

*This Agreement made and entered into the
1st Day of February, 2006*

is between

Guelph Products Collins & Aikman

hereinafter called the "Company"

and

*National Automobile, Aerospace,
Transportation and General Workers,
Union of Canada (CAW – Canada) – and
Guelph Products Collins & Aikman Unit of 1917*

Hereinafter called the "Union"

11445 (04)

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ARTICLE 1 – PURPOSE

1.01 The general purpose of this agreement is to establish mutually satisfactory relations between the Company and its Employees, and to provide machinery for the prompt and equitable disposition of grievances and to establish and maintain satisfactory working conditions, hours and wages for all employees who are subject to the provisions of this agreement.

ARTICLE 2 – RECOGNITION

2.01 The Company recognizes the Union as the sole collective bargaining agent of all employees at its Guelph Plant and Brampton Plant, save and except for: supervisor, persons above the rank of supervisor, technical personnel, all office, sales staff and security staff.

2.02 Those employees excluded from this agreement, as set out above, will not perform any work other than of a supervisory capacity except in the cases of proven emergency, product development, or for the purpose of instructing employees and for experimental purposes.

2.03 In the event there is work of an experimental nature or new product development the Company will assign hourly employees to work with Company representatives.

ARTICLE 3 – NON DISCRIMINATION

3.01 The Company and the Union agree that there shall be no discrimination, interference, restriction or coercion exercised or practiced with respect to any employee by reason of age, marital status, sex, race, creed, colour, national origin, political or religious affiliations, nor by reason of union membership or activity.

3.02 The Company and the Union agree to observe the provisions of the current Human Rights Code as it is now written or hereinafter amended.

ARTICLE 4 – UNION SECURITY AND CHECK OFF

4.01 Present probationary employees and newly hired employees, upon completion of the probationary period shall become and remain members of the Union, as a condition of employment. Membership for the purpose of this agreement shall be confined to the payment of the

initiation fee and regular monthly dues which are equally applied to all employees. Probationary employees as a condition of employment will pay monthly dues in conformity with the Constitution of the Union.

4.02

- (a) The Company will deduct from the pay of each employee, the initiation fee and the monthly dues authorized by the constitution of the Union, except that, initiation fee and monthly dues will not be deducted together from any one pay period.
- (b) With the mutual consent of both parties the Company will deduct the monthly Union dues on a weekly installment basis rather than once per month. In the event an employee misses a pay(s) the missed dues deduction(s) will be deducted from their next pay cheque providing the employee has worked a minimum of 40 hours in the month.

Under the weekly deduction system the union initiation fee may be deducted from the same pay cheque as a weekly dues deduction.

4.03 All sums deducted as above, together with a record of those from whose pay deductions have been made and the amounts of such deductions, together with a list of employees whose employment is terminated, transferred out of the bargaining unit, or any employee where no deduction has been made, shall be remitted by the Company to the Local Union by the 15th of the month following the end of the month in which the deductions were made. The Company will include Total Union Dues on the T 4 slips as authorized by the Union.

4.04 The Union shall hold the Company fully indemnified in respect of all such deductions made in accordance with the agreement.

ARTICLE 5 – RESERVATIONSTO MANAGEMENT

5.01 The Union acknowledges that it is the exclusive function of the Company to hire, promote, demote, transfer, layoff, and also the right of the Company to discipline, suspend or discharge any employee for just cause, provided a claim by an employee, who has worked thirty (30) days, that the employee has been discharged, disciplined or suspended without just cause may be the subject of a grievance and dealt with as hereinafter provided.

5.02 The Union further recognizes the right of the Company to operate and manage its business in all respects in accordance with its commitments and responsibilities. The location of the Plants, the

products to be manufactured, the schedules of production, the methods, processes and means of manufacturing are solely and exclusively the responsibility of the Company. The Company also has the right to make, alter and enforce, from time to time, rules and regulations, to be observed by the employees, but which rules and regulations shall not be inconsistent with the provisions of this Agreement.

In the event that a job function or classification should be permanently changed or transferred from one department and/or classification to another, the Union Committee will be notified and a meeting will be held in order to have a meaningful discussion on the proposed changes.

Any new or revised rules or regulations are to be explained in detail to the Union Plant committee prior to any changes.

5.03 Nothing in this agreement shall be deemed to restrict the management in any way in the performance of all functions of management except those specifically abridged or modified by this agreement.

5.04 The Company agrees that it will not exercise its management rights for the purpose of restricting or limiting the rights of its employees herein granted, and the terms of this agreement, except as outlined in Article 2.

ARTICLE 6 – UNION REPRESENTATION

6.01

- (a) The Company recognizes a Committee of five (5) to be elected or selected by the Union consisting of a Chairperson, one Committee member for the 1st shift and, one Committee member for the 2nd shift and one Committee member for the 3rd shift and one Skilled Trades committee member. The Skilled Trades Representative will work on the shift that he/she is on at the time of the election. The Committee shall be recognized by the Company as the Grievance and Negotiating Committee. The Company further agrees to provide to the Union, an office, sufficient filing cabinets, a conference telephone, chairs, a computer / internet pursuant to Company Policies, access to a printer and access to a fax machine. The location of the office is to be mutually agreed upon.
- (b) In addition the Company recognizes a total of four (4) Union Stewards as follows: Two Union Stewards on each of the Afternoon and Midnight Shifts. Such Union Stewards may be appointed or elected by the Union and shall have completed their

probationary period.

It is recognized that the above number of Union Stewards is considered appropriate for employment levels in the plant at the time of signing the current Collective Agreement. If employment levels increase or decrease in the future the parties agree to review the number of Stewards, for the purpose of increasing or decreasing Steward representation.

- (c) The Company recognizes a designated trained Committee person to look after such issues as WSIB, Pension and Benefits but no greater than one (1) day per week on day shift as required.

6.02 The Union will supply the Company with an up to date list of all Committee members and Union representatives and the Company will supply the Union with a list of supervisory staff. The Company will notify the Union of promotions from hourly to salary.

6.03 Notwithstanding seniority status, the plant Chairperson of the Committee shall be required to work only on the day shift and shall have top plant seniority for the duration of the term of office. The Chairperson, upon completion of tenure in office, will return to the former department and category which he/she held at the time of election or selection, seniority permitting. In the absence of the Plant Chairperson the Day Shift Committee person will substitute for the Plant chairperson. In the event of the absence of the Day Shift Committee person, the Day Shift Committee person's alternate will substitute for the Day Shift Committee person. In the event of the absence of the Shift Committee person on either afternoon or midnight shifts, a shift Union Steward will substitute for the Shift Committee person.

6.04 The Plant Chairperson will be full time Monday to Friday to attend to Union business, including the performance of the duties of a Benefits Representative.

It is understood and agreed that the Committee persons and Union Stewards, as well as other employees, have regular duties to perform. The Committee person and Union Steward, with the approval of the supervisor of the department where they are respectively employed, shall be allowed, upon request, and during their working hours, without loss of pay or cost of living allowance and within a reasonable period of time, to leave their regular duties for a reasonable length of time to adjust and present grievances or attend to an employees request for union consultation. All committee persons are to be provided with a maximum of one (1) hour per shift to complete their responsibilities. The Company recognizes the importance of timeliness and expediency in resolving

employee concerns, and the Union agrees to cooperate with the Company in administering its business in a responsible and timely manner. Access to the Plant by Committee members during hours other than their regular shift hours may be granted upon valid reason being presented to the Human Resource Department representative or senior night manager. Any such access is on Union time not paid by the Company.

6.05 In the event of a layoff, Committee members shall be continued at work as long as work on their respective shift is available, regardless of their seniority, provided they are able and willing to perform the normal requirements of the job in the normal time, with proper job instruction.

6.06 The Company will meet with the Plant Committee on all matters properly arising during the time this agreement is in effect and the Company and Committee will co-operate in the administration of this agreement.

The Union will have the right to have National Representatives present at all meetings of the Plant Committee and Management. Such meetings shall be held at the request of either party providing an agenda is prepared and submitted at least 24 hours before the meeting except in an emergency.

6.07 An elected Union representative who is an hourly rated employee shall be paid the regular hourly rate plus cost of living allowance and premiums.

ARTICLE 7 - OVERTIME PLANT CHAIRPERSON

7.01 If 25 or more employees are required for weekend work on the day shift, the Plant Chairperson will be entitled to attend to full time Union business. The Plant Chairperson will be entitled to overtime on regularly scheduled workdays as necessary to deal with employee issues and for participating in meetings with Management. The Plant Chairperson will be required to meet with the Human Resources Manager on a quarterly basis, to be scheduled by mutual agreement, to discuss such provision as it relates to employee needs and business conditions.

7.02 When overtime is scheduled in the plant, the Committee person will be offered the opportunity to work as part of the group, if twenty five (25) or more employees are required, provided the Committee person is qualified to perform one of the jobs to be done.

When the Committee person is not so qualified an alternate will be appointed from within the group.

ARTICLE 8 – GRIEVANCE PROCEDURE

8.01 Should any misunderstanding or controversy arise between the Company and the Union as to the compliance of either party with any of its obligations hereunder, or should there be any grievance involving the terms of this Agreement by an employee, or a group of employees, or the Union, the same shall be handled in the following manner, provided however, that no grievance shall be considered, the alleged circumstances of which originated or occurred more than five (5) days prior to its first presentation in accordance with the procedure set out herein, except that this limit shall not apply where an alleged grievance is of such a nature that the employee or the Union, as the case may be, could not have been aware of its alleged occurrence at the actual date of same, the grievance shall then be deemed to have occurred on the first date on which the employee or the Union could have had such awareness.

Step One

It is the mutual desire of the Company and the Union that complaints of employees shall be adjusted as quickly as possible, and it is understood that an employee has no grievance until the employee has first given the Supervisor involved an opportunity of adjusting the complaint and may request for the Committee person and/or Steward to be present during the discussions with the Supervisor. Following the discussion of the complaint the employee and the Supervisor involved will sign three copies of a provided Complaint Form. Upon completion of Step One, one copy of the complaint form will be forwarded to the Human Resources Department, the other copy to the Union, and the third copy will remain with the Supervisor. The Supervisor will acknowledge within three (3) working days the disposition of the complaint and return one copy to Human Resources and one to the Committee person or Steward involved.

Step Two

An employee's complaint which is not settled by the supervisor shall be reduced to writing on forms, provided by the Company and approved by the Union, signed by such employee or Committee member and submitted to the Superintendent concerned.

A meeting between the Superintendent or designate and/or the Human

Resources representative, the Supervisor involved, the Committee member and Union Steward, and grievor involved will be set within five (5) normal working days to try to resolve such grievance. Following such meeting the Superintendent has five (5) normal working days to reply to the Union Committee member. Grievance answers will be left in a designated union mail basket.

Step Three

If the decision of the Superintendent or designate is not acceptable, the Union Plant Chairperson or Committee person may submit the grievance to the Personnel Department within five (5) working days of receipt of the reply in writing by the Department Manager or his/her designate. A meeting between the Committee, the Human Resources Manager or designate and/or the Department Manager involved or designate, will be set up within five (5) working days to try to resolve such grievance; the grievor and/or Union Steward may attend on the mutual agreement of both parties, National Representative may attend at the Union's discretion. The Plant Manager or designate at his/her option will attend the Third Step grievance meeting.

Following such meeting the Company shall give its written disposition within five (5) normal working days of such meeting.

8.02 It is understood that the Management may bring forward in writing any complaints with respect to the conduct of the Union, its Officers or Committee member, or employees of the Bargaining Unit, and that if such complaint by Management is not settled to the mutual satisfaction of the parties, it may be treated as a grievance and referred to arbitration in the same way as the grievance of any employee.

8.03 It is understood that there could be differences of opinion on the interpretation and/or application of the terms of this agreement. Should any difference of this nature occur, a grievance in writing at the Third Step may be submitted to the Human Resources by the Plant Chairperson within five (5) days of the disagreement. A meeting between the Chairperson of the Union or alternate, the committee, the Human Resource Manager or designate and the Department Manager or designate involved, will be set up within 5 normal working days to try to resolve such grievance. The National Representative may attend at the Unions discretion. The Plant Manager or designate may attend the 3rd stage meeting. Following such meeting the Company shall give its written disposition within five (5) normal working days of such meeting.

8.04 After exhausting the grievance procedure herein provided, when either party requests that a grievance be submitted to arbitration

they shall make such request, in writing, within twenty (20) working days after the grievance has been dealt with in Step Three, addressed to the other party to this Agreement. The arbitration shall be by a single arbitrator who shall be selected from the following agreed upon list. The list shall be processed in rotation.

Tim Armstrong
Frank Reilly
Jack Roberts
Ted Weatherill

The decision of the arbitrator shall be final and binding upon the Company and Union. Under no circumstances shall retroactive pay be awarded beyond the date when a grievance occurred.

8.05 The arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement, nor to alter, modify or amend any part of this Agreement except that the arbitrator may dispose of any discharge or discipline grievance in any manner which the arbitrator considers just or equitable within the law.

8.06 Arbitration shall be heard at Guelph, Ontario, or at such other place as may be agreed upon by the parties.

8.07 Each of the parties hereto shall bear the expenses of the arbitrator in equal shares.

8.08 Grievances not appealed from the written disposition of the Company's representatives in any of the steps of the grievance procedure within the times and in the manner specified herein shall be considered as having been adjusted on the basis of the disposition last made and shall not be eligible for further appeal.

8.09 Time limits as outlined in the article may be extended by mutual agreement at the Union/Management level.

Where no answer is given within the time limits specified in the grievance procedure, the Union and the Company shall be entitled to submit the grievance to the next step in the grievance procedure or to arbitration as the case may be.

8.10 As an alternative to the regular arbitration procedure the parties shall have the option of mutually agreeing to refer a post third step grievance to a grievance commissioner in the following procedure:

- (a) The Company and the Union may agree in writing to the appointment of a person or persons as a single arbitrator to be

known as a grievance commissioner (where more than one, acting in rotation) will set aside such time as may be requested by the Company and the Union to consider and determine grievances referred to him hereunder for final and binding arbitration. The grievance commissioner shall have the same powers and be subject to the same limitations as an arbitrator under clause 8.05.

- (b) Through the grievance commissioner, the parties desire the expeditious means for the effective disposition of grievances that the parties have agreed may be handled in a summary manner. The rules governing the summary proceedings of the grievance commissioner are set out in this article.
- (c) The decision of the grievance commissioner shall only be applicable in the case in question and shall not constitute a precedent nor be used by either party as precedent in future cases. Notwithstanding anything contained in the agreement, the decision of the grievance commissioner shall:
 - (i) be consistent with the provisions of this agreement;
 - (ii) be confined to the grievance referred to him.
- (d) The Union and the Company shall each be responsible for one-half the expenses and fees payable to the grievance commissioner.
- (e) The parties, when referring a grievance to a grievance commissioner, shall also provide him with a copy of the grievance answers.
- (f) The parties shall meet prior to the hearing date in order to determine what information or facts can be agreed upon prior to the hearing in order that a statement of facts can be written and provided to each party and the grievance commissioner at the commencement of the hearings.
- (g) The purpose of the hearing is to clarify the issues or facts in dispute and for each party to explain their position. At the hearing, the parties may make such further representations or adduce such evidence as the grievance commissioner may permit or require, but the grievance commissioner shall not be obliged to conform to the rules of evidence.
- (h) The grievance commissioner must render his decision in writing with brief reasons to both parties within seven (7) days of the conclusion of the hearings. The list of grievance commissioners

identified to expedite the disposition of the grievances under 8.10 are:

Tim Armstrong
Frank Reilly
Jack Roberts
Ted Weatherhill

- (i) The parties shall jointly write to the grievance commissioner whose name is next in the sequence of rotation seeking a date for a hearing. The grievance commissioners and the sequence of their rotation specified in (h) above.

ARTICLE 9 – DISCIPLINARY ACTION

9.01 Warning Notices

A copy of all warning notices will be given to the employees and the Union within three (3) regularly scheduled working days of the violation becoming known to the Company. Such notice shall become a part of the employee's personnel record. A warning notice will not remain in effect for a period of more than twelve (12) months from the date of such warning. Suspensions shall be removed from an employee's record after twelve (12) months.

In case of discipline where suspension or discharge is involved, an employee who has worked thirty (30) days will be interviewed by the Human Resources Representative, or the designate, in the presence of the Committee member, prior to such suspension or discharge taking place, providing always that the employee is available for prior interview. The Committee member will be advised of the employee involved, the violation and the circumstances surrounding the violation prior to the interview.

9.02 On completion of this interview a discharged employee will leave the plant. Under circumstances which might endanger the safety of the employee concerned or other employees, or be of such a nature that it would be inadvisable to retain the employee in the plant, then such employee will be required to leave the premises immediately.

9.03 Suspension

If the Union is not satisfied with the disposition of the case, a grievance may then be filed at Step Three of the grievance procedure and such grievance procedure shall therefore apply.

9.04 Discharge

If the Union is not satisfied with the disposition of the case, a grievance

may then be filed at Step Three of the grievance procedure and such grievance procedure shall thereafter apply.

9.05 Failing to file a grievance with the Company under 9.03 and 9.04 above within five (5) working days, the disciplined employee shall forfeit any right under this section.

ARTICLE 10 – NO STRIKES OR LOCKOUTS

10.01 In view of the orderly procedure established by this agreement for the settling of disputes and the handling of grievances, the Union agrees that, during the lifetime of this agreement, there will be no strikes (as defined by the Labour Relations Act) either complete or partial, and the Company agrees that there will be no lockouts (as defined by the Labour Relations Act).

10.02 In the event the above occurs, the Union will make every effort to persuade employees from participating.

ARTICLE 11 – PROBATIONARY EMPLOYEES

11.01 An employee shall be temporary and on probation until seniority has been acquired. The retention of a probationary employee shall be at the discretion of the Company and there shall be no responsibility for the re employment of a probationary employee who is laid off or discharged beyond the confines of the Ontario Labour Relations Act.

11.02 Upon the completion of sixty (60) days worked within any period of twelve (12) consecutive months from date of hire, an employee shall be considered to have seniority rights from the date entered on the seniority list and shall rank for seniority from the last date of hire as a full time employee. This provision shall not apply to an employee who voluntarily resigns.

11.03 Employees' names shall appear on the seniority lists in order of their respective dates of hiring and alphabetically for those names appearing on the same date. There shall be separate seniority lists for Skilled Trades/Non Skilled category employees and neither group shall be allowed to exercise seniority in the other group. The Company shall notify the Union in writing as any employee attains seniority status, such notice to be given within one week. Once seniority is established under this section it will not be changed.

ARTICLE 12 – SENIORITY

12.01 Loss of Seniority

Seniority/Employment rights shall cease for any one of the following reasons:

- a) If the employee quits.
- b) If the employee is discharged and such discharge be not reversed through the grievance procedure.
- c) If the employee is absent for three (3) working days without advising the Company giving satisfactory reasons.
- d) If the employee fails to return to work within five (5) working days after notification to the last known address on record with the Company unless the employee furnishes satisfactory reasons for such failure.
- e) The employee is on layoff from the Company for a period of thirty six (36) consecutive months or for a period equal to the employee's seniority at the date when the employee last performed work for the Company, whichever shall be the greater.
- f) If the employee retires.
- g) If the employee has exhausted A&S/EDB Benefits, or is in receipt of benefits for a work related injury, and continues to be unable to be accommodated, as determined jointly by the Company and the Union, and has been absent from work for thirty **six** (36) consecutive months or a period equal to the employee's seniority, as of the date of the beginning of the absence, whichever shall be the greater.

12.02 Seniority Lists

The Company will provide the Union committee with one (1) copy of specific seniority lists, and plant wide seniority lists, every three (3) months. The Union may, at their discretion, post seniority lists as an information service to the employees at an agreed upon location in the plant.

12.03 Employee Contact Information

Employees are required to notify the Company of their current address and telephone number. The Company shall be entitled to rely upon the last address and telephone number furnished by the employee for all purposes. Employees shall have the responsibility of forwarding a completed change of address form to the Human Resource Department

if there are any changes in address, telephone number or emergency contact information.

The company shall make available a two (2) part form for this purpose. One (1) copy will be for the Human Resources Department and one (1) copy for the employee's records.

ARTICLE 13 – LAYOFFS TEMPORARY

13.01 In the case of any reduction of the working force, of up to three (3) working days, layoffs will be by Seniority in the classification within the department on the affected shift.

13.02 Recall

On Recall from a layoff under Article 13, Section 13.01 all employees will return to their former classification in their department.

ARTICLE 14 – LAYOFFS

14.01 Should a layoff be required beyond three (3) working days, such layoff will be adjusted on a plant wide basis.

14.02 Recall

On recall from a layoff under Article 14.01, employees will be recalled according to seniority provided they have the ability to perform the available work.

14.03 Probationary employees will be the first to be laid off in any layoff of more than one (1) day, except in the case when an employee is on a key job requiring training, the Company may retain, in addition to a senior employee, the probationary employee until the job is secured and no disruption of production will occur.

ARTICLE 15 – ANNUAL INVENTORY

15.01 Departmental Seniority will prevail providing the employee has the necessary qualifications and is immediately able to satisfactorily perform the work required. Employees will work until their portion of the Inventory is completed.

Employees interested in performing annual inventory will be required to sign a posted notice. Selection will be by seniority, provided employee

has immediate ability to perform. Notice to those selected for work will be made as soon as possible by way of a second posting. Responsibility for notification and attendance for work, rests with the employee by checking the postings.

Should insufficient numbers of employees be acquired through this process the company will select the junior most employees in plant wide order to fulfill the requirement.

Should a selected employee fail to respond to the available work, Article 9 and/or Article 12.01 may be enforced.

It is understood that language of Article 13 and Article 14 in this instance is inapplicable and not subject to the grievance procedure.

In the event of a short cycle check inventory, employees shall be selected in the department by the lowest overtime hours. In the event that sufficient numbers cannot be acquired, employees from other departments may be selected.

ARTICLE 16 – SALARIED RETURN TO THE BARGAINING UNIT

16.01 Should a salaried employee be returned to the bargaining unit the employee will only be entitled to return to the bargaining unit as a new hire with no seniority. This change will take effect upon the expiration of the current agreement, January 31, 2006.

ARTICLE 17 – HOURS OF WORK AND OVERTIME

17.01 The normal workweek shall consist of five (5) days per week, Monday to Friday, inclusive of eight (8) hours per day. Any time worked over forty (40) hours per week shall be considered overtime and paid for at time and a half. Any time worked over eight (8) hours per day shall be considered overtime and paid for at time and a half.

All hours worked prior to the start or following the completion of the normal shift hours will be paid at the applicable overtime rate. Nothing herein shall be construed as entitling the employee to receive overtime pay twice in respect of the same overtime work. Time and a half shall be paid for all work performed on a Saturday. Double time shall be paid for all hours of work performed on Sunday. This overtime provision will not

apply for any 3rd shift commencing work at the regular start time on a Sunday night.

17.02

a) Normal eight (8) hour shifts will start between the following hours:

1st shift - Starting times will be between 6:00 A.M. and 8:00 A.M.

2nd shift - Starting times will be between 2:30 P.M. and 4:30 P.M.

Any department working only one shift will work first shift. Any department working two shifts will work first and second shifts. This provision does not apply to weekend overtime.

b) Three Shift Operations when operations are required on three shifts, the normal hours of work will be:

1st shift 7:00 A.M. – 3:00 P.M.

2nd shift 3:00 P.M. – 11:00 P.M.

3rd shift 11:00 P.M. – 7:00 A.M.

All employees working in a department which has three shifts will receive a twenty (20) minute paid lunch. The start of the week for three shift operations will be 11 P.M. Sunday night.

By mutual agreement between the Company and the Union the above noted start and finish time may be varied by up to two hours.

Shift change will take place at the completion of a work week and the Company will make every effort to notify employees of a shift change at least forty eight (48) hours prior to the end of the regular work week.

17.03 Overtime

It is recognized that the Company's operations are of such a nature which at times require overtime work. Overtime will be obligatory up to eight (8) hours a week. Any overtime over eight (8) hours per week will be voluntary unless mutually agreed upon between the Union and the Company.

17.04 When overtime is necessary the Company will follow the Overtime Procedure, prior to employees being mandated to work and give the employees twenty four (24) hours notice (by end of previous shift) except where prevented from doing so because of circumstances beyond the control of the Company. In such cases the Company will make every effort to notify employees prior to noon of the day concerned.

In any event, the Company will advise the Plant Chairperson before the employees are notified.

17.05 Reporting Pay

An employee called or permitted to come to work for the Company for whom no work is available shall be paid for four (4) hours time at the hourly rate that would have been received if the employee had actually worked. This provision shall not apply when such lack of work is due to a fire, flood or other just cause.

17.06 Call Back Allowance

When an employee has left the premises after completion of the normal shift or after having discharged the special duties which the employee has agreed to perform for the Company and is called upon to return to the plant for emergency duties, prior to the time regularly scheduled to resume duties, the employee shall receive pay for a minimum of four (4) hours at the appropriate rate as provided under Article 17, Section 17.01. However, if the employee clocks in one hour prior to his/her regularly scheduled shift, the employee will continue to be at work and the one hour will not be considered additional for the purpose of payment in excess to the four (4) hours Call Back Allowance. Prior to leaving the plant the employee is required to be released by the Superintendent or designate.

ARTICLE 18 – PAID HOLIDAYS

18.01 Eligible seniority employees will be paid eight (8) hours per day plus cost of living allowance provided all of the following eligibility rules have been met unless otherwise provided herein:

- a) the employee has seniority as of the date of the holiday.
- b) the employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and
- c) the employee must have worked the last scheduled working day prior to and the next scheduled working day after such holiday within the scheduled workweek. An employee excused by management from work on the last scheduled working day prior to or on the next scheduled working day after such holiday within the scheduled workweek shall be deemed to have met the requirements of this Paragraph (c).
- d) In the case of a series of holidays falling on consecutive work days (i.e. Christmas fill), the employee must have worked the last scheduled working day prior to the Holiday period in order to

qualify for the first half of the Holiday period. An employee must have worked the first scheduled working day following the Holiday period in order to qualify for the balance of the Christmas Holiday period.

18.02 If the employee had been scheduled to work on the day prior to or the day succeeding the holiday the employee must have worked the scheduled shift on each day. The employee will not be eligible for payment should the employee be late more than two (2) hours on either or both of the qualifying shifts.

18.03 It is further agreed that there shall be no duplication of payment for the same day or days arising out of the terms of this article.

18.04 An employee who agrees to work on the day of observance of a holiday and who, without reasonable cause, fails to report for and perform such work, shall be ineligible for holiday pay.

18.05 It is further provided that, should an employee qualify for holiday pay for one or more of the above holidays and receives Accident and Sickness or Worker's Compensation benefits for that holiday(s), the holiday pay shall be reduced by the amount of Accident and Sickness or Workers' Compensation benefits paid for that day(s).

18.06 Any employee who works on a paid holiday shall be paid at the rate of double regular straight time hourly rate for such work. This is to be in addition to the normal days pay for those employees with seniority.

18.07 Employees Laid Off, going on Sick and Pregnancy Leave, or on Workers' Compensation:

An eligible employee who has been laid off in a reduction of force or who has gone on sick and pregnancy leave, or on Workers' Compensation will be eligible for holiday pay provided the employee worked his/her last scheduled work shift in the fourteen (14) calendar day period before a holiday, except that as it relates to the Christmas fill period, holiday pay shall be limited to the first half of the holiday period.

18.08 Employees returning from Layoff, Sick and Pregnancy Leave, or on Worker's Compensation:

An eligible employee on layoff, on sick and pregnancy leave, or on Workers' Compensation who returns to work following the holiday will be eligible for holiday pay provided the employee worked his/her first scheduled work shift in the fourteen (14) calendar day period after a

holiday, except that as it relates to the Christmas fill period, holiday pay shall be limited to the last half of the holiday period.

18.09

<u>Paid Holiday</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Good Friday	Fri. April 14	Fri. April 06	Fri. March 21
Easter	Mon. April 17	Mon. April 09	Mon. March 24
Victoria Day	Fri. May 19	Fri. May 18	Fri. May 16
Victoria Day	Mon. May 22	Mon. May 21	Mon. May 19
Canada Day	Fri. June 30	Mon. July 02	Mon. June 30
Fri/Labour Day	Fri. Sept. 01	Fri. Aug. 31	Fri. Aug. 29
Labour Day	Mon. Sept. 04	Mon. Sept. 3	Mon. Sept. 01
Fri/Thanksgiving	Fri. Oct. 06	Fri. Oct. 05	Fri. Oct. 10
Thanksgiving	Mon. Oct 09	Mon. Oct. 08	Mon. Oct. 13
Christmas	Dec. 25 thru 29, 2006	Dec. 24 thru 28 & 31, 2007	Dec. 24-26 & Dec. 29 thru 31, 2008
New Years Day	Jan. 01, 2007	Jan. 01, 2008	Jan. 1, 2, 2009

18.10 Employees placed on layoff on the first day following the Christmas holiday period will not be disqualified from any such holiday pay if otherwise eligible.

ARTICLE 19 – VACATION PAY

19.01 Every employee who has one or more years of seniority as of the vacation pay eligibility date, shall on that date become entitled to two weeks vacation in that year, or such time off as he/she would be entitled under the Employment Standards Act.

19.02 Employees will become entitled to their additional vacations with pay during the calendar year in which they attain the required prerequisite years of seniority.

19.03 The Vacation year shall be from June 1 to May 31

19.04 Employees shall be eligible for vacation pay in accordance with the following schedule:

<u>Years of Seniority</u>	<u>Hours of Vacation Pay</u>
Less than one year	4% of earnings
One year but less than five years	80 hours or 4% of earnings, whichever is greater

Five years but less than ten years	120 hours or 6% of earnings, whichever is greater
Ten years but less than nineteen years	160 hours or 8% of earnings, whichever is greater
Nineteen years or more	200 hours or 10% of earnings, whichever is greater

Payment shall be at the employee's then current straight time hourly rate excluding all premiums.

19.05 In calculating the above, employees must work a minimum of 1,000 hours to qualify for full vacation pay. When an employee has worked less than 1,000 hours, the employee shall be paid vacation pay on a percentage (not including vacation pay from prior years) as follows:

Up to five years	4%
Five years but less than ten years	6%
Ten years or more	8%
Nineteen years or more	10%

In cases where employees have less than 1,000 hours worked in the vacation year, and have received Worker's Compensation benefits during the year, the vacation pay calculation shall include a credit for forty (40) hours for each week during which such employee received WSIB benefits in addition to total earnings from the Company.

The vacation pay shall be reduced by the amount of Worker's Compensation benefits paid for the vacation days.

This section will only apply during the first year of the WSIB absence.

Time off due to maternity or parental leave, but not both, to a maximum of 20 weeks will be credited as time worked towards the 1,000 hours.

An employee who retires, resigns from employment or whose employment is terminated will be paid in accordance with Article 19.04 and Article 19.05 based on the number of hours worked.

19.06 Normally, the two (2) week vacation shutdown period will be during July and August. The annual vacation departmental shutdown period will be selected by the Company and the employees will be notified of this period by the third (3rd) Friday in April of the vacation year. Vacation pay shall be paid to all employees prior to the designated shut down period. Employees who do not wish to receive their two (2)

weeks of vacation pay at this time, will be required to notify the Company no later than June 1st, by completing the appropriate paper work. The employees will be paid vacation pay at the time of individual vacation observance for any remaining vacation hours.

Vacation pay is to be paid on a separate pay cheque for each vacation period. Payment for vacations is to be paid at time of vacation observance, unless the employee submits a vacation pay request form.

Employees on sickness and accident insurance payments shall not receive their vacation payment or time off while they are in receipt of sickness and accident insurance payments.

19.07 Vacation entitlements will first be applied to applicable departmental summer shutdowns pursuant to company operational requirements. Additional vacation entitlement will be accommodated by seniority, provided that vacation requests are submitted to the Company by the first (1st) Friday in May. **All** vacation requests submitted after this date will be granted on a first come, first serve basis, pursuant to company operational requirements. The company will make every possible effort to finalize vacation schedules by May 31.

Employees with vacation in excess of two (2) weeks can request to take their additional vacations either as individual days or weekly blocks provided they give the Company five (5) days notice. For situations where employees are requesting ten (10) or more days vacation, a minimum of two weeks (10 working days) notice will be provided by the employee requesting the time off, unless emergency situations dictate otherwise.

Employees who work during a shutdown shall be allowed to select their vacation for a later date desired. This must be scheduled by mutual agreement between the employee and the Company.

If the Company requires employees to work during the departmental summer shutdown, employees must sign the applicable sign-up sheet. Employees will be chosen by seniority from the department and shift where work is available. Further requirements will be based on a plant wide seniority from the sign-up sheet.

19.08 An employee making a request after May 1 for vacation time will make application to the employee's supervisor on a four (4) part form supplied by the Company. The supervisor, upon receiving this form, will initial it indicating that he/she has received it and will give a one copy to the employee for his/her records. The supervisor will forward the time off request form to the Human Resources department for approval.

If the employee is not advised of the status of his/her time off request within five (5) working days from the date of application, he/she will not be required to complete a new request form. The employee must then notify his/her supervisor. If the request is not processed within an additional two (2) working day period, it shall be considered to be granted.

Employees who are requesting individual days off will be required to provide notice of at least three (3) regular working days. If the request has not been processed within two (2) working days, it shall be considered granted after the employee has followed-up with his/her supervisor.

ARTICLE 20 – LEAVE OF ABSENCE

20.01 General

- (a) The provisions of this Article are for the purpose of maintaining uninterrupted seniority rating during authorized periods of leave of absence and for no other purpose.
- (b) A leave of absence of one (1) day may be granted by the employee's immediate supervisor, except in cases involving the working day before, or the working day following a statutory holiday, excluding Saturday and Sunday, which must be approved in advance, in writing by the Human Resources Manager, or their designate. Such application to be submitted at least two (2) normal working days prior to the day requested off.
- (c) The Human Resources Manager, or their designate, may grant an employee a temporary leave of absence providing it has been processed through the employee's supervisor. A letter of absence must be applied for, in writing, and in no case be issued for more than one (1) month. At the expiration of this period, should circumstances warrant, an extension of the leave may be granted by the Human Resources Manager or his designate.

20.02 Leave of Absence

An employee requesting a leave of absence will make application to the employee's supervisor on a four (4) part request form supplied by the Company. The supervisor, upon receiving this form, will initial it indicating that he/she has received it and will give one copy to the employee for his/her records. The supervisor will forward the leave of absence request form to the Human Resources department for approval.

If the employee is not advised of the status of his/her leave of absence

request within five (5) working days from the date of application, he/she will not be required to complete a new L.O.A. form. The employee must then notify his/her Supervisor. If the request is not processed within an additional two (2) working day period, it shall be considered to be granted. In the months of July and August the Company will be provided with 2 days notice wherever possible.

20.03 Sick Leave

A seniority employee who is unable to work because of an illness or non-industrial injury and who furnishes satisfactory evidence thereof shall be granted a leave of absence while disabled for an indefinite period subject to paragraph 12.01 (g) of Article 12. The employee will return to work in accordance with seniority, provided the employee furnishes, to the Company, satisfactory medical evidence of recovery prior to the date of such return.

Employees returning to work from sickness and accident benefits will provide documentation one (1) day in advance with no restrictions. With restrictions, an employee must present documentation three (3) days prior to return.

20.04 Bereavement Leave

The Company agrees to provide for three (3) days bereavement leave, subject to proof at a later date, at the employee's regular hourly rate of pay in the case of death in the immediate family, providing the employee is not on layoff, suspension or disability absence. If bereavement occurs while employee is on vacation, additional vacation time will be provided. Immediate family being as: spouse, parent, step-parent or grandparent, parent, stepparent or grandparent of current spouse, child or stepchild, grandchild, brother, sister, stepbrother, step-sister, half-brother, half-sister, son-in-law, daughter-in-law, brother-in-law or sister-in-law.

Bereavement pay shall not exceed twenty-four hours pay at the employee's regular hourly rate.

20.05 Union Office Leave

1. The Company will grant the Plant Committee and any of the following members selected or elected to the Union's local amalgamated executive (President - Vice President - Financial Secretary - Recording Secretary) a leave of absence to do temporary work for the Union or to attend Union committee or other Union business. The Company further agrees any employee selected or elected to the above executive positions will be on a day shift only at the request of the CAW National Union. It's further understood the Union will notify the Company of Union Leave of Absences at least two days prior to the leave request date.

2. The pay for such leave of absence will be advanced by the Company, on a weekly basis, who will bill the Local Union once per month at the employee's regular rate including Cost of Living and Shift Premium where applicable, for the wages paid as a result of the Union leave, and the Union agrees to promptly reimburse the Company.

20.06 Conviction - Arising Out of the Operation of Motor Vehicle

An employee shall be granted a leave of absence not exceeding one hundred and eighty (180) calendar days during which the employee is serving a sentence of imprisonment imposed for a conviction arising out of the operation of a motor vehicle. If an extension is required the employee may apply for further consideration.

When the conviction is related to substance abuse, the employee will participate in the Employee Assistance Program (EAP) process upon return to work.

20.07 Jury Duty Leave

Any employee who is called to and reports for jury duty or as a subpoenaed witness shall be paid the difference between jury duty payment or witness payment and regular straight time pay for each day partially or wholly spent in performing jury duty or as a subpoenaed witness, if the employee would otherwise have been scheduled to work for the Company and does not work. A further such leave may be granted by the Human Resources Manager or designate. In order to receive payment under this section an employee must complete a standard time off request form providing five (5) working days notice, where possible, indicating that the employee has been summoned for duty. The employee must furnish satisfactory evidence that the duty was performed on the days for which the employee claims such payment.

20.08 Pregnancy Leave

Seniority employees who become pregnant shall be granted leave of absence from employment upon completion of a standard Leave of Absence form. The leave of absence shall be limited to twelve (12) months from the date of the commencement of such leave but may be of a shorter duration upon request. Such leaves may be extended beyond twelve (12) months upon presentation of a doctor's certificate stating the necessity thereof.

An employee who has been employed by his or her employer for at least thirteen weeks and who is the parent of a child is entitled to a Parental leave of absence without pay following,

- (a) the birth of the child; or

- (b) the coming of the child into the custody, care and control of a parent for the first time; or
- (c) seventeen weeks after the pregnancy leave began. Parental leave ends thirty-five weeks after it began or on an earlier day if the employee gives the employer at least four weeks written notice of that day.

20.09 Education Leave

A leave of absence for a period not to exceed one (1) year without loss of seniority will be granted an employee with one (1) or more years of seniority in order to attend a recognized college, university or trade or technical school full time, provided the course of instruction is related to the employee's employment opportunities with the Company. A request for a leave of absence to attend primary or high school will be regarded as being within the intent of this section and the schooling will be regarded as being related to the employee's employment opportunities with the Company. Before receiving the leave, or an extension thereof, the employee shall submit to the Company satisfactory evidence that the college, university or school has accepted the employee as a student and, on the expiration of each semester or other school term, shall submit proof of attendance during such term. Such leaves may be extended for additional periods not to exceed one (1) year each.

ARTICLE 21 – HEALTH AND SAFETY

21.01 There shall be a Joint Health and Safety and Environmental Committee (JHSEC) of six (6) members, three (3) appointed by the Union and three (3) appointed by the Company at the Guelph Plant. The Joint Health and Safety and Environmental Committee will be jointly co-chaired by the Union and the Company. The Company agrees to also function as per the Health & Safety's Memorandum of Understanding reached between the Company and Union at this set of negotiations.

21.02 The Company will provide prescription safety glasses, once every two years, to seniority employees working on a job. Eye protection is a company requirement. The employee must furnish a prescription from the employee's own doctor or optometrist. In addition the Company will only replace prescription safety glasses if damaged, and reported immediately by the employee to their Supervisor, by a cause attributed to their employment or if the employee presents a new and different prescription from the doctor or optometrist. The Company, in conjunction with the JHSEC, will establish the standards and specifications for frames and lenses and will select the manufacturing

source. The Company will expand the choice of frames for prescription safety glasses available to employees, as agreed to by the JHSEC.

21.03 The Company requires all employees to wear safety shoes. The Company will pay seniority employees actively at work up to one-hundred and twenty (\$120.00) dollars in the first year of the Collective Agreement and one-hundred and twenty-five (\$125.00) dollars in the second year of the Collective Agreement and up to one-hundred and thirty (\$130.00) dollars in the third year of the Collective Agreement towards the purchase of safety footwear through Company approved sources, not more than once each year, through the Payroll Deduction Program. It is understood that if shoes are purchased for less than one-hundred and twenty (\$120.00) dollars in the first year and less than one-hundred and twenty-five (\$125.00) dollars in the second year, and less than one-hundred and thirty (\$130.00) dollars in the third year, the amount paid by the Company will be the actual cost of the shoes. An employee who elects to purchase safety footwear in accordance with this agreement must wear such footwear on the job.

The Company will provide one pair of winter safety shoes during the life of the Collective Agreement to a maximum of the current shoe allowance for the shunt drivers.

21.04 The Company recognizes its obligation to provide a safe and healthful working environment for employees as it reasonably can and both parties agree to use their best efforts jointly, to achieve this end. Responsibility for health and safety matters remains, however, with the Company and the Union recognizes its obligation to cooperate and assist the Company in any such matters.

21.05 Should health and safety concerns arise and as a result of an investigation those matters not resolved, these items may be placed on an agenda and discussed between the Plant Shop Committee and the Human Resource Manager. This procedure shall not preclude the filing of a Health and Safety Grievance at Step 1 of the Grievance Procedure. The Primary responsibility of resolving differences involving health and safety matters remains with the Plant Supervision and the Local Union Representatives. Health and Safety Work Orders shall be completed within 7 calendar days. If this is impractical, or unattainable, for whatever reason, the delay must be approved in writing by the co-chairs of the J.H.S.E.C. and must include a timetable for completion.

21.06 The Joint Health and Safety and Environmental Committee will function according to the Occupational Health and Safety Act, its Regulations, codes or practices and guidelines and Parts 5 and 6 of the Occupational Health and Safety Act, dated 1990. All standards

established under these laws shall constitute minimum acceptable practice to be improved upon by agreement of the JHSEC.

21.07 All members of the Joint Health and Safety and Environmental Committee will complete the following courses, unless they have completed the course and the expiry time of such course has not elapsed:

CPR & First Aid Training

Workers Health and Safety Centre Level I

Workers Health and Safety Centre Level II Committees

Workers Health and Safety Centre Level II Law

Workplace Health and Safety Centre MIPP (Muscular-skeletal Injury Prevention Program)

Workplace Health and Safety Centre Basic Certification Training (Part 1)

Workplace Health and Safety Centre Sector Specific Training as identified by the JHSEC. (Manufacture Streams and/or any other modules identified by the JHSEC) – (Part 2 to Certification process)

Ergonomics Training as determined by JHSEC.

Note: In the event legislative changes occur, the existing delivery agency may change. Delivery agency shall be chosen by the JHSEC.

Note: It is understood that the Company will pay tuition and related material costs and wages.

Note: All Health and Safety training to be taught by Guelph Products Collins & Aikman CAW Health and Safety Instructors and/or instructors approved by the JHSEC.

21.08 Employees are responsible for the cost of any medical appointment(s), that the employee agrees to attend, that are scheduled and paid for by the Company, if the employee fails to attend the appointment and fails to cancel the appointment within the time period required.

21.09 One minute of silence will be observed each year on April 28th at 11:00 a.m., or at such time as determined by plant management which will have the least impact on plant operations, in memory of workers killed or injured on the job. The JHSEC co-chairs to decide on a course of action of delivering the message to the membership, with approval from the Human Resources Manager.

21.10 Journeyman/woman will complete the Workers Health and Safety Centre Level I course, unless they have completed the course and

the expiry time of such course has not elapsed.

21.11 All committee persons will complete the Workers Health and Safety Centre Level I course and any other pertinent health and safety training offered to employees, unless they have completed the course and the expiry time of such course has not elapsed.

21.12 The Company will pay tuition costs for interested employees, to attend CPR and first aid training from a source approved by the Workers' Compensation Board and JHSEC. In addition to this number, Joint Health and Safety and Environmental Committee & Plant committee members may attend unless those applying have completed the course and the expiry time of such course has not elapsed.

21.13 The confidentiality and disclosure of health information will be maintained according to applicable legislation and interpretation of such legislation by the College of Physicians and Surgeons of Ontario. It is understood that the Union is not automatically an authorized agent as described in the Health Disciplines Act (Ontario).

The Company shall not be allowed access to health information about any employee. This information must be kept confidential between the employee and the health professional, unless agreed to otherwise by the employee or permitted by law.

All health information shall be stored separately from other employee information. It shall be locked and accessible only to the health care professional.

The Company shall not reveal any health information concerning a present or former employee to a third party, unless required by law, without the written, informed consent of the employee for each occasion upon which health information is requested.

21.14 Plant supervision shall conduct monthly safety talks with employees for the purpose of reminding the employees of the importance of safe work practices and encouraging awareness to potential hazards in the workplace. Copies of talks shall be forwarded to Union Health & Safety Chair for documentation purposes.

21.15 It is Company policy to issue protective clothing on the basis of the need for such clothing on a particular job and it would be contrary to Company policy for its supervisors to indiscriminately and capriciously withdraw protective clothing, which had been issued, for safety and job requirements, on the basis of the need of such clothing on a particular job. The Company's policy is that protective clothing may only be with-

drawn with the discontinuance of an operation for which it had been issued or where the condition for which the protective clothing was issued no longer pertains or where the issuance or retention is no longer consistent with the basic policy statement issued above.

21.16 All employees will receive WHMIS training as required under the Occupational Health and Safety Act or as determined by the Joint Health and Safety and Environmental Committee.

The Union member of the JHSEC with the Company member will address all new employees with respect to plant health and safety requirements. Such training will be based on recommendations from the JHSEC and will include, but will not be limited to the employee's rights and duties under the OHS Act, WHMIS, WSIB'S employers and workers responsibilities and the role of the JHSEC.

21.17 It is an objective of the Company to eliminate the hazard which may result from the employees exposing their hands in a power press or similar equipment. In any machinery where the hazard outlined above may exist the Company will try to eliminate such through engineering and process development or where it is not feasible from an engineering, process or is cost prohibitive, the Company will utilize appropriate safeguards, such as hand tools, brake monitors, safety blocks, sensing devices, lockout procedures, mechanical interlocks, guarding and dual operator controls.

21.18 The Joint Health and Safety and Environmental Committee may review the work activities in the plant to determine those specific activities that they consider hazardous for working alone and may make recommendations to the Company for consideration. It is the policy of the Company that when such assignments are recognized as potentially hazardous appropriate precautions are taken. Such precautions include air sampling and ventilation when necessary, necessary protective equipment, a reliable communication system, appropriate personnel surveillance arrangements, training and, as required, adequate support personnel. This will not change or restrict any mutually satisfactory practices.

21.19 In accordance with the Occupational Health and Safety Act an effective lockout program must exist and all employees required to lockout machinery, equipment or systems shall receive training in lockout. A lockout program will continue to exist and will be reviewed by the Joint Health and Safety and Environmental Committee as required. The JHSEC will develop a lock distribution system to accommodate the needs of employees performing lockout procedures.

21.20 Upon consultation with the JHSEC, priority will be assigned to the installation of necessary measures, on new or relocated equipment, that are required to protect the health of employees and that proper guarding will be in place and adequate training will be provided to the operator to protect the operator's safety. When new equipment is purchased the Company will continue its present purchasing policy of 80 dBA with regards to noise, wherever possible. The JHSEC co-chairs prior to final assembly and prior to worker placement will review new workstation set-ups and workstation relocation.

Pre-Start Health and Safety Review (P.S.H.S.R.)

All new processes and/or equipment, or modifications to existing equipment or processes, shall have a *Pre-Start Health and Safety Review*, per requirements of Sec. 7 of Reg. 851 (Regulations for Industrial Establishments).

21.21 A qualified member of the engineering department and a worker member of the JHSEC will be given ergonomic issues as his/her priority as well as sufficient training so that professional advice to the JHSEC may be obtained from within the workplace. An ergonomist chosen by the JHSEC, paid for jointly by the Company and the Union, may be called into the plant to advise the Committee should there be a disagreement about ergonomic issues within the JHSEC.

When an ergonomic concern is beyond the scope of the JHSEC and the chosen engineering member requires further expertise, a consultant may be hired to evaluate the problem. When parties agree on ergonomic solutions Engineering/Maintenance Department will prioritize their efforts to ensure compliance.

21.22 It is desirable for an orderly procedure for accommodating employee requests to be excused from work during periods of excessively hot weather to exist. During such periods it is the Company's procedure to honour the requests of individual employees to be excused from work up to a number that can be spared.

When the number of employees requesting permission to be excused would, if granted, affect the efficiency of the operation, the Company is prepared to give full and complete consideration to a written request by the Union to the Company to suspend or shorten the scheduled hours of work and consistent with the maintenance of efficient plant operations, every effort will be made to excuse employees in a reasonable time as replacement become available. In making its decision, management will give due regards to the requirements of the plant, the existing conditions in the plant and the desires of employees. The Company will meet with the Joint Health and Safety and Environmental Committee to discuss

ways of reducing heat stress and monitoring possible heat stress conditions based on criteria established by the Ministry of Labour. When heat stress conditions exist the Joint Health and Safety and Environmental Committee will monitor temperature and humidity and report their findings to the Company and the Union. Affected workers will be informed of such results and appropriate relief measures will be implemented. Prior to conditions exceeding the Ministry of Labour guidelines for heat stress the Company will meet the Joint Health and Safety and Environmental Committee to discuss options available to the Company in the event conditions worsen. The Company and the Union agree to abide by the current Heat stress plan (EHS-28) as developed jointly by the JHSEC.

21.23 The Joint Health and Safety and Environmental Committee will be informed by a designate of the Company medical services when safety related medical surveillance programs are being conducted.

21.24 The Joint Health and Safety and Environmental Committee will make recommendations to the Company regarding noise abatement across the plant. The Joint Health and Safety and Environmental Committee will make any recommendations to the Company, on a priority basis, of those areas deemed to be over 80 dBA, and will assist in the plans to undertake progressive improvements. The Company also agrees that a consultant, chosen by the JHSEC, may be hired for the purposes of assisting in the determination of recommended improvements. Additionally, audiometric tests will be conducted annually for those employees who work, on a regular basis, in areas where the noise exceeds 80 dBA.

The results of the audiometric examinations will be given to each employee and discussed in detail with the employee. Statistics shall be supplied to the JHSEC. Permanent records of audiometric tests and noise level surveys shall be maintained at the workplace.

The company shall ensure that the JHSEC members are adequately trained to conduct noise measurements throughout the workplace.

21.25 The Company intends to continue to evaluate hazardous materials before introducing them into the workplace. This program includes hazardous materials which a contractor would use on the premises and to which Company employees would be exposed. The Company will continue its efforts in this regard and the Joint Health and Safety and Environmental Committee will review procedures for approval of all hazardous materials coming into the plant. The Joint Health and Safety and Environmental Committee will be furnished with copies of all Material Safety Data Sheets for hazardous materials being used in the

plant.

All new equipment entering the plant, prior to start up and prior to operator use, shall be inspected for safety by the JHSEC co-chairs. If the equipment is deemed safe then the co chairs will provide written documentation to the engineering department clearing the piece of equipment for use. If the equipment is deemed unsafe, then the co-chairs will tag and lockout the piece of machinery.

21.26 Necessary arrangements will be made, and training provided, for access to the on-line information systems of the Canadian Centre On Occupational Health and Safety for the Joint Health and Safety and Environmental Committee.

21.27 The company will provide and maintain the currently available wet bulb globe temperature meter devices. This equipment will be made available as outlined in the applicable heat stress procedure.

21.28 All breathing zone samples taken at an individuals breathing zone will be entered into the employee's medical file.

Results of area air sampling, conducted inside the plant, will be posted in conspicuous location for the union membership to view.

21.29 The Company recognizes the value of a sound preventative maintenance program and the need to maintain, with priority, the high safety standards established for machinery and equipment. The Company will continue to be responsible for assuring proper preventative maintenance and follow up to provide a safe work environment and will advise the Joint Health and Safety and Environmental Committee of the individual/individuals who have responsibilities for prioritizing maintenance work assignments in relation to safety matters and preventative maintenance.

21.30 The Company will allow the Joint Health and Safety and Environmental Committee access to the plant camera for use as an aid in conducting joint investigation where special circumstances dictate the need, such as where photographs are necessary to enable the Joint Health and Safety and Environmental Committee to adequately explain or describe serious safety or health problems to responsible plant management. The camera will be made available for use by each member of the Joint Health and Safety and Environmental Committee and photographs jointly reviewed at the earliest opportunity. Such photographs shall remain the property of the Company and shall be for internal use only and shall not be reproduced, published or distributed. The Joint Health and Safety and Environmental Committee may also use

the camera to photograph health and safety items that are being referred to the National CAW Health and Safety Department, and with the approval of the company, to the Workplace Safety and Insurance Board.

21.31 In the event of a work refusal, under the Occupational Health and Safety Act, occurring on the same shift as the regular Health and Safety Representative said person will be contacted. Where a work refusal occurs on an off shift, the Safety Representative on that shift shall be contacted. If the Safety Representative representing the shift is absent, a Health and Safety Representative on an alternative shift shall be contacted by calling said Health and Safety Representative at a telephone number, which is listed with the Company for such purpose. If the Health and Safety Representative cannot be reached the Alternate Health and Safety Representative will be notified.

21.32 The Union member of the local committee with the Company member will address new hires with respect to plant Health and Safety requirements. Such training will be based on recommendations from the Joint Health and Safety and Environmental Committee and will include, but will not be limited to the employee's rights and duties under the Occupational Health and Safety Act and the Workers' Compensation Act and the role of the Joint Health and Safety and Environmental Committee.

21.33 An employee that is required to operate a forklift truck, overhead crane, scissor lift, or an aerial lift will attend the CAW/Guelph Products Collins & Aikman Health and Safety training courses, or training approved by the JHSEC prior to being allowed to operate the machinery.

21.34 The Company will pay the cost for a minimum of thirty (30) employees to attend the Workers Health and Safety Centre Level I training course, taught by Guelph Products Collins & Aikman CAW Health and Safety Instructors, per calendar year. This will be done on a rotational basis, whereby employees will not be entitled to attend more than once within the term of this agreement.

21.35 Violent Situations

The Company will continue to provide a comprehensive approach towards dealing with substance abuse, abusive or violent personal situations and, their related problems. Company assistance will include referral of employees to appropriate counseling services or treatment and rehabilitation facilities.

21.36 Modified Work

The Company agrees to accommodate disabled employees in accordance with all current legislation in effect at the time of this

agreement. The Company further agrees to allow for consultation with the Union member of the local committee throughout the modified work process.

21.37 Return to Work Committee

The Company agrees to maintain its commitment by accommodating or providing modified work in accordance with the Guelph Products Collins & Aikman – Early & Safe Return to Work Policy

21.38 Contractual Work

Any person contracting non Guelph Products Collins & Aikman employees to perform work on company premises must ensure that these contractors perform their work according to Guelph Products Collins & Aikman health and safety procedures, including all Ministry of Labour acts, regulations, codes, practices and guidelines.

21.39 WSIB and/or Accident and Sickness

The employer agrees to offer every WSIB or Accident and Sickness disabled worker, suitable and safe employment upon the employee's medical clearance to return to work in accordance to the procedure outlined in Article 21.37. The Employer and the Union agree that a joint Return to Work Committee consisting of an equal number of union and management representatives will facilitate any accommodations of disabled employees.

21.40 Physical Demands Analysis

Every job or task performed by employees shall have a Physical Demands Analysis completed to assist the E.S.R.T.W. Committee in placing employees in suitable jobs upon their return to work.

ARTICLE 22 – REST PERIOD

22.01 A rest period of eighteen (18) minutes for each half shift, will be allowed for all employees.

22.02 When overtime is scheduled for more than one (1) hour, employees will be granted a ten (10) minute rest period at the conclusion of their normal scheduled shift and every two (2) hours thereafter.

ARTICLE 23 – BULLETIN BOARDS

23.01 The Company will make available four (4) bulletin boards for the Union's use. The Union will submit all notices to the Human Resources Department for approval prior to posting such notices.

ARTICLE24 – WAGES

24.01 The Company and the Union agree that the scale of wages for the job categories in the Bargaining Unit shall be as set out in Section 24.05 - Schedule A.

24.02 Employees other than skilled trades employees hired on or after February 1, 1997 shall be paid at the rate of eighty-five percent (85%) of the maximum base rate of the classification. Such employees shall receive an automatic increase to:

- (1) Ninety percent (90%) of the maximum base rate of the job classification at the expiration of three hundred and sixty five (365) days.
- (2) The maximum base rate of the job classification at the expiration of five hundred and forty-five (545) days.

24.03 The Company agrees to pay employees on Thursday of each week on Company time, for the pay period ending the previous Sunday midnight.

Management will continually evaluate the impact of the change on operations, including Friday day shift tardiness and absenteeism. In the event of an adverse impact on operations, such as an increase in Friday day shift tardiness or absenteeism, the program may be discontinued by the Company at any time after giving the Local and National Union advance notice.

24.04 Employees working on a second shift shall receive an off shift premium of fifty (.50) cents per hour. Nothing herein shall be construed as entitling any day shift employee who works overtime to off shift premium in addition to his overtime pay. Employees working on a third shift shall receive an off shift premium of eighty (.80) cents per hour.

Set-up shall receive one dollar (\$1.00) per hour above their regular rate of pay in the first year of the contract, fifty cents (.50) in the second year of the contract and nothing above their regular rate of pay in the third year of the contract. This is in conjunction with the roll in of the set-up premium into the base rate.

24.05**SCHEDULE A**

<u>Effective:</u>	<u>Feb. 1</u> <u>2006</u>	<u>Feb. 1</u> <u>2007</u>	<u>Feb. 1</u> <u>2008</u>
Production Worker	22.53	22.85	23.17
Line Driver	22.53	22.85	23.17
Shipping/Receiving	22.53	22.85	23.17
Cycle Count	22.53	22.85	23.17
Shunt Driver	22.53	22.85	23.17
Linker **	22.53	22.85	23.17
Stores	22.53	22.85	23.17
Q.C. Inspector	22.53	22.85	23.17
Set-up Injection Molding	23.03	23.35	23.67
Paint Process	22.53	22.85	23.17
Labour Pool	22.53	22.85	23.17
Mold Technician	22.53	22.85	23.17
Millwright	28.97	29.29	29.61
Tool & Die Maker	28.97	29.29	29.61
ElectricalTech.	28.97	29.29	29.61

** Linker – this classification requires the following:

1) Qualified Position – candidates posting to this position will be required to successfully pass an evaluation of basic materials/shipping and receiving knowledge. The evaluation to be used will be jointly developed between Union and Company representatives.

2) To post to this position, preference will be given to individuals already posted to any position in the Shipping/Receiving department.

* Above wages include the C.O.L.A. roll-in in accordance with Article 25.02. The above wages are the base rates to which the remaining C.O.L.A. is added.

Team leaders shall receive twenty five (\$0.25)cents per hour above their regular rate of pay.

Wage increases to be effective the first Monday prior to February 1st.

ARTICLE 25 – COST-OF-LIVING ALLOWANCE

25.01 The Cost-of-Living Allowance provided herein shall be paid weekly in the employee's regular pay cheque to each employee for each hour worked. The amount of Cost-of-Living Allowance in effect at any

given time shall be included in computing vacation pay, holiday pay, reporting for work allowance, bereavement pay, and jury duty.

25.02 Effective the beginning of the pay period commencing on or after ratification of this Agreement, Sixty-four cents (\$0.64) shall be deducted from the one dollar twenty-eight cents (\$1.28) Cost-of-Living Allowance in effect immediately prior to that date and shall be added to the full base rate for each classification. Thereafter, the Cost-of-Living Allowance shall be calculated in accordance with Article 25.03. The amount of Cost-of-Living Allowance effective the beginning of the pay period commencing on or after ratification and ending March 23, 2006, and shall be sixty-four cents (\$0.64).

Effective the beginning of the pay period commencing on or after February 1, 2007, thirty-two cents (\$0.32) shall be deducted from the Cost-of-Living Allowance in effect immediately prior to that date and shall be added to the full base rate for each classification.

Effective the beginning of the pay period commencing on or after February 1, 2008, thirty-two cents (\$0.72) shall be deducted from the Cost-of-Living Allowance in effect immediately prior to that date and shall be added to the full base rate for each classification.

25.03 Future adjustments in the Cost-of-Living Allowance shall be made on the dates contained in 25.04 and shall be based upon the Canada Consumer Price Index (1992 = 100); published by Statistics Canada, with the adjustment to be made based upon a one cent (\$0.01) per hour increase for each .0736 change in the average index for the appropriate three months. In determining the three month average of the indexes for the specified period, the computed average shall be rounded to the appropriate .001 Index point.

25.04 Adjustments during the period of this Agreement shall be made at the following times:

**Effective Date
of Adjustment:**

First Pay Period beginning on or after March 23, 2006, and at three calendar month intervals thereafter to January 31, 2009.

**Based on the Three Month
Average of the Consumer
Price Index for the Months of:**

Dec. 2005, Jan. and Feb., 2006, and at three calendar month intervals thereafter to and including Dec., Jan. and Feb., 2009.

The first COLA payment under the new agreement is due March 2006,

with a total of 12 COLA payments due under the new agreement. The Cost of Living Allowance shall be adjusted up or down in accordance with the following table:

<u>Three Month Average Consumer Price Index</u>	<u>Cost of Living Allowance</u>
183.87 – 183.94	.64
183.95 – 184.02	.65
184.03 – 184.10	.66
184.11 – 184.18	.67
184.19 – 184.26	.68
184.27 – 184.36	.69

... and so forth with one cent (\$0.01) adjustment for each .0736 point change in the average index for the appropriate three months over the previous three month average as previous three month average as provided above.

25.05 In the event that Statistics Canada does not issue the appropriate Indexes on or before the beginning on one of the pay periods referred to in this Section, any adjustments in the Allowance required by such appropriate Indexes shall be effective at the beginning of the first pay period after receipt of the Indexes.

25.06 No adjustments retroactive or otherwise shall be made in the amount of the Cost-of-Living Allowance due to any revision which later may be made in the published figures used to determine the average Index for the month or months on the basis of which the allowance shall have been determined.

ARTICLE 26 – ENTRY OF PLANT PREMISES

26.01 It is specifically agreed that in the event of a strike the Union will not refuse entry to the plant premises to any salaried employee of Guelph Products, its Customers and their affiliates.

ARTICLE 27 – JOB POSTING TRANSFER

27.01 An employee who has attained seniority shall have the right to the job posting procedure.

27.02 When a non-temporary opening occurs, the opening shall be posted for forty-eight (48) hours, not including Saturdays, Sundays or

Holidays, on the two identified bulletin boards provided for such postings. The postings shall specify the classification and department in which the opening exists. Bids may be filled by eligible employees during the forty-eight (48) hour period. The employee with the greatest seniority and ability to do the job from among those who have applied will be selected. If there are no bids, management may fill the job with available manpower, and the posting procedure is completed.

27.03

- (a) An employee transferred under this procedure shall not be eligible for another transfer for a period of three (3) months from the date of last transfer, save and except for employees transferred to Set-up, where employees will not be eligible for another transfer for one year from the date of their last transfer.
- (b) If there is a successful applicant, the resulting vacant classification will be posted within twenty four (24) hours plant wide for a further forty-eight (48) hour period. If there is a successful applicant an additional resulting vacant classification will be posted, no further posting will be required, except in the event that the resulting opening is on the day shift, in which case that would be the final posting.
- (c) For up to ten (10) classification openings in a four (4) week period, resulting openings will be posted, but additional postings beyond ten (10) will not result in a second posting.

27.04 It is understood that there shall be no displacing of employees under this transfer procedure.

27.05 This transfer procedure shall not apply during reductions in work force, or when employees are laid off from the department.

27.06 An employee may withdraw a bid at any time prior to being offered the requested transfer. At the time the employee is offered the requested transfer, he/she may decline the transfer, but will be ineligible to apply for a transfer for a period of 3 (three) months.

27.07 A transferred employee who fails to qualify within 3 days, or the normal training period, if longer, after being transferred shall be placed on an open position in that department (or in his/her previous department, for those who have changed departments). Management shall not be obligated to displace an employee in order to place the employee failing to qualify. An employee will have (3) days to decide if they want to remain in the new position or return to their previous position. An employee who fails to qualify shall not be eligible to apply for

another transfer for a period of (3) three months.

27.08

- (a) Wherever possible, the successful applicant will be placed within ten (10) working days of the selection.
- (b) In the event that an employee is absent and becomes a successful applicant on a job posting, the job will be retained for this employee for a period of 20 working days. Should the employee not return to work during this 20 day period the second most senior eligible bidder will become the successful applicant.

27.09 Posting of Temporary Position

A temporary position shall be defined as a position made available by reason of an authorized leave of absence known at the outset to be at least thirty (30) calendar days in duration. Temporary postings shall be filled in the same manner as permanent postings.

Upon return to work or upon return to full regular duties by the employee who vacated the position temporarily, that employee will resume their former assignment and a junior employee filling a temporary posting in the same department and shift, shall return to his or her previous assignment. A vacant classification created by a temporary posting will not be posted. A person transferred under this procedure will not be eligible to post for a subsequent temporary position while on a temporary job posting.

A temporary opening will be posted full time if the employee has been absent from work for 15 months. Employees returning to work after 15 months of absence will exercise options under "Movement of Employees as a Result of Reductions in the Workforce."

Employees holding labour pool positions will not be eligible to post to a temporary position.

27.10 For the purpose of supplemental postings, it is understood that an employee shall not hold more than one (1) supplemental position at any given time.

27.11 Injection Molding Set-up

The successful applicant will be the most senior applicant who meets the following requirements:

- a) Pass a mechanical aptitude test that is jointly developed and agreed to by the Company, Union and an accredited injection molding training centre.

b) Injection Molding– Full Time & Supplemental Set-Up

The successful applicant for a full-time set-up position will be the most senior supplemental or full-time set-up applicant, or previously qualified injection molding set-up person. A previously qualified injection molding set-up person will be disqualified from being the successful applicant if such application is made three (3) years or more from the date he/she vacated the position. This entitlement does not include employees who were removed from the position for discipline or performance related issues. If there are no applicants, job postings will be awarded according to Article 27.11 (a).

The successful applicant for a supplemental set-up position will be the most senior applicant who meets the following requirements:

- Will pass a mechanical aptitude test that is jointly developed and agreed to by the Company and the Union and an accredited Injection Molding training center.
- To enroll in and successfully complete a basic injection molding course, offered by Conestoga/Humber College, on Company time which will be paid for by the Company.
- Certified injection molding set-up training shall be made available to both supplemental and full-time set-up people on a voluntary basis. The course shall be taken on their own time and tuition will be paid for by the Company. In the event that an employee does not successfully complete the course, the Company reserves the right to be reimbursed in full.
- There shall not be more than 2 supplementals per shift at any given time.

ARTICLE 28 – PRODUCTION STANDARDS

28.01 The Management agrees that in establishing rates of production, it will do so on the basis of fairness and equity consistent with quality of workmanship, and the reasonable working capacities of average experienced operators.

28.02 Before studying a job, the Company will notify both the employee concerned and the area Committee person.

28.03 Supervision will notify the Union prior to making any line

speed increases or production standards changes including the reason(s) for such adjustment. Inability to make contact with the Union will not preclude the Company from making such adjustments.

The Company will recognize the CAW Guelph Products Collins & Aikman time study committee for both plants. The Committee will function as follows:

- Committee would be comprised of one (1) representative per shift, for a total of three (3) at the Guelph facility and one (1) for the Brampton facility.
- Company will communicate changes to the designated Time Study Committee Person, or to the shift Committee Person if the Time Study Committee representative is absent or unavailable, per Article 28.03.
- Time Study Committee Person would then be able to provide immediate feedback to affected employees if necessary. i.e. a change has been approved by management and has been made or will be made.
- Time study committee would be permitted, upon request, and during their regular working hours to leave their regular duties to respond to questions arising from changes made by the Company in conjunction with Article 28.03.
- A Monthly meeting is to be held with the time study committee and plant engineering/production representatives to discuss change management issues and specific concerns.
- Time study committee would not have authority to stop or delay changes, initiate work refusal activities outside the provisions of the OHSA, or interrupt with operational activities pursuant to but not limited to article 5.01.

28.04 At the request of either party, the Company and Union will meet to discuss production standards concerns, such as line speed adjustments, time study results, and manpower levels at specific department locations in relation to line speeds. The Company will provide written information with respect to the standards in place within a reasonable period of time. The Plant Chairperson and, if requested, the area Committee person, will attend at such meetings.

28.05 Upon request made to the Manager of Human Resources, the Union may have a National Time Study Engineer present to examine the

Company data and to study the job. Standards information and data will be made available to the Union within a reasonable period of time following a written request for such.

ARTICLE 29 – GROUP INSURANCE GENERAL PROVISIONS AND ADMINISTRATION

29.01 Establishment of the Program

Guelph Products, hereinafter referred to as the Company, and National Automobile, Aerospace, Transportation and General Workers, Union of Canada (CAW Canada) and its Unit of Local No. 1917, hereinafter referred to as the Union, have agreed on a Group Insurance Program, attached hereto as Exhibit B and to provide –benefits to hourly rated employees of the Company through the purchase of group insurance policies, self insurance funds or by arrangement with group insurance carriers. The method of providing benefits shall be at the sole option of the Company unless such is mandated by Provincial or Federal Law. The Company will be responsible for the administration of the Program which includes enrollment of employees, distribution of certificates of insurance, if applicable, accepting cash contributions where appropriate, issuing claim forms and processing claims. Benefits provided by Governmental Units or Agencies will be part of this Program and in lieu of similar benefits provided herein.

Financing:

During the Term of this agreement, the Company will pay the administration expenses of providing the group insurance coverage contained in the Program and will receive and retain any dividends, divisible surplus, interest or any other refunds from any insurance carrier, governmental unit or agency or other provider. In addition, the Company will continue certain group insurance coverages as described elsewhere in this Program, during periods of layoff or leave of absence and where applicable, receive cash contributions from applicable employees in advance of the month for which coverage is sought. The Company, however, will not assume any responsibility or liability which may result from the failure of an employee eligible to continue certain coverages to make the required cash payment when due.

ARTICLE 30 – SKILLED TRADES

30.01 Seniority in the Skilled Trades department shall be by non-interchangeable trades. Seniority lists will be by basic trade as defined under the wage schedule.

30.02 Employees in a trade as of the signing date of the initial agreement shall have seniority in the trade established as of their hire date. Future employees hired into a trade shall have date of entry seniority. Production or non-production employees will not carry seniority into trades classifications.

30.03 The term "Journeyman" in any of the designated Skilled Trades classifications, as defined under the wage schedule, shall mean any person;

- (a) who has served a bona fide apprenticeship of four (4) years – 8000 hours and possesses proof of such apprenticeship service.
- (b) who holds a recognized CAW Journeyman card.
- (c) who has eight (8) years of practical and general experience covering all phases laid down in the Apprenticeship Course applicable to a specific trade as defined under the wage schedule and possesses ample proof of such experience.
- (d) qualifications will be ascertained by the Company and the Union at the time of hiring into the Skilled Trades department. The employee's experience must qualify them to do the work performed at Guelph Products.
- (e) who qualify as journeyman status through any apprenticeship program which may be negotiated by the parties.
- (f) Entry into Skilled Trades shall be restricted to such persons as defined above

30.04 The Company will deduct from the pay of an employee hired, rehired, reinstated or transferred to a skilled trades classification the sum of an amount equal to one half (1/2) hours' pay as dues for the Canadian Skilled Trades Council. Such deductions will be made from the same pay period as the deduction of the Union initiation fee, and thereafter, on the annual basis, from the second pay period in January. Further, from a list supplied by the Union, dues will be deducted from the pay of employees who were not deducted in January and be remitted to the appropriate Local Union together with a list of the employees so deducted in conjunction with regular membership dues.

The Union shall indemnify and hold the Company harmless against any and all liability which may arise by reason of the check off by the Company of the Canadian Skilled Trades Council dues in accordance with this agreement.

30.05 Skilled Trades persons affected by a layoff other than model change shall displace, seniority permitting, first a probationary and secondly the most junior employee in the trade providing the Tradesperson is qualified.

30.06 During any period when journeyperson are unavailable, it is agreed that non-journeyperson employees whose duties shall be to assist journeyperson may be hired or reclassified on a temporary basis to supplement the work force in a skilled trades classification and shall be known as supplemental employees for present employees and new supplemental employees for new hires.

The opportunity to work as a supplemental employee shall be offered:

- (1) to any laid off skilled trades employee.
- (2) to seniority employees in order of present ability followed by an adaptable skill to do the work.
- (3) to any laid off employee with seniority who has the present ability or an adaptable skill to do the work.

If there are no laid off employees eligible then new employees may be hired on a temporary basis.

30.07 When a journeyperson becomes available said employee will be considered for hire in a skilled classification to which a supplemental employee has been assigned and if hired such journeyperson will replace the supplemental employee who shall then be laid off or returned to said employee's original department. A supplemental employee shall not accumulate seniority within the skilled trades classification, but shall accumulate plant wide seniority and may exercise such plant wide seniority to return to said supplemental employee's former job, or to apply for vacancies in the plant as provided elsewhere in this agreement. Supplemental employees other than journeyperson shall receive ten cents (\$0.10) per hour below the minimum journeyperson's rate for the classification or trade.

A journeyperson skilled trades employee who is used to supplement into another trade shall be paid on the basis of the journeyperson's own rate of pay or the maximum rate of pay of the trade to which said journeyperson has been assigned, whichever is lower.

During any period, a supplementary employee will work for a tradesperson. This requirement applies to Tooling, Millwright and Electrical.

30.08 Group Leaders and Overtime

- (a) A group leader of skilled trades employees is defined as a skilled trades employee who leads or processes the work of other skilled trades employees.
- (b) A group leader may be retained in overtime outside the normal distribution procedure where required as a group leader.
- (c) The Company will endeavor to equalize overtime within each trade group.
- (d) There will be a group leader recognized on all shifts.

30.09 The Company will continue its past practice regarding the replacement of worn, stolen, broken or lost tools, and the issuance of coveralls.

30.10 The Company agrees to make available where required foul weather gear for those employees required to perform their duties during inclement weather.

30.11 It is the policy of the Corporation to fully utilize its own employees in maintenance skilled trades classifications. The Company will inform the skilled trades Committee person of proposed projects, and provide the nature and scope of the work. The Company will give due consideration to the Union's comments and ideas with respect to the contracting out of work. Advance notice of the use of outside contractors will be provided in situations other than emergencies to permit meaningful discussions between the Company and the Union.

30.12 The Company and the Union agree incidental overlapping of work between skilled trades shall not be considered a violation of the agreement.

30.13 The Company will provide skilled trades employees with five (5) days advance notice of shift changes where this is possible.

30.14 In addition to the familiarization normally provided when they are assigned different types of work, skilled trades employees will be provided the opportunity to receive the training required to service any new technology, machinery or equipment being introduced to the production process. The Company and the Union will meet to discuss the training needs of the Trades.

This training will be made available through short range specialized programs deemed necessary to implement this new technology.

30.15 The Company and Union will determine and make available the necessary training to properly service plant equipment and facilities maintained by skilled trades employees. Any remuneration paid will be on a straight time basis including current COLA and will not count as hours worked under any other section of this agreement. Payment for time spent at training or travel to or from training where the employee would otherwise have been scheduled to work an overtime shift will be paid at the appropriate overtime premium, for the period of the scheduled overtime shift the employee could not work.

In addition, the Company will pay the skilled trades employees a per diem of forty dollars (\$45) per day, plus hotel costs, if applicable.

30.16 The Apprenticeship Agreement is a separate document and by reference herein is made part of this Collective Agreement. (See Apprenticeship Program.)

30.17 The work of the layout inspector shall be part of the toolmaker trade. Employees currently in that classification shall be transferred to the skilled trades department and be paid at the toolmaker's rate. They shall have no seniority in the toolmaker's trade, but shall be considered as an isolated group. Future employees hired to perform this work shall be hired as journey-person toolmakers and have seniority in that trade. In the event of a layoff the "isolated" group shall be considered as a separate seniority group for retention where only layout work is required.

30.18 Whenever vendors, or outside contractors, are in the plant, to install, service, maintain or modify equipment, all the appropriate skilled trades employees will be assigned to work on the shift on which the work is being performed including all overtime hours.

30.19 The Company will provide a tool allowance of up to a maximum of two hundred & fifty dollars (\$250) in year one, two hundred and seventy-five (\$275) in year two and three hundred (\$300) in year three of the Collective Agreement for each skilled trades person.

ARTICLE 31 – INJURY AT WORK

31.01 An employee injured at work shall be paid for the balance of the shift on which the injury occurred if, as a result of such injury, the

employee requires medical treatment as defined under the Worker's Compensation Act.

ARTICLE 32 – GENERAL ARTICLE

32.01 The Union recognizes the responsibility imposed upon it as the exclusive bargaining agent of the unit, and realizes that in order to provide maximum opportunities for continuing employment, good working conditions and good wages, the Company must be in a strong market position. The Union, therefore, agrees that it will co-operate with the Company and support its efforts to assure a reasonable day's work on the part of its members and to strengthen good-will between employer, employee, and the customer and the public.

32.02 The Company will provide a copy of the Collective Agreement and Exhibits Agreement to each employee.

32.03 In the event of a pay shortage in an amount greater than the equivalent to 4 hours of base pay, a pay adjustment will be paid with a manual cheque whenever possible within 48 hours of notifying the Company.

32.04 NEW TECHNOLOGY

The parties agree that with the introduction of new techniques and technologies, it is important that advance planning be made to anticipate skills, needs and training required.

It is agreed that the workers affected by the introduction of new technologies should have every opportunity to apply themselves to the new skills and the new technology.

The Company will assume that cost of on-the-job training to afford Bargaining Unit employees (who have the basic knowledge and ability to be trained) the opportunity to keep current with new methods, tool, machines and new technology affecting their work and job security.

The Company will notify the Union in advance of any introduction in new technology and will notify the Union in advance of the introduction of new techniques so as to give the affected Bargaining Unit employee (who has the basic knowledge and ability to be trained) the opportunity to become acquainted with the new skill needs so that he will be available to perform the work when needed.

Senior employees who have the basic knowledge and ability to be trained will be given preference under this clause according to appropriate shift representation.

COMMITTEE ON NEW TECHNOLOGY

There shall be established a committee of four, two from the Company and *two* from the Union to deal with the whole question of New Technology, the introduction of new techniques, and the introduction of new techniques through automated equipment.

The Committee will be responsible for investigating and examining all issues related to the introduction of such equipment and its impact on the affected employees.

The Committee shall make recommendations to the Company for implementation, concerning the use of affected employees in the area of the training as it relates to new technology.

The Company members of the Committee shall be two representatives from the Manufacturing Engineering Department. It is understood that the Committee will meet at least once every month unless otherwise agreed to.

ARTICLE 33 – DURATION

33.01 This Agreement shall become effective February 1, 2006 upon notice to the Company by the Union of Ratification and shall remain in full force and effect until 11:59 p.m. on the thirty-first day of January, 2009 and year to year thereafter unless either party, by notice in writing given at least sixty calendar days prior to January 31, 2009 or prior to January 31 of any year thereafter, declare their wish to terminate, change or amend the Agreement.

In witness thereof the parties hereto have executed this Agreement as of December 22, 2005 at the City of Cambridge, Ontario to be effective February 1, 2006.

National Automobile
Aerospace, Transportation
And General Workers,
Union of Canada
(CAW - Canada)
and Collins & Aikman / Guelph Products
Unit of Local 1917

FOR THE UNION

Jim Robinson
Dale Heaney
Dominic Natarelli
Vernal Travis
Jim Kieswetter
Robert Boyd
Wayne Breese

FOR THE COMPANY

David McMaster
David Edwards
Greg Hazelwood
Raj Kambo
Amy Mucenski

OVERTIME EQUALIZATION

Memorandum of Understanding

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

Consistent with the operating needs of the department and the availability of necessary skills and abilities of the employees, the Company will endeavor to equalize overtime, within reasonable limits and over a reasonable period of time, among employees in the same classification, on the same shift within the work group in the department affected.

Skilled Trades overtime will be equalized among employees in the same classification on the same shift.

Daily overtime work will be performed by the employee who normally performs the work or by the employee who performed the required work during the last hour of the regular shift.

Weekend or holiday overtime selection will be made by low overtime charges from those employees who have the immediate ability to perform the required work in the same class, shift and work group in the department; failing that, other employees willing and able to perform the work.

Should an incorrect selection for overtime work be made by a supervisor, the employee affected will be offered alternate overtime work outside of their equalization group at a future date mutually agreed to between both parties. The alternate overtime work offered will not reduce any other employee's overtime opportunity.

Nothing in this agreement shall relieve employees of their obligation to work overtime which they are assigned.

For the purpose of this agreement, team leaders shall be considered a separate classification within the work group on the shift in the department. Team leaders will be offered overtime for work which they would normally perform on a daily basis except for model change,

operations start up, training or new operations.

For the purposes of administering overtime equalization, the labour pool will be recognized as a separate department.

Should a significant imbalance within an equalization group exist, at the request of the Union the parties shall meet to work out a mutually agreeable solution. Should this procedure be subject to continuous abuse the Union may request in writing, forwarded to the Human Resources Manager that a special meeting be held to resolve any/all concerns resulting from this abuse. At the discretion of the parties the National Representatives, Union and Company, may attend.

During periods of model change, operation start-up, or new operations on the shift, it is understood that overtime equalization shall not be required.

The Company will distribute overtime in a fair and equitable manner.

(Administration Procedure)

Administration of overtime equalization

1. Accurate overtime records will be maintained and kept current. The previous week's hours will be entered by noon Tuesday and made available for the employee or the Union representative, by posting in the department. The first equalization posting each year shall be in seniority order.
2. All hours will be recorded as pay hours, i.e., one hour at time and one half would be 1.5 hours; one hour at double time would be 2.0 hours.
3. Employees who decline offered overtime will be charged for the hours declined, and if physically at work and canvassed by a Supervisor, must indicate their intention by way of signature. Employees who are scheduled for weekend or holiday work and who fail to report for such work will be charged double the hours made available to them.
4. An employee who is absent when overtime is scheduled will be charged the hours that would have been available had the employee been at work.
5. An employee who is absent in excess of thirty (30) days will, upon returning to work, assume the average number of over-time hours charged in the equalization group.

6. Employees transferred from one shift to another shift or from one classification to another classification will be charged with the average number of overtime hours accumulated in the equalization group to which the employee is transferred.
7. An employee who is promoted to a salaried or supervisory position and is thereafter transferred to the employee's former hourly classification, shall be assigned the average number of overtime hours charged in the equalization group.
8. Overtime hours shall be zeroed on January 1 of each calendar year.
9. New employees will be given average hours in the equalization group.
10. An employee who has been asked/offered overtime in the last hour of the regular shift, will not be charged should that overtime work commence immediately following that shift.
11. An employee will not be charged for refusing overtime outside his/her regular department.
12. If you are asked in the last twenty-four hours for weekend overtime and agreed to work, you will be charged, however, if you decline the work, you will not be charged.

Yours truly,

Guelph Products Collins & Aikman

David Edwards
Human Resources Manager

HEALTH & SAFETY

Memorandum of Understanding

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

The following memorandum encompasses the understanding reached between the Company and Union at the 2005/2006 negotiations.

The Union agrees:

- 1) The appointed day shift union representative on the JHSEC shall function eight (8) hours per day at the Guelph Plant. In the absence of the day shift JHSEC member, the alternate selected by the union shall be allowed the hours allotted to the Union member for the day(s) during this absence on the day shift. The off shift representative shall be provided eight (8) hours per month to conduct their duties, however, it is understood that whereby situations arise giving cause for additional time to partake with safety concerns, additional time will not be unreasonably denied.
- 2) to review, recommend and participate in safety education and information programs as may be agreed to, and with, the company.
- 3) the privilege of the Union member of the local committee to perform Health & Safety duties during regular working hours is subject to the condition that the time be devoted to the prompt handling of matters which are proper pursuant to the terms of this agreement or existing legislation and the privilege shall not be abused.
- 4) the Union will participate with and provide support along with the company member in any ergonomic, environmental or WHMIS concerns or programs, which should be co-operatively addressed as they may arise.
- 5) that the Union member of the local committee agrees to maintain in a confidential manner any statistical data or proprietary information

supplied under the terms of this agreement.

6) the Union member will be paid only for such time spent in performing these functions as occurs during the time when the Union member is otherwise scheduled to work except as provided by legislation.

7) The Union Committee members may meet one hour before the JHSEC monthly meeting to organize, discuss and coordinate information to be presented at the meeting. The members will be paid for such time spent in performing these functions as occurs during the time when the Union members are otherwise scheduled to work.

8) The Company shall provide the Union Health Safety and Environmental Committee an office with sufficient filing cabinets, desks as required, a telephone, long distance access for health, safety and WSIB purposes, a computer, email, internet pursuant to Company Policies and access to a printer and access to a fax machine.

The Company agrees:

1) That it will meet with the Union member upon reasonable notice but in any event not less than once (1) every three (3) months to discuss and review Health & Safety conditions within the plant.

2) a) To notify the Union member of Health & Safety inspections by Government officials.

b) To notify the Union member of work related fatalities and jointly investigate such events.

c) To provide the Union with the plant's report on injury and illness data.

d) To provide the Union member information pertinent to hazard assessment.

e) To notify the Union of any meetings between the Company and the Workers' Compensation Board concerning modified work and to jointly participate in such meetings and program.

3) To provide the necessary or required personal protective equipment, devices and clothing at no cost to the employees and train them in the proper use, care and storage thereof. Employees must wear or use such items and ensure proper care and storage of such items.

- 4) To jointly, with the Union member of the local committee, address new hires with respect to plant Health & Safety requirements.
- 5) Where corrective action is required, the Union member of the local committee will be informed of measures to be taken.
- 6) To discuss available Health & Safety & Environmental training programs and jointly decide on the administration of such training.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

MOVEMENT OF EMPLOYEES AS A RESULT OF PERMANENT REDUCTIONS IN THE WORK FORCE

Memorandum of Understanding

In the event of the reduction of the work force, the following procedure will be followed in implementing movement of employees during a manpower reduction.

This provision shall not apply to those employees who are affected by a temporary layoff.

- (1) The employee(s) to be reduced will be the junior employee(s) in the affected department on the affected shift.
- (2) The employee will have the option of
 - (A) staying in the department and bumping the junior most employee on another shift (seniority permitting).
 - (B) bumping the junior most employee in the labour pool on any shift (seniority permitting).
 - (C) staying on the shift and bumping the junior most employee in a classification of their choice (seniority permitting). In order to bump into QC, stores, shunt driver, linkers, or set-up the employee must be qualified to do the work.

The affected employee will have a right to the base department if a temporary position, as defined under Article 27.09, or a full-time position becomes available. The recall right will be active for a period of one (1) year.

All recall rights will be forfeited should the affected employee transfer out of his selected option or decline their recall right.

In the case of multiple reductions, the choice of options will be by seniority.

It is understood that options may be subject to availability. As a result of an employee exercising their options, a displaced employee will have the same options.

**LETTER OF UNDERSTANDING
BETWEEN
GUELPH PRODUCTS COLLINS & AIKMAN
AND
CAW/TCA LOCAL 1917**

RE: Article 13.01 Temporary Layoffs

The Company and Union had numerous discussions surrounding the issue of layoffs, and the impact of such, on the work force and the workplace. In an effort to reduce the operating difficulties and the quality problems, associated with temporary layoffs, the Company and Union have agreed to a procedure for layoff notwithstanding the provisions of article 13.01. Under the following conditions, it is agreed that this would not violate the intent of this agreement, or impact on any other provisions of this agreement, or the rights of either party.

- 1) Under the provisions of this letter only, employees which will be laid off, will be jointly identified by the Company and the Union.
- 2) The employees which are identified to be retained outside of the seniority provisions of art. 13.01 must be in the same classification as the employees being displaced, and possess the required skills in performing the available work.
- 3) The layoff must be temporary (not to exceed 2 weeks).
- 4) The layoff must be scheduled in advance to allow for meaningful discussions between the Company and the Union prior to identifying those employees which will be laid off.
- 5) In the event that a scheduled temporary layoff is upgraded to an indefinite condition, art. 14.01 will be immediately invoked.
- 6) Should the parties not agree that a particular layoff condition warrants the use of the procedures under this letter then art. 13.01 prevails and must be used in its entire context for the layoff.
- 7) The Company and Union understand and agree that the time frames associated with "temporary" and "indefinite" are specific to the procedure used for the layoff.

The Company and Union recognize the need to maintain specific customer commitments and our just in time process, and as such, the parties agree that this letter addresses those requirements in

maintaining flexibility during those periods of layoff.

It is clearly understood that this letter of understanding may only be evoked by mutual agreement between the parties.

SKILLED TRADES

Memorandum of Understanding

Within this context, the Company confirms the understandings reached during negotiations regarding skilled trades concerns over work ownership.

Primary among these understandings is the Company's commitment that there will be no reduction of skilled trades employees as a result of outside contracting throughout the life of this agreement.

Plant Management shall meet semi-annually to review with the CAW Skilled Trades representatives projected work regarding the installation construction, maintenance, repair, service, and warranty work of existing or new equipment, facilities, and the fabrication of tools, dies, jigs, patterns and fixtures.

When Skilled Trades employees are on layoff in a classification, the nature of which they customarily perform, and consideration is being given to outside contracting said work, the Company's trades employees will be given the first priority for the work, before letting the contract, provided that they can perform the available work.

It is the policy of the Corporation to fully utilize its own employees in maintenance skilled trades classifications. The Company will inform the skilled trades Committee person of proposed projects, and provide the nature and scope of the work. The Company will give due consideration to the Union's comments and ideas with respect to the contracting out of work. Advance notice of the use of outside contractors will be provided in situations other than emergencies to permit meaningful discussions between the Company and the Union.

BRAMPTON PLANT

Memorandum of Understanding

The following are supplements to the Collective Agreement in order to facilitate operation of Guelph Plant 2. Any additional amendments, which may be necessary to deal with unforeseen circumstances, may only be made with the mutual agreement of the Company and Union.

Article 6 – Union Representation

6.01 Provide for one Committeeperson on the day shift and a steward for second shift. In the event the number of employees increases to over 150 employees then the second shift steward position will become a second shift Committeeperson. In the event of a third shift then a steward position will be created for third shift.

A union office to be provided at new facility same as in Guelph.

Article 14 – Layoffs

The following is in addition to the current Article 14 language.

- Employees who are affected by a layoff are entitled to displace less senior employees in the other facility provided the layoff is expected to be for a period of at least 20 working days, and provided the employee is able to furnish his/her own transportation and to make arrangements which accommodate the additional time required to travel to and from the other plant location. For bumping between plants only, the three days in Article 14.01 will be extended to a maximum of five days in order to make staffing adjustments between plants.

Article 21 - Health and Safety

21.01 The Joint Environmental Health and Safety Committee will have one representative per shift to a maximum of six (6) people, three (3) representing the union and three (3) representing management. This number will be adjusted as needed to reflect the number of operating shifts.

Article 27 - Job Posting Transfer

27.02 Permanent job postings to be posted in both plants. (In the event of the transfer of work from one plant to another those employees

presently posted into the job will have first option to transfer with their work).

27.03(a) Employees will not be entitled to post to a position at the other plant for a period of six (6) months from the date of last transfer.

Overtime Equalization - Memorandum of Understanding

Each facility to be treated separately for the purpose of overtime equalization.

Movement of Employees as a result of Reductions in the Work Force - Memorandum.

Amend language to have Memorandum apply in the event of transfer of work to the other facility.

Add a new section (d) to provide for bumping into the other facility.

Letter of Understanding #2 - TPT's

1. Following initial canvassing of full-time employees for new facility, then TPT's to be offered opportunity in order of days worked for full time work at new facility. No obligation on TPT to accept such offer.
2. TPT language to apply separately between each plant.
3. Full time opportunities in either facility to be offered based on days worked from both TPT lists combined.

For TPTs hired after February 1, 2006 full time opportunities in either facility are to be offered based on days worked from each individual TPT list. (i.e. Brampton TPTs to be hired at Brampton and Guelph TPTs to be hired at Guelph).

4. Point #11 - Restriction regarding usage on TPT's during lay off to apply separately to each facility.

Letter of Understanding #4 - Plant Closure

Letter #4 applies separately to each facility. This does not limit employees from exercise their bumping rights in accordance with Collective Agreement.

Letter # 1

ORIENTATION

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

New employees to Guelph Products will, before commencement of employment, and without adverse effect to the plant, be introduced to the area Union Committee person, on their shifts.

The Union will be given one (1) hour for orientation of new employees.

In addition, the Company and Union will develop published orientation briefs designed to acquaint the new employees with the benefit plans, seniority provisions, health and safety and plant lay-out information.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 2

TEMPORARY PART TIME EMPLOYEES

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

The following understanding was reached between the Company and the Union in the employment of temporary part time (T.P.T.) employees.

- (1) It is understood that the purpose of the T.P.T. program is to provide for a means to meet temporary staffing requirements. The T.P.T. program is not to be used to avoid the hiring of permanent full time employees.
- (2) T.P.T.'s may be utilized Friday through Monday only to fill in for employees absent due to sickness, vacations, leave of absences or requested time off.
- (3) Seniority and probationary employees will be offered overtime opportunities first, prior to working T.P.T.'s on premium time. When a T.P.T. is scheduled in accordance with this provision, No seniority or probationary employee will have rights to an early start time or overtime at the end of their shift.
- (4) If it is determined that the reason for the assignment of a T.P.T. continues beyond a period of thirty (30) days, such assignment will be considered a permanent opening, unless otherwise agreed to by the Local and National Union. At no time will the ratio of T.P.T.'s exceed ten percent (10%) of the regular full time workforce without the consent of the Local Union and National Union.
- (5) The Union will be informed of the usage of T.P.T.'s, including the department, shift and reason the T.P.T. is required. This information will be reported to the committee person on the affected shift, and the Union Office.
- (6) Alleged violations of this agreement will be addressed and corrected by the Company in a timely manner. Violations will be

subject to the grievance procedure at Step 3 and involvement of the Human Resources department. Failure to resolve the issue will result in the suspension of the T.P.T. agreement at the option of the Union upon thirty (30) days advance notice.

- (7) T.P.T.'s will not be worked for more than thirty two (32) hours in a week, without the consent of the Union except during the period in which summer students may be utilized, i.e. May to the week following the Labour Day weekend."
- (8) T.P.T.'s will be paid eighty five percent (85%) of the current base rate. Time and a half will be paid for hours worked in excess of eight (8) in a day. Time and a half will be paid for hours worked in excess of forty (40) hours per week. T.P.T.'s will be paid double time on Sundays when those hours are in excess of forty (40) hours in that week. T.P.T.'s will also be eligible for Statutory holiday pay as recognized by current legislation provided they have worked their last scheduled shift prior to the holiday. They will also be paid double time if they work on Statutory holidays
- (9) T.P.T.'s will be provided hospital, medical and surgical benefits and be eligible for the safety shoes program after sixty (60) days worked.
- (10) T.P.T.'s will be required to pay an initiation fee and monthly dues to become and remain members of the Union in conformity with the Constitution of the Union and will be allowed representation in the grievance procedure after sixty (60) days worked for violations of this supplemental agreement or termination in accordance with Article 8 and Article 9 of the Collective Agreement.
- (11) T.P.T.'s will not be worked during periods of layoff.
- (12) T.P.T.'s will be eligible for shift premiums in accordance to the Collective Agreement.
- (13) A T.P.T. who has accumulated sixty (60) days worked will be offered the opportunity for full time employment should the opportunity exist, subject to acceptable performance ratings and qualifications. T.P.T.'s will be allowed accumulated time towards their probationary period, benefits, and seniority upon being hired on as full time.
- (14) T.P.T.'s will be subject to the same shop rules as any other employee in the plant.

- (15) T.P.T.'s will be utilized on a Rotation basis beginning with the top name on a list. The list will be comprised of a number of T.P.T.'s that will not exceed 10% of the regular full time workforce.
- (16) Article 17.05 "Call in Pay" will apply to T.P.T.'s.
- (17) Any variation from this agreement may only be made with the prior agreement of both the Local Committee and National Union.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 3

SUMMER STUDENTS SENIORITY

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

This will confirm our understanding reached during negotiations, that the following conditions would prevail for the hiring of summer students:

1. The Company will advise the union of the hiring of students to work in bargaining unit positions.
2. Students will not accumulate any seniority for hourly union positions.
3. Any student (probationary or seniority employee) who, at the completion of temporary work, wishes to be retained on a permanent basis, will be transferred into a TPT position with no credit of time or benefits for previous employment. This employee will be considered a new hire for pay, seniority date and service date purposes.
4. Should a job come open during the period of employment of such student, which would normally be filled by a new hire, the student may contact the Human Resources with respect to filling such vacancy thus indicating his/her wishes to be retained on a permanent basis. The Company will give consideration to the employment of such students on a permanent basis and if the employee is so employed the conditions above will apply and will then start as a new hire for pay, seniority and service date purposes as of his/her first day worked following the date the Human Resources has transferred him/her to permanent status.
5. Should overtime be required in a department where a student is assigned, seniority employees will be given preference over students. If there are insufficient employees with seniority in the department, employees with seniority outside the department shall be offered the work based on seniority. It is understood that

employees displacing students must have the ability to perform the work.

6. In the event of lay-off students will be laid off before probationary employees or seniority employees.

It is recognized between the parties that the student may continue to be employed on the temporary work for which the employee was hired even though the employee's status is changed in accordance with **(4)** above.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 4

PLANT CLOSURE

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

In the event that the Company moves or closes in whole, the Company will provide six (6) months notice to the Union, or pay in lieu thereof, and the following procedure will apply:

- (a) During the period of downturn leading up to the closure or move, the employees affected by reductions will exercise bumping rights in accordance with the Collective Agreement or may elect to accept severance and give up seniority rights.
- (b) Severance pay will be paid in accordance with Exhibit C of the Exhibit Supplement.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 5

ADJUSTMENT PROGRAM

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

During negotiations, the Company and Union agreed to participate in an adjustment program in the event of a plant closure or plant relocation.

A committee of no less than six (6) people, three (3) from the Union and three (3) from the Company, would make up the labour adjustment committee.

The purpose of this committee would be to assist displaced workers obtain comparable employment through job search initiatives, needs assessment, confidential counseling and other measures which may be agreed to by the committee and discussed with the Company prior to implementation.

The Adjustment Committee will be provided a one day adjustment program orientation session on Company time.

A further training session on specifics relative to adjustment issues and processes will be provided should the committee determine the need for such. The training will be conducted by an instructor mutually agreed to by the committee, in plant and on company time.

The Company will provide adequate Company paid release time to the members of the adjustment committee to effectively attend to adjustment program business.

The Company will provide office space for an Action Centre. Company paid release time will be provided for a full time Union coordinator to staff the Action Centre.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 6

SUBSTANCE ABUSE

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

During negotiations the parties reaffirmed their conviction that it is important to provide assistance to employees affected with alcohol and drug dependence and find ways to motivate them to recognize their problem and seek treatment where appropriate.

It has become apparent the most successful programs are those that have received the full support of the parties. Solutions, in part at least, have to be tailor made for the location. For example, the proximity or availability of approved treatment facilities, the suitability of places utilized for employee contact, and the prior existence of a union or government sponsored program are all factors bearing on the success of an alcohol and drug abuse program at the local level.

The foregoing leads us to conclude that our joint endeavor should be to continue to assist local programs in developing methods that will more effectively encourage afflicted employees to seek assistance under the program and that will convince them of the privacy and confidentiality of such assistance.

Our joint endeavor should be to continue to assist in developing methods that will more effectively encourage afflicted employees to seek assistance. The Company is of the opinion the decision to seek and accept treatment is the responsibility of the employee, although both parties should work cooperatively to encourage afflicted to seek treatment where appropriate.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter #7

TEAM LEADERS

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

During negotiations, the Union and Company had extensive discussions over the role and responsibilities of team leaders. The Company assured the Union that although team leaders are involved in various functions, throughout the plant, team leaders would not function in a supervisory capacity. Issues which may arise with respect to such concerns will be promptly dealt with.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 8

P.E.L.

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

As a part of the 1993 negotiations the Company agreed to accrue two cents (.02) for each hour (excluding any vacation period) for which employees in the bargaining unit are compensated, to be used for educational purposes. Such accrued amounts shall be paid at the end of each quarter into a trust fund established by the National Union **CAW**.

Upon written application at least four weeks in advance, employees selected by the Union shall be granted a leave of absence without pay from the Company for a period not to exceed, in any twelve (12) months, twenty (20) days class time plus travel time where necessary. Such leave shall be available only to employees selected to benefit from the educational program funded wholly or in part from the trust fund referred to above and will be limited to four employees at any one time in this particular program.

Employees granted such leaves of absence will continue to accrue seniority and benefits during such leave.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 9

HOLIDAY PAY – TEMPORARY LAYOFF

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam:

A seniority employee who is temporarily or indefinitely laid off during the fourth work week prior to a week in which one or more of the holidays in the Christmas holiday period falls, and who worked the employee's last scheduled working day prior to such layoff, shall, if otherwise eligible, receive pay for the holidays falling during such Christmas holiday period. A seniority employee who is laid off during the fifth, sixth or seventh work week prior to a week in which one or more of the holidays in the Christmas holiday period falls and who worked the employee's last scheduled working day prior to such layoff shall, if otherwise eligible, receive pay for one half of the holidays falling during such Christmas holiday period. An employee temporarily laid off shall receive pay for such holidays following the employee's return to work from such layoff. An employee indefinitely laid off shall receive pay for such holidays on the second payday following the Christmas holiday period.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 10

**HOURS OF WORK AND OVERTIME
EXISTING LANGUAGE PLUS
A LETTER OF UNDERSTANDING**

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

During negotiations, the Company and the Union discussed the changing needs of the customers and the requirement of the plant to be flexible in its operations and schedules to meet those needs. It was agreed that in the event that the customers requirements are such that the plant must revert to a revised work schedule, the Company and Union agree to discuss, in advance, effective methods by which these revised schedules may be implemented, taking into consideration the needs of the employees, the least amount of disruption to plant operations and/or products and costs.

In the event that no agreement is reached, it is clearly understood that the applicable provisions and terms of the Collective Agreement will continue to apply unchanged.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 11

SUPPLEMENTING WEEKEND OVERTIME

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

In order to facilitate the overtime planning process the following procedure will be followed. This procedure may be changed as necessary by mutual agreement of the Union and Company.

Overtime Procedure

- The Company will post a general and departmental overtime sign up sheet on a weekly basis
 - J** These sheets would be posted Friday through Tuesday at 3:00 p.m.
 - J** The General Overtime Sign Up Sheet and the Departmental Labour Pool Overtime Sign Up Sheet will be posted in the same location.
 - J** Departmental Overtime Sign Up Sheets will be posted in the designated departments (with the exception of Labour Pool— noted above)
- General and Departmental Overtime Sign Up Sheets will be forwarded to the Superintendent or designate
 - ✓ **All** overtime sign up sheets will be reviewed, and where not enough employees have signed up on the departmental sheets, employees from the general sign up sheet will be assigned accordingly.
 - J** If still not enough employees are available, TPT Request Forms will be completed by the Superintendent or designate.
- Completed TPT Request Forms are forwarded to Human Resources

by the Superintendent or designate

J A HR Representative will schedule TPTs

J TPT use will be reviewed through periodic scheduled meetings with Human Resources and Union representation

- HR Representative will communicate obtained TPTs to Superintendents or designate

J If not enough voluntary employees and/or TPTs, the Superintendent or designate identifies the employees to be mandated

J Employees will be mandated by low overtime hours worked

J Superintendent or designate distributes the assigned employee list to designated Supervisor

J Supervisors post the list by 3:00 p.m. on Thursday

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter # 12

WORKPLACE HARASSMENT

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

The Company and the CAW are committed to providing a harassment – free workplace. Harassment is defined as a “course of vexatious comment or conduct that is known or ought reasonably be known to be unwelcome”, that denies individual dignity and respect on the basis of the grounds such as: gender, disability, race, colour, sexual orientation or other prohibited grounds, as stated in the provincial Human Rights Code. All employees are expected to treat others with courtesy and consideration and to discourage harassment.

The workplace is defined as any company facility and includes areas such as offices, shop floors, restrooms, cafeterias, lockers, conference rooms and parking lots.

Harassment can take many forms: verbal, physical or visual. It may involve a threat or an implied threat or be perceived as a condition of employment. The following examples could be considered as harassment but are not meant to cover all potential incidents.

- Unwelcome remarks, jokes, innuendoes, gestures or taunting about a person’s body, disability, attire or gender, racial or ethnic backgrounds, colour, place of birth, sexual orientation, citizenship or ancestry;
- Practical jokes, pushing, shoving, etc., which cause awkwardness or embarrassment;
- Posting or circulation of offensive photos or visual materials;
- Refusal to work or converse with an employee because of their racial background or gender etc.
- Unwanted physical conduct such as touching, patting, pinching, etc.

- Condescension or paternalism which undermines self-respect;
- Backlash or retaliation for the lodging of a complaint or participation in an investigation.

What harassment **is** not:

Harassment is in no way to be construed as properly discharged supervisory responsibilities, including the delegation of work assignments, the assessment of discipline, or any conduct that does not undermine the dignity of the individual. Neither is this policy meant to inhibit free speech or interfere with normal social relations.

Filing a Complaint:

If an employee believes he/she has been harassed and/or discriminated against on the basis of any prohibited ground of discrimination, there are specific actions that may be taken to put a stop to it:

- Request a stop of the unwanted behavior;
- Inform the individual doing the harassing or the discriminating against you that the behavior **is** unwanted and unwelcome;
- Document the events, complete with times, dates, location, witnesses and details;
- Report the incident to Supervisor/committee person.

However, it is understood that some victims of discrimination or harassment are reluctant to confront their supervisor or others. In this event, the victim may seek assistance by reporting the incident indirectly to any Union representative/Company official.

Investigation:

Upon receipt of the complaint, the Supervisor/Committee person contacted will immediately inform their Union or Company counterpart and, together, they will then interview the employee and advise the employee if **the** complaint can be resolved immediately or if the complaint should be formalized in writing. Properly completed copies of this complaint will be forwarded to the Human Resources Manager and the Plant Chairperson.

A formal investigation of the complaint will then begin by the Chairperson and Human Resources Manager or their designates, interviewing the

alleged harasser, witness and other persons names in the complaint. Any related documents may also be reviewed. Should the complaint involve sexual harassment/discrimination involving a female, the process will include a woman.

Resolution:

The Chairperson and Human Resources Manager or their designates will then complete a report on the findings of the investigation. The Chairperson and Human Resources Manager will make a determination on an appropriate resolution, in an attempt to resolve within ten (10) days and ensure the resolution is fair and consistent with the intent of the Company and National CAW policy regarding discrimination and harassment in the workplace.

At the conclusion of this step, the complaint, if unresolved, will be inserted into the third step of the grievance procedure for resolution. In the event that the complaint is not resolved by the parties at the third step of the grievance procedure, it may be appealed to arbitration in accordance with the provisions of the Collective Agreement. The parties agree that this procedure is an alternative complaint procedure and, as such, complaints should not be pursued through both the grievance procedure and the Human Rights Complaint procedure.

The pursuit of frivolous allegations through the Human Rights Complaint Procedure has a detrimental effect on the spirit and intent for which this policy was rightfully developed and should be discouraged.

All documentation is to be secured in a location agreeable to all parties.

All employees have the right to file a complaint with the provincial Human Rights Commission and to seek redress under the Human Rights Code.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter #13

SKILLED TRADES

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

The Company and the Union agree that:

- (1) If an outside contractor is called in on overtime to perform specialized work and our Skilled Trades can not do the work because they do not have the knowledge, the Company will bring in one (1) trade for one (1) contractor i.e. if three (3) contractors are in then three (3) trades will be in.
- (2) The Company agrees to have weekly meetings to keep the Union Representative informed of when and why the contractors are in the Plant.
- (3) The Company and Union agree to meet to discuss the possibility of establishing Apprenticeships. This will be done with the involvement of other C & A locations and the CAW Skilled Trades Department.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter #14

SIDE LETTER ON BEREAVEMENT

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

The Company agrees to make regular paid time available to one (1) CAW bargaining member for arranging bibles, sympathy cards, flowers and such related to bereavement situations involving Guelph Products employees and family.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter #15

CYCLE COUNT POSITION

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

During negotiations the Union and Company agreed to make changes to the existing job classifications list. In order to provide an opportunity for desirable job placement, the Company agreed to provide the employee affected by the establishment of the Cycle Count classification the opportunity to choose between the line driver or cycle count position. **All** provisions related to the chosen position would then take effect.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

Letter #16

**SIDE LETTER ON GREEN SHIELD
BENEFITS COVERAGE**

February 1, 2006

Ms. Dale Heaney
Plant Chairperson
CAW Local 1917
Guelph, Ontario

Dear Madam

During negotiations the Union and Company discussed the changing environment related to benefits coverage. It is agreed that the Union and Company would meet to discuss the current business arrangements with Green Shield. The Union agreed the CAW will use all resources available to assist Collins & Aikman in its efforts to improve upon the economic challenges with Green Shield. The Union also agreed to meet semi-annually with Collins & Aikman to review benefits cost and possible cost containment measures suggested by Company and CAW subject matter experts.

It is agreed by the Company that no changes will be made to the current benefits or benefits carrier without the mutual agreement of both parties.

Yours truly,

Collins & Aikman, Guelph Products

David Edwards
Human Resources Manager

EXHIBITS

In the Agreement of
February 1, 2006

Between

GUELPH PRODUCTS Collins & Aikman

And

**NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA, (CAW-CANADA) and
GUELPH PRODUCTS COLLINS & AIKMAN
UNIT OF LOCAL 1917**

Exhibit A	Group Insurance and Health Care Benefit Program
Exhibit B	Voluntary Termination of Employment Plan
Exhibit C	Lump Sum Payment Plan
Exhibit D	Pension Plan

EXHIBITS

GROUP INSURANCE AND HEALTH CARE BENEFITS PROGRAM

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GENERAL PROVISIONS

ELIGIBILITY

Employees

Group Life Insurance, Accidental Death and Dismemberment insurance, Accident and Sickness Benefits, Extended Disability Benefits, Hospital, Surgical, Medical (HSM), Supplementary (Semi-Private Hospital, Out of Province, Prosthetic Appliances, Durable Medical Equipment and Nursing Home) and Drug coverage shall become effective on the 1st day of the 4th month following the month in which employment commences.

Vision Care, Dental Care and Hearing Aid coverage shall become effective on the 1st day of the month immediately following the attainment of 1 year of seniority.

Dependents

For purposes of dependents' coverage provided under the plan, eligible dependents include the legal spouse, children living with former spouse and unmarried children from birth to the end of the calendar year following their 25th birthday, who are legally residing with the employee, and depend solely upon the employee for support as defined in the Canadian Income Tax Act are eligible as dependents.

A spouse means the employee's legal spouse by virtue of a religious or civil marriage ceremony, except that if the employee is residing with a person of the opposite sex whom he publicly represents as his spouse and has resided with such person for a continuous period of at least one (1) year, such person shall be deemed to be the employee's spouse.

No person may be eligible for benefits both as an employee and as a dependent, or as a dependent of more than one employee.

Dependents become eligible on the same date as you do or, if acquired later, on the date they first become eligible dependents.

Continuation of Health Care Expense Benefits for Incapacitated Children

Health Care Expense Benefits coverage will continue beyond the date an unmarried child attains the limited age for insurance, provided proof is submitted to the Company within 31 days after such date that such child:

- (1) is incapable of self sustaining employment by reason of mental

retardation or physical handicap;

- (2) became so incapacitated prior to attainment of the limiting age; and
- (3) is chiefly dependent upon you for support and maintenance.

Thereafter, such proof must be submitted to the Company as required, but not more often than yearly.

Effective Date of Insurance

If you are not actively at work on the date that group insurance coverage would otherwise become effective or the date that benefit coverage would otherwise increase, such coverage or increase in coverage shall not become effective until the date you return to active, full time work.

("Actively at work" shall include all periods that you are not at work because of holiday, vacation, bereavement, jury duty or leave of absence for Local Union business.)

However, if a dependent, other than a newborn child, is confined at home, in a hospital, or elsewhere because of injury or disease on the date insurance would otherwise become effective, or if a dependent other than a newborn child, has been confined in a hospital within thirty one days prior to that date, coverage will be postponed until the end of a thirty one day period during which there has been no confinement. Coverage may commence earlier, however, upon submission or satisfactory evidence of insurability.

Changes to Report

After your insurance becomes effective, it is necessary to notify your employer of any change in the number of dependents which will result in a change from one to another of the following classifications:

1. Employee without dependents.
2. Employee with dependents.

This information is necessary so the Insurance Company can adjust your coverage accordingly.

Continuation of Group Insurance and Health Care Benefits Coverage

Group Insurance and Health Care Benefits coverages will terminate or be continued during periods of inactive employment as indicated below:

Quit or Discharge

All Group Insurance and Health Care Benefits coverage will cease as of the date of such quit or discharge. If, however, an employee loses seniority because of discharge, Life and Accidental Death and Dismemberment coverage, HSM, Semi-Private Hospital Accommodation and Prescription Drug Expense Benefits coverage may be continued for a period not to exceed 12 months from the date of discharge if a grievance is pending protesting the discharge. The employee shall pay the full group premium rate for such coverage monthly, in advance.

Layoff

- (1) Life and Accidental Death and Dismemberment coverage will be continued to the end of the month following the month of layoff. Such coverage will be continued for an additional month, up to a maximum of three months, for each full year of seniority as of the date of layoff. Accident and Sickness and Extended Disability Benefit Coverage will be continued to the end of the month in which layoff commenced.
- (2)(a) For employees laid off prior to February 1, 1997 health care related coverage, except Dental, will be continued the same as Life and AD&D above. Dental coverage will be continued to the end of the month following the month of layoff.
- (b) For employees laid off on or after February 1, 1997 the following provisions will apply:
 - (i) HSM, Supplementary, Prescription Drug, Vision, Hearing Aid and Dental Expense Benefits coverage shall be continued to the end of the month following the month of layoff.
 - (ii) For each full calendar month thereafter that such layoff continues, HSM, Supplementary, Prescription Drug, Vision and Hearing Aid (but not Dental) Expense Benefits coverage will be continued without cost to the employee for up to a maximum of twelve months based on the employee's years of seniority on the date the layoff begins, in accordance with the following table:

<u>Years(s) of Seniority On Date Layoff Begins</u>	<u>Maximum Number of Months For Which Insurance Will Be Continued Without Cost to Employee</u>
Less than 1	0
1 but less than 2	1
2 but less than 3	2
3 but less than 4	3
4 but less than 5	4
5 but less than 6	5
6 but less than 7	6
7 but less than 8	7
8 but less than 9	8
9 but less than 10	9
10 and over	12

(iii) HSM, Supplementary, Prescription Drug, Vision and Hearing Aid (but not Dental) Expense Benefits coverage may be continued for a period of up to 12 months beyond the month in which Company paid premiums cease provided the employee pays the full group premium rate for such coverage in advance of the month for which coverage is sought.

Disability Leave of Absence

(1) For employees granted an approved disability leave of absence prior to February 1, 1994 the Corporation's contributions will continue in accordance with the following:

Group Life, Accidental Death and Dismemberment, Hospital, Surgical, Medical, Supplementary, Drug, Dental, Vision and Hearing Aid coverage shall be continued while the employee is receiving Accident and Sickness under the Program up to a maximum of 52 weeks. The continuation of coverage will cease, however, when Accident and Sickness benefits cease, or a period of time has elapsed that is equal to the employee's length of service at disability, whichever is earlier.

(2) For employees granted an approved disability leave of absence on or after February 1, 1994 the Corporation's contributions will continue in accordance with the following:

Group Life, Accidental Death and Dismemberment, HSM, Supplementary, Prescription Drug, Dental, Vision and Hearing Aid

Expense Benefits coverage will be provided for any month in which the employee receives Accident and Sickness or Extended Disability Benefits under the Group Insurance Program.

Personal Leave of Absence

All coverage, except Accident and Sickness coverage, will be continued to the end of the month following the month in which the leave commenced. Accident and Sickness coverage is continued to the end of the month in which the leave Commenced.

Health Care related coverage, except Dental, may be continued beyond the above period up to a maximum of 12 months if the employee pays the full group premium rate monthly in advance.

Maternity/Paternity Leave of Absence

For approved maternity/paternity leave of absence commencing on or after February 1, 1997 the Corporation's contributions will continue in accordance with the following:

- (1) Group Life, Accidental Death and Dismemberment, HSM, Supplementary, Prescription Drug, Dental, Vision and Audio Expense Benefits, coverage shall be continued for the duration of such approved maternity/paternity leave of absence.

LIFE INSURANCE FOR EMPLOYEES

Amount of Basic
Life Insurance

\$31,900.00 (\$32,900.00 for
deaths occurring on or after
February 1st, 2007,
\$33,900.00 for deaths occurring
on or after February 1st, 2008)

The Life Insurance is payable in event of your death from any cause at any time or place while you are insured. Payment will be made in a lump sum or in installments to the beneficiary or beneficiaries designated by you in writing. The beneficiary or beneficiaries may be changed whenever you wish in accordance with Provincial Laws.

If you become totally disabled while insured and before age 65 and remain so disabled for 12 months, your Life Insurance will remain in force up to age 65 as long as you remain totally disabled and you are not engaged in regular employment for remuneration or profit, provided

proofs of disability are furnished as required. The first proof must be filed with the Insurance Company within 12 months following the date you cease active work. Subsequent proofs of disability must be furnished each year thereafter.

Conversion Privilege

In the event that Life Insurance is terminated, you may convert up to the amount of coverage in force at the time of cancellation, without medical examination. Application for conversion and the first premium payment must be sent to the Insurance Company within 31 days after termination of coverage. Should you die within such 31 day conversion period, benefits would be payable as if the conversion privilege has been exercised.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS FOR EMPLOYEES

Amount of Accidental Death and Dismemberment Insurance \$15,950.00 (\$16,450.00 for accidental deaths or dismemberments occurring on or after February 1, 2007, \$16,950.00 for accidental deaths or dismemberments occurring on or after February 1, 2008).

The Accidental Death and Dismemberment Insurance provides benefits for your loss, while insured, of life, limbs, or the entire irrecoverable loss of sight, including such losses resulting from occupational accidents. Benefits are payable only if the loss results directly from bodily injuries caused by an accident and occurs within 120 days after the date of the accident causing the loss.

The full Principal Sum to which you are entitled will be paid for such loss of: life, both hands, both feet, one hand and one foot, sight of both eyes. One half the Principal Sum will be paid for such loss of one hand, one foot or the sight of one eye. In no case will more than the full Principal Sum be paid for all losses resulting from one accident.

Loss of a hand or foot means loss by permanent severance at or above the wrist or ankle joint and loss of sight means total and irrevocable loss of sight. An accidental injury is one that occurs directly and solely through external, violent and accidental means.

No benefits are paid on account of a loss caused or contributed to by:

- (1) disease or bodily or mental infirmity, or medical or surgical treatment thereof:

- (2) ptomaines or bacterial infection, except septic infection, infection of and through a visible wound accidentally sustained,
- (3) self destruction or intentionally self inflicted injury, while sane or insane;
- (4) war, or any act of war, whether declared or undeclared;
- (5) committing or attempting to commit assault, battery or felony;
- (6) traveling or flying on any private or unscheduled airline flight.

VOLUNTARY GROUP LIFE INSURANCE FOR EMPLOYEES

A. Eligibility Date

An employee who is insured for the Life Insurance provided in accordance with this Benefit Exhibit shall become eligible for Voluntary Group Life Insurance on the later of February 1, 1994 or the first day of the calendar month next following the month in which he acquired one year of seniority.

The date that the employee becomes eligible for voluntary Group Life Insurance shall be hereinafter referred to as the employee's eligibility date.

B. Enrollment and Effective Dates

The employee's and dependents Voluntary Group Life Insurance shall become effective as follows:

- (1) If the employee enrolls on or before his or her eligibility date, insurance becomes effective on the eligibility date. Dependent insurance becomes effective at the same time if such is applied for.
- (2) If the employee enrolls during the 31 day period following his or her eligibility date, employee and, if applicable, dependent insurance become effective on the first day of the calendar month next following the date of enrollment.
- (3) If the employee enrolls subsequent to the 31st day following his eligibility date or if the employee becomes insured for Voluntary Group Life Insurance and later decides to apply for dependent insurance or a higher amount of employee or dependent

insurance as set forth in Section D herein, the employee must furnish evidence satisfactory to the insurance company (a) of his good health, or (b) that he has married or acquired children by birth or adoption during the 31-day period immediately prior to such enrollment. In either case, insurance shall become effective on the first day of the calendar month next following the date the insurance company approves such evidence, provided that in the case of (a) above, if the application is to include dependent coverage or increase dependent coverage, medical evidence is required with respect to each such dependent, and, in the case of (b) above, the change in status is still in existence

In any event, for an employee or dependent to become insured initially or for a higher amount of insurance, the employee must be actively at work on the date the insurance would otherwise become effective. If the employee is not actively at work on such date, the employee and/or dependent insurance will become effective on the date the employee returns to active work, provided he is then still eligible as set forth in this Exhibit.

If the employee becomes insured for Voluntary Group Life Insurance and later applies for a lower amount of insurance, the employee shall become insured for such lower amount of insurance on the first day of the calendar month next following the month for which he last contributed for the higher amount, whether or not he is then actively at work.

C. Dependent Coverage

The Voluntary Group Life Insurance plan includes coverage for eligible dependents. At the time of initial enrollment or increase in family size, the employee has the option of selecting one of the dependent plans.

“Dependent” means (a) the employee’s spouse and (b) any unmarried child over 14 days of age (i) of the employee by birth, legal adoption, or legal guardianship, while such child legally resides with and is dependent upon the employee, (ii) of the employee’s spouse while such child is in the custody of and dependent upon the employee’s spouse and is residing in and a member of the employee’s household, (iii) as defined in (i) and (ii) who does not reside with the employee but is the employee’s legal responsibility for the provision of health care, (iv) who resides with and is related by blood or marriage to the employee, for whom the employee provides principal support as defined by the Canadian Income Tax Act, and who was reported as a dependent on the employee’s most recent income tax return or who qualifies in the current year for dependency tax status, and (v) who resides with a former spouse. A child as defined in (i), (ii), (iii) or (iv) (v) is included until the end of the

calendar year in which the child attains age 25, or regardless of age if totally and permanently disabled as defined hereinafter, provided that any such child after the end of the calendar year in which the child attains age 21 must be dependent upon the employee within the meaning of the Canadian Income Tax Act and must legally reside with, and be a member of the household of, the employee.

“Totally and permanently disabled” means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or to be of long continued or indefinite duration.

“Spouse” means the person to whom the employee is legally married or, if there is no such person, means a person of the opposite sex who has been cohabiting and residing with the employee for a continuous period of at least two years, and has been publicly represented by the employee as the employee’s spouse.

No person may be a dependent who is eligible as an employee and no person may be considered a Dependent of more than one employee.

The definition of Dependent used herein shall apply only to the Voluntary Group Life Insurance set forth herein and shall be entirely independent of any other such definition.

D. Amount of Insurance

An eligible employee may elect one of the Employee Coverage plans below and, if an Employee Coverage plan is elected may also elect one of the Dependent Coverage plans below:

<u>Plan</u>	<u>Employee Coverage</u>	<u>Plan</u>	<u>Dependent Coverage</u>
1	\$10,000	A	\$5,000 spouse/\$2,000 per child
2	\$20,000	B	\$10,000 spouse/\$4,000 per child
3	\$30,000	C	\$15,000 spouse/\$4,500 per child
4	\$40,000	D	\$20,000 spouse/\$5,000 per child
5	\$50,000		

No Voluntary Group Life Insurance is provided after the end of the month in which the employee attains age 65.

E. Contributions

The employee shall contribute the full cost of the Voluntary Group Life

Insurance and contributions shall be payable monthly in advance. The required monthly contribution for each \$1,000 of Employee and Dependent Voluntary Group Life Insurance is as set forth in the following schedule, which is subject to change. For the purposes of determining the applicable premium, the employee and dependent coverage are multiplied by the appropriate rates and the results are added together.

Monthly Contribution Rate
Per \$1,000 of Coverage

<u>Employee's Age</u>	<u>Employee Coverage</u>	<u>Dependent Coverage</u>
Less than 30	\$0.08	\$0.15
30-34	0.08	0.16
35-39	0.12	0.19
40-44	0.20	0.26
45-49	0.38	0.38
50-54	0.65	0.56
55-59	1.05	0.84
60-64	1.75	1.22

When the employee attains a birthday which places him in a higher age bracket, the monthly contribution will change on the first day of the calendar month next following the month in which such birthday occurs.

F. Payment of Benefits

- (1) The amount of Voluntary Group Life Insurance is payable to the beneficiary of record of the employee in the event of death from any cause while the employee is insured for Voluntary Group Life Insurance. If a covered dependent should die, the insured employee is automatically the beneficiary.
- (2) At the written request of the beneficiary, Voluntary Group Life Insurance shall be paid either in lump sum or in installments. No installment settlement election shall be valid if such settlement would result in installment payments of less than \$10.00 each.
- (3) If the insurance is payable in installments and the beneficiary dies before all installments have been paid, the unpaid installments shall be commuted at the rate of interest used by the insurance company in computing the amount of installment payments, and paid in one lump sum to the estate of the beneficiary unless otherwise provided in the election of an installment settlement.

- (4) The employee's insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of the employee.
- (5) This insurance is term insurance without cash, loan or paid up values.

G. Cessation of Voluntary Group Life Insurance

Voluntary Group Life Insurance shall automatically cease on the earliest of the following:

- (1) The date the employee ceases to be insured for Life Insurance provided in accordance with this Exhibit.
- (2) If the employee fails to make a required premium contribution for Voluntary Group Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.
- (3) The last day of the calendar month in which the employee attains age 65.
- (4) The date of discontinuance of Voluntary Group Life Insurance under the Insurance Program.

Any dependent coverage in effect shall cease at the same time employee coverage ceases or, if earlier, at such time as the employee ceases to have a Dependent.

H. Conversion Privilege

Upon written application made to the insurance company within 31 days after the date of cessation of the employee's Voluntary Group Life Insurance, the employee and dependent, if applicable, shall be entitled to have an individual policy of Life Insurance only, without Disability or Accidental Means Death Benefits, issued by the insurance company, without evidence of insurability. Such individual policy shall be upon one of the forms then customarily issued by the insurance company, except term insurance, and the premium for such individual insurance, and the premium for such individual policy shall be the premium applicable to the class of risk to which the applicant belongs and to the form and amount of the individual policy at the applicant's attained age at the date of issue of such individual policy. The amount of such individual policy shall be

equal to (or, at the option of the applicant, less than) the amount of the applicant's Voluntary Group Life Insurance on the date of cessation of employee insurance. Any individual policy of Life Insurance so issued shall become effective at the end of the 31 day period during which application for such individual policy may be made. If, however, the covered employee or dependent dies during such 31 day period, the insurance company shall pay to the beneficiary of record, whether or not the covered employee or dependent shall have made application for such individual policy, the maximum amount of Life Insurance for which an individual policy could have been issued.

NON OCCUPATIONAL ACCIDENT AND SICKNESS BENEFITS FOR EMPLOYEES

Accident & Sickness Benefit

<u>Base Hourly Rate</u>	<u>Benefit Amount</u>
16.21 – 16.55	\$393
16.56 – 16.90	402
16.91 – 17.25	410
17.26 – 17.60	419
17.61 – 17.95	427
17.96 – 18.30	435
18.31 – 18.65	444
18.66 – 19.00	452
19.01 – 19.35	460
19.36 – 19.70	469
19.71 – 20.05	477
20.06 – 20.40	486
20.41 – 20.75	494
20.76 – 21.10	502
21.11 – 21.45	511
21.46 – 21.80	519
21.81 – 22.15	528
22.16 – 22.50	536
22.51 – 22.85	544
22.86 – 23.20	553
23.21 – 23.55	561
23.56 – 23.90	570
23.91 – 24.25	578
24.26 – 24.60	586
24.61 – 24.95	595
24.96 – 25.30	603
25.31 – 25.65	612

Base Hourly Rate (con't.)**Benefit Amount (con't.)**

25.66 – 26.00	620
26.01 – 26.35	629
26.36 – 26.70	637
26.71 – 27.05	646
27.06 – 27.40	654
27.41 – 27.75	663
27.76 – 28.10	671
28.11 – 28.45	679

*Payment of Accident and Sickness Benefits will be paid by direct payment from the carrier.

Eligibility

You are eligible for a weekly Accident and Sickness benefit if you, because of non-occupational accidental bodily injury or illness, are wholly and continuously disabled so as to be unable to perform all the duties of your occupation, are not engaged in any other work for remuneration or profit and you are under the direct and continuing care of a licensed physician.

The weekly Accident and Sickness benefit shall equal 75% of the amount otherwise payable if disability occurs prior to attainment of one year seniority.

Commencement and Duration of Benefits

Accident and Sickness benefits will commence on the first day of disability due to a non occupational accident or injury, or hospital confinement (including day surgery), and the sixth day of disability due to a non occupational illness. Benefits will be payable for a maximum of up to the lesser of 52 weeks or a period of time equal to your length of service at disability. A period of continuous disability shall include all disability absences due to the same or related causes separated by less than 90 days of full time, active work. Successive periods of disability due to entirely unrelated causes will be considered one period of disability if the absences are not separated by a recovery and return to active full-time work.

Limitation

With respect to any period of disability for which the employee is eligible for benefits under the CPP, the benefit shall be the difference between the CPP benefit and the Program benefit.

EXTENDED DISABILITY INSURANCE FOR EMPLOYEES

Amount of Extended Disability Insurance

\$1200 per month for employees actively at work for the duration of the contract.

Eligibility

At the time you exhaust Accident and Sickness benefits and during a continuous period of disability thereafter, if you are not engaged in regular occupation or employment for remuneration or profit and are totally disabled and thereby prevented by bodily injury or disease from engaging in any regular occupation or employment with the Company, you may receive monthly Extended Disability Benefits as hereinafter described.

Benefit

Such monthly benefit shall be reduced by an amount equal to the monthly equivalent of the total of the following benefits for which you are eligible while receiving Extended Disability Benefits:

- (1) All benefits under any Pension Plan to which the Company or any of its subsidiaries has contributed;
- (2) Lost time benefits under Workers' Compensation Laws or other laws providing benefits for occupational injury or disease, including lump sum settlements, but excluding specific allowance for loss, 100% loss of use of a body member or a permanent partial disability benefit for a disability that is unrelated to the disability for which benefits are being paid.
- (3) Disability or Old Age Security benefits (the amount applicable to the person only) payable under any existing provincial or federal legislation or future legislation providing similar benefits;
- (4) Benefits under any provincial or federal law providing benefits for working time lost because of disability.

Any increase in the benefit as described in (1), (2), (3) or (4) above subsequent to the first day for which Extended Disability Benefits are payable shall be disregarded except that such increase shall not be disregarded if it represents an adjustment in the original determination of the amount of such benefit.

In determining the amount by which Extended Disability Benefits are reduced, the monthly equivalent of benefits paid on a weekly basis are computed by multiplying the weekly benefit rate by 4.33.

Lump sum settlements under Provincial Workers' Compensation Laws result in reductions equal to the monthly equivalent of the amount of Workers' Compensation benefit to which you would have been entitled under the applicable law had there been no lump sum payment, but not to exceed in total the amount of this settlement.

Extended Disability Benefit computations presume eligibility for statutory disability benefits under any existing or future federal or provincial legislation and disability retirement benefits under the Pension Plan. Amounts deducted from Extended Disability Benefits on this basis are paid upon presentation of satisfactory evidence that these benefits were applied for and denied; provided, however, that a reduction in Extended Disability Benefits is made in an amount equal to statutory disability benefits that would have been payable except for refusal to accept vocational rehabilitation services.

Benefits payable for less than a full calendar month are prorated on the basis of the ratio of calendar days of eligibility to total calendar days in the month.

The Insurance Company may require each applicant or recipient of Extended Disability Benefits to certify or furnish verification of the amounts of his income from sources listed above. The amount of any Extended Disability Benefit payments in excess of the amount that should have been paid, after reduction for such other benefits may be deducted from future Extended Disability Benefits.

Commencement and Duration of Benefits

Extended Disability Benefits to an eligible applicant shall be for the period commencing the day following the last day of disability included within the period for maximum number of weekly Accident and Sickness benefits, including weeks in which Accident and Sickness benefits were partially or wholly offset because of receipt of Workers' Compensation Benefits.

The maximum period during which Extended Disability Benefits may be payable shall be the number of months by which your full months of seniority at commencement of disability exceeds the maximum number of weeks for which you are entitled to receive Accident and Sickness benefits, but in no event beyond the date of death, the end of the month in which you attain age 65, or the time that you no longer satisfy the

disability requirement.

If your return to work with the Company does not qualify you for a new period of Accident and Sickness benefits or if you engage in some gainful occupation or employment other than one for which you are reasonably qualified by education, training, or experience, your satisfying of the disability requirement shall not be deemed to end, but your Extended Disability Benefit shall be suspended for the period of the return to work or the period you engage in such occupation or employment.

For purposes of applying the maximum period for monthly Extended Disability Benefits, a month in which such benefits are partially or wholly offset by benefit payments from sources listed above, or are suspended, are counted as a full month. Fractions of the first and last month are counted as fractions of a month.

The cumulative total number of months during any previous period of eligibility for Extended Disability Benefits, regardless of whether for the same or related disabling condition, reduces the maximum number of monthly benefit payments for which you are otherwise eligible when Extended Disability Benefits again commence.

SUPPLEMENTARY HEALTH CARE FOR EMPLOYEES AND DEPENDENTS

Covered Expenses

Covered Expenses included under the plan are the charges which you are required to pay for the following services and supplies received while you are insured, for the treatment of non occupational injuries and diseases, or for vision care.

Nursing Home Expenses

1. Coverage for Nursing Home Care will provide benefits for the patient co-payment expense for each day an insured person, certified as eligible to receive Extended Care Benefits pursuant to the Health Insurance Act of Ontario, is residing in and receiving daily care in an approved Nursing Home as defined in and licensed under the 1972 Nursing Homes Act of Ontario or effective February 1, 1997 in a Home for the Aged licensed by the Ministry of Community and Social Services under the Homes for the Aged and Rest Homes Act of Ontario.

2. The benefit payment for the patient co payment expense in any such approved Nursing Home or licensed Home for the Aged shall be the difference between the daily allowance paid to a Nursing Home by the Ontario Ministry of Health for Extended Care Services in a standard ward and the Nursing Home's daily charge up to the semi-private rate if such accommodation is occupied, as approved by the Ministry of Health.
3. If an insured person receives Extended Care in an approved facility and occupies a private accommodation, the benefit payment of the patient co-payment shall be at the semi private accommodation daily rate.
4. Benefits shall be provided upon submission of proof satisfactory to the Carrier that an eligible person received Extended Care Service and a payment of an allowance for such care was made to the Nursing Home or Home for the Aged on behalf of such person by the Ontario Ministry of Health for each such day for which benefits under the Program are claimed.
5. No benefit payment shall be paid under this Program to any insured person:
 - a. If the insured person is eligible for or receiving the same or similar benefits from the Ontario Ministry of Health, the Workers' Compensation Board or any other agency or department of the government of Canada or any province thereof or municipal corporation therein, regardless of whether the insured person has or has not contributed toward providing himself or his dependent with such benefit, and regardless of whether he applied for such benefit, or
 - b. For conditions arising from war, riot or insurrection or from service in the armed forces. or
 - c. If the insured person is on a leave of absence from a Nursing Home or Home for the Aged, except that an insured person receiving Extended Care Service who is transferred to a hospital will be eligible for the patient co-payment expense provided above for a period of up to 2 calendar days following the date of the insured person's admission to a hospital.
6. **How to Obtain Nursing Home Care Benefits**

In many cases the Nursing Home or Home for the Aged will bill the

Carrier directly on a monthly basis. In the event the Nursing Home or Home for the Aged in which the covered individual resides does not directly bill the Carrier, you may obtain a claim form from the Carrier or your local Human Resources Department. The completed form must be submitted to the Carrier.

7. Nursing Home Care Benefits **for** those residing outside Ontario

This benefit will provide subscribers and eligible dependents coverage for nursing home care for the patient co-payment expense for each day the insured person is certified by the provider as meeting the same requirements necessary to receive extended care benefits under the Health Insurance Act of Ontario. The insured person must reside in and receive daily care in an approved Nursing Home or Home for the Aged which is licensed or registered under the laws of the province in which it is located.

The payment for the patient co-payment expense in any such Nursing Home or Home for the Aged will be the lesser of the usual charge payable by the patient, or the co-payment amount up to the semi private level, which would have been payable by the carrier had such patient been in a licensed Nursing Home in the Province of Ontario.

Benefits will be payable only on submission of proof satisfactory to the carrier that, if an eligible subscriber or dependent had resided in the Province of Ontario, such subscriber or dependent would have been eligible to receive extended care service and a payment of an allowance for such care would have been made to the Nursing Home for the patient by the Ontario Ministry of Health for each day benefits are claimed.

(a) Definitions

A Nursing Home is a nursing home licensed under the laws of the province in which it is located.

A Home for the Aged is a home for the aged licensed or registered under the laws of the province in which it is located, and which provides daily care equivalent (as determined by the carrier) to that provided in an approved Home for the Aged in the province of Ontario.

(b) Exclusions

- (i) Benefits will not be provided to persons eligible for or receiving same or similar benefits from any branch of any federal, provincial or municipal government or any other third party, regardless of whether the patient has or has not contributed toward providing himself or his dependent with such benefit.
- (ii) Daily benefits will not be paid under this Plan if the patient is absent from the Nursing Home or Home for the Aged. However, a covered individual who would qualify to receive extended care service may continue to receive benefits for up to 2 calendar days following admission to a public general hospital.

How to Obtain Nursing Home Care Benefits Outside Ontario

Before any Nursing Home benefits are payable, the following information must be supplied to the Carrier:

- (i) Certification from *two* (2) medical doctors that the patient is being treated for a chronic condition and is receiving chronic care;
- (ii) The name of the Nursing Home or Home for the Aged and confirmation by such Home that the patient is a resident.

Re certification from medical doctors will be requested every six months by the Carrier. Provided the certification submitted meets the requirements for a Nursing Home Care Expense Benefit, a claim form will be sent to you for completion or a claim form may be obtained from your local Human Resources Department.

The completed form must be forwarded to the Carrier. In some cases the Nursing Home or Home for the Aged will bill the Carrier directly.

Prosthetic Appliances

These are the reasonable and customary charges made by the provider or supplier for an external prosthesis and orthotic appliance which replaces:

- (1) all or part of a body organ (including contiguous tissue);
- (2) diseased, malformed or injured portion of the body,
- (3) all or part of the functions of a permanently inoperative or

malfunctioning body organ and includes charges for the replacement, repairs, fittings and adjustments of such devices, providing however, the advice in writing of the attending physician includes a description of the equipment and diagnosis or reason for use.

Benefits shall be payable for:

- (1) artificial arms, legs, eyes, ears, noses, larynxes, prosthetic lenses (for people lacking an organic lens or following cataract surgery); aniseikonic lenses, above or below knee or elbow prosthesis; external cardiac pacemakers; terminal devices, such as a hand or hook whether or not an artificial limb is required; and Frieder Prism SEG prosthetic lens;
- (2) rigid or semi-rigid supporting devices (such as braces for the legs, arms, neck or back), splints, trusses and appliances essential to the effective use of an artificial limb or corrective brace;
- (3) ostomy sets and accessories, catheterization equipment, urinary sets, external breast prostheses (including surgical brassieres), orthopedic shoes when used as an integral part of an orthotic appliance, and one pair of orthotic inserts every 24 months.
- (4) wig or hairpiece (including duplicates) prescribed by a physician when hair loss is caused by chemotherapy or radiation treatment;
- (5) Parenteral nutrition artificial gut system and implantable urethral sphincter (IUS);
- (6) Cochlear implants.

Exclusions

- (1) No benefit shall be payable for non-rigid appliances and supplies such as elastic stockings, garter belts and supports, corsets and corrective shoes (except when used as an integral part of an orthotic appliance);
- (2) Equipment required for any condition, disease, ailment or injury arising out of and in the course of employment;
- (3) Equipment required as a result of disease, defect or injury due to an act of war, declared or undeclared;
- (4) Services and supplies that do not meet accepted standards of

practice including charges for services which are experimental in nature;

- (5) Completion of Insurance forms.

Durable Medical Equipment

These are the reasonable and customary charges made by the provider or supplier for the rental or purchase of such medical equipment, providing such equipment.

- (1) has been prescribed by a physician;
- (2) is necessary for the treatment of an illness or injury, or to improve the functioning of a malformed body member;
- (3) is able to withstand repeated use;
- (4) is generally not useful to a person in the absence of illness or injury;
- (5) is appropriate for use in the home;
- (6) is dispensed or sold by a facility or a dealer of such appliances or equipment.

Benefits shall be payable for:

- (1) hospital beds (with or without mattresses), rails, cradles and trapezes;
- (2) crutches, canes, patient lifts, walkers, and wheelchairs or rental of prescribed electric power scooter in lieu of wheelchair;
- (3) bedpans, commodes, urinals (if patient is bed confined);
- (4) oxygen sets and respirators (if the prescription is for oxygen, the physician must indicate how it is to be administered and what apparatus is to be used);
- (5) decubitus (ulcer) care equipment, dialysis equipment, dry heat and ice application devices, I.V. stands, intermittent pressure units, neuromuscular stimulants, sitz baths, traction equipment, vaporizers and standard whirlpool baths;
- (6) an allowance of up to \$800 once every five (5) years for the

purchase of an insulin pressure injection device when such device is used in lieu of needles and syringes;

- (7) home glucose monitors (glucometers and dextrometers) prescribed when there is evidence of poor diabetic control;
- (8) diapers when prescribed by a physician for incontinent persons age 21 or over;
- (9) rental of electromagnetic coil bone growth stimulator;
- (10) automatic blood pressure monitor when prescribed by a physician for a patient on home renal dialysis;
- (11) raised toilet seats for cancer patients.

Limitations

- (1) The rental price of the durable medical equipment shall not exceed the purchase price, based on the physician's estimate of the duration of need as established by the original prescription.
- (2) If the equipment is rented and the rental extends beyond the original prescription, the physician must re certify that the equipment is necessary, if re-certification is not submitted, benefits cease at the end of the original duration date or 30 days after the date of death, whichever is earlier.
- (3) If the equipment is not purchased, benefits shall be payable for repairs, but not for routine periodic maintenance and the purchase price must not exceed the rental cost.

Exclusions

Unless otherwise indicated, the following items are excluded:

- (1) deluxe equipment, except if necessary for the treatment and required for the patient to operate himself/herself;
- (2) items not primarily medical in nature;
- (3) physician's equipment;
- (4) disposable supplies;
- (5) exercise and hygienic equipment;

- (6) self help devices;
- (7) corrective shoes and arch supports;
- (8) equipment required for any condition, disease, ailment or injury arising out of and in the course of employment;
- (9) equipment required as a result of disease, defect or injury due to an act of war, declared or undeclared;
- (10) services and supplies that do not meet accepted standards of practice;
- (11) completion of insurance forms.

SEMI PRIVATE HOSPITAL BENEFITS

This benefit will provide for reimbursement of the cost of semi-private hospital room accommodation as follows:

1. Reimbursement for the difference in cost between standard ward charges and the cost of semi-private accommodation in a public general hospital when the standard ward charges are paid by any Provincial Government Health Plan of the Province in which the patient is a resident and when the patient is or has occupied an active treatment bed.
2. In a public chronic hospital or chronic wing facilities of a public general hospital, a maximum reimbursement of \$3.00 per day for 120 days per benefit year for the difference between the charges for a standard ward and the cost of a semi-private accommodation when the patient has occupied semi-private accommodation.

Limitations

1. Where the employee or dependent has occupied a chronic bed in a semi-private room, either in or outside the Province of residence, a maximum of \$3.00 difference per day shall be allowed for a maximum of 120 days in any 12 month period.
2. To be eligible for reimbursement for occupancy of a chronic bed, accommodation must be in a public chronic hospital or a chronic wing facility of a public general hospital.
3. No benefit shall apply to semi-private accommodation in a nursing

home, TB Sanitarium or mental hospital.

4. Payment of benefits is contingent upon the Provincial Health Insurance Plan in the Province in which the patient resides accepting or agreeing to pay the ward or standard rate.
5. Reimbursement shall not be made in respect to any eligible expense unless a claim is filed as provided within 12 months from the date the eligible expense was incurred.

How to Obtain Semi-Private Hospital Benefits

Payment by Green Shield for semi-private accommodation differential is contingent upon the Provincial Health Insurance Plan in the Province in which the patient resides accepting and agreeing to pay the ward or standard rate for the patient.

In most cases hospitals will bill Green Shield directly upon presentation of your Identification Card. In cases where hospitals do not bill Green Shield, obtain an itemized receipt showing the patient's name, number of days in semi-private accommodation and the daily rate differential. This receipt should then be mailed to Green Shield along with the patient's Green Shield number and current address. Reimbursement will, in these cases, be made directly to the subscriber.

Note: Present your Green Shield Identification Card along with your OHIP card when being admitted to hospital.

PARAMEDICAL SERVICES

- **Chiropractor, Registered Massage Therapist (medical referral required) or Physiotherapist up to \$25 per visit per paramedical discipline up to a combined maximum of \$250 per calendar year.**

Paramedical services are only eligible when the practitioner rendering the service is licensed by their provincial association and that association is recognized by Green Shield Canada. Please contact the Green Shield Customer Service Centre to confirm eligibility when in doubt.

How to Claim Benefits

When you or an eligible dependent incur a Covered Paramedic Treatment Expense(s) both you and the therapist must complete a form

which may be obtained from the therapist or the Carrier. The completed form can be forwarded to the Carrier by either you or your therapist.

OUT-OF-PROVINCE HOSPITAL, SURGICAL AND MEDICAL EXPENSE BENEFIT

This benefit will provide reimbursement for Out-of-Province Hospital, Surgical and Medical expenses as follows:

1. Hospital services in a public general hospital outside of the Province of residence of the patient when the fees for such services are in excess of the amounts allowed by the Provincial Government Health Plan in the Province of which the patient is a resident.
2. Medical-surgical expenses for services of a legally qualified physician or surgeon rendered outside of the Province of residence of the patient when the fees for such services are in excess of the amounts allowed by the Provincial Government Health Plan in the Province of which the patient is a resident.

How to Obtain Out-of-Province, Surgical and Medical Expense Benefits

Payment by Green Shield for an eligible Out-of-Province Hospital, Surgical or Medical expense is processed only after the Provincial Government Health Plan in the Province in which the patient resides has made reimbursement towards the service for which an out of province benefit is being claimed.

When you incur covered expenses you should obtain a Green Shield claim form from your employer or the nearest Green Shield office. Attach all of the following information to the claim form:

1. Detailed statements showing the services rendered and the fees charged for each service.
2. Copies of the allowance and payment made under the Provincial Government Health Plan.
3. If the medical-surgical services were as a result of a referral by your attending physician in your Province of residence, a letter from your attending physician stating the reason for the referral to a physician outside of your Province of residence must be

provided.

The hospital, surgical or medical services must be incurred while the Out-of-Province Hospital, Surgical and Medical coverage is in force as a result of accidental injury or emergency, or referral by the patient's attending physician in the patient's Province of residence.

The maximum amount of the reimbursement shall be equal to the difference between: the fees scheduled under the Provincial Government Health Plan where the patient is a resident; and the reasonable and customary charge in the area where the service was rendered as determined by Green Shield.

Only benefits for which reimbursement has been made by or received from the Provincial Government Health Plan in the patient's Province of residence will be eligible for reimbursement towards excess charges for Out-of-Province Hospital, Surgical and Medical services.

Reimbursement shall not be made in respect of any eligible expense unless a claim is filed as provided within 12 months from the date the eligible expense was incurred.

Emergency Air Ambulance Services

When it is medically necessary for a covered patient to travel by an air ambulance from a location in North America to the patient's province of residence, the subscriber will be reimbursed for the amount charged the patient and, when necessary, for the air fare of an accompanying medical attendant provided that:

- (1) there is a demonstrated need for the patient to be confined to a stretcher or for a medical attendant to accompany the patient during the journey,
- (2) the patient is admitted directly to a hospital in the patient's province of residence,
- (3) the patient's Provincial Government Health Insurance Plan makes a payment towards the cost,
- (4) medical reports or certificates from both the dispatching and receiving physicians are submitted, and,
- (5) proof of payment including air ticket vouchers or air charter invoices are submitted.

Land Ambulance Services

When it is medically necessary for a covered patient to travel by land ambulance to a medical facility, There will be coverage for any charges that exceed the amount payable under any applicable government plan, up to a maximum of \$50. per trip.

MEDEX Assistance

For major emergency treatment, the Out-of-Province Hospital, Surgical and Medical Expense Benefits coverage will be supplemented through arrangements with MEDEX Assistance

Corporation to include special assistance regarding facilitating claims payment and funds transfers. Through this supplemental arrangement, when the provider of the service (i.e., physician or hospital) or the patient calls MEDEX on a pre arranged toll free number, MEDEX will guarantee the medical facility or physician that the patient has both Provincial Health Insurance Plan and Out-of-Province Hospital, Surgical and Medical Expense Benefits coverage so that, in most cases, for major expenses, the medical facility or physician will agree to directly bill the patient's Provincial Insurance Plan and Out-of-Province Hospital, Surgical and Medical Expense Benefits Carrier.

DENTAL CARE BENEFITS FOR EMPLOYEES AND DEPENDENTS

Covered Dental Expenses

Covered Dental Expenses included under the plan are the charges which you are required to pay for the following services and supplies up to the amount specified in the 2005 Ontario Dental Association (ODA) Schedule of Fees for General Practitioners (for the first year of the Contract); 2006 ODA Schedule for the second year of the Contract; 2007 ODA Schedule for the third year of the Contract.

- (1) The following Covered Dental Expenses shall be paid at 100% of the usual, reasonable and customary charge:
 - (a) Routine oral examinations and prophylaxis (scaling and cleaning of teeth), but not more than once in any 9 consecutive months;
 - (b) Topical application of fluoride for persons under the age of 20, unless a specific dental condition makes such treatment

medically necessary.

- (c) Space maintainers that replace prematurely lost teeth for children under 19 years of age including stainless steel crowns, but only if the crown is placed on a deciduous tooth which (i) has several cavities which would otherwise require fillings, or (ii) is non-restorable using normal restorative dental material.
- (d) Emergency palliative treatment.
- (e) Dental x-rays, including full mouth x-rays (but not more than once in any period of 36 consecutive months), supplementary bite-wing x-rays (but not more than once in any period of 9 consecutive months) and such other dental x-rays as are required in connection with the diagnosis of a specific condition requiring treatment;
- (f) Extractions;
- (g) Oral surgery (except for surgery required for orthodontic treatment. See item (3)(d), under 50% benefits);
- (h) Amalgam, silicate, acrylic, synthetic porcelain, and composite filling restorations to restore diseased or accidentally broken teeth;
- (i) General anesthetics when medically necessary and administered in connection with oral or dental surgery;
- (j) Treatment of periodontal and other diseases of the gums and tissues of the mouth including periodontal splinting or ligation, provisional, intra coronal or extra coronal and a Temporomandibular Joint (TMJ) appliance (ODA Codes: 43711, 43712, 43721, 43722) as an adjunctive periodontal service;
- (k) Endodontic treatment, including root canal therapy;
- (l) Injection of antibiotic drugs by the attending dentist;
- (m) Repair or recementing of crowns, inlays, onlays, bridgework or dentures; or relining or rebasing of dentures more than 6 months after the installation of an initial or replacement denture, but not more than one relining or rebasing in any period of 36 consecutive months;

- (n) Inlays, onlays or crown restorations (including gold fillings or gold crown restorations) to restore diseased or accidentally broken teeth, but only when the tooth, as a result of extensive caries or fracture, cannot be restored with an amalgam, silicate, acrylic, synthetic porcelain, or composite filling restoration;
 - (o) Porcelain veneers for teeth severely stained from the drug tetracycline or from endemic fluorosis for children under 19 years of age and for all covered persons for treatment of the following conditions: amelogenesis imperfecta; Hutchinson's incisors; and hypo maturation.
- (2) The following Covered Dental Expenses shall be paid at 50% of the usual, reasonable and customary charge:
- (a) Initial installation of fixed bridgework (including inlays and crowns as abutments);
 - (b) Initial installation of partial or full removable dentures (including precision attachments and any adjustments during the 6 month period following installation);
 - (c) Replacement of an existing partial or full removable denture or fixed bridgework, by as new denture or by new bridgework or the addition of teeth to an existing partial removable denture or to bridgework, but only if satisfactory evidence is presented that:
 - (i) The replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed; or
 - (ii) The existing denture or bridgework was installed under this Dental Expense Benefit Program at least 5 years prior to its replacement and the existing denture or bridgework cannot be made serviceable; or
 - (iii) The existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within 12 months from the date of initial installation of the immediate temporary denture.

Normally, dentures will be replaced by dentures but if a professionally adequate result can be achieved only with

bridgework, such bridgework will be a Covered Dental Expense;

- (d) Orthodontic diagnostic procedures and treatment consisting of surgical therapy, appliance therapy, and functional/myofunctional therapy (including related oral examinations and surgery) for children under 20 years of age provided, however, that benefits will be paid after attainment of age 20 for continuous treatment which began prior to such age.

Maximums

The lifetime maximum benefit for orthodontia expenses incurred (including related oral exam and surgery) is \$1,200 for each insured family member. However, benefits received for orthodontic related x-rays and extractions will not be taken into account in the determination of the individual's lifetime benefit.

The maximum benefit for all other Covered Dental Expenses incurred in any calendar year is \$1,500 for each insured family member, effective February 1, 2006. Covered charges for items (1) b, c, d, are not included on the annual maximum.

Predetermination of Benefits

If dental expenses in connection with a course of treatment planned by a dentist for a covered family member will exceed \$200, the proposed course of treatment should be filed with and approved by the Insurance Company prior to the commencement of treatment. Failure to file and obtain approval may result in benefits for the course of treatment in a lesser amount than would otherwise have been payable, because of the difficulty of determining the necessity for the types of services involved after they have been rendered. After reviewing the proposed course of treatment, the Insurance Company will notify both you and your dentist of the estimated payment.

Limitations

(1) Restorative

- (a) Gold, baked porcelain restorations, crowns and jackets If a tooth can be restored with a material such as amalgam, payment of the applicable percentage of the charge for that procedure will be made toward the charge for another type of restoration selected by you and the dentist. The balance of the treatment charge remains your responsibility.

(b) Reconstructive

Payment based on the applicable percentage will be made toward the cost of procedures necessary to eliminate oral disease and to replace missing teeth. Appliances or restorations necessary to increase vertical dimension or restore the occlusion are considered optional and their cost remains your responsibility.

(2) Periodontics

(a) Partial Dentures

If a cast chrome or acrylic partial denture will restore the dental arch satisfactorily, payment of the applicable percentage of the cost of such procedure will be made towards a more elaborate or precision appliance that patient and dentist may choose to use, and the balance of the cost remains your responsibility.

(b) Complete Dentures

If, in the provision of complete denture services you and your dentist decide on personalized restorations or specialized techniques as opposed to standard procedures, payment of the applicable percentage of the cost of the standard denture services will be made toward such treatment and the balance of the cost remains your responsibility.

(c) Replacement of Existing Dentures

Replacement of an existing denture will be a Covered Dental Expense only if the existing denture is unserviceable and cannot be made serviceable. Payment based on the applicable percentage will be made toward the cost of services which are necessary to render such appliances serviceable. Replacement of prosthodontic appliances will be a Covered Dental Expense only if at least 5 years have elapsed since the date of the initial installation of the appliance under this Dental Expense Benefits Program.

(3) Orthodontics

- (a) If orthodontic treatment is terminated for any reason before completion, the obligation to pay benefits will cease with payment to the date of termination. If such services are resumed, benefits for the services, to the extent remaining, shall be resumed.

(b) The benefit payment for orthodontic services shall be only for months that coverage is in force.

(4) Periodontics

(a) The following periodontal services will be Covered Dental Expenses only if performed by a Periodontist, with the exception of (iv) which may also be performed by a dentist:

(i) Gingival Curettage.

(ii) Periodontal splinting or ligation, provisional, intra coronal or extra coronal.

(iii) Occlusal Equilibration.

(iv) Periodontal scaling and root planning

(b) A Temporomandibular Joint (TMJ) appliance (ODA Codes: 43711, 43712, 43721, 43722) will be a covered adjunctive periodontal service only when performed by a certified dental specialist (i.e. periodontist, orthodontist, prosthodontist and oral surgeon).

Exclusions

The following services or supplies are not Covered Dental Expenses under the Dental Plan:

1. No benefit shall be paid for services, treatment, appliances and supplies which are specified in the current Ontario Dental Association Schedule of Fees for General Practitioners but which are not set forth under "Benefits".
2. Charges for services or supplies which are compensable under a Workers' Compensation or Employer's Liability Law.
3. Charges for any services to the extent for which benefits are payable under any health care program supported in whole or in part by funds of the Federal Government of any Province or any political subdivision thereof.
4. Charges for treatment by other than a dentist, except that scaling or cleaning of teeth and topical application of fluoride may be performed by a licensed dental hygienist if the treatment is rendered under the supervision and guidance of the dentist.

5. Charges for veneers or similar properties of crowns and pontics placed on or replacing teeth, other than the ten upper and lower anterior teeth.
6. Charges for services or supplies that are cosmetic in nature, including charges for personalization or characterization of dentures.
7. Charges for prosthetic devices (including bridges), crown, inlays and onlays, and the fitting thereof which were "ordered" while the individual was not insured for Dental Expense Benefits or which were "ordered" while the individual was insured for Dental Expense Benefits but are finally installed or delivered to such individual more than sixty (60) days after termination of coverage.
8. Charges for replacement of a lost, missing, or stolen prosthetic device (dentures, bridges).
9. Charges for replacement or repair of an orthodontic appliance.
10. Charges for failure to keep a scheduled visit with a dentist.
11. Charges for services or supplies for which no charge is made that the employee is legally obligated to pay or for which no charge would be made in the absence of Dental Expense Coverage.
12. Charges for services or supplies which are not necessary, according to accepted standards of dental practice, or which are not recommended or approved by the attending dentist.
13. Charges for services or supplies which do not meet accepted standards of dental practice, including charges for services or supplies which are experimental in nature.
14. Charges for services rendered through a medical department, clinic or similar facility provided or maintained by the patient's employer.
15. Charges for a plaque control program.
16. Charges for services or supplies received as a result of dental disease, defect, or injury due to act of war, declared or undeclared.
17. Charges for any duplicate prosthetic device or any other duplicate appliances.

18. Charges for completion of insurance forms.
19. Charges for sealants, oral hygiene or dietary instruction.
20. Charges for implantology.
21. Charges for services for which benefits are payable under a drug plan sponsored by the Participant Employer.
22. Charges for services or supplies from any government agency which are obtained by you or your dependent without cost by compliance with laws or regulations enacted by any Federal, Provincial, Municipal or other governmental body.

VISION CARE EXPENSES

These are the charges as described below, for eyeglasses (frames and lenses) and contact lenses prescribed by an ophthalmologist or optometrist, but not more than one pair of eyeglasses or one set of contacts in any period of 24 consecutive months. Also included are the charges for repairs to existing eyeglasses. Employees may also apply their vision care benefits amount towards the cost of laser eye surgery. However, any charges in excess of two hundred and twenty-five dollars (\$225.00) during any one period of twenty-four consecutive months will be disregarded. Payment for up to \$50 every 24 months for eye exam effective Year 1 of contract.

Exclusions

- (1) Charges incurred for the purchase or repair of eyeglasses for other than the covered family member;
- (2) Vision examinations, other than as prescribed above
- (3) Industrial safety glasses;
- (4) Sunglasses;
- (5) Charges for expenses covered in whole or in part by the Workers' Compensation Board, any other agency or department of any federal, provincial or municipal government, or any other third party.

HEARING AID EXPENSES

These are the charges for the acquisition cost and dispensing fee of a monaural or a binaural (a system consisting of two (2) complete hearing aids) hearing aid purchased from a participating dealer, once in a 36 consecutive month period, provided:

- (1) an otologist or otolaryngologist has determined a hearing aid necessary;
- (2) an audiologist, subsequent to hearing aid evaluation tests, prescribed the type of hearing aid required;
- (3) a hearing aid dealer as prescribed by an audiologist supplies an in the ear, behind the ear (including air conduction and bone conduction type) or an on-the-body hearing aid;
- (4) the hearing aid prescribed must be based on the most recent audiometric examination and evaluation test.

Subrogation

In the event of any payment for hearing aids under this Plan, the carrier shall be subrogated to all the covered person's rights of recovery against any person or organization, except against insurers on policies of insurance issued to and in the name of the covered person, and the covered person shall execute and deliver such instruments and papers as may be required and do whatever else is necessary to secure such rights.

Exclusions

- (1) Charges for examinations and evaluation tests;
- (2) Charges for hearing aids ordered but not delivered within 60 days of termination of coverage;
- (3) Charges for hearing aids required as a result of ear disease, defect or injury due to an act of war, declared or undeclared;
- (4) Charges for repairs or replacement parts;
- (5) Excess charges for eyeglass type hearing aids;
- (6) Charges for medical or surgical treatment;

- (7) Charges for services or supplies which do not meet accepted standards, including charges for services and supplies which are experimental in nature;
- (8) Charges for any prescription drugs or other medication;
- (9) Charges for replacement of lost, broken or stolen hearing aids, unless the hearing aid being replaced has been in use for at least three years and such replacement is made upon the written recommendation of a physician;
- (10) Charges for unusual services;
- (11) Charges for completion of insurance forms;
- (12) Charges for hearing aids purchased without a prescription.

GREEN SHIELD APOTH-A-CARE PRESCRIPTION DRUG PLAN 7

This Prescription Drug plan provides coverage for prescriptions written by a physician or dentist and dispensed by a pharmacist.

Covered Benefits

Products identified in the Green Shield Pharmaceutical Manual as eligible at benefit Level 7, provided that they have been prescribed by an authorized medical practitioner.

These products include.

- 1. All medication which requires a prescription by law, including oral contraceptives.
- 2. Syringes and needles, diabetic testing agents, insulin, and all other approved injectibles.
- 3. A wide range of approved over the counter drugs.

All covered medication is subject to the provisions of "product selection" criteria.

Exclusions

Any product which is not identified in the Green Shield Pharmaceutical

Manual as eligible at benefit Level 7.

Amongst those excluded are:

1. Any products which have not been prescribed by an authorized medical practitioner.
2. Vitamin products, patent medicines, blood and blood plasma, contraceptive devices, foams or gels, atomizers, vaporizers, first aid supplies, cosmetics.
3. Medicines which may lawfully be sold or offered for sale other than through retail pharmacies, and which are not normally considered by practitioners as medicines for which a prescription is necessary or required.
4. Over the counter medications which are not controlled by the pharmacist.
5. Any products for which you may be compensated under the Workers' Compensation Act, or obtain reimbursement from a municipal, county, provincial or federal government agency or foundation.
6. Syringes, disposable syringes and needles will not be a covered benefit under Drug Plan 7 for a period of five years from the date than an insulin pressure injection devise is approved by the Carrier as a covered durable medical equipment expense under the Durable Medical Equipment Benefit Plan.

How to Obtain Prescription Drug Benefits

Present your prescription to a participating pharmacist and at the same time show your Green Shield Identification Card. When your eligible prescription has been filled, you pay the pharmacist the applicable co-pay of \$2.00. This is all you do. The pharmacist will forward the account directly to Green Shield for payment.

Vacationing, Traveling or When Serviced by a Non-Participating Pharmacist

Request a receipt and ask the pharmacist to indicate on the receipt the name, strength and quantity of medication dispensed. Forward the receipt to the Green Shield office along with your name, address and subscriber number. A repayment cheque will be forwarded to you for the same amount as would be paid to a member pharmacist for the same

prescription. To claim for injectibles or medicine injected by a physician, obtain a receipt for the medicine only and follow the procedure above. Reimbursement will be made for the cost price of the injectable medicine only.

GENERAL PROVISIONS APPLICABLE TO HEALTH AND DENTAL CARE BENEFITS

Co-Ordination with Other Benefits

This plan has been designed to help you meet the cost of disease or injury. Since it is not intended that you receive benefits greater than the actual expenses incurred, any coverage you have under other "plans" will be taken into account in determining the amount of benefit payable under this plan, that is, the benefits under this plan will be coordinated with the benefits of the other plans.

Specifically, this plan will pay either its regular benefits in full, or a reduced amount which, when added to the benefits available under the other plan, or plans, will equal 100% of "allowable expenses".

"Allowable expenses" means any necessary, reasonable and customary expense incurred while eligible for benefits under this "plan", part of which would be payable under any of the "plans", but not any expenses contained in the list of Exclusions.

"Plan" means any plan under which medical or dental benefits or services are provided by:

1. Group insurance or any other arrangement of coverage for individuals in a group whether or not insured, or
2. Any prepayment arrangement, or
3. Any coverage for students which is sponsored by or provided through a school or other educational institution.

The exclusion of governmental benefits or services under this plan is described in the "Exclusions" section.

In cases where both spouses are employed by the Company, and only for claims incurred while both spouses would otherwise be eligible for Company paid group Health Care Expense Benefits coverage under their own contracts as an employee in accordance with the provisions of

the Eligibility, Effective Date of Insurance and Continuation of Group Insurance and Health Care Benefits sections of the Group Insurance and Health Care Benefits Program, the coordinated benefits described above will be provided under the contract of the employee who elects coverage for self and spouse or self and family.

Subrogation

In the event of any payment for Supplementary or Dental Expense Benefits, the insurance company shall be subrogated to all the employee's or dependents rights of recovery therefore against insurers on policies of insurance issued to and in the name of the employee, and the employee or dependent shall execute and deliver such instruments and papers and do whatever else is necessary to secure such rights.

Exclusions

No benefits are payable under this plan for the charges listed below, and the amount of any such charges will be deducted from the individual's expenses which are covered under this plan and from his allowable expenses before the benefits of this plan are determined.

- (1) Charges that would not have been made if no insurance existed or charges that neither the employee nor any of his dependents are required to pay; or
- (2) Charges for services or supplies which are furnished, paid for or otherwise provided for by reason of the past or present service of any person in the armed forces or a government; or
- (3) Charges for services or supplies which are paid for or otherwise provided for under any law of a government except where the payments or the benefits are provided under a plan specifically established by a government for its own civilian employees and their dependents; or
- (4) Charges for services and supplies which are not necessary for treatment of the injury or disease or are not recommended and approved by the attending physician or charges which are unreasonable; or
- (5) Charges of a physician or other person or agency in excess of the amount payable under a provincial health plan are not covered except in the case of emergency treatment while traveling outside your normal province of residence.

No benefits are payable under this plan if the provision of such benefits is prohibited by law.

Definitions

Physician: The term physician means a legally qualified physician; except that if, at any time during a period of total disability you are totally disabled primarily because of mental, psychoneurotic or personality disorder, the legally qualified physician must either specialize in the practice of psychiatric medicine or have by reason of training and/or experience, a specialized competency in the field of psychiatric medicine sufficient to render the necessary evaluation and treatment of mental illness.

Custodial Care: Such care as is principally domiciliary, custodial, or in the nature of physical maintenance (i.e. the provision of board and room with or without routine nursing care, personal hygiene training, and other forms of self-care or supervisory care by a physician or nurse) for a person who is mentally or physically disabled, and who has reached a plateau of recovery and cannot be treated by specific medical or surgical means to a degree which can be reasonably expected to enable him to live outside an institution.

Nursing Home: A nursing home licensed under the Nursing Home Act of Ontario.

Dentist: A legally licensed dentist practicing within the scope of his license or a legally qualified physician authorized by license to perform the particular dental services he has rendered within the scope of his license.

Course of Treatment: A planned program of one or more services and supplies, whether rendered by one or more dentists, for the treatment of a dental condition diagnosed by the attending dentist as a result of an oral examination. The course of treatment commences on the date a dentist first renders a service to correct or treat such diagnosed dental condition.

Orthodontic Treatment: Appliance, surgical or functional myofunctional treatment of dental irregularities which result from the anomalous growth and development of dentition and its related anatomic structures as a result of accidental injury and which requires repositioning (except for preventative treatment) of teeth to establish normal occlusion.

Ordered: In the case of dentures, impressions have been taken from which the denture will be prepared; in the case of fixed bridgework,

restorative crowns, inlays and onlays, the teeth which will serve as retainers or support or which are being restored have been fully prepared to receive, and impressions have been taken from which will be prepared, the fixed bridgework, restorative crowns, inlays or onlays.

Other Plan: A plan, which contains a provision of coordinating its benefits with those of this plan.

Payment of Claims

Written proof of claim should be submitted to the Insurance Company within 90 days, 12 months for Group Health Care Benefits, after the date the loss is incurred. Your employer has the forms for submitting proof. When the form has been completed submit it directly to the Insurance Company. Benefits will be paid promptly upon receipt of required proofs. Claim forms should be forwarded to:

Group Health Care Benefits

Green Shield Prepaid Services Inc.
P.O. Box 1606
Windsor, Ontario
N9A 6W1
1-800-265 5615

Group Insurance Coverage

The Maritime Life Assurance Company
2 Queen Street East
PO Box 4606 STN
Toronto, Ontario
M5W 4Z2

EXHIBIT B

SUPPLEMENTAL AGREEMENT COVERING THE VOLUNTARY TERMINATION OF EMPLOYMENT PLAN

On this 1st day of February, 2006 Guelph Products Collins & Aikman, hereinafter referred to as the Corporation, and CAW Local 1917 and the National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW-Canada), said Local Union and National Union, (CAW-Canada), hereinafter referred to jointly as the Union, on behalf of the employees covered by the Collective Bargaining Agreement becomes a part, agree as follows:

EXHIBIT B

VOLUNTARY TERMINATION OF EMPLOYMENT PLAN

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SECTION 1. ESTABLISHMENT OF THE PLAN

- (a) This agreement covering the Voluntary Termination of Employment Plan (Exhibit B 1), shall become effective on the first Monday immediately following the effective date of the Collective Bargaining Agreement of which this Agreement is a part.
- (b) The Voluntary Termination of Employment Plan, which is attached as Exhibit B-1 to this Supplemental Agreement (Exhibit B) between the parties dated February 1, 2003 except as otherwise specified in this Agreement and the Plan* and maintained by the Corporation for the duration of the Collective Bargaining Agreement of which this Agreement is a part, subject to the terms and conditions of such Plan attached to this Agreement as Exhibit B-1.

* The definitions of Section 18 of Exhibit B-1 are applicable to this Agreement as if fully set forth herein.

SECTION 2. OBLIGATIONS DURING TERM OF THIS AGREEMENT

During the term of this Agreement, neither the Corporation nor the Union shall request any change in, deletion from, or addition to the Voluntary Termination of Employment Plan or this Agreement; or be required to bargain with respect to any provision or interpretation of such Plan or this Agreement; and during such period no change in, deletion from or addition to any provision, or interpretation, of such Plan or this Agreement, nor any dispute or difference arising in any negotiations pursuant to Section 2 of this Agreement, shall be an object of, or a reason or cause for, any action or failure to act, including, without limitation, any strike, slowdown, work stoppage, lockout, picketing or other exercise of economic force, or threat thereof, by the Union or the Corporation.

SECTION 3. TERM OF AGREEMENT NOTICE TO MODIFY OR TERMINATE

This Agreement shall remain in full force and effect without change until 11:59 p.m., January 31, 2009. As of that date this Agreement may be terminated, modified, changed, or continued, subject to and in accordance with the terminal provisions of the Collective Bargaining Agreement of which this Agreement is a part.

Anything herein which might be construed to the contrary notwithstanding, however, it is understood that termination of this Agreement under this Section shall not have the effect of automatically terminating the Voluntary Termination of Employment Plan which shall continue only for eligible Employees laid off during the term of the Collective Bargaining Agreement.

Any notice under this Section shall be in writing and shall be sufficient to the Union if it is sent by mail addressed to the National President, National Automobile, Aerospace, Transportation, and General Workers Union of Canada, (CAW Canada), 205 Placer Court Willowdale, Ontario, or to such other address as the Union shall furnish to the Corporation in writing; and to the Corporation to the Vice President Human Resources, Collins & Aikman, 350 Stevenson Hwy, Troy, Michigan or to such other address as the Corporation shall furnish to the Union, in writing.

SECTION 4. GENERAL PROVISIONS

- (a) Board of Administration
 - (1) Establishment

There shall be established a Board of Administration (hereinafter referred to as the Board) consisting of six members, three of whom shall be appointed by the Corporation (hereinafter referred to as the Corporation members), and three of whom shall be appointed by the Union (hereinafter referred to as the Union members). Either the Corporation or the Union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. Both the Corporation and the Union shall notify each other in writing of the members respectively appointed by them before any such appointments shall be effective.

The Corporation and Union members of the Board shall appoint an impartial third person to act as an Impartial Chairperson who shall serve until such time as requested to resign by three members of the Board. In the event that the Corporation and Union members of the Board are unable to agree upon an Impartial Chairperson, the Minister of Labour shall make the selection; provided, however that such appointee shall be a jurist of repute. The Impartial Chairperson shall be considered a member of the Board and shall vote only on matters within the Board's authority to determine where the other members of the

Board shall have been unable to dispose of the matter by majority vote, except that the Impartial Chairperson shall have no vote concerning determinations made in connection with Section 7 of the Plan.

(2) Powers and Authority of the Board

- (i) It shall be the function of the Board to exercise ultimate responsibility for determining whether an Employee is eligible for a Voluntary Termination of Employment Payment under the terms of the Voluntary Termination of Employment Plan, and, if so, the amount of the Voluntary Termination of Employment Payment. The Board shall be presumed conclusively to have approved any initial determination by the Corporation unless the determination is appealed as prescribed in this Section 4.
- (ii) The Board shall be empowered and authorized and shall have jurisdiction to:
 - (aa) hear and determine appeals by Employees pursuant to this Section 4;
 - (bb) obtain such information as the Board shall deem necessary in order to determine such appeals;
 - (cc) prescribe the form and content of appeals to the Board and such detailed procedures as may be necessary with respect to the filing of such appeals;
 - (dd) direct the Corporation to pay Voluntary Termination of Employment Payments pursuant to determinations made by the Board;
 - (ee) prepare and distribute, on behalf of the Board, information explaining the Plan;
 - (ff) make any determination with respect to reducing the amount of Voluntary Termination;
 - (gg) perform such other duties as are expressly conferred upon it by this Agreement.
- (iii) In ruling upon appeals, the Board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirements set forth in the Voluntary Termination of Employment Plan, the procedure for applying for Voluntary

Termination of Employment Payments as provided herein, or any other provisions of the Plan; and shall have no jurisdiction other than to determine, on the basis of the facts presented and in accordance with the provisions of the Plan:

- (aa) whether the appeal to the Board was made within the time and in the manner specified in this Section 4,
 - (bb) whether the Employee is an eligible Employee with respect to the Plan, and, if so,
 - (cc) the amount of any Voluntary Termination of Employment Payment payable.
- (iv) The Board shall have no jurisdiction to act upon any appeal not made within the time limit and in the manner specified in this Section 4.
 - (v) The Board shall have no jurisdiction to determine questions arising under the Collective Bargaining Agreement, even though relevant to the issues before the Board. **All** such questions shall be determined through the regular procedures provided therefore by the Collective Bargaining Agreement, and all determinations made pursuant to such Agreement shall be accepted by the Board.
 - (vi) Nothing in this section or in the Plan shall be deemed to give the Board the power to prescribe in any manner internal procedures of operations of either the Corporation or the Union.
 - (vii) The Board shall make recommendations to the Corporation with respect to the Corporation's establishment of rules, regulations and procedures for carrying out the Corporation's duties under the Plan as provided for under Section 13(a) of the Voluntary Termination of Employment Plan, and the Corporation shall give consideration to such Board recommendations.
- (3) Quorum; Voting

To constitute a quorum for the transaction of business, there shall be required to be present at any meeting of the Board at least two Union members and two Corporation members. At all meetings of the Board the Corporation members shall have a total of three votes and the Union members shall have a total of three votes; the

vote of any absent member being divided equally between the members present appointed by the same party.

Except on matters with respect to which the Voluntary Termination of Employment Plan specified otherwise, decisions of the Board shall be by a majority of the votes cast, with the Impartial Chairperson empowered to cast the deciding vote in cases where there shall have been a tie vote.

(4) Compensation and Expenses

The compensation of the Impartial Chairperson, which shall be in such amount and on such basis as may be determined by the other members of the Board, shall be shared equally by the Corporation and the Union. The Corporation members and the Union members of the Board shall serve without compensation. Reasonable and necessary expenses of the Board for forms and stationery required in connection with the handling of appeals shall be borne by the Corporation.

(5) Liability of Members of the Board

The Board and any member thereof shall be entitled to rely upon the correctness of any information furnished by the Union or the Corporation. Neither the Board nor any of its members, nor the Union, nor any officer of or any other representative of the Union, nor the Corporation, shall be liable because of any act or failure to act on the part of the Board, or any of its members, to any person whatsoever, except that nothing herein shall be deemed to relieve any such individual from liability for their own fraud or bad faith.

(b) Appeal Procedures for Benefits

(1) Applicability of Appeal Procedure

The appeal procedure set forth in this Section may be employed only for the purposes specified in this Section.

(2) Procedure for Appeals

(i) An Employee may appeal from the Corporation's written determination with respect to the payment or denial of Voluntary Termination of Employment Payment by filing a written appeal with the Board on a form provided for that purpose.

- (ii) Such appeal shall be filed in writing within 30 days following the date of mailing of the determination appealed. With respect to an appeal that is mailed, the date of filing shall be the postmarked date of the appeal. No appeal filed after such 30-day period will be valid.
 - (iii) Such appeals shall specify the respects in which the Plan(s) is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.
 - (iv) The handling and disposition of each appeal to the Board shall be in accordance with regulations and procedures established by the Board. Such regulations and procedures shall provide that in situations where a number of Employees either have applied for and were denied a Voluntary Termination of Employment Payment or were paid such payment and believe that they were entitled to such payment in a greater amount, under substantially identical conditions, an appeal may be filed with respect to one of such Employees and the decision of the Board thereof shall apply to all such Employees.
 - (v) The Employee or the Union members of the Board may withdraw an appeal to the Board at any time before it is decided by the Board.
 - (vi) There shall be no appeal from the Board's decision. It shall be final and binding upon the Union, its members, the Employee, and the Corporation. The Union shall discourage any attempt of its members to appeal, and shall not encourage or cooperate with any of its members in any appeal, to any court or administrative agency from a decision of the Board, nor shall the Union or its members by any other means attempt to bring about the settlement of any claim or issue on which the Board is empowered to rule hereunder.
 - (vii) The Employee shall be advised, in writing, by the Board of the disposition of any appeal.
- (c) Notice Copies to Union
- Copies of the Corporation notices issued to employees concerning ineligibility for a Voluntary Termination of Employment Payment will be furnished to the Union.

(d) Maximum Corporation Liability Amount

The Maximum Corporation Liability Amount as provided under Section 7 of the Voluntary Termination of Employment Plan shall be an amount equal to \$300,000.

In witness hereof, the parties hereto have caused this Agreement to be executed as of this 1st day of February, 2006

GUELPH PRODUCTS Collins & Aikman
By David Edwards

Accepted and Approved:
NATIONAL UNION, (CAW-CANADA)
By J. Robinson

EXHIBIT B-1

VOLUNTARY TERMINATION OF EMPLOYMENT PLAN

SECTION 1. ELIGIBILITY

An employee at Work on or after the Effective Date shall be eligible for a Voluntary Termination of Employment Payment if:

- (a) the Employee has at least 10 Years of Seniority under the terms of the Collective Bargaining Agreement on the last day the Employee worked prior to the effective date of the qualifying layoff and such Years of Seniority had not been broken on the last day the Employee Worked prior to the effective date of the qualifying layoff and such Years of Seniority had not been broken on or prior to the date the Employee makes application for the Voluntary Termination of Employment Payment;
- (b) the Employee is not eligible to receive a monthly pension or a monthly retirement benefit other than a deferred pension or a deferred retirement benefit under any other Corporation plan or program then in effect;
- (c) the Employee has not refused any employment interview or offer of work by the Corporation on or after the last day Worked for the Corporation, and prior to the date on which the

Employee makes application;

the Employee had made an application for a Voluntary Termination of Employment Payment prior to 24 months from the commencement date of the qualified layoff in accordance with procedures established by the Corporation; provide, however, that

- (d) no application may be made prior to 12 continuous months of layoff from the Corporation (or any shorter period as determined by the Corporation).
- (e) The Employee was on a qualifying layoff which for purposes of this Plan includes any Seniority layoff from the Bargaining Unit resulting from a reduction in force, including a layoff resulting from the discontinuance of a Facility or an operation, and any layoff occurring or continuing because the Employee was unable to do the work offered by the Corporation, although able to perform other work in the Facility to which the Employee would have been entitled if the Employee had had sufficient Seniority.

An Employee's layoff for any Week shall be deemed qualifying for purposes of this plan only if:

- (1) such layoff from the Corporation was for a continuous period of 12 months (or any shorter period as may be determined by the Corporation);
- (2) such layoff was from the Bargaining Unit;
- (3) such layoff was not for disciplinary reasons, and was not a consequence of:
 - (i) any strike, slowdown, work stoppage, picketing (whether or not by Employees), or concerted action, at a Corporation Facility or Facilities, or any dispute of any kind involving Employees, whether at a Corporation Facility or Facilities or elsewhere,
 - (ii) any fault attributable to the Employee,
 - (iii) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),
 - (iv) sabotage (including but not limited to arson) or insurrection,
 - (v) any act of God, or

- (vi) the sale of a Corporation Facility to another employer and the Employee is not eligible to retire under any Corporation pension or retirement program;
- (4) the Employee is not eligible to retire under any Corporation pension or retirement program;
- (5) at a time when the Employee was on an otherwise qualifying layoff for the purpose of this Plan or after having been advised that the Employee would be placed on such a layoff in the future, the Employee did not refuse or fail to appear for an employment interview or related pre-employment physical examination (unless for Good Cause) or refuse any offer of employment (including employment with the Corporation outside the Bargaining Unit) which the Employee was then capable of performing at another Corporation Facility, or at the Corporation Facility where the Employee last Worked, the acceptance of which could have avoided, delayed or reduced the period of the layoff that otherwise would have qualified the Employee for Voluntary Termination of Employment Payment. If the employment or employment interview which was refused is at a different Corporation Facility which is more than 80 kilometers from the Employee's address of record for purposes of the Plan and from the Corporation Facility where the Employee last worked or is currently working for the Corporation, the Employee shall not be ineligible hereunder unless with respect to an employment offer the Corporation shall have offered to pay a Relocation Allowance, or with respect to an employment interview, the Corporation offers to pay reasonable expenses actually incurred to attend the interview; provided, however, than an otherwise eligible Employee may refuse either a Corporation offer of employment in a Province other than the Province in which the Corporation Facility where the Employee last worked or is currently working for the Corporation is located, or a temporary part-time position with the Corporation and with respect to either such refusal will remain eligible for a Voluntary Termination of Employment Payment; and
- (6) the Employee retains Years of Seniority under the Collective Bargaining Agreement.

SECTION 2. DETERMINATION OF AMOUNT AND PAYMENT

- (a) Subject to the Maximum Corporation Liability Amount defined in Section 7 a Voluntary Termination of Employment Payment shall

be payable by the Corporation and only in a lump sum.

- (b) The Voluntary Termination of Employment Payment payable to an eligible Employee who shall meet the conditions set forth in Section 1 of this Plan shall be an amount determined in accordance with the Employee's Years of Seniority on the last day worked prior to the Employee's qualifying layoff. For eligible Employees with 10 Years of Seniority, the gross payment amount will be in accordance with the following table:

<u>Years of Seniority*</u>	<u>Amount</u>
10 to 11	\$18,900
11 to 12	19,800
12 to 13	20,800
13 to 14	21,800
14 to 15	22,800
15 to 16	23,800
16 to 17	24,800
17 to 18	25,800
18 to 19	26,800
19 to 20	27,800
20 to 21	28,700
21 to 22	29,800
22 to 23	30,800
23 to 24	31,700
24 to 25	32,700
25 and over	33,700

*fractional Years of Seniority shall be disregarded

- (c) The gross payment amount will be reduced by an amount equal to the Corporation cost for the Employee's Insurance Coverage paid to the Employee while on qualifying layoff.
- (d) The Corporation shall deduct from the amount of any Voluntary Termination of Employment Payment as computed under this Plan any amount required to be withheld by the Corporation by reason of any law or regulation, for payment of taxes or otherwise to any federal, provincial, or municipal government.

SECTION 3. VOLUNTARY TERMINATION OF EMPLOYMENT PAYMENT OFFSETS

Any Voluntary Termination of Employment Payment to an eligible Employee will be reduced by the Employee's outstanding debts to the

Corporation or to trustees of any Corporation benefit plan or program, including the amount of any pay in lieu of notice of termination of employment, mass termination or plant closing or similar payment required under Federal or Provincial law.

SECTION 4. RELATIONSHIP BETWEEN GOVERNMENTAL REQUIRED SEPARATION OR SEVERANCE PAY AND PLAN BENEFITS

The payment described in Section 2 shall be applied to reduce the amount of any separation, severance payment or similar payment required by Federal or Provincial law by reason of any plant closing.

SECTION 5. EFFECT OF RECEIVING VOLUNTARY TERMINATION OF EMPLOYMENT PAYMENT

An Employee, who accepts a Voluntary Termination of Employment Payment, shall cease to be an Employee and shall have Seniority broken at any and all of the Corporation's plants and locations as of the Employee's application for a Voluntary Termination of Employment Payment is received by the Corporation.

An Employee who receives a Voluntary Termination of Employment Payment, and who is subsequently re-employed by the Corporation will not be eligible for any future Voluntary Termination of Employment Payment until the Employee has worked 10 years. No Seniority used to determine the amount of a previous Voluntary Termination of Employment shall be used in determining a subsequent Voluntary Termination of Employment Payment.

SECTION 6. OVERPAYMENTS

If the Corporation or the Board determines after issuance of a Voluntary Termination of Employment Payment that the payment should not have been issued or should have been issued in a lesser amount, written notice there of shall be mailed to the former Employee and such former Employee shall return the amount of overpayment to the Corporation.

SECTION 7. FINANCIAL PROVISIONS AND LIABILITY

- (a) All Voluntary Termination of Employment Payments shall be payable by the Corporation.

- (1) Any payments made by the Corporation are subject to, and limited by, in the aggregate, the Maximum Corporation Liability Amount as defined under subsection (c) of this Section.
 - (2) If the Corporation at any time shall be required to withhold any amount from Voluntary Termination of Employment Payments by reason of any federal or provincial law or regulation, the corporation shall have the right to charge such amount against the amount of the Maximum Corporation Liability Amount as defined under subsection (c) of this Section.
- (b) Voluntary Termination of Employment Payment Cheques Not Presented if a payment is made under the Plan and the amount of the payment is not claimed within a period of 2 years from the date such payment was made, the amount shall revert to the Corporation.
- (c) Liability
- (1) The Plan applies only to eligible Employees laid off on or after the Effective Date and during the term of the Collective Bargaining Agreement. The Corporation's total financial liability of the cost of the Voluntary Termination of Employment Plan including payments under the plan (including amounts owed to the Corporation or trustees of other Corporation plans or programs which were offset against the Voluntary Termination of Employment Payment under Section 3), any taxes or contribution imposed on the Corporation by reason of paying such payments, and any taxes which reduce such payments and are paid to the appropriate tax authority by the Corporation, shall be limited to the Maximum Corporation Liability Amount.
 - (2) If it appears the Maximum, Corporation Liability Amount will be reached before all Employees cease eligibility for Voluntary Termination of Employment Payments, the issue may be discussed by the Corporation and Union and a determination made whether to reduce the amount of such payments to provide for an equitable means for distribution of the Corporation's remaining obligations.

SECTION 8. TERMINATION OF ELIGIBILITY

An Employee's eligibility for a Voluntary Termination of Employment

Payment will permanently terminate upon the earliest of:

- (a) Death,
- (b) Retirement under any Corporation pension or retirement program,
- (c) Refusal of or failure to appear for any employment interview or related pre-employment physical examination, (unless for Good Cause), or refusal to accept any offer of employment which the Employee is capable of performing (including employment with the Corporation outside the Bargaining Unit) at any Corporation Facility (except that refusal of an offer which the Employee has a right to refuse under the Collective Bargaining Agreement will not terminate eligibility hereunder); provided that if the employment of interview is at a different Corporation Facility which is more than 80 kilometers from the Employee's address of record for purposes of the Plan and the Corporation Facility where the Employee has worked for the Corporation, the Corporation offers to pay a Relocation Allowance, or with respect to an employment interview, the corporation offers to pay reasonable expenses actually incurred to attend the interview. Refusal of either a Corporation offer of employment in a Province other than the Province where the Corporation Facility at which the Employee last worked or is currently working for the Corporation is located, or a temporary part-time position with the Corporation, shall not terminate an otherwise eligible Employee's eligibility under the Plan,
- (d) Loss of Years of Seniority for any reason,
- (e) Failure of an Employee to file an application for Corporation employment in accordance with the Employment Application Procedure and any pertinent letter(s) attached to the Collective Bargaining Agreement in accordance with the application procedure and any pertinent letter(s) attached to the Collective Bargaining Agreement in accordance with the application procedure established pursuant to the provisions of the letter(s); provided, however, that failure to apply with respect to employment in a Province other than the one in which the Corporation facility at which the Employee last worked is located, will not cause termination of the Employee's entitlement under the Plan.

SECTION 9. APPLICATION AND DETERMINATION OF ELIGIBILITY

- (a) Voluntary Termination of Employment Payment

(1) Application Procedure

(i) Filing Applications

An application for a Voluntary Termination of Employment Payment may be filed, either in person or by mail, in accordance with procedures established by the Corporation. No application for a Voluntary Termination of Employment Payment shall be accepted unless it is submitted to the Corporation within 24 months from the commencement date of the qualifying layoff.

(ii) Application Information

Application for a Voluntary Termination of Employment Payment shall be in writing and shall include any information deemed relevant by the Corporation with respect to the determination of the Employee's eligibility for and amount of the Voluntary Termination of Employment Payment and the determination of offsets to such benefits as provided under Section 3 of the Plan.

(2) Determination of Eligibility

When an application is filed for a Voluntary Termination of Employment Payment and the Corporation is furnished with the evidence and information as required, the Corporation shall have initial responsibility for determining eligibility.

(b) Relocation Allowance

A Relocation Allowance shall be provided under subsection of this Section 9 to help defray the moving costs incurred by eligible Employees and their family's relocation as a result of accepting a job offer from the Corporation. A Relocation Allowance will be payable after the Employee reports and begins work at the Corporation Facility to which relocated, provided the following conditions of eligibility are satisfied:

- (1) the Corporation offered a Relocation Allowance and the Corporation Facility to which the Employee relocates is more than 80 kilometers from the Employee's address of record purposes of the plan and from the Corporation Facility where the Employee last worked or is currently working for the Corporation; and

- (2) as a result of the relocation, the Employee changes permanent residence; and
- (3) the Employee applies for a Relocation Allowance within 1 year of the date the Employee was scheduled to begin work at the Facility to which the Employee has relocated; and
- (4) the Employee has applied for and received (or is eligible to receive) any statutory relocation, moving or similar payment or allowance under any applicable law, rule or regulation; and
- (5) the Employee is not eligible to receive a relocation allowance or similar payment for the same relocation under the Collective Bargaining Agreement or under any other plan or program of the Corporation; provided, however, that only one Relocation Allowance will be payable in situations where more than one member of a family living in the same residence, is also an Employee being relocated to the same Corporation Facility.

(c) Relocation Allowance Amount

<u>Kilometers from the Prior Plant to the New Plant</u>	<u>For Expenses Applicable to</u>	
	<u>Single Employee</u>	<u>Married Employee</u>
80 – 159	\$665	1,470
160 – 479	740	1,620
480 – 799	800	1,700
800 – 1,599	925	2,010
1,600 or more	1,120	2,310

(d) Notice of Denial

If the Corporation determines that an Employee is not entitled to a Voluntary Termination of Employment Payment or to a Relocation Allowance, it shall notify the Employee promptly, in writing, of such determination, including the reasons therefore, and of the Employee's right to appeal.

SECTION 10. GENERAL

- (a) The provisions of these Sections 1 through 18 constitute the entire Voluntary Termination of Employment Plan and express each and every obligation of the Corporation with respect to financing of the

plan and providing for Voluntary Termination of Employment Payments.

The Board, the Corporation and the Union, and each of them shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others.

Notwithstanding the above provisions, nothing in this Section shall be deemed to relieve any person from liability for willful misconduct or fraud.

- (b) No Voluntary Termination of Employment Payment paid under the Plan shall be considered a part of any Employee's wages for any purpose. No person who receives a Voluntary Termination of Employment Payment shall for that reason be deemed an employee of the Corporation during such period.
- (c) No question involving the interpretation or application of the Plan shall be subject to the grievance procedure provided for in the Collective Bargaining Agreement.

SECTION 11. AMENDMENT AND TERMINATION OF THE PLAN

So long as the Collective Bargaining Agreement of which this Plan is a part shall remain in effect, the Plan shall not be amended, modified, suspended or terminated, except as may be proper or permissible under the terms of the Plan or the Collective Bargaining Agreement. Upon the termination of the Collective Bargaining Agreement, the Corporation shall have the right to continue the Plan in effect and to modify, amend suspend or terminate the Plan, except as may be otherwise provided in any subsequent Collective Bargaining Agreement between the Corporation and the Union.

SECTION 12. WITHHOLDING TAX

The Corporation shall deduct from the amount of any payment under the Plan any amount required to be withheld by the Corporation by reason of any law or regulation, for payment of taxes or otherwise, to any federal, provincial or municipal government.

In determining the amount of any applicable tax entailing personal

exemptions, the Corporation shall be entitled to rely on the official form filed by the Employee with Corporation for purposes of income tax withholding.

SECTION 13. POWERS AND AUTHORITY OF THE CORPORATION

(a) Corporation Powers

The Corporation shall have such powers and authority as are necessary and appropriate in order to carry out its duties under the Plan, including, without limitation, the power to:

- (1) obtain such information as it shall deem necessary to carry out its duties under the Plan;
- (2) investigate the correctness and validity of information furnished with respect to an application for a Voluntary Termination of Employment Payments;
- (3) make initial determinations with respect to Voluntary Termination of Employment Payments;
- (4) establish reasonable rules, regulations and procedures concerning;
 - (i) the manner in which and the times and places at which an application shall be filed for Voluntary Termination of Employment Payments,
 - (ii) the form, content and substantiation of the application for Voluntary Termination of Employment Payments.
- (5) determine the amount of Corporation funds that have been expended under the Plan to ensure that the Maximum Corporation Liability Amount, as defined under Section 7(c), will not be exceeded;
- (6) establish appropriate procedures for giving notices required to be given under the Plan;
- (7) establish and maintain necessary records;
- (8) furnish the Union an annual report for each calendar year as to Corporation expenditures counted against the Maximum

Corporation Liability Amount; and

(9) prepare and distribute information explaining the plan.

(b) Corporation Authority

Nothing contained in the Plan shall be deemed to qualify, limit or alter in any manner the Corporation's sole and complete authority and discretion to establish, regulate, determine or modify at any time levels of employment, hours of work, the extent of hiring and layoff, production schedules, manufacturing methods, the products and parts thereof to be manufactured, where and when work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if the Plan were not in existence; nor shall it be deemed to confer upon the Union any voice in such matters.

SECTION 14. GOVERNMENTAL RULINGS

- (a) This Agreement and the Plan incorporated in Exhibit A hereof shall not be effective prior to receipt by the Corporation of rulings, satisfactory to the Corporation, from Canadian governmental authorities establishing that payments made by the Corporation under the Plan, constitute a currently deductible expense under the Canadian Income Tax Act, Chapter 63, S.C. 1970-71-72, as amended, now in effect or as hereafter may be amended, or under any other applicable federal or provincial income tax law.

The Corporation shall apply promptly for the necessary rulings described in this subsection (a).

- (b) Notwithstanding any other provisions of this Agreement or the Plan, the Corporation, with the consent of the National President, National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW – Canada), may, during the term of this Agreement, make revisions in such Plan not inconsistent with the purposes, and basic provisions thereof which shall be necessary to obtain or maintain any of the ruling referred to in subsection (a) of this Section 14 or in Section 15 of the Plan. Any such revisions shall adhere as closely as possible to the language and intent of the provisions outlined in such Plan.
- (c) In the event that rulings acceptable to the Corporation are not obtained, or having been obtained shall be revoked or modified so

as to be no longer satisfactory to the Corporation, and it is determined by the Corporation that the Plan cannot become effective without such rulings, the Corporation, within five working days after disapproval, will give written notice thereof to the Union and this Agreement and the Plan shall thereupon have no force or effect, in which event Section 2 of this Agreement shall apply.

SECTION 15. EFFECT OF REVOCATION OF INCOME TAX RULINGS

If any ruling which may be obtained by the Corporation holding that payments under the Plan constitute currently deductible expenses under the Canadian Income Tax Act, Chapter 63, S.C. 1970-71-72, as amended, as now in effect or as here after may be amended, or under any other applicable federal or provincial income tax law, shall be revoked or modified in such manner as not longer to be satisfactory to the Corporation, all obligations of the Corporation under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect (without in any way effecting the validity or operation of the Collective Bargaining Agreement).

SECTION 16. NONALIENATION OF BENEFITS

Except as otherwise provided under Section 5, no Voluntary Termination of Employment Payment shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind, and any attempt to accomplish the same shall be void. In the event that the Corporation shall find that such an attempt has been made with respect to any such payment due or to become due to any Employee, the Corporation in its sole discretion may terminate the interest of such Employee in such payment and may apply to the amount of such payment to or for the benefit of such Employee, the Employee's spouse, parents, children or other relatives or dependents as the Corporation may determine, and any such application shall be a complete discharge of all liability with respect to such payment.

SECTION 17. MISCELLANEOUS

A Voluntary Termination of Employment Payment shall be payable hereunder only to the Employee who is eligible therefore, except that if the Corporation shall find that such an Employee is deceased and has not received any such payment payable prior to termination by death or is unable to manage their affairs for any reason, any such payment shall be

paid to the duly appointed legal representative, if there be one, and if not, to the spouse, parents, children or other relatives or dependents of such Employee as the Corporation in its discretion may determine. Any payment so paid shall be a complete discharge of any liability with respect to such payment.

SECTION 18. DEFINITIONS

As used herein:

- (1) "Act of God means an occurrence or circumstance directly affecting a Corporation Plant or Plants which result from natural causes exclusively and is in no sense attributable to human negligence, influence, intervention or control; the result solely of natural causes and not of human acts.
- (2) "Bargaining Unit" means a unit of Employees covered by the Collective Bargaining Agreement.
- (3) "Collective Bargaining Agreement" means the currently effective collective bargaining agreement between the Corporation and the Union, which incorporates this Plan by reference.
- (4) "Corporation" means Guelph Products Collins & Aikman
- (5) "Effective Date" means February 1, 2006.
- (6) "Employee" means a full-time employee in a Bargaining Unit covered by the Plan, including such a person laid-off from Corporation employment in such a Bargaining Unit except that "Employee at Work" means a full-time employee in such a Bargaining Unit who receives pay for regular hours scheduled by the Corporation and Worked within such a Bargaining Unit on or after the Effective Date.
- (7) "Employment Application Procedure" means any procedures by which an Employee may file an application for employment with the Corporation under the Collective Bargaining Agreement as well as any other hiring agreements negotiated between the Corporation and the Union as contained in any local Agreement. Such applications are to be filed within twelve (12) months after the last day worked prior to layoff.
- (8) "Facility" shall be deemed to include any manufacturing or assembly plant, works, parts depot, or other Corporation activity or location in or out of which an Employee Works.

- (9) "Good Cause" for refusing to interview or failing to appear for an interview or related physical examination or failing to file a timely application under the Employment Application Procedure, is deemed to exist if there is a justifiable reason, determined in accordance with a standard of conduct expected of an individual acting as a reasonable person in light of all the circumstances. Justifiable reasons include, but are not limited to, the following:
- (i) Acts of God that prevent an individual from getting to an interview or related physical examination;
 - (ii) Personal physical incapacity;
 - (iii) Death occurring in the Employee's immediate family which could have otherwise been covered as bereavement time under the Collective Bargaining Agreement if the Employee were at Work in the Bargaining Unit; and
 - (iv) Jury duty.
- (10) "Health Care" means health care coverage as specified in Exhibit B of the Collective Bargaining Agreement.
- (11) "Insurance Coverage" means Health Care coverage and Life and Accidental Death and Dismemberment Insurance coverage provided to eligible Employees under any Corporation Benefit Plan.
- (12) "Life Insurance Coverage" means Life Insurance coverage as specified in Exhibit C of the Collective Bargaining Agreement. Coverage shall not include Sickness and Accidents or Extended Benefits.
- (13) "Maximum Contribution Liability Amount" means the established amount, expressed as a percentage of the total financial liability for the cost of the Plan as defined under the provisions of Section 7(c) of this Plan.
- (14) "Plan" means the Voluntary Retirement Plan of Employees as set forth in this Exhibit A.
- (15) "Seniority" means seniority status as determined by the Collective Bargaining Agreement as of the date of a full-time qualifying employee's layoff.
- (16) "Union" means National Automobile, Aerospace, Transportation

and General Workers Union of Canada, (CAW Canada) and Guelph Products Collins & Aikman unit of Local 1917.

- (17) "Voluntary Termination of Employment Payment" means a payment of a benefit under the Voluntary Termination of Employment Plan.
- (18) "Voluntary Termination of Employment Plan" means the Voluntary Termination of Employment Plan, Exhibit A of the Collective Bargaining Agreement.
- (19) "Work" or "at Work" means receiving pay for regular hours scheduled by the Corporation and worked within the Bargaining Unit.
- (20) "Years (or Year) of Seniority" means for all purposes of this Plan and for those purposes only, the longest Seniority an Employee has in any Bargaining Unit except that in determining an Employee's "longest Seniority", if the Employee has Seniority in a Bargaining Unit at the time Seniority is broken in another Bargaining Unit under the time for time provisions of the Collective Bargaining Agreement or because the Employee refuses recall at such other Bargaining Unit, or if Seniority is broken in a Bargaining Unit because the Employee quits to respond to recall to another Bargaining Unit, such lost Seniority shall be included in "Years of Seniority".

EXHIBIT C

SUPPLEMENTAL AGREEMENT COVERING THE LUMP SUM PAYMENT PLAN

On this 1st day of February, 2006 Guelph Products Collins & Aikman, hereinafter referred to as the "Corporation", and the National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW-Canada), said Local Union and National Union, (CAW-Canada), and Guelph Products Collins & Aikman unit of Local 1917, hereinafter referred to jointly as the "Union", on behalf of the employees covered by the Collective Bargaining Agreement of which this Supplemental Agreement becomes a part, agree as follows:

EXHIBIT C
LUMP SUM PAYMENT PLAN

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SECTION 1. ESTABLISHMENT OF THE PLAN

- (a) This Agreement covering the Lump Sum Payment Plan (Exhibit C-1), hereinafter referred to as the Plan, shall become effective on the first Monday immediately following the effective date of the Collective Bargaining Agreement of which this Agreement is a part.
- (b) The Plan, which is attached as Exhibit C-1 to this Supplemental Agreement (Exhibit C) between the parties dated February 1, 2006, will be established as set forth in Exhibit C-1 attached hereto, effective February 1, 2006 except as otherwise may be specified in this Agreement and the Plan* and maintained by the Corporation for the duration of the Collective Bargaining Agreement of which this Agreement is a part, subject to the terms and condition of such Plan attached to this Agreement as Exhibit C-1.

*The definitions of Section 19 of Exhibit C-1 are applicable to the Agreement as if fully set forth herein.

SECTION 2. TERMINATION OF THE PLAN PRIOR TO EXPIRATION DATE

In the event the Plan shall not become effective by reason of Section 5 of this Agreement or if the rulings described in Section 5 shall be revoked or modified in such manner as no longer to be satisfactory to the Corporation, notice of such event shall be provided to the Union within five working days. And all obligations of the Corporation under this Agreement and the Plan shall cease and the Plan shall thereupon terminate and be of no further effect.

Thereafter the parties shall negotiate for a period of sixty days, or a mutually satisfactory longer period from the date of notice to the Union of receipt of such unfavorable ruling, with respect to adopting a program adhering as closely as possible to the language and intent of the provisions outlined in Exhibit C for which a favorable ruling may be obtained.

SECTION 3. OBLIGATIONS DURING TERM OF THIS AGREEMENT

During the term of this Agreement, neither the Corporation nor the Union shall request any change in, deletion from, or addition to the Plan or this Agreement; or be required to bargain with respect to any provision or

interpretation of such Plan or this-Agreement; and during such period no change in, deletion from or addition to provision, or interpretation, of such Plan or this Agreement, nor any dispute or difference arising in any negotiations pursuant to Section 2 of this Agreement, shall be an object of, or a reason or cause for, any action or failure to act, including, without limitation, any strike, slowdown, work stoppage, lockout, picketing or other exercise of economic force, or threat thereof, by the Union or the Corporation.

SECTION 4. TERM OF AGREEMENT: NOTICE TO MODIFY OR TERMINATE

This Agreement shall remain in full force and effect without change until 11:59 p.m., January 31, 2009. As of that date this Agreement may be terminated, modified, changed, or continued, subject to and in accordance with the terminal provisions of the Collective bargaining Agreement of which this Agreement is a part.

Anything herein which might be construed to the contrary notwithstanding, however, it is understood that termination of this Agreement under this Section shall not have the effect of automatically terminating the Plan which shall continue only for eligible Employees laid off during the term of the Collective Bargaining Agreement.

Any notice under this Section shall be in writing and shall be sufficient to the Union if it is sent by mail addressed to the National President, National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW-Canada), 205 Placer Court, Willowdale, Ontario, or to such other address as the Union shall furnish to the Corporation in writing; and the Corporation if it is sent to the Vice-president - Human Resources, Collins & Aikman, 350 Stevenson Hwy, Troy Michigan, or to such other address as the Corporation shall furnish to the Union, in writing.

SECTION 5. GOVERNMENTAL RULINGS

- (a) This Agreement and the Plan incorporated in Exhibit C-1 hereof shall not be effective prior to receipt by the Corporation of rulings, satisfactory to the Corporation, from Canadian governmental authorities establishing that payments made by the Corporation under the plan, constitute a currently deductible expense under the Canadian Income Tax Act, Chapter 63, S.C. 1970-71-72, as amended, now in effect or as hereafter may be amended, or under any other applicable federal or provincial income tax law.

The Corporation shall apply promptly for the necessary rulings described in this subsection (a).

- (b) Notwithstanding any other provisions of this Agreement or the Plan, the Corporation, with the consent of the National President, National Automobile, Aerospace, Transportation and General Workers of Canada (CAW-Canada), may, during the term of this Agreement, make revisions in such Plan not inconsistent with the Purposes, structure, and basic provision thereof which shall be necessary to obtain or maintain any of the rulings referred to in subsection (a) of this Section 5 or in Section 18 of the Plan. Any such revisions shall adhere as closely as possible to the language and intent of the provisions outlined in such Plan.
- (c) In the event that rulings acceptable to the Corporation are not obtained, or having been obtained shall be revoked or modified so as to be no longer satisfactory to the Corporation, and it is determined by the corporation that the Plan cannot become effective without such rulings, the Corporation, within five working days after disapproval, will give written notice thereof to the Union and this Agreement and the Plan shall thereupon have no force or effect, in which event Section 2 of this Agreement shall apply.

SECTION 6. GENERAL PROVISIONS

- (a) Board of Administration

- (1) Establishment

There shall be established a Board of Administration (hereinafter referred to as the Board) consisting of six members, three of whom shall be appointed by the Corporation (hereinafter referred to as the Corporation members), and three of whom shall be appointed by the Union (hereinafter referred to as the Union members). Either the Corporation or the Union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. Both the Corporation and the Union shall notify each other in writing of the members respectively appointed by them before any such appointments shall be effective.

The Corporation and the Union members of the Board shall appoint an impartial third person to act as an Impartial Chairperson who shall serve until requested to resign by three members of the Board. In the event that the Corporation and

Union members of the Board are unable to agree upon an Impartial Chairperson, the Minister or Labour shall make the selection; provided however, that such appointee shall be a jurist of repute. The Impartial Chairperson shall be considered a member of the Board and shall vote only on matters within the Boards authority to determine where the other members of the Board shall have been unable to dispose of the matter by majority vote, except that the Impartial Chairperson shall have no vote concerning determinations made in connection with Section 14 of the Plan.

(2) Powers and Authority of the Board

- (i) It shall be the function of the Board to exercise ultimate responsibility for determining whether an Employee is eligible for a Benefit. The Board shall be presumed conclusively to have approved any initial determination by the Corporation unless the determination is appealed as prescribed in this Section 6.
- (ii) The Board shall be empowered and authorized and shall have jurisdiction to:
 - (aa) hear and determine appeals by Employees pursuant to this Section 6;
 - (bb) obtain such information as the Board shall deem necessary in order to determine such appeals;
 - (cc) prescribe the form and content of appeals to the Board and such detailed procedures as may be necessary with respect to the filing of such appeals;
 - (dd) direct the Corporation to make payments of Benefits pursuant to determinations made by the Board;
 - (ee) prepare and distribute, on behalf of the Board, information explaining the Plan;
 - (ff) make any determination with respect to reducing the amount of Benefits in connection with the status of the Maximum Corporation Liability Amount as provided for under Section 14(c)(2) of the Plan. The Impartial Chairperson of the Board shall have no authority to participate in any such discussions or to vote to reduce any Benefit; and

- (gg) perform such other duties as are expressly conferred upon it by this Agreement.
 - (iii) In ruling upon appeals, the Board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirement set forth in the Plan, the procedure for applying for Benefits as provided herein, or any other provisions of the Plan; and shall have no jurisdiction other than to determine, on the basis of the facts presented and in accordance with the provisions of the Plan:
 - (aa) whether the appeal to the Board was made within the time and in the manner specified in this Section 6,
 - (bb) whether the Employee is an eligible Employee with respect to the Plan, and, if so,
 - (cc) the amount of any Benefit payable.
 - (iv) The Board shall have no jurisdiction to act upon any appeal not made within the time and in the manner specified in this Section 6.
 - (v) The Board shall have no jurisdiction to determine questions arising under the Collective Bargaining Agreement, even through relevant to the issues before the Board. All such questions shall be determined through **the** regular procedures provided therefore by the Collective Bargaining Agreement, and all determinations made pursuant to such Agreement shall be accepted by the Board.
 - (vi) Nothing in this Section or in the plan shall be deemed to give the Board the power to prescribe in any matter internal procedure or operations of either the Corporation or the Union.
 - (vii) The Board shall make recommendations to the Corporation with respect to the Corporation's establishment of rules, regulations and procedures for carrying out the Corporation's duties under the plan as provided for under Section 11 (a) of the Plan, and the Corporation shall give consideration to such Board recommendations.
- (3) Quorum; Voting

To constitute a quorum for the transaction of business, there shall

be required to be present at any meeting of the Board at least two Union members and two Corporation members. At all meetings of the Board the Corporation members shall have a total of three votes and the Union members shall have a total of three votes; the vote of any absent member being divided equally between the members present appointed by the same party. Except on matters with respect to which the Plan specified otherwise, decision of the Board shall be by a majority of the votes cast, with the Impartial Chairperson empowered to cast the deciding vote in cases where there shall have been a tie vote.

(4) Compensation and Expenses

The compensation of the Impartial Chairperson, which shall be in such amount and on such basis as may be determined by other members of the Board, shall be shared equally by the Corporation and the Union. The Corporation members and the Union members of the board shall serve without compensation. Reasonable and necessary expenses of the Board for forms and stationary required in connection with the handling of appeals shall be borne by the Corporation.

(5) Liability of Members of the Board

(a) The Board and any member thereof shall be entitled to rely upon the correctness of any information furnished by the Union or the Corporation. Neither the Board nor any of its members, nor the Union, nor any officer of or any other representative of the Union, nor the Corporation nor any other officer or any other representative of the Corporation, shall be liable because of any act or failure to act on the part of the Board, or any of its members, to any person whatsoever, except that nothing herein shall be deemed to relieve any such individual from liability for their own fraud or bad faith.

(b) Appeal Procedures for Benefits

(1) Applicability of Appeal Procedure

The appeal procedure set forth in this Section may be employed only for the purposes specified in this Section.

(2) Procedure for Appeal

(i) An Employee may appeal from the Corporation's written determination with respect to the payment or denial of a

Benefit by filing a written appeal with the Board on a form provided for that purpose.

- (ii) Such appeal shall be filed in writing within 30 days following the date of mailing of the determination appealed. With respect to an appeal that is mailed, the date of filing shall be the postmarked date of the appeal. No appeal filed after such 30-day period will be valid.
 - (iii) Such appeals shall specify the respects in which the Plan is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.
 - (iv) The handling and disposition of each appeal to the Board shall be in accordance with the regulations and procedures established by the Board. Such regulations and procedures shall provide that in situations where a number of Employees either have applied for and were denied a Benefit or were paid such Benefit and believe that they were entitled to such payment in a greater amount, under substantially identical conditions, an appeal may be filed with respect to one of such Employees and the decision of the Board thereof shall apply to all such Employees.
 - (v) The Employee or the Union members of the Board may withdraw an appeal to the Board at any time before it is decided by the Board.
 - (vi) There shall be no appeal from the Board's decision. It shall be final and binding upon the Union, its members, the Employee, and the Corporation. The Union shall discourage any attempt of its members to appeal, and shall not encourage or cooperate with any of its members in any appeal, to any court or administrative agency from a decision of the Board, nor shall the Union or its members by any other means attempt to bring about the settlement of any claim or issue on which the Board is empowered to rule hereunder.
 - (vii) The Employee shall be advised, in writing, by the Board of the disposition of any appeal.
- (c) Notice Copies to Union

Copies of the Corporation notices issued to employees concerning ineligibility for a Benefit will be furnished to the Union.

In witness hereof, the parties hereto have caused this Agreement to be executed as of this 1st day of February 2006.

Accepted and Approved:

NATIONAL UNION, (CAW-CANADA)

By J. Robinson

Collins & Aikman, Guelph Products

By D. Edwards

EXHIBIT C-1

LUMP SUM PAYMENT PLAN

SECTION 1. GENERAL

The Lump Sum Payment Plan is designed to promote employment stability and avoid layoffs. The Plan provides a guaranteed Lump Sum Benefit payment, subject to the terms, conditions and limitations contained herein (including the definitions contained in Section 19 hereof, for eligible Employees who become laid off from the Corporation in a Plant Closing or Partial Plant Closing on or after the Effective Date and during the term of the Collective Bargaining Agreement as a consequence of such Plant Closing or Partial Plant Closing.

SECTION 2. ELIGIBILITY FOR A BENEFIT

An Employee at Work on or after the Effective Date and laid off during the term of the Collective Bargaining Agreement and who has been on a qualifying layoff from the Corporation for a continuous period of at least 12 months (or any shorter period as may be determined by the Corporation) shall be eligible for a Benefit beginning on or after February 1, 2006 if the Employee meets all of the following conditions:

- (a) Had at least 2 years of Seniority, under the terms of the Collective Bargaining Agreement, on the last day the Employee Worked prior to the effective date of the Plant Closing or Partial Plant Closing layoff and such Years of Seniority had not been broken as of the date the Employee's application for a Benefit is received by the Corporation. If an otherwise eligible Employee has at least 2 years of Seniority on the first day of layoff and such first day of layoff is within 5 years prior to any subsequent date of the Plant Closing or

Partial Plant Closing announcement, such otherwise eligible Employee will be deemed to be eligible for a Benefit following the date of the applicable Plant Closing or Partial Plant Closing announcement.

- (b) Has made an application for a Benefit prior to 24 months from either the commencement date of the qualified layoff or, if later, from the announcement date of a Plant Closing or Partial Plant Closing made within 5 years from the Employee's first day of layoff, in accordance with procedures established by the Corporation; provided, however, that no application may be made prior to 12 continuous months of layoff from the Corporation (or any shorter period as determined by the Corporation).
- (c) Severance pay to apply to any worker with two (2) or more year's seniority a follows:

<u>Years of Seniority*</u>	<u>Entitlement</u>
2 to 3	3 1/2 weeks pay
3 to 4	4 1/2 weeks pay
4 to 5	6 weeks pay
5 to 6	10 weeks pay
6 to 7	12 weeks pay
7 to 8	14 weeks pay
8 to 9	16 weeks pay
9 to 10	18 weeks pay
10 to 11	20 weeks pay
11 to 12	22 weeks pay

SECTION 3. CONDITIONS WITH RESPECT TO LAYOFF

- (a) A layoff for purposes of this Plan is solely a permanent layoff resulting from a Plant Closing or a Partial Plant Closing.
- (b) An Employee's layoff shall be deemed qualifying for purposes of this Plan only if:
 - (1) such layoff was the result of an announced plant closing or partial plant closing, payment will be made within thirty days of the employee's last scheduled work day.
 - (2) such layoff was from the Bargaining Unit;
 - (3) such layoff was not for disciplinary reasons, and was not a consequence of:

- (i) any strike, slowdown, work stoppage, picketing (whether or not by Employees), or concerted action, at a Corporation Facility or Facilities, or any dispute of any kind involving Employees, whether at a Corporation Facility or Facilities or elsewhere,
 - (ii) any fault attributable to the Employee,
 - (iii) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),
 - (iv) sabotage (including but not limited to arson) or insurrection, or
 - (v) any act of God;
- (4) at a time when the Employee was on an otherwise qualifying layoff for purposes of this Plan or after having been advised of such a layoff in the future, the Employee did not refuse or fail to appear for an employment interview or related pre-employment physical examination (unless for Good Cause) or refuse any offer of employment (including employment with the Corporation outside the Bargaining Unit) which the Employee was then capable of performing at another Corporation Facility, or at the Corporation Facility where the employee last worked, the acceptance of which could have avoided, delayed or reduced the period of the layoff that otherwise would have qualified the Employee for a Benefit hereunder. If the employment or employment interview which was refused is at a different Corporation Facility which is more than 80 kilometers from the Employee's address of record for purposes of the Plan and from the Corporation Facility where the Employee last worked or currently is working for the Corporation, the Employee shall not be ineligible hereunder unless with respect to an employment offer the Corporation shall have offered to pay a Relocation Allowance, or with respect to an employment interview, the Corporation offers to pay reasonable expenses actually incurred to attend the interview; provided, however, that an otherwise eligible Employee may refuse either a Corporation offer of employment in a Province other than the Province in which the Corporation Facility at which the Employee last worked is located, or a temporary part-time position with the Corporation and with respect to either such refusal will remain eligible for a Benefit; and

- (5) the Employee retains Years of Seniority under the Collective Bargaining Agreement.

SECTION 4. DESCRIPTION OF PLAN BENEFIT

An Employee eligible for a Plan Benefit, in accordance with Section 2 above, is entitled to a Benefit as provided in this Section, and reduced as provided in this Section and in Section 5, until the Maximum Corporation Liability Amount, as defined in Section 14(c), has been reached.

- (a) At the time of layoff, the gross amount of the Benefit will be calculated for each Employee who thereafter may be eligible for such Benefit. For eligible Employees with 2 Years of Seniority, the Benefit level will equal \$7,000. The gross amount of the Benefit will be increased by \$700 for each whole year that the Employee's Years of Seniority as of the last day at Work prior to such qualifying layoff exceeds 2 Years of Seniority up to a maximum of \$9,800 for 9 Years of Seniority (fractional years of such Seniority shall be disregarded).
- (b) The maximum gross amount of the Benefit payable under this Plan is \$9,800.
- (c) The gross amount of Benefit payable hereunder to an eligible Employee will be reduced by offsets provided under Section 5 of the Plan.
- (d) A Benefit shall be payable only in a lump sum by the Corporation.

SECTION 5. BENEFIT OFFSETS

The Benefit described in Section 4 will be reduced by:

- (a) an Employee's outstanding debts to the Corporation or trustees of any Corporation benefit plan or program. The amount of the Benefit that is offset by outstanding debts to the Corporation or trustees of any Corporation plan or program shall be paid to the Corporation.
- (b) The amount of any pay in lieu of notice of termination of employment, mass termination or plant closing or similar payment required under Federal or Provincial law.

SECTION 6. RELATIONSHIP BETWEEN GOVERNMENTAL REQUIRED SEPARATION OR SEVERANCE PAY AND PLAN BENEFITS

The Benefit described in Section 4 shall be applied to reduce the amount of any separation, severance payment or similar payment required by Federal or Provincial law by reason of any plant closing.

SECTION 7. TERMINATION OF BENEFIT ELIGIBILITY

An Employee's eligibility for a Benefit will terminate permanently (even though the Employee may not have applied for or yet become eligible to receive such Benefit) upon the earliest of:

- (a) Death,
- (b) Disability retirement under any Corporation pension or retirement program,
- (c) Refusal of or failure to appear for an employment interview or related pre-employment physical examination, (unless for Good Cause), or refusal to accept any offer of employment which the Employee is capable of performing (including employment with the Corporation outside the Bargaining Unit) at any Corporation Facility (except that refusal of an offer which the Employee has a right to refuse under the Collective Bargaining Agreement will not terminate eligibility hereunder); provided that if the employment or interview is at a different Corporation Facility which is more than 80 kilometers from the Employee's address of record for purposes of the Plan and the Corporation Facility where the Employee last worked for the Corporation, the Corporation offers to pay a Relocation Allowance, or with respect to an employment interview, the Corporation offers to pay reasonable expenses actually incurred to attend the interview. Refusal of either a Corporation offer of employment in a Province other than the Province in which the Corporation Facility at which the Employee last worked is located, or a temporary part-time positions with the Corporation, shall not terminate any eligibility the Employee may have hereunder,
- (d) Loss of Years of Seniority for any reason,
- (e) Failure of an Employee to file an application for Corporation

employment in accordance with the Employment Application Procedure and any pertinent letter(s) attached to the Collective Bargaining Agreement in accordance with the application procedure established pursuant to the provisions of the letter(s); provided, however, that failure to apply with respect to employment in a Province other than the one in which the Corporation Facility at which the Employee last worked is located, will not cause termination of the Employee's Benefit entitlement under the Plan.

SECTION 8. EFFECT OF PLAN BENEFIT ON SENIORITY

An Employee, who is issued and accepts a Plan Benefit, shall cease to be an Employee and shall have Years of Seniority cancelled at any and all of the Corporation's plants and locations as of the date the application for the Benefit was received by the Corporation.

SECTION 9. OVERPAYMENTS

If the Corporation or the Board determines after issuance of a Plan Benefit that the Benefit should not have been issued or should have been issued in a lesser amount, written notice thereof shall be mailed to the former Employee who shall return the amount of the overpayment to the Corporation.

SECTION 10. WITHHOLDING TAX

The Corporation shall deduct from the amount of any Plan Benefit any amount required to be withheld by the Corporation by reason of any law or regulation, for payment of taxes or otherwise, to any federal, provincial or municipal government. In determining the amount of any applicable tax entailing personal exemptions, the Corporation shall be entitled to rely on the official form filed by the Employee with the Corporation for purposes of income tax withholding.

SECTION 11. POWERS AND AUTHORITY OF THE CORPORATION

- (a) Corporation Powers

The Corporation shall have such powers and authority as are necessary and appropriate in order to carry out its duties under the Plan, including, without limitation, the power to:

- (1) obtain such information as it shall deem necessary to carry out its duties under the Plan;
 - (2) investigate the correctness and validity of information furnished with respect to an application for a Benefit;
 - (3) make initial determinations with respect to a Benefit;
 - (4) establish reasonable rules, regulations and procedures concerning:
 - (i) the manner in which and the time and place at which an application shall be filed for a Benefit,
 - (ii) the form, content and substantiation of the application for a Benefit;
 - (5) determine the amount of Corporation funds that have been expended under the Plan to ensure that the Maximum Corporation Liability Amount, as defined under Section 14(c), will not be exceeded;
 - (6) establish appropriate procedures for giving notices required to be given under the Plan;
 - (7) establish and maintain necessary records;
 - (8) furnish the Union an annual report for each calendar year as to Corporation expenditures counted against the Maximum Corporation Liability Amount; and
 - (9) prepare and distribute information explaining the Plan.
- (b) Corporation Authority

Nothing contained in the Plan shall be deemed to qualify, limit or alter in any manner the Corporation's sole and complete authority and discretion to establish, regulate, determine or modify at any time levels of employment, hours of work, the extent of hiring and layoff, production schedules, manufacturing methods, the products and parts thereof to be manufactured, where and when work shall be done, marketing of its products, or any other matter

related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if the Plan were not in existence, nor shall it be deemed to confer upon the Union any voice in such matters.

(c) Applicable Law

The Plan and all rights and duties thereunder shall be governed, construed and administered in accordance with the laws of the Province of Ontario.

SECTION 12. NON-APPLICABILITY OF COLLECTIVE BARGAINING AGREEMENT GRIEVANCE PROCEDURE

No matter respecting the Plan shall be subject to the grievance procedure established in the Collective Bargaining Agreement between the Corporation and the Union.

SECTION 13. APPLICATION AND DETERMINATION OF ELIGIBILITY

(a) Benefits

(1) Application Procedure

(i) Filing Applications

An application for a Benefit may be filed, either in person or by mail, in accordance with procedures established by the Corporation. No application for a Benefit shall be accepted by the Corporation prior to 12 continuous months of layoff from the Corporation (or any shorter period as determined by the Corporation).

(ii) Application Information

Application for a Benefit shall be in writing and shall include any information deemed relevant by the Corporation with respect to the determination of the Employee's eligibility for and the amount of the Benefit and the determination of offsets to such Benefit as provided under Section 5 of the Plan.

(2) Determination of Eligibility

When an application is filed for a Benefit and the Corporation is furnished with the evidence and information as required, the Corporation shall have initial responsibility for determining eligibility.

(b) Relocation Allowance

Relocation Allowance shall be provided under subsection (c) of this Section 13 to help defray the moving costs incurred by eligible Employees and their families relocating as a result of accepting a job offer from the Corporation. A Relocation Allowance will be payable after the Employee reports and begins Work at the Corporation Facility to which relocated, provided the following conditions of eligibility are satisfied:

- (1) the Corporation offered a Relocation Allowance and the Corporation Facility to which the Employee relocates is more than 80 kilometers from the Employee's address of record for purposes of the Plan and the Corporation Facility where the Employee last Worked or is currently working for the Corporation; and
- (2) as a result of the relocation, the Employee changes permanent residence; and
- (3) the Employee applies for a Relocation Allowance within 1 year of the date the Employee was scheduled to begin Work at the Facility to which the Employee has relocated; and
- (4) the Employee has applied for and received (or is eligible to receive) any statutory relocation, moving or similar payment or allowance under any applicable law, rule or regulation; and
- (5) the Employee is not eligible to receive a relocation allowance or similar payment for the same relocation under the Collective Bargaining Agreement or under any other plan or program of the Corporation;

provided, however, that only one Relocation Allowance will be payable in situations where more than one member of a family living in the same residence, is also an Employee being relocated to the same Corporation facility.

(b) Relocation Allowance Amount

<u>Kilometers from the Prior Plant to the New Plant</u>	<u>For Expenses Applicable to</u>	
	<u>Single Employee</u>	<u>Married Employee</u>
80 - 159	\$665	1,470
160 - 479	740	1,620
480 - 799	800	1,700
800 - 1,599	925	2,010
1,600 or more	1,120	2,310

(d) Notice of Denial

If the Corporation determines that an Employee is not entitled to a Benefit or to a Relocation Allowance, it shall notify the Employee promptly, in writing, of such determination, including the reasons therefore, and of the Employee's right to appeal.

SECTION 14. FINANCIAL PROVISIONS AND LIABILITY

All Benefits shall be payable by the Corporation.

- (1) Any payments made by the Corporation are subject to, and limited by, in the aggregate, the Maximum Corporation Liability Amount as defined under subsection (c) of this Section.
- (2) If the Corporation at any time shall be required to withhold any amount from Benefits by reason of any federal or provincial law or regulation, the Corporation shall have the right to charge such amount against the amount of the Maximum Corporation Liability Amount as defined under subsection (c) of this Section.

(b) Benefit Cheques Not Presented

If a payment is made under the Plan and the amount of the payment is not claimed within a period of 2 years from the date such payment was made, the amount shall revert to the Corporation and such amount will be credited to the Plan's Maximum Corporation Liability Amount.

(c) Liability

- (1) The Plan applies only to eligible Employees laid off on or after

the Effective Date and during the term of the Collective Bargaining Agreement. The Corporation's total financial liability for the cost of the Plan (including amounts paid to the trustee of amounts owed to the Corporation or trustees of other Company plans or programs which were offset against the Benefit under Section 5), including any taxes or contributions imposed on the Corporation by reason of paying Benefits under the Plan, any Relocation Allowance or interview expenses provided in conjunction with the Plan, and any taxes which reduce Benefits under the Plan and are paid to the appropriate tax authority by the Corporation, shall be limited to the Maximum Corporation Liability Amount.

- (2) If it appears the Maximum Corporation Liability Amount will be reached before all Employees cease eligibility for a Benefit under the Plan, the issue may be discussed by the Corporation and Union and a determination made whether to reduce the amount of the Benefit to provide for an equitable means for distribution of the Corporation's remaining obligations.

SECTION 15. NONALIENATION OF BENEFITS

Except as otherwise provided under Section 5, no Benefit shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind, and any attempt to accomplish the same shall be void. In the event that the Corporation shall find that such an attempt has been made with respect to any such Benefit due or to become due to any Employee, the Corporation in its sole discretion may terminate the interest of such Employee in such Benefit and may apply the amount of such Benefit to or for the benefit of such Employee, the Employee's spouse, parents, children or other relatives or dependents as the Corporation may determine, and any such application shall be a complete discharge of all liability with respect to such Benefit.

SECTION 16. MISCELLANEOUS

A Benefit shall be payable hereunder only to the Employee who is eligible therefore, except that if the Corporation shall find that such an Employee is deceased and has not received any Benefit payable prior to termination by death or is unable to manage their affairs for any reason, any such Benefit shall be paid to the duly appointed legal representative, if there be one, and if not, to the spouse, parents, children or other

relatives or dependents of such Employee as the Corporation in its discretion may determine. Any Benefit so paid shall be a complete discharge of any liability with respect to such Benefit.

SECTION 17. AMENDMENT AND TERMINATION OF THE PLAN

So long as Exhibit C, Supplemental Agreement covering the Lump Sum Payment Plan, shall remain in effect and subject to Section 14(c) the Plan shall not be amended, modified, suspended, or terminated, except as may be proper or permissible under the terms of the Plan or such Agreement.

Upon the termination of such Exhibit C, Supplemental Agreement, the Corporation shall have the right to continue the Plan in effect and to modify, amend, suspend, or terminate the Plan, except as may be otherwise provided in any subsequent agreement between the Corporation and the Union, and except that the Plan shall continue for eligible Employees laid off during the Collective Bargaining Agreement and eligible for a Benefit hereunder, subject to Section 14(c).

SECTION 18. EFFECT OF REVOCATION OF INCOME TAX RULINGS

If any ruling which may be obtained by the Corporation holding that payments under the Plan constitute currently deductible expenses under the Canadian Income Tax Act, Chapter 63, S.C. 1970-71-72, as amended, as now in effect or as hereafter may be amended, or under any other applicable federal or provincial income tax law, shall be revoked or modified in such manner as no longer to be satisfactory to the Corporation, all obligations of the Corporation under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect (without in any way effecting the validity or operation of the Collective Bargaining Agreement).

SECTION 19. DEFINITIONS

As used herein:

- (1) "Act of God" means an occurrence or circumstance directly affecting a Corporation Plant or Plants which result from natural

causes exclusively and is in no sense attributable to human negligence, influence, intervention or control; the result solely of natural causes and not of human acts.

- (2) "Bargaining Unit" means a unit of Employees covered by the Collective Bargaining Agreement.
- (3) "Benefit" or "Lump Sum" means the lump sum payment amount calculated for an eligible Employee with respect to a period of qualifying layoff in accordance with the provisions of Section 4 and subject to offset in accordance with Section 5 of this Plan.
- (4) "Collective Bargaining Agreement" means the currently effective collective bargaining agreement between the Corporation and the Union which incorporates this Plan by reference.
- (5) "Corporation" means Guelph Products Collins & Aikman
- (6) "Effective Date" means February 1, 2006.
- (7) "Employee" means a full-time employee in a Bargaining Unit covered by the Plan, including such a person laid-off from Corporation employment in such a Bargaining Unit and who is eligible for a Benefit except that an "Employee at Work" means a full-time employee in such a Bargaining Unit who receives pay for regular hours scheduled by the Corporation and Worked within such a Bargaining Unit on or after the Effective Date.
- (8) "Employment Application Procedure" means any procedures by which an Employee may file an application for employment with the Corporation under the Collective Bargaining Agreement as well as any other hiring agreements negotiated between the Corporation and the Union as contained in any local Agreement. Such applications are to be filed within twelve (12) months after the last day worked prior to layoff.
- (9) "Facility" shall be deemed to include any manufacturing or assembly plant, works, parts depot, or other Corporation activity or location in or out of which an Employee Works.
- (10) "Good Cause" for refusing to interview or failing to appear for an interview or related physical examination or failing to file a timely application under the Employment Application Procedure, is deemed to exist if there is a justifiable reason, determined in accordance with a standard of conduct expected of an individual acting as a reasonable person in light of all the circumstances.

Justifiable reasons include, but are not limited to, the following:

- (i) Acts of God that prevent an individual from getting to an interview or related physical examination;
 - (ii) Personal physical incapacity;
 - (iii) Death occurring in the Employee's immediate family which could have otherwise been covered as bereavement time under the Collective Bargaining Agreement if the Employee were at Work in the Bargaining Unit; and
 - (iv) Jury duty.
- (11) "Maximum Corporation Liability Amount" means the established amount, expressed in dollars, of the Corporation's total financial liability for the cost of the Plan as defined under the provisions of Section 14(c) of this Plan.
- (12) (a) "Plant Closing" means the permanent discontinuance (or an indefinite long-term discontinuance without a projected date of resumption) of total production operations at a Corporation plant constituting a local Bargaining Unit.
- "Partial Plant Closing" means the permanent elimination of a complete operation from a Corporation plant due solely to the cessation of a product or product line (not a decreased volume of a continuing operation due to economic conditions); provided, however, that a "Partial Plant Closing" shall not include any such elimination resulting in the permanent layoff of the lesser of
- (i) 10% of the total number of Employees working or having Seniority at a Corporation plant constituting a local Bargaining Unit on the last regular Work day prior to the effective date of the permanent layoff involved, or
 - (ii) 100 such employees.
- (13) "Seniority" means seniority status under terms of the Collective Bargaining Agreement as of the date of a layoff qualifying for a Benefit hereunder.
- (14) "Union" means National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW Canada) and Guelph Products Collins & Aikman unit of Local 1917.

- (15) "Work" or "at Work" means receiving pay for regular hours scheduled by the Corporation and worked within the Bargaining Unit.
- (16) "Years (or Year) of Seniority" means for all purposes of this Plan and for those purposes only, the longest Seniority an Employee has in any Bargaining Unit except that in determining an Employee's "longest Seniority", if the Employee has Seniority in a Bargaining Unit at the time Seniority is broken in another Bargaining Unit under the time for time provisions of the Collective Bargaining Agreement or because the Employee refuses recall at such other Bargaining Unit, or if Seniority is broken in a Bargaining Unit because the Employee quits to respond to recall to another Bargaining Unit, such lost Seniority shall be included in Years of Seniority".

EXHIBIT D
PENSION PLAN

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PENSION PLAN

The Company will provide a non-contributory defined benefit pension plan for all members that includes the following provisions:

1. Eligibility

The Effective date of the Plan is January 1, 1994. All employees on the Company rolls as of the effective date immediately become members of the Plan. Employees hired after the effective date shall become members of the Plan after one (1) year of continuous service with the Company.

2. Credited Service

- (A) Credited Service shall be equal to seniority for all employees on the Company rolls as of the effective date.
- (B) The accrual of Credited Service after January 1, 1994 shall be equal to 1 year of credited service for each 1700 or more hours per calendar year for which an employee receives pay. Where actual compensated hours are less than 1700, a proportionate amount of credit, to the nearest one-tenth (1/10th) of a year, shall be granted.
- (C) Credited service shall accrue at a rate of eight (8) hours per day, forty (40) hours per week, for all hours for which an employee is:
 - (i) entitled to Workers' Compensation Benefits,
 - (ii) on a Pregnancy/Parental Leave of Absence or Union Office Leave,
 - (iii) entitled to Weekly Accident and Sickness benefits.
 - (iv) for periods of layoff during 2003

Credited service shall also accrue while an employee is entitled to Extended Disability benefits, up to a maximum of one year.

3. Normal Retirement

Normal Retirement age is age 65. Employees, who retire after January 1, 2003, at or after age 65, shall be entitled to a monthly Lifetime Retirement Benefit equal to the years of Credited Service that the

employee had at time of retirement multiplied by the following rates:

<u>Retirement Date</u>	<u>Lifetime Retirement Benefit Rate</u>
Jan. 1 2006 thru Dec. 31/06	\$24.00
Jan. 1 2007 thru Dec. 31/07	\$26.00
Jan. 1 2008 thru Dec. 31/08	\$28.00

4. Early Retirement

Employees may retire after January 1, 2003, at age 55 or older and prior to age 65, with ten (10) or more years of credited service, and shall be entitled to a monthly Early Retirement Benefit equal to the amount calculated under Section 3 above, based on credited service at time of early retirement, reduced by one half (1/2) of one percent (1%) for each complete calendar month the employee is under age 62 at time of early retirement.

Employees may also retire after January 1, 2003, at age 55 or older and prior to age 65 with two years or more but less than ten years of credited service and shall be entitled to a monthly Early Retirement Benefit equal to the amount calculated under Section 3 above, based on credited service at time of early retirement, reduced by one half (1/2) of one percent (1%) for each complete calendar month the employee is under age 65 at time of early retirement.

5. Disability Retirement

Employees who become permanently and totally disabled and who have 10 or more years Credited Service, and are fifty (50) years of age or older, shall be entitled to a monthly Permanent and Total Disability benefit equal to the amount calculated under Section Three above, based on credited service at time of Permanent and Total Disability payable under age sixty-five (65). Such disability retirement benefit shall become payable beginning the first of the month following the expiration of Occupational Sickness and Accident benefits. Upon attainment of age 65 the disability pension shall be converted into a Lifetime Retirement Benefit.

6. Supplementary Pension

Employees who retire under the Early Retirement or Disability Retirement provisions of the Plan shall be entitled to a monthly Supplementary Pension Benefit payable up to and including the month in

which the employee first becomes eligible for a Statutory Benefit under the Old Age Security Act, January 1, 1968 as amended. The amount of such Supplementary Pension Benefit shall be \$10 per month per year of Credited Service, to a maximum amount of \$300.00 per month. The amount of the Supplementary Pension Benefit payable in cases of Disability Retirement shall be reduced by the actual amount of Government Pension benefit for disability payable to the retired employee. In addition, the amount of the Supplementary Pension Benefit shall be further reduced by a deduction equivalent to the amount of any temporary total benefit or Future Economic Loss award and supplement payable to the employee under any Workers' Compensation Legislation.

7. Normal Form of Pension

- (A) The Normal Form of Pension shall be a pension payable for the employee's life.
- (B) Employees may elect optional forms of pension payable for life with guarantee periods of 5 or 10 years, calculated on an actuarially equivalent basis.

8. Joint and Survivor Pension

- (A) In lieu of any monthly pension benefit otherwise payable, an employee shall be deemed to have elected to receive a reduced monthly pension, equal to ninety-five (95%) percent of the lifetime pension benefit otherwise payable, to provide that, if his/her spouse is living at the time of the employee's death, a Survivor Benefit shall be payable for the lifetime of such spouse. The employee and spouse may jointly waive this automatic election by completing and signing the appropriate forms. Should an employee's spouse pre-decease the employee, such employee may apply for and have his/her pension benefit immediately restored to its unreduced value. The reduced monthly pension benefit payable to the employee under this Section will be (i) decreased by one-half of one percent (0.5%) for each full year in excess of five (5) years that the Spouse's age is less than the Employee's age, or (ii) increased by one-half of one percent (0.5%) for each full year in excess of five (5) years that the Spouse's age exceeds the Employee's age.
- (B) The Survivor Benefit payable to the surviving spouse shall be a monthly benefit equal to 60% of the reduced amount of the former employee's monthly pension benefit.

- (C) The definition of spouse shall include an employee's common-law spouse provided that the employee and spouse have resided together for at least one (1) year.

9. Amendments

Provide in the collective agreement that the Pension Plan forms a part of the collective agreement, and that no substantive amendments or modifications may be made to the Plan without the consent of the Union. Amendments required by law will be discussed between the parties prior to implementation.

10. Surplus

Provide that no surplus assets may be withdrawn from the pension fund on an ongoing basis.

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