance of Long Term Disability benefit payments. This provision shall take precedence over any recurrent disability provision under the Weekly Indemnity Plan).

- b) death
- c) Upon qualification for Voluntary Early Retirement; or
- d) At retirement age sixty-five (65) whichever is the earliest.

Participation in Group Insurance

An insured employee receiving Long Term Disability Plan Benefits will continue to enjoy the Group Life Insurance coverage as an active employee at no premium cost to him.

Service Accumulation

An employee shall continue to accrue seniority and Company service while on Weekly Indemnity and Long Term Disability. However, if an employee returns to work while on Weekly Indemnity he/she shall return to the position they would have been on had they not been on Weekly indemnity in the first place. If an employee commences Long Term Disability they shall continue to accumulate Company service and plant seniority but upon returning to work they will step into the job position at the point they would have been on a permanent basis at the end of their Weekly Indemnity time period.

Exclusions

Benefits under the Long Term Disability Plan will not be payable for claims resulting from illnesses or accidents such as:

- i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or

- ii) Any injury or illness entitling the employee to compensation under any Workers' Compensation or similar legislation, or
- iii) Self destruction or any self inflicted injury, while sane or insane, or
- iv) Disability for which the employee is not under the treatment of a physician, or
- v) Alcoholism or drug addiction, unless the employee is confined in a hospital or institution licensed to provide care and treatment incident thereto, or unless the employee is undergoing regular rehabilitative treatment approved by the Insurer or a physician.

Rehabilitation

An employee receiving an amount of Long Term Disability Benefit may be asked to undergo reasonable rehabilitation measures which have been the subject of prior consultation with the employee's doctor, at no cost to the employee. If such employee refuses to undertake such rehabilitation, he may be declared not eligible for an amount of disability benefits.

Other

- a) Major Medical contributions, Dental Plan contribution and Medicare contributions shall cease when an employee becomes eligible to receive payments under the Long Term Disability Plan. The employee may keep his major medical care insurance and dental insurance in force during that period, provided that he pays in advance each month, the full amount of the appropriate premium.
- b) Upon becoming eligible to receive payment under the Long Term Disability Plan, employees will be paid the vacation due them if any for time worked prior to the commencement of their disability, based on the vacation provisions applicable to a termination of employment.

D1.03 Contributions

The basic Life Insurance, except as provided in paragraph D1.02 a) above, Accidental Death and Dismemberment Insurance, the Weekly Indemnity Insurance and the Long Term Disability Insurance is non-contributory.

D1.04 Insurance benefits will continue in force when an employee is granted a leave of absence to attend negotiations or Union Conventions or to attend to other local Union business.

D1.05 The Company will reimburse an employee for the costs incurred to obtain a medical certificate as required under the Weekly Indemnity Plan or the Long Term Disability Plan. Payment will be made upon presentation of a receipt issued by the treating physician, up to a maximum of fifteen dollars (\$15.00) per certificate.

D2 HOSPITAL, SURGICAL AND MEDICAL INSURANCE

D2.01 The Company will pay on behalf of employees who have completed the probationary period, 100% of the cost of the employee's membership in the Compulsory Medical insurance program in effect in the Province of Ontario.

D2.02 The Company has arranged to make available to employees, who have completed the probationary period, an insured extended Health Care Plan providing benefits as summarized below:

Major Medical Insurance
Co-Insurance 90% - 10%
No deductible

The company contributions toward the premium cost of an employee's membership in this plan will be as follows:

Family coverage: up to a maximum of \$31.39
Single coverage: up to a maximum of \$12.07

New medical premiums shall come into effect June 1, 2009 and each June thereafter for the term of this agreement.

D2.03 Vision Care

Vision care expenses incurred by an active employee and/or his covered dependents are eligible when recommended by a physician or an optometrist as follows:

Frames, lenses and the fitting of a prescription glasses including contact lenses up to a total of one hundred and twenty five dollars (\$125.00) per family member in any twenty four (24) consecutive month period.

Effective June 1st, 2000 increase the vision care maximum to one hundred and seventy five dollars (\$175.00).

Effective June 1st, 2003 increase the vision care maximum to two hundred dollars (\$200.00).

Effective June 1st 2006 increase the vision care maximum to two hundred and twenty five dollars. (\$225.00)

D3 DENTAL PLAN

The Company will provide employees with a Dental Plan as summarized below.

Membership and Eligibility

All active employees, who have completed six (6) months of continuous service, and their dependents, on the effective date of the plan, will be covered from the effective date of the plan upon submission of the appropriate application form. Membership in the plan is mandatory.

Dependents

A dependent is the employee's:

- a) spouse and/or
- b) unmarried child, step child, legally adopted child or foster child under 21 years of age, or any such child age 21 but under 25 years of age who is in regular full time attendance at an accredited institute of learning, and who is dependent on the employee for support and/or
- c) Wholly dependent and mentally and physically challenged child who was covered up to the maximum age shall remain covered as a dependent without limit as to age provided the child is incapable of self sustaining employment.

Cost:

The Company will contribute as indicated below toward the monthly premium cost of the Dental Plan

Family coverage:	up to a maximum of	\$40.00/M
Single coverage:	up to a maximum of	\$20.00/M

New dental premiums shall come into effect June 1, 2009 and each June thereafter for the term of this agreement.

Benefit Coverage

After an individual deductible of \$25.00 each calendar year with a maximum family deductible of \$50.00 in the same period.

1. Routine preventative diagnostic and restorative treatments

100% reimbursement for the following procedures:

- a) Oral examinations, bite-wing x-rays, prophylaxis (cleaning and scaling of teeth), once every six (6) months.
- b) Full mouth series of x-rays, once every twenty four (24) months.
- c) Topical application of anti-carlogenic agent (fluoride type), once every six (6) months.
- d) Diagnostic x-rays and laboratory procedures required in relation to dental surgery.
- e) Provision of space maintainers for missing primary teeth.
- f) Amalgam, silicate, acrylic and composite fillings.
- g) Extractions and simple alveolectomy (socket treatment) at time of tooth extraction.
- h) Surgical extraction of impacted teeth and other surgery required for removal of tumors, cysts, neoplasms, plus the incision and drainage of abscesses.
- i) Root canal diagnosis and treatment.
- j) Periodontal services covering the treatment of gums and bones supporting the teeth, including the surgical removal of infections in these areas.
- k) Prosthodontics – relining rebasing or repairing of an existing appliance (fixed bridgework, removable partial or complete dentures).

- l) General anesthetic required in relation to the dental surgery
- m) Consultation required by the attending Dentist.

2. Major Restorative Treatments

50% reimbursements for the following:

- a) Crowns, inlays and onlays including gold and porcelain veneer filling where other material is not suitable.
- b) The creation of an appliance (fixed bridgework, removable partial or complete dentures).
- c) The replacement of an existing appliance if necessitated by the extraction of additional natural teeth while injured or if the existing appliance is at least 5 years old and cannot be repaired or if the existing appliance is temporary and is replaced by a permanent bridge or denture within twelve (12) months of when temporary appliance was installed.
- d) Services of a licensed Denturist when practicing within the scope of his license.
- e) Other necessary oral surgical procedures not specifically listed under routine surgery.

Expenses not covered:

The following expenses are not covered under the Group Dental Plan:

- Expenses for orthodontic treatment or appliances (including habit breaking devices).
- Expenses incurred for cosmetic purposes.
- Services not listed under benefit coverage
- Treatment for dental injury covered by the Workplace Safety and Insurance Board Compensation or Automobile Insurance Plans.
- All services available under a government plan
- Treatments made before the employee's coverage effective date, or performed during his lay off or after his termination of employment.
- Any dental services provided at no cost to the employee
- Fee charges for completion of dental forms required no expenses incurred traveling to treatment centers.
- Expenses resulting from an act of war or hostility of any kind.
- Any expenses provided for under another group insurance plan, such as damage to natural teeth as a result of an accident, which is covered under the Group Hospital/Medical plan except that the portion of expenses not covered by another plan, up to the limit prescribed in the appropriate Provincial Dental Association Schedule of Fees in effect at the time of the claim, will constitute an eligible expense under the Group Dental Plan.

Effective June 1st, 2001 orthodontics to be included with a \$250 maximum. This is based on a 50% - 50% basis with a \$250.00 maximum which means that the employee will be reimbursed 50% of their cost up to a maximum \$250.00.

Effective June 1st, 2004, the maximum increases from \$250.00 to \$500.00

Reimbursement

1. Schedule of Fees

After the annual deductible has been met, you will be reimbursed for the 100% of the cost of routine preventive, diagnostic and restorative treatments, and for 50% of the cost of major restorative treatments, provided the treatments are reasonable and necessary as defined by the Insurance Company and the costs do not exceed the amounts prescribed in the previous years' Provincial Dental Association Schedule of Fees in accordance with the Memorandum of Agreement.

2. Predetermination Service

If the employee or an eligible dependent is to undergo restorative treatments costing \$300.00 or more, the notice of claim should be submitted prior to the commencement of treatment to determine in advance, what portion of the total bill will be reimbursed under the Dental Plan and what portion will be the employee's responsibility.

3. Alternate Treatment

The carrier reserves the right to make a determination of benefits payable taking into account alternate procedures, services or course of treatment which may be performed for the dental condition concerned in order to accomplish the desired result based on accepted standards of dental practice. For this reason, it is important for the employee to submit a notice a claim, completed by his dentist, as indicated in paragraph 2 of this section.

Maximum Payable

The maximum reimbursement for the Dental Plan is \$2,000.00 per insured per year.

Filing Claims

Expenses incurred for eligible services performed after the date of ratification will be reimbursed after completion of the carrier's claim form which must be submitted to the Human Resources Department as soon as completed by the dentist. Claims for eligible dental expenses in one year must be filed before the end of the next year in order to be considered.

Termination of suspension of Coverage

Coverage terminates on the date an employee ceases to be actively at work with the Company except that employees in receipt of:

- a) Workplace Safety and Insurance Board compensation or
- b) Weekly Indemnity Benefits

Will be covered by the Dental Plan for up to 12 months from their disability date.

Coverage will be suspended during lay-off and will be restored as soon as the employee resumes employment.

D4 EMPLOYEES NOT ACTIVELY AT WORK

An employee who is otherwise eligible but who is not actively at work at the time amendments to the plans are implemented will become eligible for membership and/or coverage in the amended plans upon return to full time employment except in the event of a disability recurrence as defined in the disability plans.

D5 GENERAL

D5.01 The Company undertakes under the provisions of this Appendix to underwrite the cost of the Plans summarized above to the maximum amount, if any, stipulated in the Agreement, however, the plan administrator(s) and not the Company is solely responsible for determining eligibility for the benefits and the payment of such benefits under these Plans.

D5.02 All Plans summarized in this Appendix will be administered by an insurance Company or Companies selected by Smurfit-MBI All provisions of the Plans are contained in the Master Policy issued by the Insurance Company or Companies and the Master Policy shall govern administration of the Plans.

D5.03 Income tax will be deducted at source in the case of Weekly Indemnity payments.

D5.04 Should the Company require an employee to obtain a medical certificate, the Company will pay fifteen (\$15.00) dollars towards the cost of such certificate.

Effective June 1st, 2000 (\$15.00) increases to (\$20.00)

Effective June 1st, 2006 (\$20.00) increases to (\$25.00)

D6 RETIREMENT PLAN

The Company will maintain the Insurance coverage for life insurance, Vision care, and Major Medical for employees who retire after the first of the month following date of ratification and who have reached the age of 58 or later and retire with a minimum of twenty (20) years in the pension plan. Such insurance coverage will be maintained until the first of the month following the employee's 65th birthday.

A summary of the Group Insurance Plans in effect is included in Appendix D, which forms part of this Agreement.

Upon the signing of the collective agreement, all employees who retire after June 1, 2009 will participate in a cost sharing program. The Company will pay 75% of the premium costs for retiree insurance coverage and the retiree will pay 25%.

The "Employees' Retirement Plan of Smurfit-MBI (Supplementary Plan Q1 as amended)" forms part of this Agreement. No part of the Retirement Plan, with respect to the parties signatory to this Agreement will be changed, amended, suspended or discontinued except by mutual agreement or as may be required by law during the life of this agreement.

Effective upon the signing of the collective agreement, new employees will not be eligible to participate in a Company sponsored pension plan.

SCHEDULE 1

CONTAINER DIVISION – VARIABLE PERCENTAGE

ALL STEPS “NO MAXIMUM” – E.I. MAXIMUM AS A MINIMUM WHERE RATES AND PERCENTAGE WARRANT

*Raw experience index

	145 or less	146 to 160	161 to 175	176 to 190
entitlement	70%	69%	68%	67%
<hr/>				
	191 to 205	206 to 220	221 to 235	236 to 250
	66%	65%	64%	63%
<hr/>				
	251 to 265	266 to 280	281 or more	
	62%	61%	60%	
<hr/>				

- By using the current 18 month formula (recent 6 mos. X 2, earlier 12 mos. X 1) a representative average index is arrived at. Cash pay out per months is divided by actual amounts of weekly indemnity in force to develop average. Adjustments would be made January 1st and July 1st each year as currently done.

Total and permanent disability pay out is eliminated – Reduced Life Insurance with no disability retirement available while entitled to LTD benefits.

LINES OF PROGRESSION

DEPARTMENT 100

AOC OPERATOR



SINGLE FACER OPERATOR (2)



DOUBLE BACKER OPERATOR →



STACKER OPERATOR



UTILITY PERSON (ENTRY)

INVENTORY CONTROL



WAREHOUSE PERSON

SERVICE POSITIONS
BALER

Note:

1. For overtime purposes, single face operators will be categorized as Operator 1 and Operator 2 on the crewing schedule and overtime will be assigned accordingly.

DEPARTMENT 200

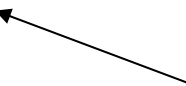
ORDER READINESS



FLEXO OPERATOR



FLEXO 2ND PERSON (ENTRY)



JUMBO OPERATOR



JUMBO 2ND PERSON



JUMBO 3RD PERSON (ENTRY)

DEPARTMENT 300

ORDER READINESS



PRESS OPERATOR



DIE PRESS 2ND PERSON (ENTRY)

SERVICE POSITIONS

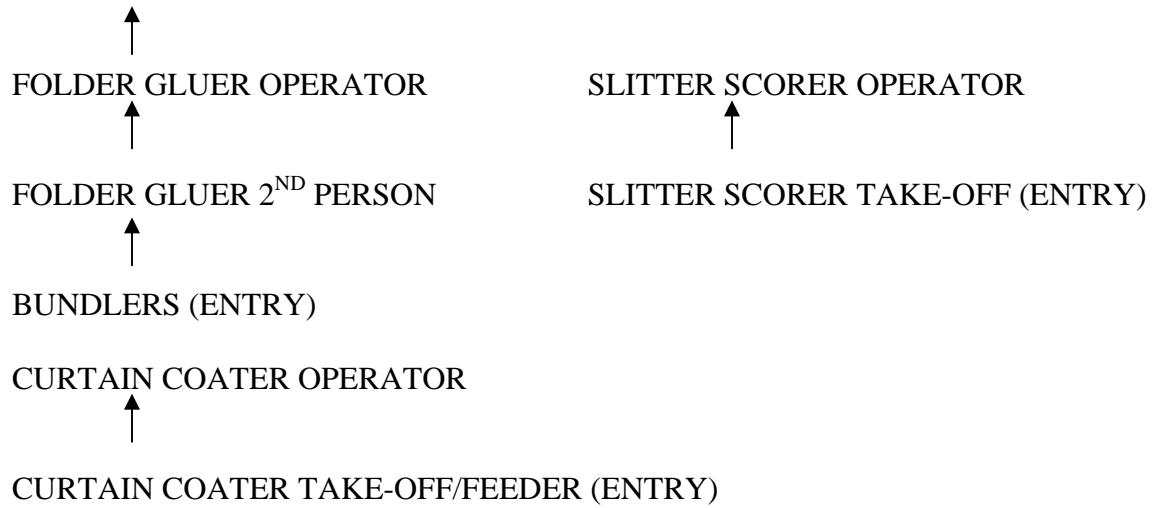
DIE MOUNTER (DEPT. 200 & 300)



STEEL RULE DIE REPAIR (ENTRY)

UTILITY PERSON (DEPT. 200 & 300)

DEPARTMENT 400
ORDER READINESS



SERVICE POSITIONS

PALLETIZER
SHEETLINE OPERATOR
JANITOR

SHIPPING DEPARTMENT 600

SHIPPING CLERK
SHIPPING (ENTRY)

MAINTENANCE DEPARTMENT 800

ELECTRONIC TECHNICIAN
CERTIFIED ELECTRICIAN MECHANIC
CERTIFIED MILLRIGHT
MECHANIC MACHINIST
OILER GREASER

ADMINISTRATIVE STATEMENTS

1. COMPENSATION ACCIDENT

Where there is a question as to whether or not an illness or accident is compensable and no payment is forthcoming under Workplace Safety and Insurance Board Legislation, pending resolution of the case, the employee may apply for Weekly Indemnity Benefits under the Company Plan if the claim is accepted by the Workplace Safety and Insurance Board the employee shall endorse the compensation cheques over to the insurance Carrier until the full amount of the Weekly Indemnity Benefits are repaid.

2. TOOLS

The Company agrees to maintain the current practice for replacing broken or worn out tools for maintenance personnel.

3. LOGO

The respective official logos from the Independent Paperworkers of Canada and the Company will appear on the cover page of the present Collective Agreement as well as the booklets which form part of the Agreement.

4. Benefit Coverage – Employees on Lay-off

a) Weekly Indemnity and Long Term Disability insurances are canceled on the day of lay offs. Coverages are reinstated automatically the first day employees return to work. Employees who are receiving Weekly Indemnity benefits at the time a lay off occurs will continue to receive such benefits for as long as they qualify, however, other benefits will be treated as in the case of other laid off employees. LTD benefits payments to an employee who otherwise qualifies will not commence at a time when the employee would be on lay off.

b) Dental Plan – Medical Coverage (Private coverage)

Employee deductions, if any, cover the month following that in which the deductions are made. The Company's contribution is made at the end of the month for time worked during the month. The employee who is laid off after the premium is paid to the insurer for the month in which the lay off occurs will be covered at the end of the month. The employee who does not wish to keep his coverage in force during lay off will be reimbursed for any contributions he has made during the month in which the lay off occurs. The employee who wishes to keep the benefit in force for up to six (6) months following lay off may do so on a month by month basis by paying the full premium before the end of the month less any premium deducted from earnings in the month the lay off occurs and the applicable portion of the employer's contribution, pro-rated over the time worked that month. An employee

who is recalled during a month will be expected to make up the difference, if any, between the full cost of the premium and the amount deducted from earnings before the end of the month in which he returns to work and the employer's contribution applicable to the time worked that month to cover the premium for coverage in the following month.

- c) The life Insurance Plan provides a thirty one (31) day conversion privilege (no medical examination required) from the date of cancellation.
- d) Accidental Death and Dismemberment coverage is canceled on the day of lay-off. Coverage is automatically reinstated on the date of return to work.

Upon return to work, the Company contribution will automatically be reinstated on a pro-rated basis. The employee will be reimbursed for any excess of premium collected or paid in advance.

5. WEEKLY INDEMNITY – LTD CLAIMS

Introduction

If a claimant, who is otherwise eligible, has his or her claim for Weekly Indemnity or Long Term Disability benefits rejected or if the plan administrator notifies the claimant of the Company during the first thirty six (36) months of disability that payment will cease because there is a lack of medical evidence supporting eligibility or because the claimant is engaging in activities incompatible with the medical diagnosis and the claimant feels he qualifies or continues to qualify for benefits, the following procedures will apply:

General Procedure

- 1) As soon as the Company is made aware of such occurrences, it shall contact the plan administrator to determine the specific reasons for the denial or intended stoppage of the benefit payment.
- 2) The Company will immediately inform the claimant and his appointed Union representative of those reasons, if this has not already been done.
- 3) The employee may present additional medical evidence to the plan administrator or may seek assistance from the Company's medical staff to obtain additional medical evidence from his treating physician for submission to the plan administrator.

Appeal Procedure

If after every effort has been made to provide medical evidence of disability satisfactory to the plan administrator, the claim for benefits or continuation of benefits is rejected by the plan administrator, the claimant may appeal the rejection within the five (5) working days immediately following the notice that claim is rejected by requesting the Union and the Company to refer the case to a medical referee. The Union and the Company shall, within seven (7) working days following receipt of the request by the employee, appoint a medical referee acceptable to both parties who will review the claimant's case within ten (10) working days of his appointment. The referee will have no ties with any Company or Union organization and may refuse to handle a case if he finds himself in a conflict of interest.

The referee will have access to all relevant medical records, will be authorized by the employee to discuss his case with his treating physician and if deemed necessary by him, examine the claimant before making a determination of his medical condition.

The referee will decide within ten (10) days of the review whether or not the claimant is eligible for benefits.

The decision of the medical referee is subject to the arbitration procedure set forth in Article VII, section 6, of the Agreement.

All other matters dealing with these benefits which are not related to medical evidence are subject to the normal arbitration procedure pursuant to Article VII, Section 6, of the Collective Agreement. Any employee returning to work following an extended absence must, if requested, authorize the Company's medical staff to discuss his case with his treating physician to ensure that he is capable of resuming the regular duties of his job.

If he is deemed unable to resume the normal duties of his occupation, representation will be made on his behalf to the plan administrator to reinstate the benefits.

Should a disagreement arise with respect to the employee's ability to resume work, the above appeal procedure would apply.

The plan administrator will advise the claimant at least two (2) weeks in advance of the date benefit payments will cease. The claimant who feels the benefits should continue beyond that date must file a supplemental claim and present medical evidence supporting his claim. If this evidence is presented before the cessation date and is not acceptable to the plan administrator and the claimant elects to appeal, benefit payments will nevertheless be continued until the medical referee has rendered his decision. The claimant must sign an undertaking to remit to the plan administrator the payments made during the referee appeal period, should the referee deem him ineligible.

During the life of this Labour Agreement, the Company will prepare and issue to each employee a retirement booklet summarizing the main provision of the Smurfit-MBI retirement plan as it applies to employees covered by this Agreement.

LETTER OF INTENT

SEVEN DAY OPERATION

In accordance with the following article of the Collective Agreement which states:

General: It is the understanding of the parties that should any changes be required to ensure the commencement of seven (7) day operation, the parties will work together to bring about the smooth implementation of this change with the knowledge that it is the Company's ultimate right to implement the continuous seven (7) day operation. An additional half hour per twenty-four hour period of rest time would then apply.

As a result of discussions with the above in mind, the parties have agreed to the following items and their application and understanding.

1. HOURS OF WORK

For payroll purposes only, the work week will be defined from Sunday to Saturday, starting at 7:00 a.m.

The hours of work will be from:

7:00 a.m. to 7:00 p.m.

7:00 p.m. to 7:00 a.m.

The mutually agreed to schedule will be twelve (12) hours and shall function on a _____.

For the purpose of this letter of intent the twenty four (24) hours to determine Sunday shall be from 7:00 a.m. on Sunday until 7:00 a.m. on Monday.

2. OVERTIME

All hours worked will be paid at straight time rates with overtime rates applicable outside of the employee's scheduled hours of work and for all hours worked during the agreed to shutdown time for a paid plant holiday.

All hours worked on Sundays will be paid at time and one half (1-1/2/)

3. SHIFT PREMIUMS

The shift premium will be as follows:

7:00 p.m. to 7:00 a.m.	_____ cents
7:00 a.m. to 7:00 p.m.	_____ cents

The shift premium applies to all employees who work the twelve (12) hour schedule whether it be one (1) shift or two (2) shift basis.

4. VACATIONS

All vacation weeks for employees working the twelve (12) Hour Schedule will be converted to hours of vacation entitlement, i.e. an employee with four (4) weeks of vacation will now have one hundred and sixty (160) hours of vacation entitlement. An employee with six (6) weeks of vacation entitlement will now have a total of two hundred and forth (240) hours of vacation entitlement.

Vacation will be picked by _____.

5. JOB POSTINGS

Permanent Vacancies will be posted for _____ days.

6. BEREAVEMENT LEAVE

A day as per Article XXII will be defined as twelve (12) hours and the employee will receive (12) hours pay at the applicable rate for the day(s) in question provided the employee was scheduled to work.

7. WEEKLY INDEMNITY

The company will investigate a formula in order to provide a benefit of no loss due to the implementation of the seven (7) day, twelve (12) hours schedule.

8. LEAVE FOR JURY DUTY OR SUBPOENAED WITNESS DUTY

In accordance with Article XXII the Company agrees that an employee, who is eligible under this section of the Collective Agreement, will not lose seniority or wages at the applicable scheduled hours and applicable rate of pay, as well as benefits for each day the employee services as a juror or subpoenaed witness, except in matters to which the Company has a detrimental interest.

The employee will provide proof of service and attendance and the amount of pay, if any, and expenses incurred.

9. RECOGNIZED HOLIDAYS

In accordance with Article XX Holidays, all recognized holidays shall be for a duration of twenty-four (24) consecutive hours starting at 7:00 a.m. of the recognized holiday until 7:00 a.m. of the following day, unless mutually agreed to otherwise.

For each year that the plant is operating on a seven (7) day schedule July 1st will be determined by the Local Union no later than April 1st. Each subsequent year, the Company and the Union agree to discuss and determine as to when it shall be taken with the understanding that it is preferable to give those that are working a greater number of consecutive days off.

10. LUNCH PERIOD

Each twelve (12) hour shift will be entitled to forty-five (45) minutes of lunch and rest period. The actual details will be worked out mutually before the implementation of the seven (7) day schedule.

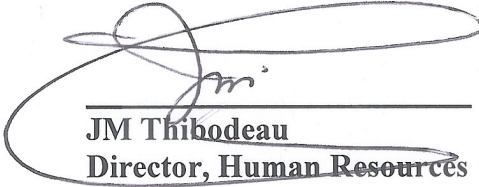
The Company will provide an employee, who works fourteen (14) continuous hours or more, with a cash meal allowance of six (\$6.00) dollars. An employee who qualifies for a meal allowance will be given a twenty (20) minute paid lunch period.

11. The company may implement continuous run for purposes of lunch and/or breaks on any machine through provision of appropriate relief personnel.

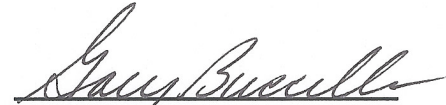
Dated at Burlington, Ontario, this 5th day of March, 2009.
Ratified by the members on October 19, 2008.

Smurfit-MBI

Independent
Paperworkers of Canada
and its local 949



JM Thibodeau
Director, Human Resources - Canada




Gary Buccella
General Administrator



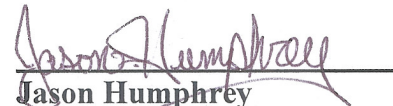
Eric Stockwell
HR Supervisor - Burlington



Len Brown
President



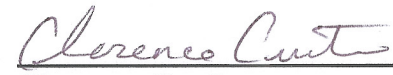
Jeff Closs
Vice - President



Jason Humphrey
Financial Secretary



Dwight Harrison
Recording Secretary



Clarence Curtis
Treasurer