

MEMORANDUM

Collective Agreement Negotiations
Between

RYAM INC.
PPG - CHAPLEAU SAWMILL

And

UNITED STEELWORKERS (U.S.W)
LOCAL 1-2010

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11611 (06)

Company and Union Proposals by Clause:

Demand No. – Clause/Comment

ARTICLE 2 – DURATION OF AGREEMENT

2.01 Change to read as amended:

2.01 The collective agreement will be renewed for a period of four (4) ~~and (8)~~ years, from May 1st 2018 0044 to April 30th 2022 0048.

ARTICLE 4 – WAGE RATES AND CLASSIFICATIONS

4.04 Shift differential: Increase to \$0.41
Effective ~~the~~ of the month following the date of ratification

~~4.04 Clean up; Shift differential will apply to Road Operations employees affected during snow-plowing season who, due to weather conditions, are required to start work before 6:30 a.m.~~

ARTICLE 6 – VACATION WITH PAY

6.02 Vacation premium; Increase to: \$100.00 per week of vacation taken

Add new; Employees will be permitted to take up to one (1) week of their vacation entitlement one day at a time. It is understood that requests for one-day vacations will not be considered until May 1st of each year. It is also understood, that vacation requests in blocks of one week at a time will take priority over floaters, vacation days off at one day at a time, and/or days off in lieu. (Ex; stat. holiday transferred to the following week of the person's vacation week off.) It is also understood that any vacation time taken one (1) day at a time must be submitted in writing, for approval, at least ten (10) days in advance.

ARTICLE 10 – HEALTH, SAFETY AND WORKING CONDITIONS

10.04 Change to read; The Company will continue to supply on loan all non-personal safety apparel, which it presently supplies at no cost to the employees concerned. Gloves will be supplied on an exchange basis. In addition, the Company will pay a work boot subsidy of \$150.00 increase to \$155.00 effective January 1, 2019; \$160.00 effective January 1, 2020; \$165.00 effective January 1, 2021; and \$170.00 effective January 1, 2022. For employees using

a chainsaw on a steady basis, there will be a seventy five (\$75.00) dollar chainsaw pant subsidy every six months, paid the first payday in February and August of each year for employees. The Company will supply raincoats on an exchange basis to employees required to work in the rain.

10.06 Change to read as amended:

10.06 Employees will be paid bi- weekly, on Friday. An itemized statement of earnings and deductions, including year to date Information, will be mailed provided to employees for each pay period. The annual T-4 slips will show the Union dues paid during the year. The Company will implement a payroll direct deposit plan for all employees and all employees must participate in this payroll direct deposit plan. It is understood that the Company will work towards Introducing electronic pay statements.

For memorandum only: The Company will provide location & assistance/training as required in order to facilitate employee access to their pay statements.

10.07 3rd paragraph; Change to read; Effective May 1, 2003, the Company shall pay \$500.00 per year as a tool allowance to Millwrights, Mechanics, Filers, Electricians and Mill Handymen. The Company will replace broken tools on the basis of equal value.

Increase tool allowance to \$505.00 on May 1, 2019, Increase to \$515.00 on May 1, 2020, and Increase to \$525.00 on May 1, 2021.

ARTICLE 11 – HOURS OF WORK AND OVERTIME

Maintenance Operations

Add New to Letter of Understanding:

B) Maintenance

6. Weekend 12 hour Shifts

Maintenance employees working on the steady weekend schedule: three (3) consecutive twelve (12) hour weekend shifts shall be paid the equivalent to 13.33 hours of pay for each shift; totaling forty (40) hours for thirty-six (36) hours worked.

ARTICLE 12 – SENIORITY

12.04 Add new I):

- I) upon falling to report to work the day after the expiration of the eligibility period of disability benefits.

12.10

12.10 a) Change to read as amended:

- (a) The Company will post on the Bulletin Board for five (5) days, notices of a permanent job vacancy (i.e., a vacancy, which the Company knows will exceed ~~flfteen-(45)~~ twenty (20) days). The Company may make a temporary appointment to such vacant job during the posting period. All permanent vacancies within the Labourer Classification resulting from filling a posting shall be filled in accordance with seniority by employees within the Labourer Classification. Notwithstanding this Article, it is recognized that persons within a classification may be transferred to meet operational requirements for short-term situations.

12.10 c) Change to read; The vacancy will be filled in accordance with the provisions of Article 12.09. An employee accepting the posted job shall be allowed five (5) consecutive working shifts with proper training in which to qualify or any further time as mutually agreed to by the employee and his Foreman. Failure of the employee to qualify shall entitle him to return to his former job.

12.10 g) Change to read as amended:

- (g) Temporary vacancies (i.e., a **vacancy which the Company knows will exist for ~~fifteen-(15)~~ twenty (20) days or less**) may be filled at the discretion of the Company.

12.10 h) Change to read as amended:

- (h) If a vacancy is caused by an employee's absence due to sickness, Injury, disability or an authorized leave of absence and the Company knows such vacancy will exceed ~~fifteen-(46)~~ twenty (20) days, such vacancy shall be posted as "Temporary". Only the original vacancy will be posted and thereafter, the resulting open positions will be filled at the discretion of the Company. When the absent employee returns, the employee filling such posted vacancy shall return to his prior job classification.

ARTIVLE 13 – BULLETIN BOARDS

13.02 Add; Locked

The Company will provide locked Bulletin Boards in all work areas mutually agreed upon by the Company and the Union for the use of the Union to post notices of the Union affairs. Any such notice shall be submitted to the General Manager, or his designate, for review and approval before being posted. It is understood that the Union will keep the Company informed as to which Union representative will be responsible for the only key.

ARTICLE 15 – HEALTH AND WELFARE BENEFITS



Actual benefit will be reflected in Collective Agreement as per current benefit booklet given to the union on December 5, 2018.

Vision Care insurance: Increase \$210.00 to \$220.00 effective January 1, 2019; increase \$220.00 to \$230.00 effective January 1, 2021.

15.01 Weekly Indemnity

1st paragraph, change to read as amended:

The Company will pay the premiums required to establish a Weekly Indemnity Plan. The Plan will provide payments to seventy (70%) percent of the employee's regular straight time weekly earnings, up to a maximum of six hundred (\$600)/week. Benefits to commence on the first day in case of non-compensable accident and/or first day in case of hospitalization and the fourth day of absence due to a sickness and will continue for two (2) weeks. The employee must then apply for Employment Insurance for the following fifteen (15) weeks with the 17th week covered under the Company's established Weekly Indemnity Plan. If the employee does not qualify for E.I. or if the payment is delayed through no fault of the employee, the Company will continue the payments to a maximum of seventeen (17) weeks. When the employee receives payment, he shall reimburse the Company.

Weekly Indemnity: January 1, 2019 increase from \$600.00 to \$610.00; effective January 1, 2021 Increase from \$610.00 to \$620.00.

Chiro; Increase from \$460.00 to \$480.00 January 1, 2019; effective January 1, 2021 Increase to \$500.00.

15.01

Add after the following paragraph:

Brand name prescription drugs will be reimbursed at 80%. Generic brand prescription drugs will be reimbursed at 100%. Brand name drugs will only be reimbursed at 100%, provided there is medical justification from the treating physician or the pharmacy has no generic replacement.

Effective April 1, 2019, (unless advised of a later date) drugs will be reimbursed as follow:

- i) Fees in excess of the price of the least expensive equivalent drug are not covered, unless the Insurer has expressly approved the refund. To determine if the use of a more expensive drug is a medical necessity, the Insurer requires that an application for exception is completed by the doctor and the employee or covered dependant and is provided to the insurer.**
- ii) A limited number of targeted drugs will be subject to prior authorization to be**

covered by the plan. The attending physician and the Insured person must fill out a form and submit it to the insurer to qualify for reimbursement. The list of drugs covered by the program is maintained by the Insurer and its representatives, and will be available to employees on the Insurer's Website.

- iii) No application for prior authorization will be required for a targeted drug under (II) above that the employee or dependant covered was using within 120 days prior to the entry into force of the program which is the ISL of April, 2019.

*Includes letter "For Memorandum Only" and SunLife presentation in a reasonable timeframe

(FOR MEMORANDUM ONLY)

1. Union Bargaining Committee have access to communicate with carrier on suggested new plan: YES – contact information on hand out
2. For Union to consider progressing to the new proposed plan the following additions will be added to the article:
 - a. The plan is at no cost/no loss to the employee;
 - b. All issues under the new plan are grievable under the CBA and Employees will not have to appeal their issues with the carrier; Union to decide if it wishes to grieve, however there is an appeal process through SunLife. As corporate indicated the information is private and confidential to the employee and the Company should not have access to this confidential information.
 - c. All applications, forms, documents, etc. will be fully covered at the Employer's cost: YES – if required by the Company
 - d. When more than two requests for documentation (forms, applications, etc) on the same issue are required, all the lost time of the employee will be paid by the employer. Lost time spent for doctors' appointments are not paid by the employer.
3. Any prescriptions requested by the doctor for brand name drugs will not be denied to the employee. SunLife will manage all exceptions.
4. The employer will pay all dispensing fees for prescriptions. The plan is at no cost/no loss to the employee.

III) A major-medical insurance benefits for other than drugs with no coinsurance factor and a flat twenty dollars (\$20.00) deductible per person or per family per year.

Chiropractor treatment will be covered up to a maximum of \$20.00 per visit, to a maximum of \$460.00 per year.

IV) A semi-private hospitalisation benefit, unlimited as to duration or amount and not

subject to the deductible or coinsurance.

NOTE: All of the benefits set forth above are to be described in a pamphlet in French and English to be supplied to each employee by the Company.

For employees who qualify under Article XII, the Company agrees that an employee shall be paid at the regular rate for the balance of his shift lost because of injury while at work. It is also agreed and understood that where an employee is unable to return to work, he will be required to show proof to qualify for the above.

Pension Plan: "Should be in its own article"

15.03 effective Jan 1, 2019 Increase from \$105.00 to \$110.00; effective Jan. 1, 2021 Increase from \$110.00 to \$115.00.

APPENDIX "I" CLASSIFICATION AND WAGE RATES

~~DELETE: \$1,500 Lump sum payment to be paid out within one month following ratification~~

Trades; Effective date of ratification: \$0.50/hr wage adjustment for trades. Effective May 1, 2020: \$0.25/hr wage adjustment for trades.

Wage increase of 2% effective May 1, 2018; wage increase of 2% effective May 1, 2019; wage increase of 2% effective May 1, 2020; and wage increase of 2% effective May 1, 2021.

A one-time lump sum payment of \$1000.00 signing bonus within one (1) month following date of ratification. Lump sum payment applies to employees actively at work effective the date of ratification. Employees with less than 1,000 hours of work at the date of ratification will receive a lump sum payment of \$1.00 for each hour worked prior to date of ratification to a maximum of \$1,000.00 signing bonus.

On a one time basis, trade employees with a Class 1 qualification and with over 20 years of experience in their trade with the Company will be grandfathered at the rate of Class A tradesman.

Progressive rates on production.
Change to read as follows:

Effective April 1, 2019: from the start date up to 30001000 hours worked: 80% of the regular rate of the position occupied.

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Delete; Sand/Truck Driver, Bulldozer Operator, Grader Operator, and Backhoe Operator.

Add new: The Company will pay for the renewal of Trade Tickets and like tickets if required by law and the Company for their job, with the exception of driver's licence.

LETTERS OF UNDERSTANDING

L of U re: Three-Shift Production and Maintenance Operation (p. 47)

Renew with:

Add the following:

1.5 During the term of this agreement, the Company reserves the right to operate the planer on twelve (12) hour shifts on a twenty-four (24) or twelve (12) hour schedule; seven (7) days per week on a three (3) month trial basis. This trial may be extended by mutual agreement.

Before implementation of such shift schedule, hours of work (one of the following schedules: 2-3-2, 4 on 4 off, 3 on 3 off, 7 on 7 off), must be mutually agreed between the parties.

Vacation entitlement, paid holidays and floaters will be applied as per maintenance twelve (12) hour shift Letter of Understanding: Three Shift Production and Maintenance Operation.

Remove the following:

5. B) 1. Hours of Work

- Four crews of Millwrights working 7-12 hour shifts and 7 days off In a fourteen (14) day period. ~~The 7-12 hour shift shall not be consecutive days.~~

L of U re: Vacation Scheduling (p. 52)

Renew and correct typo "15th to read 21st"

L of U re: Filer Helper Position (p. 55)

Renew

L of U re: Proposed Friday Nightshift Production Schedule (p. 58)

Renew

L of U re: Long Term Disability (p. 61)

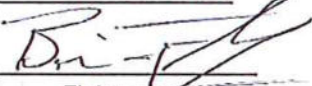
Renew

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L of U re: Trade Apprenticeship Program
Renew

Note: As mentioned, change Tembec to RYAM Inc in the collective agreement where applicable


FOR THE COMPANY



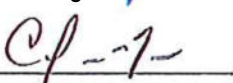
Brian Fleury



Marc Tremblay




Paulo Gignac




Claude Noel

FOR THE UNION



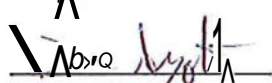
Jacques Jean



Eric Carroll



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Dave Ayotte



Mark Beatty



Daniel Fortin

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