

AGREEMENT

BETWEEN

R.J. SIMPSON

MANUFACTURING COMPANY (CANADA) LIMITED

A SUBSIDIARY OF
**SIMPSON
INDUSTRIES** Inc.

AND THE



National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW Canada) and its
Local No. 1738

March 9, 1998 through March 10, 2001

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AGREEMENT

Effective as of this 9th day of March, 1998 by and between R.J. Simpson Manufacturing Company (Canada) Ltd., hereinafter designated as the "Company", and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW Canada), and its Local No. 1738 hereinafter referred to as the "Union", agree as hereinafter described.

GENERAL PURPOSE

The purpose of this agreement is to provide lawful and orderly collective bargaining relations between the Company and its employees covered by this Agreement through the Union to secure prompt and fair disposition of grievances, to eliminate interruption of work and interference with efficient operations of the Company's business, and to maintain fair wages, hours, and working conditions for the said employees. This agreement replaces all previous agreements, both oral and written by the parties.

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**ARTICLE I
RECOGNITION**

1.0 Recognition

The Company recognizes the Union as the sole collective bargaining agency for all of its employees who are not otherwise excluded by this Agreement.

2.0 Exclusions

The Company, pursuant to the certification of representative in the Ontario Labour Relations Board, File No. 18901-70-R, recognizes the Union as the exclusive bargaining representative in respect to rates of pay, wages, hours of employment and other conditions of employment for a separate bargaining unit consisting of all production and maintenance employees employed at the R.J. Simpson Manufacturing Company (Canada) Ltd., in the township of Camden, in the County of Kent, excluding Junior Foreman and all persons above the rank of Junior Foreman and Quality Control Manager, Q.C. Technicians, Factory Clerical Employees, General Office and Sales Employees, and those who can affect discipline, and students employed during the school vacation period.

2.1

Unless otherwise described, the word "Employee" or "Regular Employee" as used in this Agreement means only an employee other than a probationary employee in the bargaining unit above described.

3.0 No Discrimination

The parties agree that they will not discriminate against employees in respect of their training, upgrading, promotion, transfer, layoff, discharge, or otherwise because of race, creed, colour, national origin, age, sex, marital status, sexual orientation, handicap or because of membership in the union.

3.1

Whenever the masculine gender is used in this Agreement, it shall imply and include the feminine.

4.0 Union Membership

All present employees now members of the Union shall as a condition of employment remain members of the Union in good standing during the term of this agreement. All new employees hired shall also, as a condition of employment, have deducted from their pay the monthly Union dues, or an equivalent sum, and shall at the completion of the probationary period, have deducted from their pay the Union initiation fee, which will be checked off by the Company.

4.1 Checkoff

The Company agrees to deduct from the first paycheck of each month, the initiation fees and dues levied against all members by the Union for all members who have signed cards authorizing the Company to do so. This authorization shall be binding upon such members for the duration of this Agreement and any extension or renewal thereof.

4.2 Deductions

The Company shall be entitled to keep and retain such cards. Any change in the amount of initiation fees or dues to be deducted shall be tendered in writing by an officer of the Local Union, fifteen (15) days prior to the payday in which said initiation fees and dues are to be deducted.

4.3

The Company agrees to deduct uniformly from all members such assessments as may be levied by either the National Union or the Local Union from time to time, providing such notice is given fifteen (15) days in advance of the month in which the assessment is to commence, and provided such notice shall come from the Financial Secretary of Local 1738 or the Secretary-Treasurer of the National Union.

4.4

If during the regular pay for deduction of Union dues or initiation fees an employee, because of absence, has no earnings, such deduction shall be deferred to the regular deduction period in the

following month, provided, however, that the employee has had forty (40) hours or more of work in the preceding month for which no deduction was made and also has had at least forty (40) hours of work during the week for which the double deduction will be **made**. If either one of these work requirements has not been met by the time the second deduction is due, deduction of one month's dues only shall be made, and the extra deduction shall be made during the first subsequent month in which the employee has performed the amount of work required above.

4.5

The total of the deductions, together with a record showing from whom the deductions were made, shall be forwarded by the Company to the Secretary-Treasurer of the National Union CAW Canada, not later than the twenty-fifth (25th) day of the calendar month in which such deductions are made.

4.6

The Company will use its best endeavours to comply with the provisions of this article, but is relieved by the Union of both responsibility and liability for errors where these errors cannot be corrected from the affected employee's earnings.

4.7

The Union agrees that neither the Union nor its members will solicit dues, assessments, or fines on Company time, except as provided for in Schedule A, Article IV.

4.8 Checkoff Authorization Card

Date _____

To the _____ Company, I

hereby assign to the Local Union No. _____ National Automobile, Aerospace, Transportation and General Workers Union of Canada (C.A.W. Canada), from any wages earned or to be earned by me as your employee, such sums as the Financial Officer of the said Local Union No. _____ may certify as due and owing from me as membership dues in accordance with the

Constitution of the National Union, C.A.W. Canada, I direct you to deduct such amounts from my pay and remit same to the Union at such times and in such manner as may be agreed upon between you and the Union at any time while this Authorization is in effect.

Signature of Employee

Address of Employee

Type or Print Name of Employee

City and Province

Date of Signing & Employee's Clock
Number

Social Security Number

4.9

The Company agrees to give to all new employees covered by this Agreement, a copy of the current labour agreement, checkoff authorization card, Union membership application, plant rules, and safety rules.

The Union will supply the Company the forms for checkoff and Union membership.

5.0 Management Rights

The Union recognizes that it is the function of the Company to hire, promote, demote, transfer, discipline, suspend, or discharge any

employee for just cause, subject to such regulations and restrictions governing the exercise of these functions as are expressly provided in this Agreement and subject to the right of the employee concerned to lodge a grievance in the manner and to the extent herein provided.

The Union recognizes that it is the function of the Company to operate and manage its business in all respect in accordance with its commitments and responsibilities, and that the location of plants the products to be manufactured or dealt with, the schedules of production and distribution, the methods, processes and means of manufacturing, and dealing with such products are solely the responsibility of the Company.

The Company also has the right to make and alter, from time to time, rules and regulations to be observed by the employees, which rules and regulations shall not be inconsistent with the provisions of this Agreement. Any additions to the established rules will be reviewed with the Union Committee prior to the implementation.

5.1

The Company construes and the Union recognizes the provisions of this contract as constituting limitations and being the only limitations upon the Company's right to manage the business.

**ARTICLE II
STRIKES, STOPPAGES AND LOCKOUTS**

6.0 No Strike or Lockout

The Union agrees that there will be no strike, and the Company agrees that there will be no lockout during the term of this agreement. The word "Strike" and the word "Lockout" shall be deemed to have the meaning given these words in the Labour Relations Act, Ontario, R.S.O., 1960, ch. 202, as amended.

**ARTICLE III
REPRESENTATION**

7.0 Plant Committee

The Union may appoint and the Company shall recognize a Plant Committee that shall serve as both a grievance and bargaining committee who shall be employees of the Company with at least one year's seniority. The grievance committee shall consist of three (3) members and one of the members shall be designated as its Chairperson. Each member of the committee shall represent one of the following zones:

- Zone 1 - Day Shift
- Zone 2 - Afternoon Shift
- Zone 3 - Midnight Shift

The bargaining committee, for the purpose of collective agreement negotiations only, shall consist of the three (3) grievance committee members plus the union representative provided for in Article VIII, 37.1 (b) for a total of four (4) bargaining committee members.

7.1 Skilled Trades Committeeperson

Notwithstanding the language in the Collective Agreement, the Union may appoint and the Company shall recognize a skilled trades Committeeperson to represent the trades only for the purpose of negotiation of matters pertaining to skilled trades, the handling of grievances, and the contractual matters related to the skilled trades employees. The skilled trades committeeperson will be assigned to the shift by their seniority. Grievances arising on the other shifts will be handled by the appropriate Zone Committeeperson.

8.0

The Union agrees to notify the Company in writing of the names of the Plant Committee and its Chairperson, and the respective effective dates of their appointment. Each member of the committee will be scheduled on opposite shifts so as to afford proper representation of employees.

The Company agrees to notify the Union in writing of the names of the supervisory personnel in the plant and their areas of responsibility.

9.0

The Company shall negotiate with the local Plant Committee and the National Union representatives as the only representatives of the employees as provided in this agreement.

10.0 Meetings

Conferences shall take place between the Plant Committee of the Union and the Plant Management at such time and place as may be agreed upon between them. Matters to be discussed at such meetings shall be placed on an agenda to be supplied by the party requesting a conference to the other party at least one working day prior to the day for which the conference is requested.

Every reasonable effort will be made to schedule such meetings so as to be concluded during normal working hours and the committee may meet by themselves prior to the scheduled meetings.

11.1

Occasionally, permission may be granted for meetings of a limited duration between individual committee persons during the beginning or ending of a shift. A committee person will seek permission from his Supervisor indicating the particular committee person who he wants to talk with and the approximate length of the meeting.

11.2 Telephone

When a member of the Plant Committee needs to use a Company telephone because of necessity or emergency pertaining to the Agreement, he shall seek permission from his Supervisor. Permission will not be unreasonably withheld.

- a. The pay phone located in the plant cafeteria is for the use of employees during break and lunch periods.

11.3 Corrective Action Notice

For any **offense** resulting in disciplinary action, the employee shall be given a written corrective action notice stating the **offense** and penalty. The Plant Committee will also be given a copy of all such notices.

No disciplinary action, including termination, suspension or warning, will be enacted after five (5) working days after **the** facts of the occurrence become known or could have become known with reasonable attention. This five (5) day period may be extended by mutual agreement so as to provide for thorough investigation and knowledge of the incident as may be required by the parties.

The Plant Committee shall sign all corrective action notices as an indication that representation was provided. The signing of corrective action notices by the employee is voluntary.

A Committeeperson will be present with an employee at any time disciplinary action commences.

11.4

A Plant Committeeperson can in the resolution of a particular grievance, upon written request, and with the written permission of the employee, review certain particular Company records in the presence of the Company.

11.5

The Local Union may keep a filing cabinet in the factory meeting room.

11.6

The Company will supply the bargaining committee with copies of rules and regulations to be observed by the employees prior to being posted.

11.7

The Company will give the Union a copy of **the** employee's attendance record for the period of time in question, as well as the opportunity to talk to those having attendance problems prior to the

Company's taking disciplinary action.

11.8

For any offense resulting in disciplinary action, the employee, if he so desires, shall be afforded the opportunity to meet with his Committeeperson for a period of reasonable duration, prior to the Company taking the disciplinary action.

11.9

The Company will supply the Plant Chairperson of the bargaining committee with a list of the names, addresses and postal codes of all employees covered by this agreement, when any changes are made.

**ARTICLE IV
GRIEVANCE PROCEDURE**

12.0 Time Limits

It is understood that no incident which occurred prior to the effective date of this Agreement shall be the **subject** of a grievance under any of the procedures provided in this Agreement.

12.1

Time limits specified in the various steps of the grievance procedure may be extended by mutual agreement.

12.2 General Procedure

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 , or the Company, the same shall be handled in the following manner:

- a. When an employee requires a Union representative, he shall notify his Supervisor who will send such representative without unreasonable delay.

- b. The Supervisor affected will arrange for replacements where necessary so that the parties involved may meet to discuss or process the grievance as soon as reasonably possible.
- c. It is understood and agreed that committeepersons, as well as other employees, have regular duties to perform.
- d. Grievances shall be presented or adjusted during an employee's scheduled working hours without **loss** of pay, unless otherwise provided for in this agreement.
- e. No committee member may leave his job on the handling of a grievance for more than a reasonable length of time.
- f. All time taken shall be used for investigating and processing grievances.
- g. No grievance shall be considered beyond Step 1 unless it is reduced to writing and filed within five (5) working days after the facts of the occurrence become known to the employee or Union or could have become known with reasonable attention.
- h. All time spent in meetings with the Company shall be paid at straight hourly rates plus cost of living allowance. When the total time spent in meetings and work exceed eight (8) hours in any one day, hours in excess of eight (8) will be paid as provided in Article IX, 44.0.

12.3 Permission

Committeepersons have regular work to perform and shall not leave their jobs for the purpose of investigating or adjusting any grievance without prior permission from their Supervisor. Such permission shall be granted without unreasonable delay, but in no case will permission be given during the first hour of the shift.

13.0 Step 1

Any employee having a grievance shall first discuss it with his Supervisor and Committeeperson. If the grievance cannot be

resolved, it shall then be put in writing and be signed by the grievor and his committeeperson and be presented to the Supervisor, who shall give his answer in writing within two (2) working days.

14.0 Step 2

If the decision of the Supervisor is not acceptable to the employee, he may appeal the decision within two (2) working days to the Process Control Manager before whom he shall be represented by his Committeeperson. The Process Control Manager will render a decision in writing within two (2) working days after the day on which the grievance was presented.

15.0 Step 3

If the Process Control Manager's decision is not satisfactory to the aggrieved, the grievance may be presented by the Plant Committee to the Management.

The Management shall arrange for a meeting between the Company and the Plant Committee, such meeting to be held within five (5) working days of presentation of the grievance. Management shall render its decision in writing within three (3) working days following the meeting. Meetings shall be arranged between the Plant Committee and Management at the request of either party. At any meeting with the Management, the committee may have present any employee involved in the grievance.

16.0 Additional Representatives

At meetings in Step 3, either the Company or the Union may be represented by, not to exceed two (2) additional persons of their own selection, excepting bargaining unit members. Witnesses and/or grievant may be called by mutual agreement.

The Company will render a decision in writing within five (5) working days after the day on which the meeting was held, unless the time is extended by mutual agreement.

With respect to the Company's decision referenced in the foregoing paragraph, the Union will notify the Company of the Union's intent to arbitrate the issue. Said notification is to be within ten (10)

calendar days of the Company's decision regarding discharge issues and thirty (30) calendar days regarding other arbitrable issues.

18.0 Disposition of Grievance

If a grievance is filed in accordance with the preceding paragraphs, the grievance shall be discussed before representatives of Management and the Plant Committee. Any decision that may be decided of a lesser or greater nature shall be final and binding on all parties and shall not be retained as precedent for any other case. The Union may withdraw a grievance at any point in the grievance procedure, but the facts in the grievance cannot be used for another grievance by the same employee.

18.1 Discharged Employee

A discharged employee, before leaving the plant, shall be given an opportunity to explain the circumstances of the case to his Committeeperson. A discharged employee may present a grievance in writing, either direct or through the Plant Committee to Management, within five (5) working days of discharge, and Management will negotiate the grievance respecting such discharge and render a decision within five (5) working days after its receipt. If the decision of the Management is not satisfactory, the grievance may be referred to arbitration as herein provided. (See Paragraph 16.0 above).

19.0 Company Grievance

A Company grievance may be taken up with the Union between the Management and the Plant Committee. In all cases, the Union's decision regarding same will be given in writing, and failing satisfactory settlement, the grievance shall be subject to the arbitration procedure. A union grievance may similarly be taken up with the Company on matters of a general nature relating to the application, administration or interpretation of the collective agreement, provided such grievance cannot be otherwise brought forward as the grievance of an employee or group of employees pursuant to the provisions of Paragraph 13 herein. The Company's decision in such cases shall be given in writing, and failing satisfactory settle-

ment, the grievance shall be subject to the arbitration procedure.

20.0 Arbitration

If the decision of the Management is not satisfactory to the employee concerned, the parties to the grievance shall agree upon an arbitrator to whom the matter will be immediately referred to arbitration forthwith. In the event that the parties cannot agree within ten (10) days, the Minister of Labour for Ontario will be requested to appoint an arbitrator.

20.1

In proceedings or negotiations with the Management, the Plant Committee may be represented by duly accredited representatives of the union.

20.2

The arbitrator shall not have jurisdiction to alter or change any of the provisions of this agreement, or to substitute any new provisions in lieu thereof, nor to give any decision inconsistent with the terms and provisions of this agreement, or to deal in any matter not covered by this agreement. The arbitrator, however; in respect of a grievance involving a discharge or discipline shall be entitled to modify such penalty as in the opinion of the arbitrator is just and equitable. The decision of the arbitrator shall be final and binding upon the parties.

20.3

The party receiving the adverse decision, as determined by the arbitrator, will pay totally the expense of the arbitrator.

21.0 Back Wages

No claims, including claims for back wages, by an employee covered by this Agreement, or by the Union, against the Company shall be valid for a period prior to the date the grievance was first filed in writing, unless the circumstances of the case made it impossible for the employee or for the Union to know that he or the Union has grounds for such a claim prior to that date, in which case the claim shall be limited retroactively to a period of thirty (30) days prior to the date the claim was first filed in writing.

21.1

No claim for back wages shall exceed the amount of wages the employee would otherwise have earned at his regular rate, less any unemployment compensation or income from wages from other employment he may have received during his absence.

**ARTICLE V
SENIORITY**

22.0 Seniority Defined

Fundamentally, rules respecting seniority are designed to provide to employees an equitable measure of security based on the length of service with the Company.

22.1 Preferential seniority

It is agreed that Local Union officers shall head the plant seniority list during their terms of office for the purpose of layoff and recall.

The Plant Chairperson shall head the seniority list, followed by the Committeeperson in order of seniority, skilled trades Committeeperson and President. The Plant Chairperson shall retain day shift status during his term of office.

23.0 Acquiring Seniority

An employee shall acquire seniority by working ninety (90) calendar days with the Company in any twelve (12) month period of continuous or intermittent employment. An employee's seniority date shall be established as of his first date of hire during such twelve (12) month period. An employee will not be required to repeat their probationary period more than once in any twelve (12) month period.

When more than one newly hired employee starts work on the same day, such employees shall obtain seniority ranking according to a lottery system agreed to by the Company and the Union.

23.1 Seniority List

The Company shall prepare the seniority lists and undertake to revise them at least every three (3) months, and post them in a suitable location in the plant. The Chairperson of the Plant Committee will be supplied with a copy and advised of revisions.

23.2

An employee's complaint with respect to his position on the seniority list may be treated as a grievance.

23.3 Disability

In the event of any employee suffering a major disability or serious illness, exception may be made to the seniority provisions of this agreement in favour of such employee, if agreed on between Management and the Union.

25.0 Seniority for Employees Transferred from the Bargaining Unit

Any employee who accepts and is transferred out of the bargaining unit after the effective date of this agreement, shall have one hundred (100) calendar days in which to decide to go back to the bargaining unit or thereafter lose his right to return.

In the event an employee is transferred back into the bargaining unit within the one hundred (100) calendar days, he shall be placed on the seniority list in accordance with his seniority. When an employee is transferred back into the bargaining unit and there is no job opening, he will replace the most junior employee in the bargaining unit, and will re-establish his union membership immediately.

26.0 Loss of Seniority

An employee shall lose his seniority and employment for the following reasons:

- a. If he quits.
- b. If he is discharged and his discharge is not reversed through the grievance procedure.

- c. If he fails **to** report for work three (3) consecutive regular workdays without valid reason.
- d. If he fails **to** report to work within seven (7) calendar days after receiving a recall notice sent by registered mail. A telephone call from the Company to the employee, in the presence of a Union Committeeperson, advising the employee of his recall, shall constitute appropriate notice in the absence of a registered recall notice.
- e. If he fails to report for work upon termination **of** any leave of absence, without a valid reason.
- f. If he obtains a leave of absence and during such absence utilizes this leave for any other purpose than that for which it is granted.
- g. He is laid off for a period of time that is longer than a period of time equal to his continuous service at the time of layoff.
- h. The employment office may not, for the purpose of seniority, cause an employee **to** be discharged after the probationary period of employment for falsification of employment records.
- i. For those employees on a medical leave **of** absence, such employees must furnish the Company with a medical statement of their continued disability every twelve (12) months from the date such disability begins, and for a period equal **to** his continuous service at the onset of the disability or illness.

27.0 Job Posting

When permanent **job** vacancies occur or new jobs are created, employees on the active seniority roll will be given an opportunity **to** bid for such jobs. All jobs posted for bid will remain posted on the bulletin board for a period of seventy-two (72) hours, excluding Saturdays, Sundays, or holidays.

- a. A copy of each job posting sheet will be given to the Plant Chairperson in a timely manner.

- b. An employee who is going to be absent from work by virtue of being on vacation, may give a bid in writing to his Supervisor prior to leaving on vacation. In the event the particular job to which the employee bid is posted during his absence for vacation, he shall be considered to have placed a valid bid for the job.

In the event the particular job is not posted during the employee's vacation absence, the bid will become void upon his return to work.

27.1 Bid Procedure

Employees who bid must do so in writing to their Supervisor on duplicated forms provided for that purpose. The forms will be signed by the supervisor and the bidder. One copy will be given to the bidder as a receipt and one copy to the Union.

- a. An active seniority employee may bid for a posted job vacancy. Selection of an employee to fill the vacancy shall be based on qualifications and ability to perform the work required. When these factors are relatively equal, the most senior bidder will be given preference. If the Company does not select the senior bidder, he and the Committee Chairperson will be informed of the reason(s) why the senior bidder was not selected.
- b. An active employee may post to a lower rated job. However, if an employee does post to a lower rated job, he is prohibited from bidding for any further job postings for six (6) months. Exception to this rule may be made for physically disabled employees.
- c. The Company will post the names of successful job bidders within five (5) working days on the main bulletin board. A copy of the sheet containing the names of the successful job bidders will be given to the Plant Chairperson.
- d. An employee may not bid for a posted classification on which he has previously experienced a disqualification unless during the period between his disqualification and the next posting of the classification, he has acquired additional skills and experi-

ence which warrant consideration.

- e. The employee must not have made a successful bid to a posted job for a period of six (6) months prior to the current job posting.
- f. The Company may refuse to accept the bid of an employee who has bid and voluntarily removed his name two (2) times in the preceding six (6) months.
- g. The Company will provide reasonable training to its employees for a period of up to ten (10) working days, with the time limit being extended by mutual agreement. For bidding purposes only, a minimum of one (1) hour training will be provided.
- h. Notwithstanding (e) above, an employee who bids to a higher rated classification successfully will be allowed to post to an even higher rated classification within the six (6) month time period from the last bid. An employee will not be allowed to have more than three (3) total bids in any twelve (12) month period.
- i. The job a probationary employee is assigned to on the day he attains seniority shall become his bid class.

27.2 Bid Award

Once an employee is awarded a bid, he will be placed on the job within twenty (20) working days after being awarded the job, unless an extension is mutually agreed to, and his seniority shall apply to the new classification in accordance with the terms of this agreement.

27.3 Disqualification

- a. An employee awarded a bid and subsequently disqualified by the Company after a trial on the job will revert to his former classification, and be placed on a job in line with his seniority.
- b. An employee awarded a bid shall have the right to disqualify himself within seven (7) working days, if he feels he is not qualified. The Company will subsequently revert the employee

to his former classification, and place him on a job in line with his seniority.

- c. If an employee chooses to disqualify himself from his bid job by means of a doctor's certification, he shall be given work in a classification at the Company's discretion.

27.4

If there are no successful bidders to a posted vacancy, the Company will be free to fill the vacancy with either a probationary employee or a new hire.

27.5 Temporary Part Time Employees

The Company may hire additional personnel, who will follow Company policies and procedures, to fill in for employees who are absent due to the following reasons:

- a) General absence-Monday and Friday only,
- b) Sickness and Accident, Worker's Compensation
- c) Leaves of absence.
- d) Vacation.
- e) To cover overtime vacancies, (weekends only) not filled by bargaining unit employees.

Such additional employees shall be classified as Temporary Part Time (TPT) and will not be permitted to gain seniority status. TPT employees will be considered for any regular full time employment opportunity that arises. If a TPT employee has attained a minimum of 400 hours and is provided the opportunity for full time employment, he/she will be granted 45 working days service toward his/her probationary period.

TPT employees may not work if seniority employees are on layoff. If a layoff does occur, TPT employees will be the first employees laid off.

TPT employees shall be subject to the same conditions of employ-

ment as probationary employees, save and except the seniority provisions, overtime rates, benefit coverage, and the wage provisions of this agreement.

TPT employees will be limited in number to that of the employees who are absent from work unless mutually agreed to by the parties.

During the period from May 1 to Labour Day, students can be hired in addition to the numerical provisions of this paragraph. Students shall be hired as TPT employees.

TPT employees shall be the first employees sent home in the event of any work shortage.

TPT employees shall receive a rate one dollar below probationary employees and remain at that rate.

After working 40 hours in a regular work week, TPT employees shall receive overtime rates of time and one half for Saturday and double time for Sundays.

Union dues shall be deducted as per **CAW** National Constitution for all (TPT) employees.

27.6 Temporary Job Opening

A temporary job opening shall be created and posted for bid when an employee in an indirect classification will be on a medical leave of absence for more than thirty (30) days. Only a direct classification employee may bid into a temporary indirect job opening. When the employee on medical leave returns to work the employee with the temporary bid shall return to his previous bid classification.

Temporary job openings as defined in above paragraph will not apply to skilled trades job openings.

**ARTICLE VI
LAYOFF AND RECALL**

28.0 Layoffs and Recalls

When it becomes necessary to decrease the work force because of lack of work, probationary employees on a plant-wide basis shall be the first to be laid off, and the jobs of the probationary employees who are laid off shall be filled by the junior employees.

28.1 Procedure

If layoffs are still necessary, the same shall be applied in the following manner:

- a. An employee on the plant seniority list, in line with his seniority, will be moved to replace a shorter service employee provided such employee is capable of doing the work of the shorter service employee. In cases where employees are unable to fill the existing jobs because of physical disability or sickness, this clause shall not apply and the employee concerned shall be laid off until a suitable opening occurs.
- b. At each layoff or recall following layoffs, the Company may designate certain individual employees whose services are required under special circumstances then existing. These employees so designated, may be retained or recalled out of line with seniority. Qualifications and seniority will determine the successful individual in each case. Qualifications will be determined on the basis of the individual's ability to perform the job in a forthwith manner. Such designation shall not become effective until approved by the Human Resources Manager and the Plant Chairperson.
- c. The fact that an employee has been so designated shall not affect his regular seniority standing and he shall resume the same as soon as the special reasons in his case cease to exist.

28.2 Trial Period

In the application of seniority to layoffs, employees to be retained on

the basis of their seniority must have the ability to do the work available within a reasonable period of time, which will be seven (7) working days under normal supervision, as long as it does not curtail production standards. An employee who moves and does try and is not capable, shall then be laid off in line with his seniority.

Notwithstanding the foregoing, it is agreed that where the plant shuts down completely (for example, because of summer vacations or lack of work, etc.) all employees will be laid off as their jobs finish in the department on the shift on which they are working and will be recalled to work in the same manner as their jobs start up in their department.

28.4 Layoff Notice

Employees to be temporarily laid off because of reduced manufacturing schedules will be given advance notice of one (1) working day, except where the customer institutes an immediate cutoff. The Company bears the burden of proof in documenting an immediate customer cutoff in order to circumvent the (1) day advance notice. A list of those affected shall be posted. Those employees working out of seniority may be laid off on immediate notice. Those employees to be laid off indefinitely will be notified in accordance with the Employment Standards Act.

28.5 Union Notification

Chairperson of the Plant Committee shall be advised of all contemplated cases of layoff in advance of the time notice of layoff is given to the employees to be laid off and shall be given in writing to the Chairperson at the time of layoff.

28.6 Elimination of Classification

When an operation or classification is eliminated, the employee(s) involved will revert back to their previous bid class in line with their seniority. When the eliminated class is the employee's only bid class then the employee may be put on a job at the Company's discretion.

28.7 Reduction of Classification

When there is a reduction in a classification only, the junior

employee in that classification will be given a change of status into another classification at the Company's discretion.

When a regular long term opening becomes available in the reduced classification, the employee on change of status will be put back in the class before any other employee is offered work in this class.

28.8 Voluntary Layoff

The parties recognize that a senior employee may desire to volunteer for a layoff, thus providing that a junior employee in terms of plant-wide seniority, continues to work while the senior employee is laid off out of the plant. In order to provide for the administration of the voluntary layoff provision, the following shall apply:

- a. An employee may at the time he is contacted by the Company in accordance with the provisions in paragraph 28.1, complete a "Voluntary Layoff form. Completion of the form by the employee shall be an acknowledgment by the employee of his desire to waive his plant-wide seniority rights and be laid off out of the plant. The employee and the Union will be given a copy of the "Voluntary Layoff" form.
1. Should an employee who is more senior than those referenced in sub-paragraph (a) above, desire to participate in a voluntary layoff even though his job was not affected by the initial reduction in force, he may indicate his desire by completion of a "Voluntary Layoff form. Should the Company deny a voluntary layoff under this sub-paragraph(1), it will provide the employees with a definitive reason.
- b. Once the "Voluntary Layoff" form has been submitted to the Company, it shall be binding upon the employee and the Company.
- c. Upon processing a layoff, the Company will lay off the most senior employee(s) in terms of their plant-wide seniority, who have submitted "Voluntary Layoff" forms, or if the number of such forms submitted is insufficient as determined by the

Company, the Company will layoff the least senior employee(s) according to their plant-wide seniority.

- d. For the purposes of recall to work, the fact that an employee may have been laid off out of the plant only because he volunteered for such a layoff, will not provide for a preferred right to recall out of line with seniority. The employees will, however, be allowed to remain on layoff out of line with his seniority by renewing his "Voluntary Layoff form at the time he is recalled. At such time as the Company recalls all of the individuals on layoff, those individuals who have been or are laid off out of line with their seniority will be required to return to work.
- e. The Company will not deny any employee(s) right to unemployment compensation because of voluntary layoff.
- f. An employee who takes a voluntary layoff will remain on layoff for a minimum of two (2) months unless recalled to work. After (2) months should an employee wish to be recalled to work, he will notify the Company in writing. Upon receipt of this notification, the employee will be recalled in line with his seniority.

29.0 Recalls

When an increase in the work force is to be effected, the reverse of the procedure provided for in Section 28.0 shall be followed.

29.1 Recalls

An employee who is laid off or bumped from his original job shall be recalled to his original job before such job is posted for bid.

30.0 Recall Notification

Employees being recalled to work after layoff shall be notified by the Company by registered mail, sent to such employee's last address in the Company's records. The employee must return to work within seven (7) calendar days after receiving a recall notice sent by registered mail.

It shall be the duty of the employee who has been laid off to notify the Company in writing of any and all changes of address and telephone numbers. Failure on the part of the employee to keep the Company informed of his current address will relieve the Company of its responsibilities.

A telephone call from the Company to the employee, in the presence of a Union Committeeperson, advising the employee of his recall, shall constitute appropriate notice in the absence of a registered recall notice.

31.0 Temporary Transfers

When an employee is temporarily transferred or assigned at the Company's discretion to a job classification other than his own, he will receive his classification rate or the rate of the new classification, whichever is highest.

A copy of the transfer form will be given to the Committee Chairperson.

31.1

A temporary transfer shall be deemed to not exceed ten (10) working days in any thirty (30) day period, unless an extension is mutually agreed to between the Company and the Union. Instances of the occasional transfer of employees in direct classifications into indirect classifications will not be included in the ten (10) day limit referenced above.

ARTICLE VII ABSENCE

32.0 Personal Leave of Absence

Written permission must be secured for any personal leave of absence. An absence for a proper purpose of two days or less may be given by the Supervisor.

32.1 Application for Leave

Applications for leaves of absence and approval thereof for absences in excess of two (2) days shall be in writing to the Human Resource Manager and an approved copy given to the employee and the Plant Committee Chairperson before the leave is in effect or extended. Applications must be made not less than five (5) working days in advance of effective date. It is the Company's desire to be fair in the granting of personal leaves of absence. The Company will give the employee an answer in writing within five (5) working days after the request for a leave has been made, except when emergency leaves are requested.

32.2 Accumulation of Seniority

Leaves of absence provided in this article are granted with seniority being accumulated during the period of the leave.

32.3 Union Leave

A regular employee who is elected or appointed to a full-time office with the Union, shall upon application in writing by the Union to the Plant Manager, be granted a leave of absence for the duration of his term of office. Upon similar application by the Union made within the period of such leave, the Company will grant an extension thereof upon similar terms.

32.4

It is understood that upon two (2) days' written request, where possible, from the Union specifying the time required, Management will grant leaves of absence for Union business to any Union representative. However, such leaves will be limited to a total of four (4) members in any period.

32.5 Public Office

Any employee with seniority elected to any full-time public office may request a leave of absence in writing and such leave will be granted.

33.0 Jury Duty

The Company shall pay an employee who is required for jury

service or a subpoenaed witness, for his scheduled work days, the difference between his straight-time hourly rate plus cost of living allowance for his regular shift, and the total payment he received for jury duty or witness service. The employee will present proof of service and the amount of payment received. The Company will pay the employee for the duration of his jury assignment.

33.1 Jury Duty - Report For Work

First shift employees: If dismissed before 11:30 a.m., he shall report for work following the lunch period.

If dismissed at or after 11:30 a.m., he will not be required to report for the remainder of his shift.

Second shift employees: If dismissed before 11:30 a.m., he shall report for the full shift.

If dismissed at or after 11:30 a.m., he will not be required to report for his shift.

Third shift employees: If he is scheduled to appear in court in the morning of the same day as the expiration of his shift, he will not be expected to work that shift.

34.0 Bereavement Pay

An employee will be excused from work due to the death of a member of his immediate family. He will be paid at his regular straight time hourly rate plus cost of living allowance for three (3) consecutive work days lost. Immediate family means father, mother, spouse, children, brothers, sisters, father-in-law, mother-in-law, children of current spouse (step-children), stepfather, stepmother, grandparents and grandchildren, legally adopted children, brother-in-law and sister-in-law.

34.1

Where an employee's parent, son, or daughter has died and the funeral is too far away to attend, three (3) days bereavement pay will be allowed.

34.2

In the event an eligible employee becomes entitled to bereavement pay as a result of multiple deaths and the relationship is as defined in 34.0 and 34.1, the employee will be excused from work, and paid, up to a maximum of five (5) days.

35.0 Medical Certificate

Leaves of absence made necessary because of bona fide illness or injury will be granted by the Company upon receipt of a physician's statement. If an employee will be absent from work for 3 days or more the Company requests some information at the beginning of the employee's leave of absence as well as upon his return.

Any employee on leave of absence because of illness or because he has suffered an injury, upon his return from such leave shall submit to the Company his physician's statement certifying that the employee has recovered from his illness or injury and is able to return to work. Upon request of the Company, the employee will provide a list of medical restrictions, if any, to the Company and the Union.

35.1

When an employee presents a medical certificate, the supervisor shall have a copy made, date stamped and the copy returned to the employee.

Under those circumstances where a dispute exists involving an employee's certificate, the Union will be supplied a copy of the certificate, upon request.

35.2 Pregnancy Leave

Pregnancy and maternity leaves of absence will not exceed the provisions of the Employment Standards Act.

**ARTICLE VIII
WORKING HOURS AND WAGES**

36.0

The normal work week shall consist of five (5), eight (8) hour days

from Monday through Friday inclusive, and shall be worked as follows:

36.1

The hours of work for a continuous production classification run on a three shift basis will be:

Day Shift..... 7:00 a.m. - 3:00 p.m.
Afternoon Shift..... 3:00 p.m. - 11:00 p.m.
Midnight Shift. 11:00 p.m.- 7:00 a.m.

There will be a twenty (20) minute paid lunch for continuous three shift operations.

Employees will be permitted to leave the premises during their lunch break upon clocking out and clocking in within the prescribed lunch break times. Management reserves the right to revoke this privilege should it become abused.

36.2 Continuous Shift

Where there are noncontinuous operations, the hours of work will be:

Day Shift7:00 a.m. - 3:30 p.m.
Afternoon Shift.3:30 p.m. - 12:00 p.m.
Midnight Shift. 10:30 p.m.- 7:00 a.m.

There shall be an unpaid lunch period of thirty (30) minutes on each shift.

Effective 1-1-96, continuous shifts will be implemented based on the agreement between the Company and the Union that the hours of work will be on a continuous shift basis plant wide. Production standards will be those currently in place for two (2) shift operations except where the operation runs three (3) shifts.

If at any time during the term of this agreement, productivity has suffered from the exercise of this provision, the Company will; after consultation with the Union, withdraw the change to continuous shifts and return to the previous contract provisions in this Article

VIII, 36.2 pertaining to continuous and noncontinuous shifts.

Any deviation from the normal hours of work provided for in Paragraphs 36.1, 36.2 above will be mutually agreed to by the Company and the Union.

36.3 Notice of Continuous Shift

Notice will be posted no later than the Thursday of the preceding week designating the machines scheduled for continuous operations and the operators who normally run these machines will be those entitled to the paid lunch.

Should the continuous operation cease during the scheduled week, those designated shall not forfeit their paid lunch status unless the entire shift is abolished.

The Company may designate additional three shift operations during the scheduled week, and employees involved will commence their status on the day following the additional designation.

37.0 Shift Preference

When there is more than one shift in operation, such operation shall be on a permanent shift basis. This provided that there will not be rotation of shifts.

Any employee with seniority desiring to exercise his seniority for the purpose of a shift preference transfer may do so in line with his plant seniority within his classification. The employee shall exert his seniority to bump the junior seniority employee in the same classification on the shift of his choice. The junior employee so displaced will be transferred to fill the vacancy created by the senior employee who exerted his shift preference. An employee may not **exert** his right to exert shift preference more than once in any six (6) month period.

Preference to be taken in March and September and to be effective in April and October.

37.1

- a. Where there is more than one shift in operation, day shift and afternoon shift will rotate on a two (2) week basis commencing on January 30, 1989. The midnight shift will be a permanent shift by shift preference. If a sufficient number of employees are not obtained through the shift preference then the junior employee in the classification will be placed on the midnight shift until enough employees are obtained to perform the work. If after a period of one (1) year either party, with sufficient reason, concludes it is not in their best interest upon thirty (30) days written notice the above procedure will be terminated.
- b. Notwithstanding the language in Article III, 7.0, when the elected afternoon or midnight shift committeeperson is working the day shift, the Plant Chairperson shall be the sole employee day shift representative. The afternoon shift will be represented by a steward, solely for the purpose of shift rotation only, when the elected afternoon committeeperson is working the day shift schedule. When meeting with the Company as provided in Article III, 7.0 and Article IV, the Company is only obligated to meet with the Plant Committee as provided in Article III, 7.0.

38.0

For the purpose of calculating overtime, the regular work week shall be from 11:00 p.m. Sunday through 11:00 p.m. Friday inclusive.

39.0

The following schedules and letters are attached hereto and are made a part of this agreement **as** is set forth in full within this agreement:

- a. Schedule "A" - SKILLED TRADES PROVISIONS
- b. Schedule "A-1" - **WAGES** AND CLASSIFICATIONS
- c. Schedule "B" - COST OF LIVING PROVISIONS
- d. Schedule "C" - OVER-THE-ROAD TRANSPORTATION DRIVERS
- e. Schedule "D" - PRODUCTION TIME STANDARDS

- f. Schedule "E" - INSURANCE BENEFITS
- g. Schedule "F" - PENSION PLAN
- h. Schedule "G" - EDUCATIONAL LEAVE AND SOCIAL JUSTICE FUND
- i. Schedule "H" - PLANT CLOSURE
- j. Schedule "I" - SIMPSON INDUSTRIES PROFIT SHARING PLAN
- k. Schedule "J" - HEALTH, SAFETY, AND ERGONOMICS

40.0

The provisions of this article with respect to hours of work, shall not be construed as a guarantee of any specific hours of work either per day or per week.

41.0 Reduction of Work Week

The Company will not reduce the number of days per week below a normal work week in lieu of a layoff without mutual agreement with the union.

42.0 Hiring in Rate

For employees hired on or after 03/09/98 the minimum hiring rate for a single rate classification will be \$6.00 per hour less than the classification rate established in Schedule A-1. A \$1.00 increase shall be granted after one year of work. After two years of work, a further \$1.00 will be granted, after three years of work, an additional \$1.00 will be granted, after four years of work, an additional \$1.00 will be granted, after five years of work the employee will reach the classification rate.

ARTICLE IX

OVERTIME PREMIUM & HOLIDAY PAY

43.0 Shift Differential

Each employee scheduled to work on a second shift or an extension thereof, shall be paid a shift differential of twenty cents (\$.20) per hour for all hours worked by him on such shift, and each employee scheduled to work on a third shift or an extension thereof shall be

paid a shift differential of **twenty-five cents (\$0.25)** per hour for all hours worked by him on such shifts.

44.0 Payment for Overtime

Time and one-half will be paid for:

- a. Time worked over eight (8) hours in any one day.
- b. Time worked on Saturday shifts.

Double time will be paid for:

- a. Time worked on Sunday shifts.
- b. Time worked on holiday shifts, as defined in this agreement.
- c. Time worked over twelve (**12**) hours in any one day.
- d. Time worked over eight (8) hours in any one Saturday.

44.1 Overtime Distribution

The Company shall offer overtime to employees in the following manner:

- a. When overtime work is to be performed on a Saturday, Sunday or holiday, it will be offered by the Supervisor and Committeeperson to employees by seniority in the class and on the shift where the work is scheduled who are capable of performing the work. **As** each employee is offered the opportunity to work overtime they will be expected to respond immediately as to whether or not they will work.
- b. Failing **to** secure enough employees, when only one or two shifts are scheduled to work, the Company will offer overtime to remaining employees on the other shifts by seniority in the class where the overtime is required; provided they are capable **of** performing the work.
- c. If employees are still needed to perform the overtime, overtime will be offered by seniority to employees on the shift where the work is scheduled who are capable of performing the work, then off the shift, regardless of class (excluding skilled trades) by seniority.

- d. When scheduling daily overtime on a job or on a line, the regular operator, by line where applicable, will be given first opportunity to perform the work. The regular operator is defined as the operator on that job or line assigned to run the operation on that day.
- e. For the purpose of overtime, if necessary for performing the work, employees may be provided with a review of the job requirements but not trained.
- f. If an employee accepts overtime but later notifies the Company that he is unable to work or does not report for work, the Company shall have the right to go to any employee capable of performing the work.
- g. Any employee who is unable to perform his bid job through the week will not be asked for weekend overtime except as provided for in subparagraph "c" above.

44.2 Overtime Assignment

Failing to secure the required number of employees, the Company, at its option, shall then secure such employees through the TPT provisions (Article V, 27.5) or by assigning the work to the junior employee(s) in the classification, on the shift, until enough employees are available to perform the overtime work.

44.3 Overtime Notification

Earning unforeseen circumstances, the Company will notify employees of the opportunity for daily overtime prior to two (2) hours before the end of the shift.

Earning unforeseen circumstances, the Company will notify employees of the opportunity for weekend overtime forty-eight (48) hours in advance.

The Company will post an overtime list, by class, prior to the scheduled Thursday lunch time, showing the last person asked to work on each shift. It shall then become the responsibility of any employee who has been missed (or was absent) to notify the

canvassing supervisor(s) prior to the last break on Friday. Failure to do so will result in forfeiting any claim for overtime work on that weekend.

44.4

Employees will not be compelled to work overtime in excess of that provided for by the Employment Standards Act.

45.0 No Pyramiding of Premium Pay

Under no circumstances will premium pay be duplicated. This provision is applicable to the different types of premium pay for the same hours worked.

46.0 Representation on Overtime

A committeeperson will be employed any time there are seven (7) men on overtime work in his zone, provided he is willing and able to do the work available. If the committeeperson is unable to perform the work required, he then will appoint a representative from the group working. In the event there are less than seven (7) men working an overtime assignment, the Union Committee may select one of the working employees to act as Committeeperson during such assignment. The Company will be so notified at the time of selection.

47.0 Holidays Designated

Each employee will be paid eight (8) hours' pay at his regular average hourly earnings for the previous pay period excluding overtime premium and shift differential for the following statutory holidays: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day, Boxing Day, January 2, Employee's Birthday, and three (3) days are to be re-arranged so as to provide for a shutdown for the period between Christmas and New Years. For the term of this contract only, December 24, 1998 and December 24, 1999 will be designated holidays.

Provided he meets all the following eligibility requirements:

47.1

The employee must be on the seniority list as of the day of the holiday.

47.2

The employee must have worked the last scheduled workday before the holiday and the next scheduled workday after the holiday, unless the employee is absent because of illness, or a valid reason.

Minor tardiness will not disqualify an employee for holiday pay, provided the employee works the remainder of his shift.

47.3

Employees with necessary seniority who have been laid off or are on Union leave, within fourteen (14) calendar days immediately prior to the holiday, or employees on approved sick leave within thirty (30) calendar days immediately prior to the holiday shall receive holiday pay for such holiday.

47.4

When a holiday falls on Saturday or Sunday, eligible employees shall celebrate the holiday on the previous Friday or following Monday, as designated. This provision may be changed by the mutual agreement of the Company and the Union. Such holidays will be posted on the bulletin board by the Wednesday preceding the holiday.

48.0

When one of the above holidays falls within an eligible employee's approved vacation and he is absent from work during his regularly scheduled work week because of such vacation, he shall be paid for such holiday and will be entitled to the day off for the holiday at a time mutually agreed to by the Company and the employee.

48.1

For work performed on the preceding holidays, employees will be paid at the rate of double time in addition to the holiday allowance, which the employee will be otherwise entitled to.

48.2

Employees who may be requested to work on a holiday and have accepted such holiday work assignment and then fail to report for and perform such work, without reasonable cause, shall not receive holiday pay under the holiday pay section.

**ARTICLE X
VACATIONS**

49.0 Vacation Pay

Employees with seniority as of June 30 will be eligible for vacation with pay as follows:

Less than one (1) year, 4% gross earnings for the period of completed service. If seniority date is between June 30 and September 30, one week off plus 4% of gross earnings.

One (1) year seniority, 4% gross earnings or eighty (80) hours regular straight time pay, whichever is greater, plus two (2) weeks' vacation off.

Six (6) year's seniority, 6% gross earnings or 120 hours' pay, whichever is greater, and three (3) weeks' vacation off.

Ten (10) years' seniority will result in 8% gross earnings or 140 hours' pay, whichever is greater, and three (3) weeks' vacation off.

Fifteen (15) years' seniority will result in 9% of gross earnings or 160 hours' pay whichever is greater, and four (4) weeks' vacation off.

49.1

For the purpose of computing pay for vacations, the amount used shall be gross annual earnings paid to employees by the Company for fifty-two (52) pay periods ending not later than June 30 of the

calendar year.

49.2 Plant Shutdown

The Company may designate two (2) weeks plant shutdown between June 1 and September 15 as the vacation period. In such event, the Company will notify the employees no later than two (2) months prior to the date of such vacation shutdown. When the plant is not scheduled for a shutdown, employees will be notified of their vacation period not later than May 1 of the vacation year.

49.3 Vacation Scheduling

On or before April 1 of the vacation year, the employee will indicate his first and second choice of vacation time off. Scheduling of the time off will be accomplished by the Company May 1 of the vacation year and the employee will be so notified. Yearly vacations must be completed by May 31 of the following year.

Vacations will be scheduled so as not to interfere with the plant's production and at the same time give consideration to the desires of the employees to the extent possible in line with their seniority.

49.4 Date of Vacation Pay

The Company will endeavour to distribute vacation pay cheques prior to the Canada Day holiday, and no later than the second pay period in July. If an employee is laid off part way through the year, any vacation pay to which the employee would be entitled will be held and paid as provided for in this paragraph.

49.5

However, a shutdown for emergency reason caused by machine failure or an Act of God (i.e., fire, flood, etc.) covering a period of one (1) week or more during the vacation period may be designated by the Company as vacation week.

49.6 Mandatory Vacation

Employees shall be required to take a vacation equivalent to their vacation entitlement, except employees who have been on layoff or leave of absence for illness or injury in excess of thirty (30) calendar

days. Employees who have been on such layoff or leave may waive the taking of their vacation time off.

49.7 Termination

In the event of quit, discharge or retirement, employees shall receive vacation pay in accordance with The Employment Standards Act.

49.8

Employees whose services are terminated prior to taking their vacation shall be paid at the time of separation, a separation payment in accordance with The Employment Standards Act.

**ARTICLE XI
GENERAL**

50.0

Employees are to be at their work stations by the start of their shift and are to remain at their regular places of work or work to which they are assigned, and continue working until their scheduled quitting time or as otherwise provided in this agreement.

Employees will be permitted to use the canteen during their shift provided it doesn't affect their production. Employees are to go directly to and return directly from the canteen with no lingering there. Employees are to place cups, etc., in the proper receptacles.

51.0 Notification of Change

Each employee has the responsibility of notifying the Company of any changes of address, telephone number, marital status, dependents, insurance changes, tax deductions, and other pertinent information.

52.0 Supervisors Working

The Company agrees that supervisors and other excluded plant employees shall not do work performed by employees covered by this agreement except:

- (a) in emergencies
- (b) for instruction or training of employees
- (c) to assist an employee when production set-up or equipment difficulties are encountered.
- (d) for experimental or test purposes.

For the purposes of machine instruction or training of employees, it will be done by a qualified bargaining unit employee.

53.0 Bulletin Board

The Company will provide a bulletin board for the posting of Union notices. The Union agrees to sign all of its notices and indicate a removal date. The Plant Manager or his designated official shall approve the posting of all notices. The Union shall be responsible for posting and removal of their notices as well as maintenance of the lock and key.

53.1 Distribution of Notices

The distribution by employees or by the Union of notices, pamphlets, advertisements, or political matter on Company property or during scheduled work time must have the Company's approval.

54.0 Disciplinary Action

Disciplinary record will not be used for further disciplinary action where the written warning or suspension is at least one (1) year old.

55.0 New Classification

Following the establishment of a classification not shown in the agreement or the introduction of a production machine not previously assigned to a classification, the Company shall notify the Union of the wage rate and grouping to which it has been assigned.

Within fifteen (15) working days of the time the Union is notified of the wage rate and grouping for the new classification, the Union may file a written objection to the rate or grouping with the Plant Manager. The parties will then negotiate the wage rate or grouping.

If the negotiated wage rate is higher than the rate established by the Company, employees affected will receive the monetary difference between the rate paid and the rate agreed to retroactively to the date first paid.

if the parties are unable to agree on either the wage rate and/or grouping within fifteen (15) working days either party may refer the matter to arbitration as provided in this agreement.

55.1 Combined Operations

When machines in two (2) classifications are combined, the higher rate will apply to the new operation.

56.0 Break Periods

The Company will schedule one (1) ten (10) minute rest period for all employees during the first half of their shift, and one (1) ten (10) minute rest period during the second half of their shift. Where employees are working a ten (10) hour shift or more, they will be allowed an additional ten (10) minute break period with pay.

56.1 Washup Periods

A five (5) minute washup period will be provided prior to the lunch break, with an additional five (5) minute washup period prior to the shift quitting time. The Production Time Standards provided for in Schedule "D" will not be adjusted to provide allowances reflecting the washup periods provided for in this paragraph.

57.0 Group Leader

Leaders shall be chosen based upon their qualification and ability to best perform the functions assigned and to lead others in the group. A group leader does not have disciplinary authority and shall not make any written or oral reports to the Company concerning discipline.

The Company may establish or discontinue working group leader positions as conditions warrant.

61.0 Reporting In Pay

An employee reporting for work on instructions of the Company, but

for whom no work at his regular job is available, shall be offered work, in another classification at the prevailing rate for such classification, or shall be paid for four (4) hours' time at the hourly rate he would have received if he had actually worked. This provision shall not apply when such lack of work is due to fire, flood, or other cause beyond the control of the Company, or if the employee has failed to keep the Company informed of his current address and phone number where he might be contacted.

62.0 Emergency Call-In Pay

A minimum of four (4) hours' pay at the applicable rate will be provided for an employee called in to do emergency work. The employee called for such emergency work having completed his assignment, will proceed to punch out.

63.0 Inventory Pay

Management will assure the Union that Management will not be allowed to participate in the original inventory, however, Management retains the right to participate where particular problems require members of Management to perform the work.

An employee working inventory will be at his applicable rate of pay, as defined in this agreement.

64.0 Weekly Pay

Employees will normally be paid by cheque or direct deposit prior to the end of their Thursday shift for days and afternoons and prior to the end of their Friday shift for nights for the pay period beginning with their Monday shift of the previous week. Cheques shall be made available to employees during the time period after the last shift break and before the end of the shift. Should any unacceptable increase in absenteeism arise as a result of this provision the Company reserves the right to revert to Friday pay days.

- a) For those employees electing the direct deposit option, the Company agrees to deposit to any participating Canadian bank of the employee's choice their direct deposit cheque.

65.0 Employee's Tools

The Company agrees to replace employees' tools that are worn beyond repair, with tools of equal value, if such breakage and wear occurs during the employee's normal course of employment.

The final decision concerning replacement rests with the respective department heads.

66.0 Printing of Contract

The Company agrees to provide each employee in the bargaining unit with a printed copy of the collective agreement in book form as soon as reasonably possible after the signing of this agreement, and to supply the National Union **CAW** with thirty (30) copies.

The Company will supply outlined brochures of all Company paid benefits such as insurance, dental plan, pension, etc.

*

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67.0 Duration of Agreement

This agreement shall remain in full force and effect from March 9, 1998 until and including March 10, 2001 and thereafter from year to year unless either party gives written notice to the other, not more than ninety (90) or less than thirty (30) calendar days prior to the expiration date of this agreement, or any anniversary thereof, of its desire for changes or termination of this agreement.

IN WITNESS WHEREOF, the parties have caused their names to be subscribed by their duly authorized officers and representatives the day and year first herein written.

National Automobile, Aerospace, Transportation and General Workers Union of Canada (C.A.W. Canada).

National Representative

Robert Jensen

Local Union No. 1738

*Tom Hall Phil Hall John Dechard
Blair Schulz Ed Romantch
Loren E. Orr*

R.J. Simpson Manufacturing Company (Canada) Ltd.

*Mike R. Mandant
Brown
Robert. Hart*

**SCHEDULE A
SKILLED TRADES
CLASSIFICATIONS & WAGES**

Article I

1.0

The purpose of this Skilled Trades Schedule A shall be for defining classifications and apprenticeship as provided for in this agreement or as mutually agreed to by the Company and the Union.

1.1 Definition - Journeyman

"Journeyman" as used in this agreement shall mean any person:

- a.) Who has served a bona fide apprenticeship of four **(4)** years or **8,000** hours and substantiates his claim of such service; or

- b.) Who has **16,000** hours of practical experience in the classification and can prove same with proper affidavits. The Company will consider the possession of **C.A.W.** Journeyman Card as presumptive proof of qualifications.

Article II

1.0

In the event there is a permanent opening in any skilled trade classification, the Company will fill the opening with an employee from the bargaining unit in accordance with the following procedures. The application of this Article will not preclude the Company from hiring a journeyman from the outside.

- a. The opening will be posted on the bulletin board for a period of seventy-two (72) hours, excluding Saturdays, Sundays and Holidays.
- b. Any active seniority employee may bid on the vacancy.
- c. Selection of an employee to fill the vacancy will be based upon qualifications and ability to perform the work, as determined

by the Company in accordance with Article V, Paragraph 27.0 through 27.4 of the Agreement.

- d. If an employee is accepted into a skilled trades classification, said employee will be subject to a training program and performance review as follows:
 - 1) There will be an initial performance review after 30 days. Work performance will be reviewed every three (3) months thereafter over a twenty-four (24) month period.
 - 2) Performance will be graded as satisfactory or unsatisfactory.
 - 3) Each satisfactory performance review beyond the initial review will result in a five cent (5 ¢) per hour wage increase until the top of the classification is attained.
 - 4) An unsatisfactory review will result in no merit increase.
 - 5) Two (2) unsatisfactory reviews in succession or four (4) unsatisfactory reviews during the two (2) year training period will be considered just cause for disqualification and removal from the classification.
- e. Starting wage rates for non-journeyman employees in the skilled trades classification will be forty cents (40¢) per hour below the stated classification rate.
 - 1) An employee placed into a skilled trades classification in accordance with Article II, above; shall be considered as exclusively "in training" for a period of up to ninety (90) continuous days. The "In training" employee will remain on the day shift during that period of time. If needed, a tradesman will be moved regardless of seniority where required until the new employee has completed his "in-training" period.
- f. It is agreed that skilled trades group leader(s) shall retain day shift status.

Article III

1.0

The provisions of Article V Seniority will apply to employees in the Skilled Trades classifications listed in Schedule "A"; except that seniority in the skilled trades classification shall be based upon the date the employee enters into the specific classification.

1.1

Regardless of being apprenticed or journeyman and new hire.

1.2

All employees classified in a skilled trades classification effective February 24, 1986 shall use their current seniority date as the date they entered into their skilled trades classification.

Article IV: Dues

1.0

The Company agrees to deduct dues in the amount **as** approved by the National Skilled Trades Council from employees in the Skilled Trades classifications on an annual basis in the month of January upon notification to the Company as provided in Article I, 4. 3. These deductions along with the names of employees shall be remitted to the Financial Secretary of the Local Union.

Article V

1.0

Saturday, Sunday and holiday overtime shall be shared, to within twenty-four (24) hours, between skilled trades employees within the class with the exception of non-scheduled overtime which will not be calculated.

Any employee who is unable to perform the overtime or refuses the available overtime will be charged with the hours. All of the provisions of Article IX, Overtime Premium and Holiday Pay pertaining to overtime premium and holiday pay shall apply.

Overtime hours shall be rolled back to zero at the end of each calendar quarter for skilled trades.

Article Vi

1.0

Employees entering into skilled trades classifications will supply their own tools. However, the Company will supply specialty tools, as well as, replace worn or broken tools of the skilled trades employee. The Company may choose to replace the worn or broken tool with an improved or upgraded tool. Company will reimburse at similar value for broken or worn out tool boxes.

1.1

All of the provisions of Article V Layoff and Recall shall apply to employees classified in skilled trades classifications, except that the seniority date established by the date the employee entered the skilled trades classification, as provided for in Article III above, will be the basis of layoff and recall from the skilled trades classification@).

- a) If a skilled trades employee has been placed on a layoff out of the plant or is on a change of status due to a reduction in force and work is required in the class which would exceed one (1) week, the employee shall be recalled to the class except that if an employee in the class takes vacation time off, the Company shall have the option as to whether or not to recall the laid off employee.

1.2

The Company shall update the hours provided for in Article I above once every three (3) months.

1.3

When it becomes necessary to transfer an employee into a skilled trades classification it will be discussed with the skilled trades committee person or acting committee person.

1.4

When there is a meeting involving all skilled trades as a group, the skilled tradesman committee person will be given the opportunity to attend.

1.5

If a person is in training he cannot be the skilled trades committee person.

1.6

If a skilled trades person is called in early before their regular starting time, he will be allowed to work his full regular shift.

1.7

Any bargaining unit employee that requires to use toolroom equipment must first secure permission from the skilled trades supervisor and must clean up after its use.

1.8

There will be a table with a vise outside the toolroom for the employees' use.

1.9

Supervisors, except for immediate supervisor, shall not be allowed to operate tool room equipment. Immediate supervisors shall follow Article XI 52.0.

Article VII: Position Description - Toolmaker, Classification 9

1.0

Performs setup and/or troubleshooting on all types of existing and new production machines and equipment for production of a variety of parts, performs intricate salvage operations of a nonproduction type, instruct and assists operators in making proper setups. Performs toolmaking duties so as to make, alter or repair tooling, from prints, sketches and process sheets or such other available material.

Article VIII

1.0

If a skilled trades employee is working on a precision job within his class and he is needed to work on a production related problem and a conflict arises as to which has the highest priority, the conflict will

be decided by the skilled trades supervisor, if available. If the skilled trades supervisor is not available, the production problem will receive first priority at the discretion of the production supervisor.

2.0

All time cards and job cards shall be reviewed by the skilled trades supervisor, if the supervisor is available to do so.

3.0 Contracting Out

Before work is outsourced which has historically been performed by skilled trades, the Company will notify the skilled trades committee person and plant Chairperson. Following such notification, the Union shall have ten (10) days to discuss and explore with the Company possible means of avoiding contracting out of such work.

4.0

Effective March 9, 1998, the Company shall reimburse employees working in the trades and classified as Toolmaker, Tool & Cutter Grinder, Machine Repair and Millwright, up to one hundred and fifty (\$150) dollars for the purchase of tools each contractual year. The employee must provide an appropriate receipt of purchase.

4.2

If a skilled trades employee chooses to disqualify himself from his bid job by means of a doctor's certification, he shall be given work in a classification at the Company's discretion.

**SCHEDULE A-1
CLASSIFICATION & WAGES**

Classifications Hourly Rates of Pay

	Eff. 3-09-98	Eff. 3-08-99	Eff. 3-06-00
PRODUCTION			
1. Automatic Operator	\$19.85	\$19.95	\$20.05
2. Grinding, Grind, Broach, Drill & Tap.....	19.67	19.77	19.87
3. Assembly, Balance, Time, Broach, Drill, Tap, Lathe, Bore or combination.....	19.62	19.72	19.82
4. Paint Line 4A.....	19.62	19.72	19.82
Bond Line 4B.....	19.72	19.82	19.92
11. Numerical Control Operator/Setup.....	20.15	20.25	20.35

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1. The person operating a numerical control machine shall also perform any required changeovers and setups.
2. Any person who elects to bid, bump or otherwise exert seniority rights to enter the numerical control classification, must:
 - a. Have completed grade 12 or equivalent.
 - b. Have satisfactorily completed courses in high school geometry or trigonometry, or equivalent courses or ability.
 - c. Have a minimum of one (1) year of practical machining experience or equivalent.
 - d. Have experience or education to use and understand measuring instruments calibrated in metric and inches. Such instruments as micrometers, scales, telescopes, height gages and dial indicators.
 - e. Have education or experience so as to read and appropriately understand blueprints.

SKILLED TRADES

7. Machine Repair & Millwright.	20.54	20.64	20.74
8. Tool & Cutter Grinder	20.39	20.49	20.59
9. Toolmaker.	20.39	20.49	20.59
Group Leader-Skilled . . . . .	.45	.45	.45
(Above highest man lead)			

NON PRODUCTION

12. Inspector.	18.89	18.99	19.09
Group Leader-Inspector (Above the highest man lead) . . . . .	.15	.15	.15
14. Shipper/Receiver, Fork Lift Driver.	18.74	18.84	18.94
16. General Labourer- Pack, Soft. Teardown. Salv. & Rework(1).	18.34	18.44	18.54
18. Janitor.	18.34	18.44	18.54
19. Oil & Grease.	18.44	18.54	18.64
20. Transport Driver	18.76	18.86	18.96

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The rates of pay shown in this Schedule A-1 include the COLA fold-in provided for in Schedule B, 12.0.

(1) Denotes "salvage or rework" not run by operator.

Group Leader-Production (Pay rate of the class) . . . . .	.10	.10	.10
Instruction Pay to Instructor (Pay rate of the class) . . . . .	.10	.10	.10
Setup Pay. (Pay rate of the Class) . . . . .	.10	.10	.10

NOTE:

Effective January 1, 1996, an hourly day rate plan will be implemented to replace the present incentive pay rate plan provided for in Schedule D. The daily production standard and work requirement under the day rate pay plan will be 100% of the standard hour that was in place with the incentive time standard plan. The wage rates shown in this Schedule A include the pay increases shown below.

1. Effective March 6, 1995, all Production, Indirect and Skilled Trades workers receive a ten cent (10¢) per hour pay increase, and the incentive pay plan continues.
2. Effective March 6, 1995, employees classified as Skilled Trades Group Leader and Toolmaker receive a ten cent (10¢) per hour pay inequity increase.
3. Effective January 1, 1996, all Production workers receive a one dollar and ninety cent (\$1.90) per hour pay increase and the incentive pay plan will cease.
4. Effective January 1, 1996, all indirect workers receive a thirty-five cent (35¢) per hour pay increase.
5. Effective January 1, 1996, all Skilled Trades workers receive a fifty cent (50¢) per hour pay increase.
6. Effective February 24, 1997, all Production, Indirect and Skilled Trades workers receive fifteen cent (15¢) per hour increase.

**SCHEDULE B
COST OF LIVING PROVISIONS**

A cost of Living Allowance will be provided in accordance with the following provisions:

1.0

A cost of Living allowance will be determined in the manner and to the extent hereinafter set forth in accordance with changes in the

Consumer Price Index published by the Dominion Bureau of Statistics.

2.0

The amount of any **Cost** of Living Allowance in effect at any time shall not be incorporated in the wage rates, but shall be paid to each employee on all hours worked. The Cost of Living Allowance shall not be used in computing premium rates of pay or other earnings.

3.0

The Cost of Living Allowance formula shall be determined in accordance with the provision set forth hereunder: Effective date of adjustment - first pay period beginning on or after September 1, 1971, and at quarterly intervals thereafter to the expiration of this agreement.

4.0

The amount of Cost of Living Allowance shall be determined on the basis of one cent (1¢) per hour adjustment for each three tenths point (.3) rise in the index as published by the Dominion Bureau of Statistics June 1, 1971. The June 1, 1971, index shall be considered as base zero.

5.0

Cost of Living adjustments will be made upward or downward as indicated by the Consumer Price Index. No adjustments will be made below the base zero.

6.0

In the event of the Dominion Bureau of Statistics not issuing the Consumer Price Index on or before the beginning of the first pay period in the quarterly period subject to adjustment, any adjustment required will be made at the first pay period following receipt of the index.

7.0

Cost of Living Adjustments will be made using the index that precedes the adjustment date by two (2) months. Adjustments after

March 1, 1986, will be made on April 1, July 1, October 1, and January 1, of each year.

8.0

No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in any published Dominion Bureau of Statistics Consumer Price Index.

9.0

Continuation of the Cost of Living Allowance is dependent upon the availability of the official monthly Dominion Bureau of Statistics consumer price index calculated on the same basis and the same form as that published for June 1, 1971.

10.0

The Cost of Living shall be calculated on the 1971-100 index.

11.0

The Cost of Living Allowance provided for this Schedule B as of January 1, 1995 was \$7.72 for employees classified in "production" classification(s) in the preceding Schedule A. As of January 1, 1995, the Cost of Living Allowance provided for in this Schedule B was \$4.72 for employees classified in "skilled trades, inspection and general" classification(s) in the preceding Schedule A. On January 1, 1996, all Cost of Living Allowance in effect on January 1, 1995, plus any additional accumulation will be folded into the base rates of pay in accordance with the Cost of Living Allowance allocations for the classifications described above in this paragraph 11.0. Every twelve (12) months thereafter, during the term of this collective agreement, any additional Cost of Living Allowance accumulation will be folded into the base rates of pay.

12.0

Effective 12/31/97, appropriate COLA will be folded into base rates. Effective 01/01/98, COLA will be frozen through 12/31/2000. Effective 01/01/2001 the CPI will be set to zero with subsequent COLA adjustments made in accordance with the provisions in this collective agreement.

**SCHEDULE C
OVER-THE-ROAD TRANSPORTATION DRIVERS**

Article I: Definition

1.0

Employees classified as Over-The-Road Transportation, Semi-Truck Drivers are subject to all provisions of the collective agreement except as specifically provided in the schedule below.

Article II: Rates of Pay

1.0

Semi-truck drivers shall be paid as follows for verified miles driven for over-the-road transportation.

Effective 3-6-95 \$ 0.26 per mile

Article II: Rates of Pay

1.1

Pickup spare driver, or short runs, less than forty (40) miles total trip distance, will be paid at the appropriate regular hourly rate.

1.2 Waiting Time

All drivers covered by this agreement will be paid at their regular hourly rate for all bona fide waiting time.

1.3

Home terminal only - Drivers who are notified that their load is ready and then are required to wait longer than one-half (1/2) hour.

1.4

Drivers shall be paid at their regular hourly rate for all stops

Article III: General Provisions

1.0

Layover- When a driver is required to lay over away from home due to accident or unusual circumstances, he shall be reimbursed for his actual costs of food and lodgings verified by receipt

2.0

The overtime provisions of this contract do not apply to drivers covered by this schedule except that when a driver is working outside his regular run on weekend overtime.

3.0

Cost of Living Allowance shall be added to hours of waiting time.

4.0

Whenever possible, a driver will be notified of his load destination 24 hours in advance if he requests such.

5.0

The Company will provide a safe driving award based on fifty (\$50) for each calendar year in which there is not an accident. The Fifty (\$50) dollar award will accumulate from year to year as long as there is not an accident. Payment will be made during each September. The Company will determine chargeability of accidents.

6.0

Transport and spare drivers shall be given the first opportunity for all driving assignments.

7.0

The Company and the Union will endeavour to comply with applicable Canadian law and ICC regulations.

8.0

It is understood that transport drivers will receive holiday pay calculated on a ten (10) hour day basis and according to the holiday provisions in Article IX.

9.0

A driver reporting for work on instructions of the Company but for whom no work is available shall be paid in accordance with the Reporting In **Pay** provisions of this agreement.

10.0

The Company agrees that supervisors and other excluded employees shall not operate semi equipment for the transporting of commodities.

11.0

If the work load is insufficient to provide work for all of the over-the-road drivers, the seniority provisions of the agreement will apply to all assignments.

12.0

When it becomes necessary to decrease the number of over-the-road drivers because of lack of work, the layoff and recall provisions of the agreement shall apply, except that over-the-road drivers with sufficient seniority to work in the plant shall be permitted to work on Zone 1 - Day Shift for the first week of the reduction. Following the first week, shift assignments will be in line with seniority.

13.0

Drivers will be given a one hundred and fifty (\$150) minimum trip allowance to cover expenses. The currency will be appropriate for the trip. All expenditures will be substantiated by receipts.

SCHEDULE D

PRODUCTION TIME STANDARDS

Article I: Production Standards

1.0

Production time standards as established in this plant will be based on time study procedures and/or standard data developed in this plant.

1.1

Standard minimum allowances of 3%, 5% and 5% will be provided for fatigue, minor delay, and personal time. Additional allowances for tool change, stocking time, inspection, etc., will be on the basis of each job requirement, and computed as allowed minutes.

1.2

It is agreed that the standard hour system will apply and time standards expressed in terms of standard hours per one hundred (100) units.

1.3

Before a time study observation is made on an operation or element, the employee to be observed, and the shift committee person will be advised by the Supervisor prior to such observation.

1.4

Management shall insure that the conditions under which the job is being performed at the time of the study are properly representative of those which will exist in the future.

1.5

The Company Time Study Representative shall insure that the method of work being used at the time of the study is both reasonable and proper.

The Union Time Study Representative may review the worksite prior to the commencement of the study.

1.6

The Company Time Study Representative shall determine and record in a careful and complete manner the circumstances and conditions under which the job is being performed at the time of the study.

1.7

The Company Time Study Representative shall determine and record in a careful and complete manner the work elements being performed at the time of the study. This record shall include a clear statement of the elemental break-off points.

1.8

The Company Time Study Representative in defining the work elements performed shall insure that those elements which are

“machine or process” controlled are properly defined and designated.

1.9

The Company Time Study Representative shall determine and record the performance times for all foreign work elements performed during the study.

1.10

The Company Time Study Representative shall study sufficient cycles of work so as to insure that the recorded observed performance times for the defined work elements results in an adequate time study.

1.11

The Company Time Study Representative shall determine and record a performance rating factor for the work performance observed during the study.

1.12

Parts being produced on the operation to be timed must meet quality standards determined by the Inspection Department.

1.13

The Company Time Study Representative shall compute a work standard for the defined job before leaving the plant.

1.14

The Company Time Study Representative shall provide the Supervisor, the shift committee person and the worker(s) performing the defined job the work standard computed from the time study data. The time study sheet shall include the length of the study in minutes, the number of units completed during the study, the performance rating factor assigned them, and the job allowances assigned the job.

1.15

Should it be found that a mathematical error was made in the calcu-

lation of a time standard, the Company Time Study Representative will recalculate the standard and Management will place it into effect, after notification to the Union.

Article II: Guarantee of Production Standards

1.0

When a production standard has been established, it shall not be changed except for a proven error in arithmetical computation or reflect a change in method of production, materials, equipment, quality standards, or machine speeds and feeds, where such changes which in total affects the time standard by 5% or more. Only those elements affected by the change shall be adjusted.

1.1

Work performance in excess of that called for by the standard shall be on a voluntary basis. However, all employees shall be expected to strive to exceed standard production.

1.2

The Company will post rates of production as studied indicating the standard.

1.3

If the job conditions are such that the production time standard is not applicable as determined by the Company, the Union shall be so notified.

1.4

Where an operation has been given a temporary rate the data used to determine said rate shall be provided to the Union and the Union time study representative.

1.5

Production jobs will be timed within thirty (30) days after they have been approved for production.

Article III: Settlement of Disputes

1.0

In the event that a grievance arises from a dispute involving a standard, the Union may review all data relating to the disputed standard with Management. If after reviewing the data, no satisfactory settlement is reached, then the Union may request a Union Time Study Representative be permitted access to the premises to conduct, with the Company Time Study Representative, an investigation and/or joint time study of the job, and the two of them will recommend a resolution of the dispute.

1.1

Following the Company Time Study Representative investigation and observation of an operation or element that has been protested through the grievance procedure, he shall meet with the bargaining committee Chairperson.

1.2

Production standards shall be subject to the grievance procedure only when the grievance is filed within the first thirty (30) working days on which the job actually was performed.

1.3

The Union Time Study Representative, in the investigation of a protested standard may observe the performing of the operation or element in question.

**SCHEDULE E
INSURANCE**

Article I: Participation

The Company will provide during the life of this agreement, the following benefits at no cost to the employees.

Article II: Coverage

1.0

Group Insurance

	Effective Date of Benefit		
	3-9-98	3-8-99	3-6-2000
Life	\$27,000	\$28,000	\$29,000
Accidental Death & Dismemberment	\$27,000	\$28,000	\$29,000

2.0

Ontario Health Insurance Plan (OHIP).

3.0

Supplemental Medical Plan.

Effective 3-09-98, the Major Medical Plan is amended to provide Green Shield Extended Health Services Plan E3 coverage, or equivalent, which includes in-province deductibles of \$50 per person and \$150 per family. The semi-private coverage is Green Shield's Semi-Private Plan 1 or equivalent. Out-of-province coverage, provided by Green Shield Plan QK, or equivalent, includes a 60 day trip limit, no deductible, \$1 million annual emergency benefits, and a \$50,000 per year referral limit.

3.1

Vision Plan

Effective 1-1-96 the Major Medical Plan will reimburse an employee and his/her eligible dependents up to the benefit maximum of \$100

per person once every two years for the purchase of prescription lenses and frames or contact lens. Employee pays the charges above the benefit maximum.

3.2

Audio Plan

The Greenshield Extended Health Services Plan E3, or equivalent, provides for re-imbusement for standard hearing aids, repairs, or replacement parts, up to a maximum of \$300 every 5 years.

4.0

Green Shield's Drug Plan 3, or equivalent, with a \$2.00 co-pay and generic substitution will be provided.

5.0

Sickness and accident benefits are payable for a period of 26 weeks, and payable on the first day of accident and hospitalization, and on the eighth calendar day of sickness. Effective 3-6-95, medically necessary out patient surgery performed either in (an) out patient hospital or in a qualified surgical facility will receive sickness and accident benefits on the first day of sickness.

Group Insurance

	Effective Date of Benefit		
	3-09-98	3-08-99	3-06-2000
Sickness and Accident	\$315	\$325	\$335

6.0.

Effective 3-9-98 a dental plan equivalent to Green Shield's Dental Plan 14 with \$1,000 lifetime maximum on orthodontics and recall examinations every 9 months will be provided.

7.0

If available, the Company will provide prosthesis coverage.

Article III: General

1.0

The above coverage to include the employee and spouse as well as dependents.

2.0

The Union shall be supplied with a copy of the above current contracts between the carrier and the Company, by the Company upon request.

3.0

In case of termination of the employee, benefits shall cease at the end of the month.

4.0

In case of layoff, benefits will be extended by the Company to the end of the second month, following the month in which the layoff takes place. A laid off employee, not otherwise employed will be allowed to continue his medical insurance package for a period of up to four months beyond the existing coverage of this paragraph 4.0 by paying to the Company, prior to the first day of each month, the Company's premium cost.

**SCHEDULE F
PENSION PLAN**

Article 1 : Flat Rate Pension

Commencing March 1, 1977, the Company established an insured pension plan underwritten by the Aetna Life Insurance Company of Canada. The pension plan provides the following:

1.0

Eligibility: All bargaining employees became members of the plan on the effective date. New bargaining employees become members of the plan when they complete twelve (12) months of service.

Normal Retirement Date: Age 65

Early Retirement Date: Age 62

Employee Contribution: None

Effective February 20, 1989, employees who have attained age 62 and who have completed at least twenty (20) years of service may retire with an unreduced monthly retirement annuity.

2.0

Retirement Annuity: An employee's monthly retirement annuity at normal retirement date will be \$6 per month per year of service based on whole months of service with no limitation on service. Effective March 1, 1984, the \$6 monthly retirement annuity was increased an additional \$1.00 for future service. Effective March 1, 1985, the monthly annuity was increased an additional \$1.00 for future service.

Effective March 9, 1998, the monthly annuity for pre- February 1986 service is increased to \$8 per month per year of service for future retirees.

a) Existing Retirees: Effective March 9, 1998, employees who have retired from active service and are recipients of a monthly retirement annuity will have their then existing monthly benefit increased by 5 % commencing with their April 1, 1998 payment.

3.0

Vesting: Employees who complete ten (10) years of service will have 100% vested interest in the retirement annuities previously credited to them.

4.0

Optional Forms: Employees may, in lieu of a normal retirement pension, elect an optional form of pension such as 1) life only, 2) ten year certain, 3) joint and survivor, 4) integration with government benefits.

5.0

Death Benefit (Widow's Annuity): A widow may be entitled to sixty percent (**60%**) of the accrued benefits with eligibility after the employee has completed five (5) continuous years of service and has been married to his spouse at least one (1) year. The employee's death must be before his early or normal retirement date.

6.0

See the "Retirement Plan" brochure explaining the provisions of the plan including the optional pension benefits payable to your spouse.

7.0

Existing Retirees: Employees who have retired from active service and are recipients of a monthly retirement annuity or a surviving spouse receiving a widow's annuity on March 1, 1981, had their then existing monthly annuity increased by \$1 per month per year of service.

8.0

The pension benefits provided for in this Schedule F, Article 1, will be frozen at the accrued benefit level in effect February 24, 1986.

9.0

Surplus Funds: If surplus funds exist in the plan at any time, as determined by the Company's actuary, such funds may be used to reduce the amount of the Company's contributions to the plan. Such funds may also be refunded to the Company at any time upon proper application therefore and approval by the regulatory authorities. Upon termination of the plan and upon satisfaction of all liabilities for accrued benefits under the plan, all surplus funds shall be refunded to the Company or used by the Company as it may direct.

Article II: Career Earnings Pension

Commencing February 24, 1986, the Company established a career earnings pension plan in line with Canadian law and as managed by Canadian financial institutions.

1.0

Eligibility: All bargaining employees became members of the plan on the effective date. New bargaining employees become members of the plan when they complete twelve (12) months of service.

Normal Retirement Date: Age 65
Early Retirement Date: Age 55 with 2 years of membership in the plan.
Employee Contribution: None

Effective February 20, 1989, employees who have attained age 62 and who have completed at least twenty (20) years of service may retire with an unreduced monthly retirement annuity.

2.0

Retirement Annuity: An employee's monthly retirement annuity at normal retirement date will be based upon one percent (1%) of annual earnings for service up to February 28, 1989; one and a quarter percent (1.25%) of annual earnings for service from March 1, 1989 up to March 1, 1992, and one and a thirty fifth percent (1.35%) for service from March 1, 1992 up to March 5, 1995; and one and a forty fifth percent (1.45%) from March 6, 1995 up to March 3, 1996; and one and a fifty fifth percent (1.55%) from March 4, 1996 up to March 2, 1997; and one and a sixty fifth percent (1.65%) for services from March 3, 1997. Annual earnings are calculated exclusive of the premium pay portion of overtime compensation.

a) Existing Retirees: Effective March 9, 1998, employees who have retired from active service and are recipients of a monthly retirement annuity will have their then existing monthly benefit increased by 5 % commencing with their April 1, 1998 payment.

3.0

Short Term Leaves: Employees on an approved paid leave of absence receiving Sickness and Accident Benefit (see Schedule E, Paragraph 5.0), will have their pension earnings calculated for each

day of the leave based upon their hourly rate in effect at the time the leave began, exclusive of overtime premium.

4.0

Long Term Leaves: For those employees whose leave of absence, referenced immediately above, continues beyond the twenty-six (26) weeks of Sickness and Accident Benefit provided for in Schedule E, Paragraph 5.0, and the employee has three (3) years of continuous service, his pension earnings will be calculated for each day of the leave based upon their hourly rate in effect at the time the initial leave began. This continuation will be for a period of eighteen (18) months or when combined with the immediately preceding paragraph 3.0 will not exceed a combined period of two (2) years or twenty-four (24) months.

5.0

Casual Absences: Casual absences are not provided for in any earnings calculation, however; all contractual absences such as bereavement, jury duty, vacation, holidays and Union and educational leave will be included. Worker's compensation leaves of absence will be covered with wage make up as provided in paragraphs 3.0 and 4.0.

6.0

Vesting: Employees who complete ten (10) years of service will have 100% vested interest in the retirement annuities previously credited to them.

Employees who complete more than two (2) but less than ten (10) years of continuous service after January 1, 1987 will have 100% vested ownership of pension income after that date. Employees with less than two (2) years of continuous service shall not be entitled to any pension benefits.

7.0

Optional Forms: Employees may, in lieu of a normal retirement pension, elect an optional form of pension such as 1) life only, 2) ten year certain, 3) joint and survivor, 4) integration with government

benefits.

8.0

Death Benefit (Widow's Annuity): A widow of an employee may be entitled to sixty percent (60%) of the accrued benefits with eligibility after the employee has completed five (5) continuous years of service and has been married at least one year.

If the widow's annuity commuted value is less than 100% of the commuted value of the employee's vested pension earned after 1-1-86, the widow will receive the greater of these two benefits.

9.0

Disability Benefit: Employees, with ten (10) years of continuous service, who become permanently and totally disabled on or after February 24, 1986 will be eligible for a disability pension based upon their accrued pension benefit at the time the disability began. Appropriate medical evidence is required with the Company having the final determination.

See the "Retirement Plan" brochure explaining the provisions of the plan including the optional pension benefits payable to your spouse.

10.0

Surplus Funds: If surplus funds exist in the plan at any time, as determined by the Company's actuary, such funds may be used to reduce the amount of the Company's contributions to the plan. Such funds may also be refunded to the Company at any time upon proper application therefore and approval by the regulatory authorities. Upon termination of the plan and upon satisfaction of all liabilities for accrued benefits under the plan, all surplus funds shall be refunded to the Company or used by the Company as it may direct.

11.0

Retiree Health Benefits:

Effective 1-1-96 implement provision for post-retiree medical benefits.

- Eligibility: Attain age 55 with 10 years' service.
- Service: Count years of employment on or after attaining age 45.
- Duration: Stops the 1st day of the month following 65th birthday.
- Cost: Retirement premium contribution rate is 100% prior to age 62; then the employer will pay 100% of premium until age 65.
- Benefits: Same coverage as active employees.
- a) Effective 03/09/98, future retirees will be provided with lifetime drug supplemental coverage as provided in Schedule E, Article II, 4.0, after the employee attains age 65 at no cost to the employee.
 - b) Effective 03/09/98, current and future retirees will be provided with a \$5,000 life insurance benefit after the employee attains age 65 at no cost to the employee.

Article III

1.0

Each retiree will be provided a Christmas bonus cheque in the gross amount of one hundred twenty-five (\$125) dollars just prior to Christmas of each year.

2.0

Effective February 23, 1993, an employee must retire no later than the first day of the month immediately following the month in which he attained age 65.

SCHEDULE G

EDUCATIONAL LEAVE AND SOCIAL JUSTICE FUND

A regular employee who is elected or appointed to a full-time Union office with the Union, shall be granted a leave of absence without pay for up to twenty (20) days of class time in any twelve (12) month period. Only one employee from each one hundred (100) employees in the bargaining unit shall be eligible to participate in

this program during any twelve month period. An employee participating in this program shall continue to accrue seniority and benefits during the period of the leave.

The Company agrees to pay the National Union, **CAW** Leadership Training fund - P.O. Box, 897, Port Elgin, Ontario, **NOE 2C0**, an amount equal to one cent (\$.01) per hour for each hour worked by each employee in the bargaining unit. The Company will remit the monies to the **CAW** once each calendar quarter, unless the total funds on deposit with the **CAW**, in the Company's account exceeds \$8,000, the Company will suspend its contributions to the fund, until such time as the balance is below \$8,000.

Effective January 1, 1996, implement the Social Justice Fund based on the provisions contained in the letter presented to the Company on March 8, 1995.

SCHEDULE H PLANTCLOSURE

PLANTCLOSURE

In the event that the Company makes the decision to close the plant the following provisions will apply:

1.0

The Company will notify the National Union at least two (2) months prior to the cessation of production operations or as required by the Employment Standards Act.

2.0

Following such notification, the Union shall have the right to discuss and explore with the Company possible means of averting the closure.

3.0

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

4.0

The Union acknowledges the Company's right to make the decision to close and abandon the plant and remove the equipment, and that the decision to close the plant is entirely the Company's.

- a) One week severance pay for each full year of seniority, adjusted for completed months, for employees on the active seniority list as of the date of the closing of the plant.
- b) Full coverage for eligible employees for two (2) months in addition to the amount provided for in Schedule E, Article III, 4.0 after the separation of an employee for all group insurance benefits.
- c) The Company will provide notice of its decision to close the plant in accordance with the Employment Standards Act.
- d) Recall rights for three (3) years from the date of closure for all employees should the Company re-open the Thamesville facility in Ontario.
- e) The Company agrees to adequately fund an adjustment committee to assist employees with locating new jobs and retraining as mutually agreed to between the Company and the Union.
- f) Employees that have been given their notice of the plant closing, may resign and yet retain the right to severance pay, provided they give the Company two (2) weeks notice of their intention to resign.
- g) Severance pay due an employee will be paid out in a lump sum payment within two (2) pay periods following the termination of an employee from the Company.
- h) Any disputes regarding the provisions of this Schedule H or other collective agreement related issues shall be resolved as set forth in Article IV of the Collective Agreement, including disputes that may occur subsequent to the termination date of the current collective agreement

SCHEDULE I

SIMPSON INDUSTRIES PROFIT SHARING PLAN

Plan Purpose:

Focus all employees in the long-term success of the Company

Encourage teamwork and cooperation in the achievement of the Company's goals

Recognize differences in the performance of the various business units within the Company.

Eligibility:

Actively employed on December 31st

Three months of employment (retroactive)

Employees receive a prorated profit sharing payment based on earnings if employment terminates as a result of retirement, death or disability.

Payouts and Measurements:

Payouts will be made in February after audited results are available

No payment if Corporation doesn't exceed 16% pretax return on equity (ROE)

Payments will range from 2.5% to 7.5% of participants earnings depending upon performance of the Corporation and the unit of which the participant is a member.

Simpson Profit-sharing Plan

Plant/Group Performance

Performance Levels	30% Represents Corporate Profit Sharing		70% Represents Plant/Group Performance		
	ROE	Award	Plan	Award	Total
Maximum	34.0%	2.25%	150%	5.25%	7.5%
Target	23.0%	1.5 %	100%	3.5%	5.0%
Minimum	16.1%	.75%	70%	1.75%	2.5%

This is only a summary description of the Simpson Industries Profit Sharing Plan.

Schedule J

Health, Safety, and Ergonomics

1.0 Health and Safety - General

The Company will make reasonable provisions for the health and safety of its employees during the hours of their employment. Accordingly, the Company agrees to have properly trained first aid people on each shift.

All employees will be required to wear safety glasses with side shields, safety shoes, and hearing protection. No employee shall be required to operate or use any machine, tool, or die that is not in safe working order.

The Union and the Company shall form a joint Health and Safety Committee in accordance with the Occupational Health and Safety Act of Ontario, and amendments thereto. The committee shall consist of at least six (6) members of whom one-half shall be representatives of Management and one-half representatives of employees. During the term of this agreement, the Company shall keep posted on the plant bulletin board a copy of the aforementioned act.

Meetings of the Committee will be held monthly. If the Company schedules a meeting and requires the attendance of a member during his off-shift hours, if the member attends, he shall be paid the applicable overtime premium rate, in accordance with article IX, 44.0, plus any accumulated COLA.

Where a member is selected to attend a Health and Safety related seminar or course approved by the Company, he will be paid his applicable regular rate plus COLA for that day.

2.0 Safety Glasses - Prescription

The Company will provide and pay for the first pair of prescription safety glasses where the wearing of eye protection on the job or in

an area where the employee is working is a Company requirement.

The Company will replace such glasses if damaged by a cause attributed to employment. Further, the Company will pay for a prescription change a maximum of once every two (2) years. The employee must furnish the prescription from his doctor or optometrist. When an employee purchases prescription safety glasses from a source other than through the Company, the Company will reimburse such employee the amount that would have been paid had the glasses been purchased from the Company's supplier.

3.0 Safety Shoes

The Company will reimburse an employee seventy dollars (\$70) of the cost of purchasing approved safety shoes once in each contractual year, where such employee is required to wear the shoes on the job, provided the employee has attained seniority and provides an appropriate receipt.

Further, a safety shoe sales truck will be made available prior to and after each shift, at least once each year, for those employees who choose to purchase safety shoes prior to or after their shift.

4.0 Protective Clothing

Where special protective clothing is required or special circumstances exist, the Company will provide, at no cost to the employee, this protective equipment or clothing. Cloth aprons will be available to employees as crib items.

Individuals classified as Toolmaker, Tool & Cutter Grinder, Machine Repair & Millwright, General Labourer-Janitor, and General Labourer-Salvage and Rework, who are working in the class on a bid, will be supplied two (2) pairs of coveralls or uniforms in January of each year. Maintenance of the coveralls or uniforms is at the employee's expense.

An employee successfully bidding into Skilled Trades and upon completing the prescribed training period of ninety (90) continuous days shall be provided with two (2) sets of uniforms.

5.0 insurance Benefits

The Company will provide insurance coverage as set forth in Schedule " E and attached hereto.

6.0 Injury Allowance

In case of injury causing lost time, the employee involved will be paid for the balance of the shift on the day of injury at his regular rate of pay. If an employee is required to see a doctor for treatment of an occupational injury subsequent to the day of the injury and it is impossible for the doctor to see him except during the employee's scheduled work hours, he will be compensated for loss of wages if substantiated by a doctor's statement.

7.0 Emergency Transportation

The Company will also provide emergency transportation, occurring while on the job, for sick or injured employees to their home, their doctor, or to hospital. The Company will pay any and all transportation costs either by commercial or private vehicle when related to emergency occupational illness or injury.

8.0 First Aid Pay

Duly qualified first aid men will be paid their production rate when designated by the Company to provide first aid assistance. Two qualified first aid men may be in attendance when transporting seriously ill or seriously injured employees.

9.0 Modified Work Program

The Company agrees to make a reasonable effort to provide suitable modified work to employees who are unable to perform their regular duties as a consequence of a work related injury.

The parties agree that a formalized "Modified Work Program" will be established in consultation with the joint Health and Safety Committee.

10.0 Ergonomics

The Company is committed to reviewing, improving and implementing ergonomic changes as required in consultation with the

Joint Health and Safety Committee.

11.0

It is agreed that the C.A.W.- National Health and Safety Representative will be permitted, with advanced arrangements, to participate in a safety inspection when accompanied by a representative of both the Union and Management at the plant.

December 13, 1988

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Eric Leming
Plant Chairperson

Gentlemen:
Reference: Article IV- Grievance Procedure
Paragraph 12.2 a - General Procedure

This letter will confirm in writing our willingness, expressed orally during the recently concluded collective bargaining negotiations to improve the communications between an employee requiring a union representative, the Committeeperson and Foreman.

In those instances where an unreasonable delay exists, for whatever reason, the Foreman will advise the affected employee and the committeeperson.

Yours truly,

C.M. Howarth
Plant Manager
CMH/dj

December 13, 1988

National Union, **CAW**
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: **Mr. Bill Zilio**
National Representative
Mr. Eric Leming
Plant Chairperson

Gentlemen:

Reference: Common Law Spouse

Effective on the ratification of the collective agreement to which the letter is attached, the Company will accept in accordance with Article VII, paragraph 34.0 as an eligible dependent, the common law spouse of an employee, provided the employee has provided the Company a notarized statement that he has lived with the common law spouse for at least one (1) year. The Company shall be required to provide bereavement pay for only one spouse of the employee at a time, and the Company's obligation to provide this bereavement pay shall terminate as soon as the common law relationship has terminated.

Yours truly,

C.M. Howarth
Plant Manager
CMH/dj

December 13, 1988

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Eric Leming
Plant Chairperson

Gentlemen:

This letter will confirm in writing our commitment made during the negotiations that the Company will not use the washup periods against an employee to resolve production time study grievances, Article XI, Paragraph 56.1. "Washup periods", of the Collective Agreement shall remain in effect when calculating production standards.

Yours Truly,

C. M. Howarth
Plant Manager

DB/mf

December 13, 1988

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Eric Leming
Plant Chairperson

Gentleman:

Reference: Reinstated Grievance

During negotiations of the Production and Maintenance Agreement, the parties acknowledge the desirability of ensuring prompt, fair and final resolution of employee grievances. The parties also recognized that the maintenance of a stable, effective and dependable grievance procedure is necessary to implement the foregoing principle to which they both subscribe. Accordingly, the parties view any attempt to reinstate a grievance properly disposed of as contrary to the purpose for which the grievance procedure was established and violative of the fundamental principles of collective bargaining.

However, in those instances where the National Union (CAW-Canada) by either its (i) Executive Board (ii) Public Review Board or (iii) Constitutional Convention Appeals Committee has reviewed the disposition of a grievance and found that such disposition was improperly effected by the Union or a Union Representative involves the National Union may inform the Plant Manager of R.J. Simpson (Canada) Limited in writing that such grievance is reinstated in the grievance procedure at the step at which the original disposition of the grievance occurred.

It is agreed; however, that the Company will not be liable for any claims for damages, including back pay claims, arising out of the grievance that either (i) are already barred under the provisions of

the Collective Agreement at the time of the reinstatement of the grievance of (ii) that relate to the period between the time of the original disposition and the time of the reinstatement of any such grievance shall be conditioned upon the prior agreement of the Union and the employee or employees involved that none of them will thereafter pursue such claims for damages against the Company in the grievance procedure, or in any court or before any Federal, provincial, or municipal agency.

Notwithstanding the foregoing, a decision of an impartial arbitrator, as provided for in the Collective Agreement, shall continue to be final and binding on the Union and its members, the employee or employees involved and the Company and such grievance shall not be subject to reinstatement.

This letter is not to be construed as modifying in any way either the rights or obligations of the parties under the terms of the Collective Agreement except as specifically limits herein, and does not affect sections thereof that conceal financial liability or limit the payment or retroactivity of any claim, including claims for back wages, or that provide for the final and binding nature of any arbitration decisions or other grievance resolutions.

It is understood this letter agreement and the Company's obligations to reinstate grievance as provided herein can be terminated by either party upon thirty (30) days notice in writing to the other.

Yours truly,

C.M. Howarth
Plant Manager
R.J. Simpson Manufacturing Co. (Canada) Ltd.

**LETTER OF UNDERSTANDING
SUBSTANCE ABUSE PROGRAMME**

During the 1986 negotiations, the Company and Union representatives, discussed substance abuse as it affects our employees and the Union's members. In addition to the serious consequences to the individual, both parties recognized that substance abuse contributes to absenteeism, turnover, poor quality, and other disruptions of the work force, and it can adversely affect safety, job performance and employee morale.

The Company realizes the importance of a continuous cooperative effort between its Management and the Union officials and members in this regard, and it will be appropriate for the Union and the Company to review and discuss these problems from time to time, with a view to providing assistance to addicted employees, consistent with these employees' attitudes towards their problems.

Such assistance includes, but is not necessarily limited to, identification of the problem at its earliest stages, motivating the individual to obtain help, referral of the individual to appropriate treatment and rehabilitation facilities, and a continuing education of members of Management and Union alike to recognize and deal constructively with such problems as they arise.

The Company will submit sickness and accident claims for Employees who are undergoing a prescribed rehabilitation process in accordance with the Sickness and Accident Plan.

The Company will strive to cooperate with the Union in supporting and emphasizing the objectives of an employee assistance programme.

For the Company:

C.M. Howarth
Plant Manager
R.J. Simpson Manufacturing Co.
(Canada) Ltd.

For the Union:

Eric Leming
CAW Local 1738

November 27, 1991

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
Mr. Ted Squires
National Representatives

Mr. Eric Leming
Plant Chairperson

Mr. Bill Orr
Skilled Trades Committeeperson

Gentlemen:

This letter will confirm in writing the Company's willingness to meet with the Plant Chairperson, the Skilled Trades Committeeperson and the appropriate CAW National Representatives to discuss the skilled training program.

Yours truly,

James E. Drake
Plant Manager

November 27, 1991

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
Mr. Ted Squires
National Representative

Mr. Eric Leming
Plant Chairperson

Mr. Bill Orr
Skilled Trades Committeeperson

Gentlemen:

This letter will confirm in writing our discussions during the recent collective bargaining negotiations pertaining to the Company's intent for employees in production classifications to maintain their previous responsibilities of their work centres. These responsibilities have, and will continue to consist of tooling or repair work as required and may involve removal and replacement of tooling, tool blocks and performing or assisting in machine changeovers and setups of the various operation. Furthermore, they have, and will continue to do minor machine repair or toolmaker duties on their work centres where they are knowledgeable and able to perform this work as determined by the Company.

Yours truly,

James E. Drake
Plant Manager

November 21, 1991

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Eric Leming
Plant Chairperson

Gentlemen:

This letter will confirm the Company's verbal commitment made during the recent collective contract negotiations concerning seniority employees who are convicted of lesser offense and sentenced to serve jail terms but are allowed by the court to continue working under the terms of a work release arrangement.

It is agreed that the parties are primarily intending to mean driving while impaired or related offenses.

The Company agreed to continue to cooperate on the same terms as in the past. The affected employee must present documented proof from the court certifying the terms and duration of the sentence, and the employee must fulfill the terms of the collective bargaining agreement.

Yours Truly,

James E. Drake
Plant Manager

May 22, 1992

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Bill Orr
Skilled Trades Representative

Gentlemen:

During the recently concluded collective bargaining negotiations, the Company agreed to continue the past practice with its skilled trades employees of replacing stolen tools.

Yours truly,

James E. Drake
Plant Manager

February 28, 1995

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Bill Orr
Skilled Trades Representative

Gentlemen:

During the recently concluded collective bargaining negotiations, the parties discussed the issue of restricting the skilled trades to only employees having work related reasons to be in the areas.

The Company agrees to place gates at points currently without them and will take reasonable measures to keep unauthorized employees out of the areas including those attempting to use the areas as a "short cut" to some other point in the plant.

Supervisors and other members of Management shall continue to have access to the skilled trades areas as in the past.

Yours truly,

David Brown
Plant Manager

February 28, 1995

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bill Zilio
National Representative
Mr. Wayne Smith
Plant Chairperson

Gentlemen:

This letter will confirm the Company's verbal commitment made during the recent collective contract negotiations to train an employee, selected by the Union, as a Union Time Study Representative. It is agreed that the Company retains the sole right and responsibility to establish production rates and standards.

The primary role of the Union Time Study Representative will be to assist in resolving disputes if a question arises as to whether a rate or standard is fair or has been properly established. If the Union Time Study Representative and appropriate Company representatives are unable to satisfactorily resolve a protested rate or standard, the dispute will be referred to the procedure provided for in Schedule D, Article III, Settlement of Disputes.

The Company is only obligated to train one (1) employee during the term of this agreement.

Yours truly,

David Brown
Plant Manager

March 8, 1998

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bob Jenner
National Representative
Mr. Steve Scherle
Plant Chairperson

Gentlemen:

Reference: Employee Involvement And Continuous Improvement
This letter is to confirm the discussions between the parties during the recently concluded collective bargaining agreement negotiations regarding the willingness of both parties to advance the employee involvement and continuous improvement principles at the R. J. Simpson facility.

Both parties will proactively support the jointly developed values, guiding principles and mission. They will work toward continuously improving the business, consistent with the strategic direction of the Company. They will utilize processes which will provide joint, self-directed work teams chartered by a joint Union/Management Steering Team to design or redesign work systems to improve the overall performance of the business, and secure the future of the facility.

The joint work teams or continuous work improvement practices will in no way violate or modify any terms or conditions of the negotiated collective bargaining agreement.

Yours truly,

Dave Brown
Plant Manager

February 7, 1995

National Union, CAW
Local NO. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: **Mr. Bill Zilio**
National Representative
Mr. Wayne Smith
Plant Chairperson

Gentlemen:

During the recently concluded collective agreement negotiations, the parties discussed the value of providing support and assistance to employees who wish to improve their ability in reading, writing and mathematics. As a result of these discussions, the Company and the Union agreed to establish the B.E.S.T. (Basic Education for Skills Training) program.

The parties agreed to follow the B.E.S.T. program guidelines introduced during the discussions with the following exceptions:

1. The B.E.S.T. program will not be introduced until after January 1, 1996,
2. A minimum of one (1) class each year will be provided.

Yours truly,

David Brown
Plant Manager

JOINT STATEMENT OF POLICY OF HUMAN RIGHTS

The Company and the Union recognize and support the spirit and intent of the Human Rights legislation. Further in this regard, recognition is given to the importance of increased communications and cooperation in resolving promptly claims of Human Rights violations.

In this regard, it is agreed that claims of Human Rights violations should be brought to the attention of the Plant Manager and Committee Chairperson to attempt a speedy resolution. This in no way restricts an employee's right to proceed under the law.

HARASSMENT IN THE WORK PLACE

1. Harassment is not a joke. It is a cruel and destructive behavior against others that can have devastating effects. Harassment by coworkers and/or Management is contrary to our basic principles of equality.
2. It is an expression of perceived power and superiority by the harasser(s) over another person, usually for reasons over which the victim has little or no control: sex, race, disability, political or religious affiliation.
3. Harassment on any of these grounds can be made the basis of a complaint to most provincial and federal human rights commissions.
4. Harassment can be defined as any unwelcome action by any person, in particular by Management or a co-worker, whether verbal or physical on a single or repeated basis, which humiliates, insults or degrades.
5. "Unwelcome" or "unwanted in this context means any action which the harasser knows or ought to reasonably know as not desired by the victim of the harassment.

100

6. Sexual harassment is any unwanted attention of a sexual nature such as remarks about appearance or personal life, offensive written or visual actions like graffiti or degrading pictures, physical contact of any kind or sexual demands.
7. Racial harassment is any action, whether verbal or physical, that expresses or promotes racial hatred in the workplace such as racial slurs, written or visually offensive actions, **jokes** or unwanted comments or acts.

November 19, 1997

National Union, **CAW**
Local No. 1738
P.O.Box 231
Thamesville, Ontario, Canada **N0P 2K0**

Attention: Mr. Bob Jenner
National Representative

Mr. Steven Blake Scherle
Plant Chairperson

Gentlemen:

Subject: Letter of understanding re: Union Office in the plant

This letter will confirm the understanding reached by the parties during the recent negotiations for a renewal agreement pertaining to the referenced subject matter.

The Company will provide an office for Union Officials to conduct Union Business with the full understanding that supervision must be notified prior to use by Union Officials on Company time and that Management maintains the sole determination and authority to end this practice at any time.

Yours truly,

Dave Brown
Plant Manager

December 2, 1997

National Union, CAW
Local No. 1738
P.O. Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bob Jenner
National Representative

Mr. Steven Blake Scherle
Plant Chairperson

Gentlemen:

Subject: Letter of understanding re: Radios in the plant

This letter will confirm the understanding reached by the parties during the recent negotiations for a renewal agreement pertaining to the referenced subject matter.

Radios will be permitted at an employee's work station provided that this privilege does not result in workplace conflicts, or interfere with employee safety, safety regulations, production efficiency, etc. Management maintains the **sole** determination and authority to **revoke** this privilege at any time.

Yours truly,

Dave Brown
Plant Manager

April 18, 1998

National Union, CAW, Local No. 1738
P.O.Box 231
Thamesville, Ontario, Canada N0P 2K0

Attention: Mr. Bob Jenner, National Representative
Mr. Steven Blake Scherle, Plant Chairperson

Gentlemen:

Subject: Letter of Understanding: Article V.27.3(c)

The purpose of this letter is to reflect the discussion between the parties on April 20, 1998 relative to the administration of the referenced article and section of the Collective Agreement.

It was resolved that the intent and meaning of Article V.27.3(c) is:

1. an employee may disqualify himself from a bid job by means of a doctor's certification;
2. if an employee does disqualify himself, he will be given work in a classification at the Company's discretion;
3. in being given work in a classification, the employee does not establish bid rights in that classification;
4. the employee may be placed in other classifications at the discretion of the Company;
5. if there is a reduction in force in the classification in which an employee has been given work in accordance with Article V.27.3 that employee shall not have seniority or job rights above those employees in the classification awarded through the bid process; and
6. an employee who has disqualified himself in accordance with Article V.27.3 and has subsequently been given work in another classification, may bid to a job opening in accordance with the established bid procedure.

Yours truly,

Dave Brown
Plant Manager