

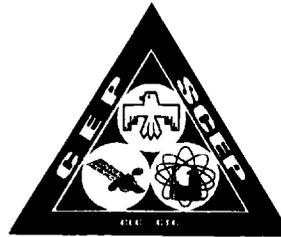
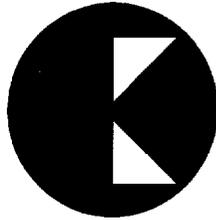
COLLECTIVE LABOUR AGREEMENT

BY AND BETWEEN

**KRUGER INC.
(PACKAGING DIVISION)
REXDALE PLANT 280 BELFIELD RD.,
REXDALE, ONTARIO**

AND

**COMMUNICATION ENERGY AND
PAPERWORKERS UNION
AND IT'S REXDALE LOCAL 1646**



September **16th, 1999** to September **15th, 2005**

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ARTICLE 1
PARTIES TO THE AGREEMENT

1-01 This Agreement is made and entered into force as of the 19th day of April 2000 (date of ratification), by Kruger Inc., Packaging Division, Rexdale, Ontario (Rexdale Plant 280 Belfield Road) (hereinafter called the Company), party of the first part and Communication Energy, and Paperworkers Union, and it's Rexdale Local 1646, (hereinafter called the Union) party to the second part.

ARTICLE 2
DURATION OF THE AGREEMENT

2-01 The present agreement shall be in force from the 16th day of September 1999 to and including the 15th day of September 2005. Either party to this Agreement desiring its renewal with or without changes, shall give to the other party in writing notice of it's intention, during the ninety (90) days preceding the expiration of the present Agreement.

ARTICLE 3
MANAGEMENT RIGHTS

3-01 The Union recognizes that the Company has the exclusive rights to manage and operate its Plant and equipment and to carry on its business as it sees fit, subject only to the restrictions imposed by law and by this Agreement, the Company retaining all rights and privileges not specifically relinquished or modified in this Agreement.

ARTICLE 4
RECOGNITION

4-01(a) The Company recognizes the Union as the sole representative for purposes of collective bargaining in respect to rates of pay, hours of work, and other conditions of employment for all hourly paid employees of the Company, excluding Managers, Superintendents, Coordinators, **Office** Salaried Personnel, Watchmen and Guards, as decreed by the Labour Relations Board of the Province of Ontario, recognition certificate issued in favour of the Union on the twenty-fifth of May 1964.

4-01(b) Employees excluded from the bargaining unit will not perform work normally performed by members of the bargaining unit except in cases of instruction.

4-01(c) In cases where an employee is selected to act as Lead Hand he/she remains covered by the Collective Agreement, and he/she will not administer discipline. When a Lead Hand performs the full functions of a coordinator, he/she will not perform work normally performed by members of the bargaining unit.

When acting as Lead Hand, but not replacing a coordinator, he/she may perform work that he/she normally performs.

Lead Hands shall only work overtime after all other bargaining unit employees in the Department have been first offered the overtime.

Lead Hands shall only be used to replace Coordinators for a period of not more than six (6) consecutive months.

4-02 An employee who voluntarily accepted a position outside the bargaining unit shall maintain and continue to accumulate plant seniority for a period of twelve (12) months for the purpose of transferring back into the bargaining unit. If an employee returns to the bargaining unit, either by the Company's or his/her own choice, he/she shall return to an open job in the bargaining unit while not disturbing any posted employees unless to avoid a lay-off. The application of Section 4-02 shall only apply once to any individual involved except in a case mutually acceptable to the parties of this Agreement.

Any bargaining unit employee accepting a position outside the bargaining unit must continue to pay union dues on a normal basis during the period of time spent outside the bargaining unit.

4-03(a) The Company **recognizes** the right of its employees to become members of the Union and agrees that there will be no discrimination, interference, restraint or coercion exercised or practised by the Company or any of its representatives with respect to any employee because of his/her membership in, or connection with the Union.

4-03(b) Federal and Provincial Legislation deal with the matter of discrimination in employment against employee and union members on account of race, colour, creed, sex, national origin. As a matter of record, the Company and the Union subscribe to the principles of such legislation.

4-04 The Union agrees that there will be no intimidation, interference, restraint, or coercion exercised or practised upon employees of the Company by it or any of its members or representatives, and there will be no other member activity during an employee's working hours or on Company leased

property, except as herein expressly permitted in writing by the Company.

ARTICLE 5
UNION SECURITY AND CHECK-OFF

5-01(a) New Employees shall sign the Union Dues Deduction Authorization Form on the date of hire, to be effective on the first day of the pay period immediately following the day of employment.

5-01(b) Members of the bargaining unit shall as a condition of employment maintain membership in good standing for the duration of this Agreement. In the event the Local Union resolves to suspend or expel a member for non-maintenance of membership or for cause, the Company shall be notified by the Local Union at least seven (7) days prior to the effective date of such action.

5-01(c) Upon completion of employee's probationary period, new employees shall join the Union.

5-01(d) Upon receipt of the Union Deduction Authorization Form signed by the new employee, the Company will deduct the initiation fee into Local 1646 on the pay period following completion of the employee's probationary period. A duplicate copy of the Union Deduction Authorization Form will be forwarded to the Treasurer of Local 1646. If there should be any change in the amount of such deduction, the Company shall be advised of such change by the Union two (2) weeks prior to the effective date.

5-02 The Company will pay the amount so collected to the Financial Secretary of the Union within the first ten (10) days of

the month following the month within which the deductions were made.

5-03 The Union will save the Company harmless from any claims that may arise, either from any deduction from wages in respect to check-off, of the monthly assessment or any action taken at the request of the Union in case of refusal by an employee for check-off of the monthly assessment.

5-04 Should the Company decide to close and to move from its present premises at **280 Beldfield Road in Rexdale, Ontario**, to another location within the Province of Ontario, the present collective agreement and the Union certification shall continue to apply at the new location, **mutatis mutandis**.

ARTICLE 6 SHOP STEWARDS

6-01 The Company **recognizes** the right of the Union to elect nine **(9)** stewards in total as representatives of the employees on matters that may cause or create grievances or other Union business under the terms of the present Agreement.

6-02 A Steward shall, after notice to and permission from the coordinator in charge of the Department, or in the Coordinator's absence, the Plant Manager or his/her representative, be allowed to leave his/her job or department after making known his/her destination for the purpose of pursuing his/her responsibilities, such permission shall not be unreasonably withheld. Permission will not be withheld in cases of disciplinary action. The time spent during his/her regular hours of work shall be with no loss of pay.

6-03 The Union will provide the Company with a written list giving the name of each Steward and the area of the Plant to which he/she is assigned. In the event a Steward is changed, the Company is to be advised within forty-eight (48) hours by written memorandum.

6-04 The Company will provide the Union with office space, desk, chair and filing cabinet. The Union is to provide their own direct telephone line. Office hours to be restricted to off-shift employees.

ARTICLE 7
EMPLOYEE MOBILITY

7-01(a) LINES OF PROGRESSION

In the case of a vacancy which arises in the line of automatic progression, the employee with the most job seniority in the job classification next in line of progression shall be given a trial and training period of not less than fifteen (15) consecutive working days. Should the senior employee fail to develop the necessary ability to perform the normal work requirements, the next senior employee shall be given the same trial and training period and so on down the line of seniority until an employee is satisfactory to perform the normal work requirement.

The trial period may be prolonged with agreement of the parties. Should an employee not meet the normal job requirement, the employee will be returned to his/her former job.

7-01(b) When a vacancy arises at the entry of a line of progression, the Company will post on the Plant Bulletin Boards for a period of three (3) working days, the vacant position. All employees interested in the vacancy must make application within the (3) working days of the posting. Employees applying

for the vacancy **realize** that they are expected to move within the lines of progression and learn all the jobs to be performed. The job posting for the entry job in a line of progression shall be awarded on the basis of seniority, provided the employee has the ability to progress through the lines of progression as defined in this Collective Agreement. Copies of all job postings will be given to the Union for their files.

This is to apply only to application after November 1, 1978. However, during the life of the agreement, the parties will attempt to resolve the problem associated with automatic progression within the lines of progression. The employee's ability shall be determined after the minimum trial and training period of fifteen (15) consecutive working days on the job or such longer period as may be mutually agreed by the parties.

7-02 PROMOTIONS & DEMOTIONS

Promotion or demotion shall be done on a job seniority basis provided the employee is qualified to do the job in question at the time of the promotion or demotion. No employee shall be precluded from applying for a job in lateral or lower position.

7-03(a) JOB POSTINGS

(i) When a vacancy arises or a new job is created, other than those referred to in 7-03(b) (selected jobs), this position will be posted on the Bulletin Board for three (3) working days. All employees interested in the vacancy must make application within three (3) working days from the time the position is posted.

(ii) The position must be awarded on the basis of seniority.

(iii) Job Posting disposition must be announced within five (5) working days following the **expiry** date of posting.

(iv) Trial and training period to commence within ten (10) working days following the current work schedule unless mutually agreed by both parties.

(v) In a case of promotion if it is evident, after a trial period of not less than (15) consecutive working days on this new job that the selected employee does not have the necessary ability or competence to perform the normal work requirements or if in the opinion of the employee concerned the new job is not satisfactory, he/she shall return to his/her original job and the next senior qualified employee will be selected. Trial period may be extended as mutually agreed by both parties.

(vi) Copies of all job posting will be given to the Union for their files.

7-03(b) PRESELECTION

(i) In the case of selected jobs, the Company will post for spares as required in accordance with 7-03(a).

(ii) The successful applicant will receive a training period of not less than fifteen (15) working days and should the employee not have the necessary ability or competence to perform the normal work requirements, or if in the opinion of the employee, the new job is not satisfactory within the fifteen (15) days, he/she shall return to his/her original job and the next senior employee will be selected. Trial period may be extended as mutually agreed.

(iii) Should the job become open on a permanent basis, the successful applicant shall have the option to decline the permanent job, however he/she shall perform the job duties until such time the vacancy has been filled as per 7-03(a). It is

understood that an employee can only hold one (1) back-up position at a time.

7-04(a) LAY-OFF

In the event it becomes necessary to release or lay-off employees because of major curtailment in operation, line of progression in inverse order shall apply to the level of the lowest job in the department concerned. Where the lowest job in the department is concerned, the employee with the shortest plant seniority shall be released first and the employee with the longest plant seniority shall be released last, provided he/she has the skill and ability to perform the work required. An employee subject to lay-off who claims he/she possesses the skill and ability to perform the normal duties of the job in question shall be given a **familiarization** period of not less than **five (5)** working days to exhibit such qualifications.

7-04 (b) With the exception of trade classifications (mechanics and electricians), it is agreed that in all cases of lay-off, probationary employees including students, will be released first.

7-05 Employees will receive not less than two (2) days notice regarding lay-off, except that employees working the **first (11-7)** scheduled shift of the week shall receive not less than one (1) day notice of lay-off. Such notice to be given in writing to the employees, at work, or by telegram or courier to their last known address and telephone number.

7-06 RECALLS

Recalls following lay-off shall be in inverse order to the lay-off procedure provided the employee has the ability to perform the normal requirements of the work required. Employees who were transferred to other jobs as well as employees being

recalled, shall be returned to their regular job classification as soon as a vacancy exists.

7-07(a) TEMPORARY VACANCY

A temporary vacancy is defined as a job of less than thirty (30) working days duration being caused by absence of an employee by reason of illness, accident, vacation, paid leave or approved leave of absence.

7-07(b) FILLING TEMPORARY VACANCIES WITHIN LINES OF PROGRESSION

Filling temporary job vacancies within lines of progression that occur following the posting of the next weeks work schedule that cannot be filled by promoting a qualified incumbent in the lines of progression of the shift where the vacancy exists, then the vacancy may be filled by assignment for that reference work week following which Article 7, Section 7-01 will apply.

7-07(c) FILLING TEMPORARY VACANCIES OUTSIDE LINES OF PROGRESSION

Filling temporary job vacancies not in lines of progression will normally be filled with qualified employees within the Department, provided that any qualified employee may be assigned to fill the job without disrupting the shift schedule, except in cases where temporary vacancy exists through illness, and/or accident and the estimated return to work date is known, and that such date is in excess of thirty (30) working days duration then the vacancy shall be subject to the application of Article 7, reference Article 7-03(b).

ARTICLE 8
SENIORITY

8-01 the parties to this Agreement recognize three (3) types of seniority:

(a) Job Seniority

(b) Departmental Seniority

(c) Plant Seniority

8-02 "Job Seniority" shall accrue from the last day of entry into a regular job classification upon completion of thirty (30) continuous worked days in that classification, except as acquired in 7-07.

8-03 "Departmental Seniority" shall accrue from the last date of entry into the department, to a regular employee, on completion of thirty (30) continuous worked days in the department, except as acquired in 7-07.

8-04 "Plant Seniority" shall accrue from the last date of entry into the service of the Company, to a regular employee, on completion of his/her probationary period.

8-05 "Probationary Employee" is defined as being an employee who has less than sixty (60) calendar days of uninterrupted service with the Company. Such an employee will not accrue seniority with the Company nor have recourse to the provisions of Article 9 "Adjustment of Grievances". However, in all other aspects of his/her employment he/she shall be governed by the terms of this Agreement.

8-06 AN EMPLOYEE SHALL FORFEIT ALL SENIORITY RIGHTS WITH THE COMPANY

- (a)** If he/she voluntarily leaves the employ of the Company.
- (b)** If he/she is discharged and not reinstated pursuant to the provisions of the grievance procedure.
- (c)** If he/she has been laid off for a period equal to his/her length of service or a period of two (2) years (24 months) whichever is less.
- (d)** If, after a lay-off, he/she fails to return or give a legitimate reason for being unable to do so within five (5) working days after being recalled by telegram or courier or registered mail sent to his/her last known address.
- (e)** If he/she fails to return for work at the expiration of an approved "leave of absence".
- (f)** If an employee refuses to pay Union dues and/or assessments.

8-07 If an employee is absent because of sickness or accident, his/her seniority will accumulate for a period equal to his/her length of service up to a maximum of twenty-four (24) months whichever is less following which his/her seniority will be maintained to such time that the employee is declared medically fit to resume the functions of whatever job is available at that time.

8-08 SUMMER STUDENTS

Summer Students may be hired during the period from the 1st Monday in May up to and including the Labour Day weekend.

- (a) Union dues are payable as per Collective Agreement.
- (b) Seniority does not accrue during summer employment.
- (c) Summer Students do not benefits of the grievance procedure in case of termination nor the benefits package. Summer Students shall be paid the hourly student's rate as set in Appendix "A".
- (d) Overtime will be offered to regular on shift employees in the department before it being offered to the Summer Students in that department.
- (e) Weekend overtime will be offered to all regular employees in the Department before it being offered to Summer Students.

ARTICLE 9 **ADJUSTMENT OF GRIEVANCES**

9-01(a) Should a grievance arise it shall be handled as follows. Prior to **filing** a formal grievance, an employee will, with the assistance of his/her Steward if he/she so desires, refer the matter on an informal basis to his/her immediate Coordinator. This discussion must take place within five (5) working days of the occurrence of the event giving rise to the complaint. If the grievance cannot be settled as a result of this discussion, then it may be dealt with as follows.

STEP 1- The employee shall file a written grievance with his/her immediate Coordinator within five (5) working days of discussing the matter with his/her Coordinator. The Coordinator shall answer the grievance within three (3) working days. Except in cases of disciplinary action, the written grievance shall state the matter at issue in concise terms and shall state precisely in what respect the Agreement has been violated or misinterpreted by reference to the specific clauses or clauses relied upon and shall also stipulate the nature of relief or remedy sought.

STEP 2 - If the grievance is not resolved at the STEP 1, it may be referred to the Personnel Coordinator within five (5) working days after receipt of the Coordinator's reply at STEP 1. The Personnel Coordinator shall convene a meeting with the Local Union Vice-President within five (5) working days after receipt of the grievance and shall answer the grievance in writing within five (5) working days of such meeting.

STEP 3 – If the grievance is not resolved at STEP 2, it may be referred to the General Manager or his/her appointed representative within five (5) working days after receipt of the Personnel Coordinator's reply at STEP 2. The General Manager or his/her appointed representative shall convene a meeting with the Local Union President within five (5) working days after receipt of the grievance and shall answer the grievance in writing within five (5) working days of such meeting.

STEP 4 – If the grievance is not resolved at STEP 3, it may be referred to the Corporate I.R. Director within five (5) working days after receipt of the General Manager's or his/her appointed representative's reply at STEP 3. The Corporate I.R. Director shall convene a meeting with the Communication, Energy and Paperworkers Union Representative and the Local Union Executive within ten (10) working days after receipt of the

grievance and shall answer the grievance in writing within ten (10) working days of such meeting. Failing a satisfactory settlement, the grievance may be referred to arbitration by the Union within a further thirty (30) calendar days.

(b) Any grievance involving disciplinary action shall be referred to STEP 3 of the grievance procedure.

(c) No employee shall be disciplined or discharged without just cause.

(d) A Union or Company grievance may be presented, starting at STEP 3, on matters of a general nature relating to the application, administration or interpretation of the Collective Labour Agreement provided such grievance cannot be otherwise brought forward as the grievance of an employee or group of employees.

The Union or Company's decision shall be given in writing and, failing satisfactory settlement, the grievance may be subject to the arbitration procedure.

(e) The time limits specified in this Article may be extended by mutual agreement of both parties.

(f) In the event the Union or the Company decided to submit the grievance to arbitration, the grievance will be referred to a single Arbitrator chosen by the parties, or failing agreement, an Arbitrator designated by the Minister of Labour of the Province of Ontario.

(g) In cases of arbitration under the procedure outlined above, the Arbitrator to whom any grievance shall be submitted, shall have jurisdiction and authority to interpret the provisions of this Agreement in so far as shall be necessary to the determination

of such grievances, but shall not have jurisdiction or authority to alter in any way the provisions of this Agreement.

Except, however, in determining any grievance arising out of discharge or other discipline, the Arbitrator may dispose of the claim by affirming the Company's action and dismissing the grievance or by setting aside the disciplinary action involved and restoring the griever to his/her former position with or without compensation or in such manner as may in the opinion of the Arbitrator be justified. Such decision shall be final and binding on both parties to this Agreement.

(h) Each party shall pay its own arbitration costs including the fees and expenses of witnesses called by it. The fees and expenses of the Arbitrator shall be shared equally by the parties.

ARTICLE 10 UNION REPRESENTATION

10-01 The Company will recognize an Executive Committee of not more than five (5) employees selected by and from the Local Union for the purpose of negotiating contract renewals. The Company will deal with the Executive Committee with respect to any matter which properly arises from time to time in regards to the application and interpretation of this Labour Agreement.

10-02 In addition to the above mentioned members, the Union may request its Communication Energy and Paper-workers Union Representative and the Company may request another person to attend any meeting of said Committee.

10-03 Time spent by a member of the Local Executive in processing Union matters with the Company during his/her

regular hours of work shall be paid at his/her regular rate of pay, except that if a member of the Local Executive during negotiations, is required to return to his/her regular job after such meetings, the hours worked shall be at overtime rates.

10-04 Regular working hours lost by employees for reason of attending union functions other than those stipulated in Article 10-03, and subject to Article 19-02, will be paid to this employee by the Company as if this employee had been at work, provided this request is made **officially** by the Local Union and provided that no more than **five (5)** such employees are absent at any one time and provided that such absence not exceed two **(2)** weeks respectively.

The Company will invoice the Union for such wages and be paid no later than fifteen **(15)** days after receipt of such invoice.

Weekly indemnity benefits will not apply until the employee scheduled date of return to work.

ARTICLE 11 HOURS OF WORK

11-01 The normal work week for all employees shall be five **(5)** days Monday to Friday inclusive, and a total of forty **(40)** hours.

11-02 The regular schedule of hours of work shall be as follows except as mutually agreed:

ALL DEPARTMENTS

One Shift Schedule:
7:00 a.m. to 3:00 p.m.
(includes a 20 minute paid lunch period)

Two Shift Schedule:
7:00 a.m. to 3:00 p.m.
(includes a 20 minute paid lunch period)
3:00 p.m. to 11:00 p.m.

Three Shift Schedule:
7:00 a.m. to 3:00 p.m.
(includes a 20 minute paid lunch period)
3:00 p.m. to 11:00 p.m.
11:00 p.m. to 7:00 a.m.

11-03(a) The above schedule for hours of work are not to be interpreted as a guarantee from the Company of daily or weekly hours of work.

11-03(b) All Plant personnel scheduled on machinery which is running continuously shall be entitled to a thirty (30) minute paid meal period, without shutting the equipment down.

All personnel shall take their meal periods as follows, without shutting the equipment down.

Day Shift: between 11:00 a.m. and 1:30 p.m.
Afternoon Shift: between 7:00 p.m. and 9:30 p.m.
Night Shift: between 3:00 a.m. and 5:30 a.m.

However, as regards continuous operations during rest and meal periods, it is agreed that a minimum of two (2) employees shall operate equipment designated to run continuously.

Further, if an additional person is required on another machine during rest and meal periods, they shall be provided as needed.

It is further understood that this method of continuous operation during rest and meal periods is not intended to reduce the number of employees per machine.

11-04 Employees shall be at their respective working place ready to begin work at the designated starting time and shall not leave their working place without permission from their immediate coordinator until the regular hours of work have been completed. "Except that all employees on Presses and Flexos shall be allowed a five (5) minute wash-up before their regular quitting time".

11-05(a) It is the duty of each and every employee to report for his/her regular shift unless he/she has arranged for a leave of absence on the day before, or if unavoidably prevented from reporting for his/her regular shift on the day he/she is scheduled to work, he/she notified the Company (Telephone Number 675-6223) at least two (2) hours before the start of his/her own shift and obtain leave of absence.

11-05(b) In the event an employee is unavoidably prevented from reporting to work on time he/she shall:

1. Advise his/her coordinator as soon as possible by telephone
- OR
2. Report to his/her coordinator upon arrival at the plant

11-06 All employees on two or three shift schedules shall rotate from shift to shift in sequence weekly, unless by mutual agreement the shift schedule is changed.

ARTICLE 12
OVERTIME

12-01 OVERTIME PREMIUM PAY

(a) Time and one-half (1-1/2) the employees occupational rate of pay for all hours worked in excess of eight (8) hours per day, in excess of forty (40) hours worked per scheduled work week.

(b) Double (2) time the employees occupational rate of pay for all overtime hours in excess of eight (8) hours of worked between 11:00 p.m. Saturday and 11:00 p.m. Sunday and all overtime hours worked in excess of eight (8) hours of work on credited paid holidays recognized by this Agreement.

12-02 Employees may be requested to work a longer work day or a longer work week when in the opinion of the Company such additional time is necessary. However, it is recognized that such overtime is voluntary.

12-03 When overtime is to be worked at the end of a shift which appears to be two (2) hours duration but less than four (4) hours, a ten (10) minute rest period shall be allowed at the end of a regular shift. If such overtime is continued for a period of four (4) hours or more, an additional thirty (30) minute paid lunch period shall be allowed.

12-04(a) Overtime will be distributed as evenly as possible among all employees on same job classification and within the Department.

12-04(b) Overtime distribution will be reviewed on a quarterly basis.

12-04(c) All overtime hours worked and/or refused will be entered in a log provided for this purpose and kept up to date by the coordinator.

12-04(d) Actual overtime worked shall be posted and overtime requested and refused will be posted with an "R".

12-04(e) The log will be made available upon request to the Union for review in the event of a dispute. The overtime log compiling the distribution of overtime will revert to zero (0) January 1st of each year.

12-04(f) Four (4) copies of the overtime list will be made available to the Local Union in the first week of each month, one (1) of which will be posted.

12-05 OVERTIME DISTRIBUTION

Should overtime occur during the week (i.e. Monday to Friday) the following procedure will apply.

12-05(a) OUTSIDE LINES OF PROGRESSION

1. The on shift employees scheduled on the same job classification for which overtime work is required, will first be asked to work such overtime hours. Failing this,
2. Said overtime will be offered to the on shift qualified employee of the department. Failing this,
3. Said overtime will be offered to the on shift qualified employee outside the department. Failing this,
4. Said overtime will be offered to the off shift employee on the same job classification.

5. Where said overtime is expected to be of eight (8) hours duration, the next scheduled employee on the same job classification on the off shift, will be called to share the overtime with the previous on shift employee. Should he/she refuse, another qualified employee will be assigned.

12-05(b) WITHIN LINES OF PROGRESSION

1. Where a vacancy cannot be filled by upward mobility and results in overtime to be worked:
2. Said overtime will be offered to the on shift employee on the same job classification. Failing this,
3. Said overtime will be offered to qualified employees on the on shift and in the same department. Failing this,
4. Qualified employees outside the department on the same shift will be offered the overtime. Failing this,
5. The overtime will be offered to the off shift employee on the same job classification.
6. Where said overtime is expected to be of eight (8) hours the next scheduled employee on the same job classification on the off shift, will be called to share the overtime with the previous on shift employee.

12-06 WEEKEND OVERTIME

Should overtime be required during the week-end, the following will apply: To employees scheduled on the machine centre within the same job classification.

12-06(a) The day shift from the previous week will first be offered Saturday overtime and Sunday overtime will be offered to the day shift of the following week.

12-06(b) The midnight shift will first be offered Friday night overtime.

12-06(c) The afternoon shift will be asked to fill-in declined opportunities.

12-06(d) As concerns the position of "Truckers" and for the sole purpose of overtime distribution, will be considered as departments: Press, Finishing and K-Litho. Overtime will be distributed as above failing which, overtime will then be offered to employees with the least overtime on the same job classification in other departments and the same rules as above will apply. When all the "Truckers" have been asked, the overtime will be awarded to the qualified employee with the least overtime within the department being service by the "Trucker" in question.

12-06(e) For overtime purposes, an employee working three (3) days on the job where the overtime is to be worked of the scheduled work week, shall be recognized as being scheduled on the same job classification, as long as he/she is not absent when such overtime is being requested.

If no one is scheduled on the same job classification, the overtime shall be distributed to the employees on the machine centre, with the least overtime in accordance with 12-06 (b) and (c).

12-07 If following the review of overtime distribution, the company and Union agree that the differential of overtime hours exceeds an acceptable level between employees on the same jobs, the employee with the lowest hours, shall be offered the week-end overtime until such time that the margin is acceptable.

12-08 Overtime generated due to an employee being absent because of sickness, accident, vacation and leave of absence will not be included in the calculation of the imbalance for purposes of overtime and equity comparison.

12-09 (a) When it becomes necessary to assist with general plant clean-up and/or painting, a notice will be posted for employees interested to apply. The employee with the least overtime that has applied will be selected. It is understood that the overtime listing on the day notice is taken down, will be used to determine which employee is eligible for the overtime.

12-09 (b) If it becomes necessary for Plant Production during shut down (i.e. Christmas) a notice will be posted, for those employees interested to apply. The employee with the least amount of overtime hours within the required posted job classification within his/her department will be offered first.

12-10 For overtime purpose, holidays recognized by this agreement, falling on Saturday and/or Sunday shall be celebrated on the following Monday, and if worked, shall be paid as specified in article 12, section 12-01.

ARTICLE 13 **SHIFT CHANGE, TRANSFER, ETC**

13-01 An employee wishing to change shifts with another employee shall first obtain permission to do so from his/her immediate coordinator. His/her request must be submitted in writing, except in cases of emergency, on the form available from the company and signed by the two (2) employees. Any shift changes arranged between two (2) or more employees shall not under any circumstances occasion a request for

overtime or other premium pay as a result of the shift change. Permission shall not **be** unreasonably withheld.

13-02 When a coordinator or Plant Manager requests an employee to change shifts during the normal work week for the convenience of the Company, the employee will receive time and one-half for his/her first shift unless the shift change is in lieu of lay-off. For reasons other than lay-off, an employee that is required to change shifts will not work less than his/her normal scheduled hours for that week.

13-03 If it becomes necessary to transfer an employee temporarily at a lower rated job, he/she shall be paid at his/her regular job rate for a maximum of three (3) consecutive weeks from the on-set of the transfer except:

- (a) When the transfer is made at the request of the employee.
- (b) When a transfer is made in lieu of a lay-off, in such cases, he/she shall be paid at the rate of the job to which he/she is assigned.

13-04 An employee who is temporarily assigned to a higher rated job shall be paid at the higher rate, for the actual hours worked on the higher rated job.

13-05 When new job classifications are created or existing job classifications substantially changed, Management and the Union shall meet and discuss such additions or changes and, if possible, reach agreement on wages before such additions or changes are put into effect. If agreement cannot be reached, the rate proposed by Management, will be instituted, but will be subject to further negotiations held for the purpose of renewing the Collective Labour Agreement, unless either party wished to

submit the matter to arbitration in the manner described under Article 9 "adjustment of Grievances" starting at 9-01 (f).

**ARTICLE 14
WAGES**

14-01 The scale of wages of regular employees affected by this Agreement will form Appendix "A" and will be considered as part of this agreement.

14-02 SHIFT DIFFERENTIAL ADJUSTMENTS

All shift employees shall be entitled to a shift differential on the following basis

	Date of ratification	9/15/03
3.00 pm to 11.00 pm.	.60	65
11.00 pm to 7.00 am	.90	95

Subject to the following exceptions: (i) Hours worked to complete a day shift.
(ii) When premium rates are applied.
(iii) When calculating holiday pay or overtime.

14-03 MEAL ALLOWANCE

Effective date of ratification: \$6.50
September 15, 2001: \$7.00
September 15, 2003: \$7.50

A meal allowance will be paid to each employee who works more than ten (10) consecutive hours in any one (1) day.

ARTICLE 15
JOB RANKING

15-01 The Company will continue to monitor the status of the job ranking program which is being reviewed in other sectors of the Eastern Corrugated Industry. The purpose of the monitoring will be to evaluate and discuss with the Union what possible future impact, if any, such a program could have on the wage rate structure of the plant. It is understood that this is not a commitment to implement a job ranking program.

ARTICLE 16
PAID HOLIDAYS

16-01 The following days shall be observed as paid holidays

New Year's Eve Day	Civic Day
New Year's Day	Dominion Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Eve Day
Labour Day	Christmas Day
January 2 nd	Boxing Day

16-02(a) All hourly paid employees who have been in the employ of the Company for at least fifteen (15) working days immediately preceding any of the above holidays shall be entitled to eight (8) times the employee's regular hourly rate for each of the above holidays, provided he/she has worked their last scheduled shift preceding the holidays and their first scheduled shift following the holidays and provided that he/she

has worked at least one day during the thirty-five (35) working days immediately preceding the holiday, unless he/she is absent with prior written permission from the Coordinator or for a reason acceptable by the Plant Manager.

16-02(b) Except the employee who is absent from work during the period preceding such holidays as provided above through sickness and/or accident shall be credited for the paid holiday. Medical proof of such absence will be required.

16-03 Any of the above mentioned holidays may be changed to a more suitable day when such change is agreeable to the Company and the Union. Such agreement shall be in writing and suitable notice of change shall be posted on the bulletin board.

16-04 An employee requested to work on any of the above mentioned holidays shall be paid in accordance with Article 12, Section 12-01 plus the eight (8) hours holiday pay.

16-05 In the event a paid holiday falls within an employees vacation period, he/she shall have a day off with pay, at a mutually convenient time to the employee and coordinator.

ARTICLE 17 VACATION LEAVE

17-01 It is agreed that all hourly paid employee of the Company who meet the following requirements will be granted a vacation leave with pay:

- (a) Employees with less than one (1) year of continuous service with the Company as of April 30th of the current year shall be entitled to a vacation leave of one half (1/2)

day for each completed month of service from their most recent date of hire and will receive as payment four (4) percent of their earnings for the period used in determining their vacation leave.

- (b)** Employees with one (1) but less than four (4) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of two (2) weeks.
- (c)** Employees with four (4) but less than nine (9) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of three (3) weeks.
- (d)** Employees with nine (9) but less than eighteen (18) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of four (4) weeks.
- (e)** Employees with more than eighteen (18) but less than twenty-three (23) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of five (5) weeks.
- (f)** Employees with more than twenty-three (23) years of continuous service with the Company as of April 30th, of the current year shall be entitled to a vacation leave of six (6) weeks.

17-02 Vacation pay will be calculated at 4%, 7%, 9%, 10% or 12% as applicable of gross earnings including vacation pay, from May 1st of the preceding year or forty (40) hours at the employee's regular straight time rate, whichever is greater, for each week of vacation leave, except if an employee's service is

interrupted by an approved leave of absence, **the forty (40)** hours per week basis will not apply.

17-03 Employees in the same job classification and on the same machine will be given the opportunity to choose with their Coordinator, their vacation leave but under no circumstances, will vacation leave be allowed to interfere with Plant operations. In cases where vacations leave requested conflict, preference will be given to the employee with the longest plant seniority.

17-04 Except as may be mutually agreed between Union and Management, vacation leave shall be taken at any time within the calendar year and at such time as, in the opinion of the Company, the service of the employee can be spared. Vacation pay to be paid weekly, at the pay period preceding each vacation period. Employees must take their vacation credits in the applicable vacation year.

17-05 The Company reserves the right generally to administer the vacation leave plan in accordance with the above provision and the Company's decision shall be final on all questions arising out of the administration of the plan. The Company will attempt to have the vacation schedule posted by May 1st of the vacation year. The Company will provide the Union with a copy of the vacation schedule and a record of any changes.

17-06 Employees with vacation as per article 17-03 will be allowed to choose three (3) weeks in prime time (i.e. June, July, August). The senior employee will be given the first choice of the remaining weeks.

ARTICLE 18
BEREAVEMENT LEAVE

18-01 When death occurs in the immediate family of an active permanent employee, such employee will benefit from a paid leave as follows:

1. Five (5) consecutive working days paid leave for Spouse, Children, and Stepchildren of the employee.
2. Three (3) consecutive working days paid leave for his Father, Mother, Father-in-law, Mother-in-law, Brother, Sister, Brother-in-law, Sister-in-law, Grandparents, Grandparents-in-law, Grandchildren, Step-Mother and Step-Father of the Employee.

In order to be entitled to bereavement leave and pay, the employee must provide evidence of the death to the Company.

18-02 The employee shall be paid for the number of hours he/she would have normally worked at his/her regular straight time occupational rate.

ARTICLE 19
LEAVE OF ABSENCE

19-01 Leave of absence, without pay for legitimate personal reason, may at the discretion of the Plant Manager, be granted for a period not to exceed three (3) months. The application must be made in writing and the reasons stated.

19-02 Leave of absence without pay, without loss of seniority or other benefits shall be granted to members of the Executive

or their delegates for the purpose of attending or conducting essential Union activities.

It is understood that such leave will be granted provided that the Plant Manager receives prior notification of five (5) regular working days, and provided such leave does not affect the efficiency of the Plant operations.

19-03 MATERNITY LEAVE

The Company will comply with current Government Legislation in granting Maternity Leave.

Leave of absence without pay up to six (6) months without loss of seniority may be granted in cases of pregnancy. An employee returning to work after maternity leave of absence must give Local Management a doctor's certificate showing that she is physically capable of going back to her normal duties.

The employee may keep her Life Insurance, Dental Care, and Hospital Medical Surgical Insurance in force during the leave, provided she pays the full premium cost in advance.

ARTICLE 20

JURY DUTY, CROWN OR SUBPOENAED WITNESS DUTY

20-01 The Company will pay the difference in wages lost by an employee while serving on, or reporting for Jury Duty, Crown and Subpoenaed Witness Duty where the employee is not personally involved subject to the following conditions:

- (a) The employee has completed his/her probationary period.

- (b) The days eligible for such payments shall be scheduled working days upon which the employee would otherwise have worked.
- (c) Providing he/she reports for work immediately upon being released from such duty if such release occurs eight (8) hours prior to the start of his/her next scheduled shift.

20-02 The above referred to wages means his/her regular scheduled hours paid at his/her normal occupational rate of pay and does not include any overtime or other premium pay.

**ARTICLE 21
CALLING IN AND REPORTING ALLOWANCE**

21-01 Any employee called in to work outside his/her regular hours of work, without previous warning, shall receive not less than four (4) hours pay or time and one half for the hours worked whichever is the greater.

21-02 An employee reporting for work at his/her regularly scheduled time when no work is available at his/her regular occupation, shall be entitled to a minimum of eight (8) hours pay at not less than his/her regular occupation rate, unless previously notified to the contrary no less than two (2) hours prior to the start of his/her scheduled shift. If requested by the Company, he/she shall be required to perform a minimum of eight (8) hours of such available work as the Company may assign. This article shall not apply in cases of major breakdown or other causes beyond the control of the Company.

ARTICLE 22
AUTOMATION

22-01 The Company will advise the Union as soon as possible, and in any case not less than ninety (90) days before introduction thereof, technological changes and/or automation which the Company had decided to introduce that will result in significant changes to the employment status of employees.

22-02 Any employee who is permanently set back to a lower paid job because of technological change or automation, will receive the rate of his/her regular job at the time of the set back for a period of six (6) months. For a further period of six (6) months, he/she will be paid an adjusted rate which will be midway between the rate of his/her regular job at the time of the setback and the rate of his/her new regular job. At the end of the twelve (12) month period, the rate of his/her new regular job shall apply.

22-03 (a) Should the Company permanently close down the Plant and that as a result of this permanent close down terminates the services of an employee, such employee who is terminated will be entitled to separation pay as follows:

An employee will be entitled to separation pay equal to two percent (2%) of his/her total earnings for the last full period of continuous employment.

22-03 (b) The Company agrees to follow Government Legislation as pertaining to severance pay eligibility.

22-03 (c) Employees eligible for severance pay under this section, the Employee must be actively employed at the time of

the announcement of the plant closure and remain in the employ of the Company until the closing or until the employee's services are no longer required.

ARTICLE 23
GROUP INSURANCE PROGRAM

23-01 Unless otherwise stated, the Company agrees to assume the full cost of the Insurance program as detailed in Appendix "B", Exhibits B-1 and B-2 as attached.

23-02 The Company will provide employees with written confirmation of his/her semi-private insurance coverage.

ARTICLE 24
CONDUCT RECORDS

24-01 If an employee's record contains:

(a) A written confirmation of verbal warning, such record shall be withdrawn after two (2) months provided no other records of a misdemeanour is filed during the two (2) month period.

(b) A written warning, such record shall be withdrawn after three (3) months provided no other records of a misdemeanour is filed during the three (3) month period.

(c) A notice of suspension, such record shall be withdrawn after six (6) months provided the employee's record indicated a complete six (6) month period free from any disciplinary reports.

(d) Should any discipline be imposed, it shall be imposed immediately following occurrence, but in no case more than three (3) working days after occurrence.

24-02 When a written record of any disciplinary action is necessary which shall become part of the employee's file, the employee, at his/her request may meet with his/her Union Representative prior to meeting with his/her Coordinator, provided the time required to meet is kept within reasonable limits.

24-03 An employee shall have the right, by appointment with the Personnel Coordinator, to consult his/her conduct record on file in the Company's office.

24-04 The Company will provide the Union with copies of any disciplinary action notices, changes of status notices and job postings of employees as such changes occur.

ARTICLE 25 SAFETY & HEALTH EQUIPMENT

25-01 Effective date of ratification the Company will pay \$105 not more than once per calendar year to be applied to the cost of a new pair of Safety Shoes. (09/16/02: \$110; 09/16/04: \$115).

25-02 The Company will pay 100% of the cost of providing coveralls for mechanical & electrical personnel in the maintenance department and to all employees while they are involved in machine clean-up at the corrugator and printing departments.

25-03 The wearing of Safety Shoes, Hearing Protection and other such Safety Equipment as is considered necessary in the opinion of the Company shall be mandatory. Safety shoes must be kept in good condition.

25-04 The Company will provide each employee of the shipping department with winter jackets.

ARTICLE 26

GENERAL

26-01 All employees will be allowed one (1) ten minute rest period each work day to be taken at time designated by the Company. Employees will strictly respect the limitation of the rest period.

26-02 Pay stubs will be distributed in envelopes to employees on Thursday of each week before 3.00 p.m. and will represent the earnings of the previous week and showing Gross Earnings year-to-date.

26-03 Whenever a scheduled payday falls on a bank holiday, every effort will be made to issue pay stubs before noon on the preceding day for the day shift.

26-04 It is the responsibility of each employee to ensure that the Company has his/her correct address and telephone number on file. He/she must inform his/her immediate supervisor of any changes in order that the Company may quickly contact an employee to advise on lack of work, change of work schedule, etc.

ARTICLE 27
NO STRIKE OR LOCKOUT

27-01 The Union agrees that during the term of this Agreement, neither it nor any of its respective officers, agents or representatives shall cause, **authorize**, or sanction or permit its respective members to cause or take part in any strike, sit-down, stay-in, slow-down or stoppage of any of the Company's operations or in any curtailment of work or restriction of or interference with production or in any picketing of the Company.

27-02 The Company agrees that during the term of this Agreement, it shall not cause or sanction a lockout.

27-03 Any agreement entered into by the Company and the Union during the term of the present Agreement, shall be recorded in writing and signed by both parties. Such Agreement shall be valid for the duration of the present Agreement or for such limited period of time as may be agreed to by the parties.

ARTICLE 28
RESERVATIONS

28-01 It is agreed that any clause of this Agreement being or becoming in conflict with Federal or Provincial Legislation of public character will be considered as void without affecting the validity of this Agreement.

ARTICLE 29
HEALTH & SAFETY

The following conditions have been jointly approved by your Safety Committee, the Executive and Membership of Local 1646 and the Management of Kruger Inc., Packaging Division, Rexdale, Ontario. These conditions are effective as of November 2, 1976.

It was made clear that while Management has a moral and legal responsibility to accident prevention, the same responsibility exists for the worker. The legal responsibility for both parties is clearly defined in the Industrial Safety Act of Ontario 1971, and subsequent amendments.

CONDITIONS APPLYING TO SAFETY COMMITTEE

1. The committee shall meet once a month with officials of the company to discuss matters dealing with Safety, Health and Environmental conditions affecting employees at work.
2. The Company shall pay committee members for time lost while attending Safety meeting.
3. The Company will furnish the Committee Co-Chairpersons with copy of any lost time injury reports as soon as the reports are available.

APPENDIX 'A'
WAGES

CLASSIFICATIONS

EFFECTIVE	ACTUAL	9/15/99	9/15/00	9/15/01	9/15/02	9/15/03	9/15/04
		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

GRADE 1	15.58 \$	15.89 \$	16.21 \$	16.53 \$	16.86 \$	17.20 \$	17.55 \$
General Help							

GRADE 2	17.10 \$	17.44 \$	17.79 \$	18.15 \$	18.51 \$	18.88 \$	19.26 \$
Bundler Utility							
Slitter-Scorer Take-Off							
Bobst take/Off							

GRADE 3 Press	17.47 \$	17.82 \$	18.18 \$	18.54 \$	18.91 \$	19.29 \$	19.67 \$
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Bandsaw Operator
Trucker Service
Person
Hand/Partition
Strapper
Stitcher/Taper Take-Off
Press Take-Off
Post Take-Off

GRADE 4	17.82 \$	18.18 \$	18.54 \$	18.91 \$	19.29 \$	19.67 \$	20.07 \$
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Bobst 2nd person
Checker Towmotor
Waste Baler
Operator
Palletizer-Auto
Palletizer-Corrugator
Litho Laminator 2nd person

CLASSIFICATIONS

EFFECTIVE	ACTUAL	9/15/99	9/15/00	9/15/01	9/15/02	9/15/03	9/15/04
		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

GRADE 5 18.21 \$ 18.57 \$ 18.95 \$ 19.32 \$ 19.71 \$ 20.11 \$ 20.51 \$

Taper-Stitcher Operator
Receiver
Clamp Truck Operator
Stacker Operator
Utility Operator
Press 2nd Person
Post 2nd Person

GRADE 6 18.59 \$ 18.96 \$ 19.34 \$ 19.73 \$ 20.12 \$ 20.52 \$ 20.94 \$

Assistant shipper
Double Backer
Slitter Scorer Operator

GRADE 7 18.93 \$ 19.31 \$ 19.69 \$ 20.09 \$ 20.49 \$ 20.90 \$ 21.32 \$

Die Service Person
Modular Slitter Scorer Operator

GRADE 8 19.39 \$ 19.78 \$ 20.18 \$ 20.58 \$ 20.99 \$ 21.41 \$ 21.84 \$

Bobst Press Operator
Single-Face Operator
Die Maker
Consul Modular Slitter
Scorer Operator
Litho Laminator Operator
Press Operator
Post Operator

CLASSIFICATIONS

EFFECTIVE	ACTUAL	9/15/99	9/15/00	9/15/01	9/15/02	9/15/03	9/15/04
		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
GRADE 1 Janitor	17.10 \$	17.44 \$	17.79 \$	18.15 \$	18.51 \$	18.88 \$	19.26 \$
GRADE 1A Maintenance Utility Unskilled Maintenance Oiler Helper Stores Clerk	17.47 \$	17.82 \$	18.18 \$	18.54 \$	18.91 \$	19.29 \$	19.67 \$
GRADE 2 Mechanic 3rd Class	17.70 \$	18.05 \$	18.42 \$	18.78 \$	19.16 \$	19.54 \$	19.93 \$
GRADE 3 Mechanic 2nd Class	18.01 \$	18.37 \$	18.74 \$	19.11 \$	19.49 \$	19.88 \$	20.28 \$
GRADE 4 Mechanic 1st Class Certified Maintenance Electrician	20.19 \$	20.59 \$	21.00 \$	21.42 \$	21.85 \$	22.29 \$	22.73 \$
GRADE 5 Certified Mechanic "A" (Millwright)	21.08 \$	21.50 \$	21.93 \$	22.37 \$	22.82 \$	23.27 \$	23.74 \$
GRADE 6 Electrician Electronic (Certified)	23.88 \$	24.36 \$	24.84 \$	25.34 \$	25.85 \$	26.37 \$	26.89 \$
Note: Lead Hands will receive \$0.20 per hour more than the highest paid individual under their charge.							
Students:	12.47 \$	12.72 \$	12.97 \$	13.23 \$	13.50 \$	13.77 \$	14.04 \$

Appendix "B"
Exhibit B-1

SUMMARY OF EMPLOYEE BENEFITS PROGRAM

The Company agrees to modify its Employee Benefits Program and will make the following amendments to its policies/contracts. All other provisions of the master policies/contracts will remain unchanged.

Subject to the provisions of the master policies/contracts, the following modifications will come into effect on the first day of the month following ratification, unless otherwise specified, and will cover only those employees who are members of the bargaining unit and actively at work on the effective date of these changes, as well as all new employees who will join the bargaining unit thereafter.

Membership to the plan is mandatory and applies to each type of guaranteed coverage.

DEFINITION OF ELIGIBLE DEPENDENTS

Spouse: Married spouse or a person who, although not legally married to an employee, cohabits with the employee in a spousal relationship which has been recognized as such in the community in which they reside for at least one (1) year.

Child: An unmarried natural, adopted or stepchild of the employee or any other unmarried child for whom the employee has been appointed guardian for all purposes by a court of competent jurisdiction. A child who is age nineteen (19) or over but under age twenty-six (26) must be full-time student.

An incapacitated child will be covered beyond the maximum age provided his incapacity began before reaching the maximum age. A child is considered incapacitated if he/she is incapable of supporting himself due to a physical or psychiatric disorder.

Children under 15 days of age are not covered under dependent life.

1. BASIC LIFE INSURANCE

Amount of coverage: \$35,000.

Effective January 1, 2005 the amount of coverage will be increased to \$40,000.

The total premium shall be paid by the Company.

2. OPTIONAL LIFE INSURANCE

Amount of coverage: any multiples of \$10,000 up to a maximum of \$100,000

Optional life coverage can be modified at any time by submitting the required proof of insurability to the insurer. Modified coverage will take effect upon approval by the insurer.

The monthly premium is entirely paid by the employee and is subject to modifications at each yearly renewal of the master contract/policy.

3. ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

Amount of coverage: total of basic and optional life insurance coverage

A percentage of the amount of coverage will be payable depending on the extent of the loss, as shown in the following table.

For Loss of	
Life	100 %
Both hands or both feet	100 %
One hand and one foot	100 %
The entire sight of both eyes	100 %
One hand and the entire sight of one eye	100 %
One foot and the entire sight of one eye	100 %
Speech and hearing in both ears	100 %
One arm or one leg	75 %
One hand or one foot	66 2/3 %
The entire sight of one eye	66 2/3 %
Speech or hearing in both ears	66 2/3 %
Thumb and index finger of the same hand	33 1/3 %
Four fingers of one hand	33 1/3 %
All toes of one foot	33 1/3 %
Hearing in one ear	12 1/2 %
For Loss of Use of	
Both arms or both hands	100 %
One arm or one leg	75 %
One hand or one foot	66 2/3 %
For Total Paralysis of	
Paraplegia	200 %
Quadriplegia	200 %
Hemiplegia	200 %

Loss of use means the total or irrevocable loss of use during a continuous period of twelve (12) months after which the indemnity becomes payable if the loss of use is considered permanent.

The maximum payable for any one accident will not exceed the full amount of coverage.

The total premium shall be paid by the Company.

4. DEPENDENT LIFE INSURANCE

Amount of coverage:

Spouse: \$10,000
Child: \$ 5,000

The total premium shall be paid by the Company.

5. DEPENDENT ACCIDENTAL DEATH INSURANCE

Amount of coverage:

Spouse: \$10,000
Child: \$ 5,000

The total premium shall be paid by the Company.

6. HEALTHCARE BENEFITS

a) Hospitalization

No deductible

100% unlimited accommodation in a
 semi-private room

b) Healthcare benefits

Annual deductible of \$25 per person or family

100% of all drugs prescribed by a physician or dental

80% surgeon of other eligible expenses according to the provisions of master policies/contracts such as

- i) room and board in a licensed nursing home for convalescent or chronic care up to a maximum expense of \$20 per day for a maximum of 120 days per period of disability.
- ii) emergency transportation by a licensed ground ambulance services to and from the nearest hospital
- iii) paramedical services of licensed physiotherapist up to a maximum expense of \$10 per visit and \$300 per calendar year. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan.
- iv) paramedical services of licensed chiropractor up to a maximum expense of \$15 per visit and \$300 per calendar year. In addition, when medically required by a chiropractor, radiographs will be considered up to a maximum of \$20 per radiograph and up to four (4) per calendar year. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan.
- v) paramedical services of licensed osteopath, naturopath, podiatrist, up to a maximum expense of \$7 per visit and a maximum of \$300 per calendar year for each practitioner. In addition, expenses of not more than \$20 per x-ray, for one x-ray per person per calendar year, in the case of the osteopath. No benefits will be paid while the individual is entitled to similar benefits under any provincial health plan

- vi) Trusses, braces, crutches and artificial limbs, etc...
- vii) **orthopedic** shoes up to a maximum of **\$175** per annum
- viii) **hearing** aids device up to a maximum of **\$500** per 5 years
- ix) plastic cast

Maximum benefits **\$25,000** per person per period of 3 consecutive years

7. VISIONCARE BENEFITS

No deductible
\$125/24 month per person covered for prescribed eye glasses, contact lenses and eye examination performed by a licensed ophthalmologist or optometrist.

Effective January 1, 2002, **\$135 / 24** month per person covered

Effective January 1, 2004, **\$150 / 24** month per person covered

The monthly premium will be entirely paid by the Company.

8. SHORT TERM DISABILITY BENEFITS

- a) Term
 - 1-1-4-52 weeks
 - 1st day – Accident
 - 1st day – Hospitalization (or outpatient surgery)
 - 4th day – Sickness

52 - Week period

Short Term Disability (STD) benefits shall be paid as follows: from the first (1) scheduled workday lost due to an accident or illness requiring **hospitalization**. The same conditions apply when an employee is admitted to the hospital as an outpatient for surgery.

In such a case, the Company will provide the employee with a certificate to be completed and signed by the surgeon that completed the surgery and such certificate should be returned to the Company to be submitted to the insurer.

The STD benefits will be equal to 70% of the employees' regular hourly straight-time rate of his/her permanent classification in effect on January 1st of each year multiplied by the number of hours of his/her regular schedule, for each scheduled workday lost due to total disability payable up to a maximum of five (5) days a week and fifty-two (52) weeks a year. The benefit will be paid up to \$450.

Effective the first day of the month following ratification, the maximum benefit above will be increased to \$475.

Effective January 1, 2002, the maximum benefit will be increased to \$495.

Effective January 1, 2004, the maximum benefit will be increased to \$515.

However, if the maximum E.I. benefit is greater than the above maximums, the maximum E.I. benefit will apply as

the maximum benefit payable.

This will be integrated with other negotiated and disability benefit.

No benefit will be payable for sickness or accident that occurs during vacation. However, if sickness occurs so that the waiting period is covered during that period of vacation, the benefit will be paid from the first day the employee would have normally been scheduled to return to work.

Benefits will cease upon employee reaching his/her 65th birthday or upon termination.

The cost of this benefit will be completely paid by the Company.

b) Joint Committee on Claims Review

A joint Committee will be established consisting of two (2) members of the local union and two (2) members of management.

This Committee shall deal with cases where there is a disagreement between an employee submitting a claim and the insurer.

Said Committee will meet within five (5) working days of the final decision from the insurance company. However, before any meeting can be scheduled, the employee will have to provide the Company with a waiver to allow and discharge the insurer and/or the Company to release and disclose all information pertaining to the claim to the members of the Committee.

If necessary, the national representative of C.E.P. and the Company representative may attend said meeting.

If a disagreement persists, the employee shall have access to the grievance procedure as referred to in Article 9.

9. LONG TERM DISABILITY BENEFITS (LTD)

Subject to the other provisions of the Master Policy/Contract, the LTD plan will be amended as follows and the cost will be totally paid by the Company.

Eligible Employees: Regular employees who have completed their probation period.

Waiting period: Fifty-two (52) weeks

Maximum Monthly Benefits: 50% of the monthly earnings based on the regular hourly straight time rate of his/her permanent classification, excluding overtime, in effect on January 1st prior to his/her disability (i.e. hourly rate x 2080 / 12 x 50%). The benefit cannot exceed \$2,000 per month.

Integration: Subject to integration with other disability government benefits.

Duration of benefit: Maximum of five (5) years but no payment will be made or shall cease when the employee reaches age fifty-eight (58) if the total pension (including bridge) payable at age 58 is higher than the LTD benefits payable to the employee. In any case, the LTD benefits will cease at age 60.

This will apply to active employees who can retire voluntarily with an **unreduced** pension at age **58**.

Definition of Total Disability: "Totally disabled" means:

- a) **For STD and the first 12 months of LTD:** a state of incapacity which is due to bodily injury or sickness, preventing the employee from performing the duties of his/her normal occupation.
- b) **After the first 12 months of LTD:** wholly and continuously disabled by sickness or accidental bodily injury which prevents the employee from engaging in any occupation for which he/she is or may become fitted by education, training or experience.

This is as stipulated in the Master Policy/Contract.

10. MEDICAL CERTIFICATES

Physician's fees for the preparation of additional medical certificates requested by the insurer under the STD and LTD plans will be reimbursed up to a maximum of **\$20** per certificate. This reimbursement of fees will not apply to the original medical certificates or for routine supplementary reports that must be completed to extend the period of benefits.

Effective January 1, 2001, the maximum of **\$20** will be increased to **\$25**.

Effective January 1, 2005, the maximum of **\$25** will be increased to **\$30**.

The premium shall be paid by the Company.

11. DENTALCARE BENEFITS

No deductible

a) Dental fee guide

On January 1st of each year of the labour agreement, Ontario dental fee guide used to reimburse eligible expenses will be updated to the guide in effect one year before the date the treatment is rendered.

b) Benefit maximum

\$1,500 / lifetime for orthodontics
\$1,500 / year for all other expenses

c) The Company's maximum contribution is:

\$16.00 for single coverage
\$29.00 for family coverage

Effective first day of month following ratification:

\$17.00 for single coverage
\$30.00 for family coverage

Effective January 1, 2002:

\$32.00 for family coverage

Effective January 1, 2004:

\$33.00 for family coverage

Effective January 1, 2005:

\$18.00 for single coverage
\$34.00 for family coverage

12. GENERAL CONDITIONS

- a) In view of the above improvements, the five-twelve (5/12) Employment Insurance premium reduction shall be retained by the Company.
- b) Continuation of coverage
 - It is the employee's responsibility to complete the required forms for the continuation of his coverage before the beginning of the absence after he has been informed by the Company.
 - i) During a leave of absence: (other than maternity and Union business)
Life Insurance, **Hospitalization**, Healthcare, Visioncare and Dentalcare coverage can be maintained provided the employee agrees to pay the full premiums and this for a period of three months.
 - ii) During a maternity leave:
Life Insurance, **Hospitalization**, Healthcare, Visioncare and Dentalcare coverage can be maintained provided the employee continues to pay his/her premiums he/she was paying while at work, if any.
 - iii) During a parental leave
Employee on a parental leave will be entitled to maintain coverage for benefits other than short term and long term disability benefits by paying the entire premium. Coverage can be maintained for a period not exceeding the parental leave period as defined in the provincial legislation.
 - iv) During a period of lay-off
Regular employees on lay-off will be entitled to maintain coverage for benefits other than short term

and long term disability benefits by paying the entire premium. Coverage can be maintained for a period not exceeding six (6) months.

v) During a period of disability

During the first twelve (12) months of disability due to sickness or accident, insurance coverage will be maintained provided the employee continues to pay his/her premiums he/she was paying while at work, if any.

If total disability persists after such period of twelve (12) months, all benefits will cease except Life Insurance and Healthcare provided the employee agrees to pay the full premiums. However, if a waiver of premiums is granted to the employee, no premiums will be required for Life Insurance. This coverage can be maintained for a maximum period of five (5) years.

c) Benefits upon retirement

i) Death benefits

An amount of \$5,000 will be paid to the employee/retiree's beneficiary.

For employees retiring on or after 1st day of the month following ratification, the amount of death benefit will be \$10,000.

ii) Healthcare benefits

An employee can maintain his healthcare coverage provided he pays the entire premium. This coverage will cease at age 65 or death if earlier.

iii) All other benefits are terminated.

d) O.H.I.P. Rebate

The Company agrees to assume the full cost of O.H.I.P. for the duration of this Labour Agreement.

e) New underwriter

During the life of this Agreement, the Company will maintain all benefits covered by Appendix "B" without restriction to the Company to elect a new underwriter.

Exhibit B-2
DENTAL PLAN

The services provided under this plan are divided into three categories:

CATEGORY A - Basic Treatments
(Preventing diagnostic and routine treatments)

CATEGORY B - Major Treatments
(Major restorative treatments and prothesis)

CATEGORY C - Orthodontic Treatments

DEDUCTIBLE

No deductible shall apply to the eligible expenses incurred during one or any calendar year.

PAYMENT OF BENEFIT

The plan provides reimbursement of 100% for Basic Treatments, 50% for Major Treatments and 50% for Orthodontic Treatments, deemed necessary and incurred while the employee is insured. On January 1st of each year of the Labour Agreement, the Ontario Dental Fee guide used to reimburse eligible expenses will be updated to the guide in effect one year before the date the treatment is rendered.

MAXIMUM AMOUNT

Basic and Major Treatments combined:
\$1,500 per person per calendar year.

Orthodontic Treatments:

\$1,500 per person per lifetime.

A- BASIC SERVICES

Only those treatments listed below are eligible:

Diagnostic: All the necessary procedures to assist the dentist in evaluating the existing conditions and the dental care required. These services include:

- a) Examinations and consultations.
- b) **Roentgenology** and pathological reports as required by the **attending** dentist.
- c) Full Mouth x-rays not more often than once every **24** month period.
- d) Bite-wing x-rays once every 6 months.

Preventive Therapy:

- a) Prophylaxis (cleaning and scaling of teeth) once every 6 months. This treatment is eligible if performed by a dentist, or a dental hygienist under the direct supervision of a dentist.
- b) Topical **anti-cariogenic** applications, once every 6 months. This treatment is eligible if performed by a dentist, or a dental hygienist under the direct supervision of a dentist.
- c) Space **maintainers**: when placed primarily to maintain space and not for orthodontic purposes and provision of habit breaking appliances.

d) Injections of antibiotic drugs by the attending dentist.

Surgery: _____

Extractions and other surgical procedure normally performed by a dentist, including pre and post-operative care.

Minor Restorative Dentistry:

Procedures to restore the natural teeth to normal function restricted to amalgam, silicate, plastic, synthetic porcelain and composite fillings.

Endodontics:

Necessary procedures for treatment of pulpally involved teeth including non-vital teeth and root canal therapy.

Periodontics:

Procedures necessary for the treatment for the soft tissue and the bone surrounding and supporting the teeth.

B- MAJOR SERVICES

Only those treatments listed below are eligible:

- a) The creation of an initial removed partial or complete denture.
- b) The replacement of an existing removable partial or complete denture only under the circumstances set out below.

1. If the existing denture cannot be made serviceable.
 2. If the existing denture is temporary and is replaced with a permanent denture within 12 months of the date the temporary denture was installed.
- c) The repairing of an existing denture.
 - d) Services of a licensed denturist when practising within the scope of his/her license.

C- ORTHODONTIC TREATMENT

The only treatment eligible is necessary dental treatment which has as its objective, the correction of malocclusion of the teeth.

EXCEPTIONS AND LIMITATIONS

No payments will be made for claims resulting from:

- a) Intentional self-inflicted injuries or illness while sane or self-inflicted injuries or illness while insane.
- b) Any disability for which the insured person is entitled to indemnity or compensation under any Workers Compensation Act.
- c) Examination required for use of a third party.
- d) Charges levied by a Physician or Dentist for his/her time spent travelling, broken appointment, his/her transportation cost or for advice given by him by telephone or other means of telecommunications.

- e) Cosmetic surgery or treatment (when so classified by the Insurer) unless such surgery or treatment is for accidental injuries and commenced within **90** days of an accident.
- f) Injury resulting directly or indirectly from insurrection, war service in the armed forces of any country or participation in a riot.
- g) Services or treatment payable by a government under any **gouvernement** plan of insurance, or services or treatment insurable only by a government under any government plan of insurance.
- h) Dental treatment received from a dental or medical department maintained by an employee, an association. Or a labour union.
- i) The replacement of an existing appliance which has been lost, mislaid or stolen.
- j) Services and supplies rendered for full month-reconstruction, for a vertical dimension correction, or for a correction of Temporal Mandibular Joint Dysfunction.

In the event that optional procedures are possible, the procedure involving the lowest fee that is consistent with good dental care will be considered as the eligible expense.

PENSION PLAN

MEMORANDUM OF AGREEMENT

between

KRUGER INC. (PACKAGING DIVISION)

AND

COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA

LOCAL 1646

PENSION PLAN FOR HOURLY-PAID EMPLOYEES AT THE PACKAGING DIVISION

REXDALE, ONTARIO

The Company agrees to amend the Pension Plan for Hourly-Paid Employees at the Packaging Division Rexdale, Ontario (hereinafter referred to as "Pension Plan", subject to the approval of Revenue Canada and the Financial Services Commission of Ontario (FSCO).

Unless otherwise specified, the following amendments will become effective on January 1, 2000 and will cover only **unionized** employees who were active participants on the effective date, as well as all new employees who will join the pension plan thereafter.

The pension plan and its amendments, as agreed upon during the 1999 negotiations, will not be subject to any changes for the duration of the labour agreement coming into effect on September 16, 1999, except as stated below or if required by government authorities.

1) NORMAL RETIREMENT PENSION

- a) For service before January 1, 1990 the member shall be entitled to a monthly pension calculated as follows:

\$13.50 multiplied by his/her number of years of credited service prior to January 1, 1990.

- b) For service after December 31, 1989 but prior to January 1, 1996, the member shall be entitled to a monthly pension calculated as follows:

1/12 of 50% of the member's required contributions made after December 1989, but before January 1, 1996.

- c) For service after December 31, 1995 but prior to January 1, 2000, the member shall be entitled to a monthly pension calculated as follows:

1/12 of 40% of the member's required contributions made after December 1995, but before January 1, 2000.

- d) For service after December 31, 1999, the member shall be entitled to a monthly pension calculated as follows:

i) 1.4% of that portion of his/her earnings up to the Yearly Maximum Pensionable Earnings (YMPE) as defined under the Canada Pension Plan, plus.

ii) 2.0% of that portion of his/her total earnings in excess of the YMPE for the year.

Divided by 12

2) TEMPORARY BENEFIT FORMULA

However, an active member retiring on his/her Normal Retirement

Date on or **after January 1, 2000** and before the **expiry** of the current Collective Agreement, shall receive a monthly pension for his/her years of credited service after December **1989**, equal to the greater of the amount calculated in subsection 1. above or the amount calculated as the excess of (a) over (b) as follows:

- a) **1.65%** of the member's average monthly earnings over his/her best five years of earnings preceding his/her retirement, multiplied by his/her number of years of Contributory Credited Service between **January 1, 1990** and his/her date of retirement;
- b) **1/35th** of the maximum monthly pension payable under the Canada Pension Plan in the year the member retires, to an individual retiring at age sixty-five, multiplied by his/her number of years of Contributory Credited Service between **January 1, 1990** and his/her date of retirement to a maximum of **7/35ths**;
- c) The pension plan provisions will be amended again on **January 1, 2004** to eliminate the **CPP** offset in the calculation of the pension payable under the temporary formula for an active participant retiring on or after **January 1, 2004**.

Earnings for pension calculation purposes under paragraph (a) of this subsection 2 shall correspond to regular earnings; it excludes overtime, taxable benefits, call-back pay, attendance allowances, special payments, benefits or any other payments of this nature.

Effective January 1, 2000, in the event that the member's earnings used to calculate his average monthly earnings do not reflect a normal schedule of hours due to accident or sickness for which he is or would be entitled to disability benefits under the Company plans, the member's earnings for these periods of absence will be adjusted based on the regular hourly rate of the employee in effect at the onset of the disability, as described in the applicable collective agreement.

3) EARLY RETIREMENT

- a) An active member of age 58 or over retiring early on or after January 1, 1990, after completion of at least 20 years of continuous service shall be entitled to benefits calculated as for a normal retirement pension but based on his/her years of credited service, and earnings up to his/her early retirement date.
- b) An active member under age 58 retiring early on or after January 1, 1990, after completion of at least 20 years of continuous service shall be entitled to a portion of the pension that would have been payable had he/she retired on his/her normal retirement date, and base on his/her years of credited service and earnings up to his/her retirement date. The portion of the pension payable shall vary according to the member's age at the time of his/her early retirement as follows:

<u>Age</u>	<u>% Payable</u>
57	92
56	84
55	76

4) BRIDGING SUPPLEMENT

Any active member who elects to retire early and has attained age fifty-eight (58) and completed at least twenty (20) years of continuous service, shall be entitled to a bridging supplement in addition to his/her pension benefit. The bridging supplement is equal to:

- i) Thirty dollars (\$30) per month multiplied by the number of his/her full years of Credited Service up to a maximum of thirty (30) years (with no proportionate allowance for a fraction of a year), with the thirty dollars (\$30) reducing to fifteen dollars (\$15) per month from the first of the month immediately following his/her sixtieth (60th) birthday .
- ii) An active member retiring on or after January 1st 2001: thirty-one dollars (\$31) per month multiplied by the number of his full years of Credited Service (instead of thirty dollars) up to a maximum of thirty (30) years, with the thirty-one dollars (\$31) reducing to sixteen dollars (\$16) per month from the first of the month immediately following his sixtieth (60th) birthday.
- iii) An active member retiring on or after January 1st, 2003: thirty-two dollars (\$32) multiplied by his full years of Credited Service, (instead of thirty-one dollars), under the same conditions as sub-paragraph ii) above.
- iv) An active member retiring on or after January 1st, 2005: thirty-three dollars (\$33) multiplied by his full years of Credited Service, (instead of thirty-two dollars), under the same conditions as sub-paragraph above.

The bridging supplement will commence on the early retirement date and will cease with the payment made on the first day of the month during which the member reaches age sixty-five (65) or dies, whichever is earlier.

5) MAXIMUM PENSION

The total basic monthly pension calculated in accordance with the provision of the Pension Plan shall not exceed $1/12^{\text{th}}$ of the lesser of a) and b) below:

a) 2% of the member's average annual earnings calculated during his/her best five consecutive years of earnings; and

b) \$1,722

multiplied by the number of his/her years of credited service

6) ENROLMENT IN THE PLAN

- a) Any employee shall enrol on the first day of the month following completion of 12 month of continuous service.
- b) Before enrolling in the Pension Plan, an employee shall sign the enrollment form provided to him by the Administrator. This form includes an authorization for payment of contributions to the Pension Plan through payroll deductions, a beneficiary designation or, if applicable, the name of the new beneficiary as well as any required information, such as a birth certificate of the member or of the Joint Survivor, if any.

7) MEMBER'S REQUIRED CONTRIBUTIONS

- a) Effective January 1, 2000, each member, during his membership in the plan shall contribute to the pension plan an amount equal to:
 - i) 4.5% of that portion of his earnings up to the Yearly Maximum Pensionable Earnings (YMPE) as defined under the Canada Pension Plan for the year, plus
 - ii) 6.0% of that portion of his total earnings in excess of the YMPE for the year.
- b) A member's contribution shall be deducted directly from his/her salary and shall be deposited monthly into the Pension Fund.
- c) No employee shall withdraw his/her contributions from the Pension Plan as long as he/she is actively employed by the Company.
- d) A member shall not be entitled to a refund of his/her contribution to the Pension Plan during a lay-off period, except if his/her recall rights have expired according to the Collective Agreement.
- e) Credited Interest: The annual rate of interest credited for a given year shall be equal to the average yield of **Cansim** series **B14045** (as reported in the Bank of Canada Review) over the preceding calendar year.

8) DEATH BEFORE RETIREMENT

- i) With less than 2 years of credited service:

Upon the death of a member who has accumulated at least 2 years of credited service, his/her beneficiary is entitled to receive a lump sum payment equal to the member's accumulated contributions with interest.

ii) With at least 2 years of credited service:

Upon the death of a member who have accumulated at least 2 years of credited service, his/her spouse (if no spouse, his/her beneficiary) is entitled to receive the commuted value of the member's deferred pension for credited service after January 1, 1987. The member's deferred pension is calculated as if the member had terminated his/her employment instead of dying.

In addition, the member's spouse (if no spouse, his/her beneficiary) is entitled to a lump sum payment equal to the excess, if any, of the member's accumulated required contribution over 50% of the benefit referred to in the preceding paragraph.

9) TERMINATION OF EMPLOYMENT

i) With less than 2 years of credited service:

A member whose employment with the Company is terminated and who has less than 2 years of credited service is entitled to a refund of his/her contributions accumulated with interest.

ii) With 2 years of credited service:

A member whose employment with the Company is terminated after completion of at least 2 years of credited service is entitled to a monthly deferred pension payable from his/her normal retirement date calculated as a normal retirement pension but based on his/her years of credited

service from January 1, 1987 and also his/her earnings up to his/her date of termination of employment.

In addition, the member is entitled to a lump sum payable to the excess, if any, of his/her required contribution over 50% of the commuted value of the deferred pension referred to in the preceding paragraph.

iii) With 10 years of continuous service and attainment of age 45:

A member whose employment with the Company is terminated after attainment of age 45 and completion of 10 years of continuous service is entitled to a monthly deferred pension payable from his/her normal retirement date calculated as a normal retirement pension but based on his/her years of credited service up to January 1, 1987 and his/her earnings up to his/her date of termination of employment.

Upon the member's request, the deferred pension to which a member may be entitled to under the preceding subparagraphs ii) and iii) can become payable within a 10-year period preceding the member's normal retirement date. However, the pension payable prior to a member's normal retirement date shall be reduced on an actuarial equivalent basis.

Upon a member's termination of employment prior to age 55 he/she may request the Company to pay an amount equal to the commuted value of his/her deferred pension.

- to another registered pension plan
- to a locked-in registered retirement savings plan, or
- to purchase a prescribed annuity with an insurance carrier.

10) DEFINITIONS AND GENERAL PROVISIONS

Effective January 1, 2000, periods during which a plan member is entitled to receive benefits under a disability program maintained by the Company, or would be entitled to such disability benefits if he had not been entitled to Workplace Safety and Insurance Board benefits or any other governmental plan will also be included in Contributory Credited Service.

11) POST-RETIREMENT ADJUSTMENT

Effective January 1st, 2003 and for the duration of the collective agreement, active members who retired after January 1st, 1999 will have their basic pension increased on January 1st of each year (last adjustment on January 1st, 2005), by fifty percent (50%) of the increase in the Consumer Price Index, if any, subject to a maximum increase of five percent (5%). This increase in the CPI is calculated over the twelve (12) month period ending on October of the preceding year, rounded to the nearest one-tenth (1/10) of one percent.

The first adjustment for a newly retired participant will be multiplied by the ratio of the number of months between his retirement date and the effective date of the first adjustment (maximum 12 months) divided by twelve (12).

12) JOINT COMMITTEE

a) Setting-up for the Joint Committee

- i) A Joint Committee shall be set up and shall be composed of seven members: four appointed by the Company,

including the committee president, and three by the Union representing the employees participating in the Pension Plan, including the national representative appointed by the Union. The Company shall also appoint a secretary to keep track of the activities and minutes of the meetings of the Joint Committee.

- ii) The Company shall designate three substitute members to replace any of the three members appointed by the Company which may not be present at a committee meeting, except the committee president. In addition, the Union shall designate their respective deputy members.
- iii) During any meetings held by the Joint Committee, quorum shall be reached when five members are present, including necessarily the president, two other members appointed by the Company and two members appointed by the Union. The president shall have a casting vote in any meetings held by the Joint Committee.

b) Assignment of the Joint Committee

The Joint Committee shall have the following assignments:

- i) Encourage members to **familiarize** themselves with and understand the Plan;
- ii) Review, at least once a year, financial, actuarial and administrative aspects of the Pension Plan.

c) Information

The Company shall provide the Joint Committee with the information necessary to **fulfil** its duties.

13) PLAN TEXT

The other rules defined in the Pension Plan presently in force remain unchanged,

This agreement document is only a summary of the new provisions that will be included in the Pension Plan for hourly Paid Employees at the Packaging Division-Rexdale, Ontario. For interpretation purposes, only the rules of the Pension Plan shall apply.

APPENDIX "C"
LINES OF PROGRESSION

MAINTENANCE DEPARTMENT

ELECTRICIAN ELECTRONIC Certified
CERTIFIED MTCE ELECTRICIAN *
CERTIFIED MECHANIC "A" Millwright
MECHANIC 1 ST CLASS
MECHANIC 2 ND CLASS
MECHANIC 3 RD CLASS
MAINTENANCE OILER HELPER *

Additional Personnel reporting to Maintenance Department:

Janitor, Stores Clerk, Maintenance Utility (Unskilled)

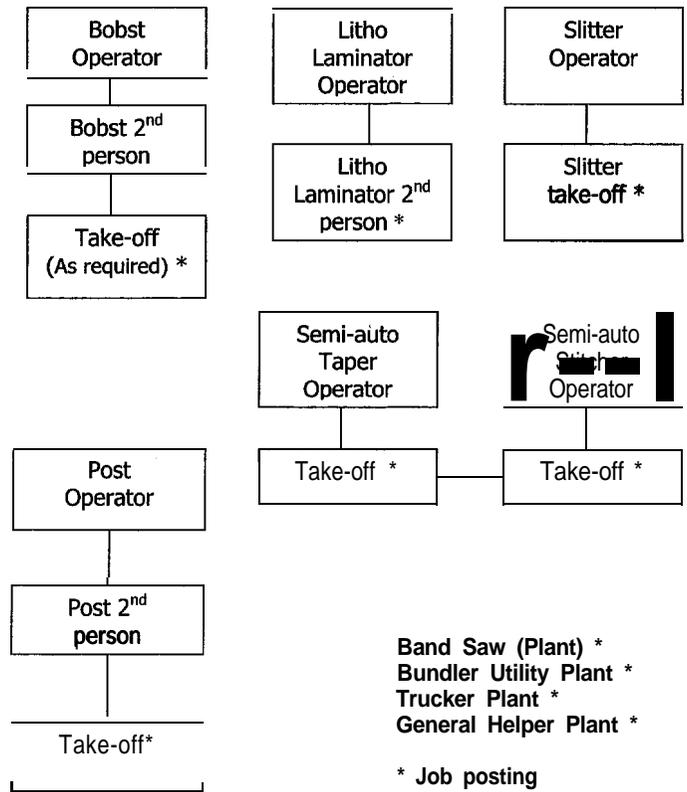
*Job Posting

Tool Allowance (Maintenance Department Only):

The Company will replace any approved tools broken in the course of an employee performing their job providing there is no evidence of neglect present. In the case where tools have to be replaced by reason of the adoption of the metric system such tools will be replaced at no cost to the employees

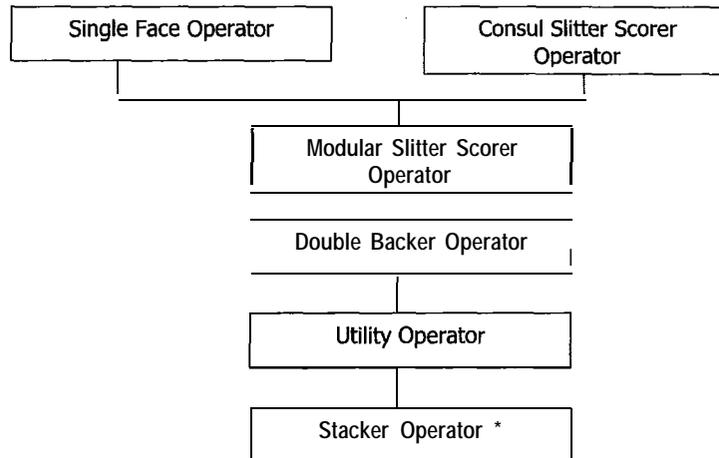
APPENDIX "C"
 LINES OF PROGRESSION

FINISHING DEPARTMENT

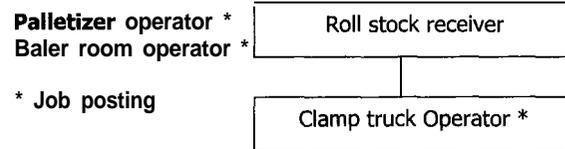


APPENDIX "C"
LINES OF PROGRESSION

CORRUGATOR DEPARTMENT

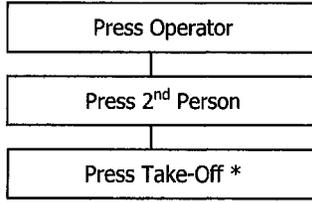


CLAMP TRUCK



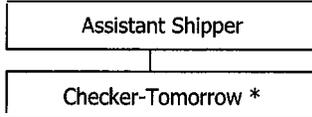
APPENDIX "C"
LINES OF PROGRESSION

PRESS DEPARTMENT

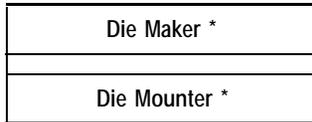


Palletizer Auto*
Trucker Plant*

SHIPPING DEPARTMENT



DIE ROOM DEPARTMENT



* Job posting

LETTER OF INTENT
between
KRUGER INC.- REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local **1646**

The Company will make available an opportunity for employees in the Maintenance Department to upgrade themselves that they may qualify for the Certified Millwright classification as such vacancies arise.

APPRENTICESHIP PROGRAM FOR MILLWRIGHT AND/OR MAINTENANCE ELECTRICIAN

- a) When a trainee vacancy occurs in the Maintenance Department a notice will be put on the Plant Bulletin Board.
- b) Employees interested will be given approved tests prescribed and administered by the Provincial approved colleges. The results of the tests will serve as a basis in selecting an employee for training.
- c) The selected employee will **be** required to **enroll** in and complete the apprenticeship program as set out by the Provincial Government Agency.
- d) The wages level upon entering the program will be as follows:
 - 1st Year - Grade 1
 - 2nd Year - Grade 2
 - 3rd Year - Grade 3
 - 4th Year - Grade 4
 - 5th Year - Grade 5 (Millwright)

LETTER OF INTENT
between
KRUGER INC.-REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

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 or by so doing would create an immediate lay-off.

LETTER OF INTENT
between
KRUGER INC. - **REXDALE** PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local **1646**

CREDIT UNION

It is agreed that as soon as enabling modifications have been completed for the computers, a payroll deduction system will be implemented whereby employees can have requested to the Credit Union regular payments for credit to their accounts.

LETTER OF INTENT
between
KRUGER INC. REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

COMPENSABLE ACCIDENT

Where there is a question to whether or not an illness or accident is compensable and no payment is forthcoming under **W.S.I.B.**, pending resolution of the case, the employee may apply for STD. benefits under the Company Plan within **90** days.

According to the terms of the master policy/contract, the employees shall submit a STD form. A "Reimbursement Agreement" form is also to be signed. Upon receipt of the income benefits from **W.S.I.B.**, the employee shall reimburse in full the amount received from the insurer.

In the event the claim is refused by **W.S.I.B.**, the insurer will then evaluate its responsibility towards the disability of the claimant, according to the terms of the master policy/contract with the employer.

Should the claim also be refused by the insurer, the employee will then be required to reimburse the income benefits received from the STD plan, either by deductions from his pay or by any other arrangements made with the employer.

LETTER OF INTENT
between
KRUGER INC. REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

WEEKEND WORK (HOURS OF WORK)

Once the Company has exhausted the normal hours available in a five-day operation and requires more than two additional eight-hour shifts, notwithstanding the provisions of the Collective Labour Agreement and more specifically clause **8-08**, and article **12** (Overtime), the Company will schedule week-end shifts as per the following:

1. The normal work week will remain Monday to Friday and the Company will schedule weekend shifts on Saturday and Sunday as follows:

(a) Saturday 7:00 am to 7:00 pm and Sunday 7:00 am to 7:00 pm.

AND/OR

(b) Friday 11:00 pm to Saturday 11:00 am, Saturday 11:00 am to 11:00 pm, Saturday 11:00 pm to Sunday 11:00 am and Sunday 11:00 am to 11:00 pm.

2. At all times, when "Weekend Work" is required, the Company will post a schedule at least ten (10) calendar days prior to implementation. Such special schedule will be in effect for a minimum of two (2) consecutive weekends.

3. **Crewing** requirements will be done through posting and awarded first on the basis of job seniority to ensure that all necessary positions are filled. Failing which, the positions will be awarded on the basis of plant seniority provided the candidate has the skills and ability to perform the work required. For the first year, such posting will be done within three (3) months from date of ratification and annually in the month of January for subsequent years, so as to allow qualified employees to demonstrate their interest for weekend work. Once the employees have been awarded the weekend positions, this will become their regular shift when required throughout the year. When weekend shifts are not required, employees assigned to the special schedule will return to the normal work week (Monday to Friday) and apply their job seniority rights accordingly.

4. The Company will hire additional employees to replace those regular employees reassigned to weekend work as per section 3 hereabove or to complete the weekend crew(s) if not enough regular employees applied as per section 3 hereabove. Those additional employees will be laid-off with no notice or penalty to the Company when weekend shifts are not required and this notwithstanding lay-off provisions of the C.L.A. and more specifically clauses 7-04 (a), 7-04 (b) and 7-05.

5. Temporary vacancies in the normal work week (Monday to Friday) when weekend work is being done, will be filled by an upward movement in the lines of progression.

6. With exception of those employees hired as per section 4 above, regular employees will be exempted from lay-off for a period of three (3) weeks following the temporary interruption of weekend shifts. However, this guarantee does not apply in cases of major breakdowns or Act of God.

7. Those employees hired as per section 4 above, will be paid at straight time for weekend work. Such employees will be entitled to the prevailing rates and will pay Union dues but will not accrue seniority. In addition, those employees will not be entitled to any benefits and will not have access to the grievance procedure in cases of termination or lay-off.

8. Regular employees assigned to the weekend schedule will be paid on the following basis:

For all work performed between Friday 11:00 pm and Saturday 11:00 pm employees will be compensated as follows: straight time for the first four (4) hours and time and one half for the last eight (8) hours.

For all work performed between Saturday 11:00 pm and Sunday 11:00 pm employees will be compensated as follows: time and one half for the first eight (8) hours and double time for the last four (4) hours.

9. Vacation schedules will be honoured in the application of the weekend shifts. The parties will meet to establish an equitable method for dealing with vacation and holiday pay as well as all other aspects pertaining to benefits, at no additional cost for the Company.

10. It is understood that **unforeseen** situations could arise in the application of this Letter of Intent. In such cases the parties will meet to resolve these situations at no additional cost to the Company.

LETTER OF INTENT
between
KRUGER INC. REXDALE PACKAGING
and
COMMUNICATION ENERGY AND PAPERWORKERS UNION
Local 1646

SPECIAL PENSION PAYMENT

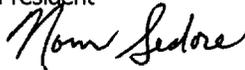
Employees who are 58 years of age or over with 20 years of continuous service and who retire during the life of the Collective Labour Agreement will be eligible for a one-time lump-sum payment of \$3,000 to be paid no later than the first of the month following their date of retirement.

This agreement cannot be invoked as a precedent and expires on September 15, 2005.

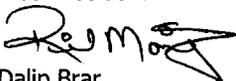
IN WITNESS THEREOF, the parties have signed this Agreement and the attached Letters of intent by their duly authorized representatives in Toronto on this 5th day of March, 2001.

FOR THE UNION

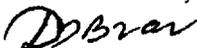
Norm Sedore
President



Rick Moriarty
Vice-President



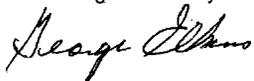
Dalip Brar
Financial Secretary



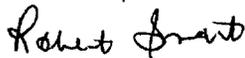
Elizabeth Simmons
Treasurer



George Elkins
Recording Secretary

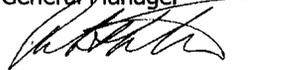


Robert Smart
National Representative



FOR THE COMPANY

Rob Latter
General Manager



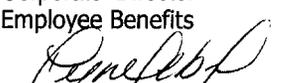
Remi Ryel
Human Resources Supervisor



Joe Oleiro
Quality Manager



Lyne Lebel
Corporate Director
Employee Benefits



Pierre Loyer
Industrial Relations Manager
Paperboard & Packaging Division W

