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EFF.	11	11	11
TERM.	11	11	11
No. OF EMPLOYEES	110		
NOMBRE D'EMPLOYÉS	110		

AGREEMENT

between

NATIONAL MEATS INC.

550 KIPLING AVENUE

TORONTO

AND

UNITED FOOD & COMMERCIAL

WORKERS INTERNATIONAL UNION

AFL CIO CLC

LOCAL 709-3 - TORONTO, ONTARIO

NOVEMBER 4, 1996 TO OCTOBER 31, 1998

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COLLECTIVE AGREEMENT

Agreement made by and

between

NATIONAL MEATS INC.; 550 KIPLING AVENUE,

(hereinafter called the "Company")

with respect to the Company's employees at the plant hereinafter specified and referred to in Exhibit "A":

and

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION
AFL CIO CLC

Local 709-3 - Toronto, Ontario

(hereinafter called the "Union") for the Local Union hereinafter specified:

EXHIBIT "A"

DESCRIPTION OF BARGAINING UNIT

METROPOLITAN TORONTO, ONTARIO

All employees of National Meats Inc., 550 Kipling Avenue plant in Metropolitan Toronto, save and except foreman, person above the rank of foreman, security staff, office and sales staff, students employed during the school vacation period and persons regularly employed for not more than twenty-four hours per week. Students will not be employed outside the vacation period from April 1st to September 30th.

PREAMBLE

Recognizing that the welfare of the Company and that of its employees depends upon the welfare of the business as a whole, and recognizing further that a relationship of goodwill and mutual respect between employers and employees can contribute greatly to the maintenance and increase of that welfare, the parties to this contract join together in the following Agreement.

The purpose of this Agreement is to maintain a harmonious relationship between the Company and the Union, to define conditions of employment and working conditions, to provide a method of settling conflicts, differences or grievances, and to promote mutual interests of the Company and of employees represented by the Union.

ARTICLE 1 – RECOGNITION

- 1.1 The Company recognizes the Union as the exclusive bargaining agency for the employees of the plant as defined in Exhibit "A" of this Agreement.
- 1.2 The Company shall not bargain collectively during the term of this Agreement with any other labour organization affecting these employees.
- 1.3 Work normally performed by the bargaining unit employees will not be done by foremen, persons above the rank of foreman, security staff, office and sales staff, except where such performance is:
 - (a) clerical in nature or is for the purpose of instructing, experimenting, investigating or demonstrating.
 - (b) is coping with a sudden unexpected situation which requires immediate attention.
 - (c) is for the purpose of overcoming absence of an employee for up to 4 hours.

ARTICLE 2 – UNION SECURITY

- 2.1 ~~PAYMENT OF~~ DUES: The Company agrees to deduct weekly union dues from each employee's pay. Monies deducted during any period shall be forwarded by the employer to the Secretary-Treasurer of the Union not later than the fifteenth (15th) day of the following period end, accompanied by the written statement of the names of the employees for whom the deductions were made and the amount of each deduction.
- 2.2 ASSESSMENTS: Special assessments if levied in accordance with the Constitution and by-laws of the Union will be deducted from members of the Union upon proper notification from the Union.
- 2.3 INITIATION FEES: The Company agrees that, upon receipt of written authorization in the form of a signed membership card, it will deduct from the wages of employees joining the Union, after ratification of this Agreement, the initiation fee due from him/her to the Local Union on the first day of the following period and shall remit the same to the Secretary-Treasurer of the Local Union on or before the fifteenth (15th) day of the following period end.

ARTICLE 3 – MEMBERSHIP

The Company agrees, it, shall be condition of employment that any employee who, at the date of signing of this Agreement, was a member in good standing, shall maintain such membership.

Employees hired on, or subsequent to, the date of the signing of this Agreement shall, as a condition of employment, become members of the Union within thirty (30) days following the date of their employment and shall thereafter maintain membership in the Union in good standing. The Company shall procure from such new employees the necessary membership application and membership in the Union shall be granted within the above mentioned period.

For the purpose of this Agreement, employees who are or who become members shall be deemed to maintain their membership in the Union in good standing provided they pay in accordance with the provisions of this Agreement the regularly prescribed initiation fee, regular weekly dues and periodic assessments uniformly required of all members of the Local Union.

ARTICLE 4 -- MANAGEMENT

- 4.1 RIGHTS OF MANAGEMENT: Subject only to the provisions of this Agreement, the Management and operation of the business and the employment, direction, classification and schedule of production, promotion, transfer, lay-off, suspension, dismissal and any other discipline of employees for just cause, shall be vested solely in the Management of the Company.
- 4.2 Neither the Company nor any persons acting for the Company shall in any manner seek to dominate, to influence, hinder or discriminate against any present or prospective members of the Union during the performance of their lawful union activities or against the lawful activities of the Union.
- 4.3 The Company and the Union agree there will be no discrimination against employees because of religious or political beliefs, race, colour or creed.
- 4.4 The Company prefers to have work done by its employees although at times it is necessary to have work performed by outside contractors. The relevant factors which the Company will consider before contracting out such work include; adverse effect on employees, availability of required skills, duration and frequency of the job, cost of equipment in relation to its use and relative cost comparison. The Company may at times experiment to determine if work can be performed effectively and economically by its own employees. When this is done for a trial period, it shall not be considered a change of practice should the Company elect to contract out, after the trial period.
- 4.5 The Company will inform the Union when, in the Company's opinion, the introduction of new equipment is expected in the department at least 30 days prior to the introduction of the new equipment. When, as a direct result of the introduction of new equipment, a job is discontinued and the incumbent is transferred to a lower bracket job, or when the incumbent of the job that is reduced in value following a technological innovation continues on the changed job, his/her rate shall not be reduced until six calendar months have elapsed from the date of change.

ARTICLE 5 -- SETTLEMENT OF GRIEVANCES

- 5.1 PURPOSE Either the Employer, the Union or any employee has a right to lodge a grievance with respect to any matter arising out of this Agreement or concerning the interpretation, application or alleged violation of this Agreement. It is agreed that consultation at any step in the following procedure will take place speedily so that any possible cause of friction may be reduced to a minimum. Grievances, to be considered, must be filed within three (3) working days of the event upon which the grievance is based. Time limits discussed in this Article may be extended by mutual agreement.
- 5.2 COMPANY TO RECOGNIZE STEWARDS: The Union agrees to elect and the Company to recognize Stewards who shall be employees (excluding employees on probation or part-time employees) of the Company to deal with matters affecting employees in the plant. Their names shall be supplied to the Company. The Company shall be advised immediately by the Union in writing of any change in the elected Stewards. The Stewards will be recognized as follows: one Steward for each department or group of departments.
- 5.3 A grievance committee of not more than three members (excluding employees on probation, part-time employees and students) who shall be employees of the Company and elected by the members shall represent the Union. The Secretary of the Union shall furnish the Company with a certified list of the names of the members of the Committee.

5.4 GRIEVANCE STEPS: Alleged grievances shall be dealt with progressively in the following manner:

STEP 1 Between the aggrieved employee or the Steward or both and the Department Foreman of the plant. A decision at this step will be rendered in three (3) working days.

STEP 2 Between the Department Union Steward and the President of the Local Union, and the Department Foreman and the Plant Manager, grievances presented at this stage shall be in writing, signed by the grievor. A decision at this step will be rendered in three (3) working days.

STEP 3 Between the Grievance Committee, the Union Business Manager, the Plant Manager, and the General Manager of the Company or his/her designee. Either party shall have the right to submit the matter to an Arbitration Committee, Section 5.6 of this Article. The aggrieved employee or employees may be present during the ~~two~~ (2) above steps if so desired by either party. A decision at this step will be rendered in five (5) working days.

5.5 GRIEVANCE COMMITTEE MEETINGS: Meeting of the Grievance Committee shall be held at times suitable to the operation of the business by arrangement between the General Manager or his/her designee and the Union Business Manager. The Company **will** pay members ~~of~~ the Grievance Committee at their applicable rate for the time spent at meetings of the Grievance Committee with Management representatives.

NOTE: For the purpose of this Article, the term "working days" shall not include Saturday, Sunday or any Public Holiday referred to in Article 8.

5.6 When a settlement or decision is reached at any step of the Grievance Procedure after being presented in writing, ~~the~~ settlement or decision shall be signed by both parties, and shall be final and binding, and shall not be reopened. The ~~settlements~~ shall be signed on behalf of the Union by the Business Manager of the Local Union.

5.7 BOARD OF ARBITRATION: The Board of Arbitration shall ~~be~~ composed of ~~three~~ (3) members and shall be established in the following manner.

Within ten (10) days (excluding Saturdays, Sundays and Holidays) following receipt of ~~such~~ notice, ~~the~~ Employer and ~~the~~ Union each shall select a representative to serve on the Board of Arbitration. The Representative of the Union and the Representative of the Employer shall within five (5) days, (excluding Saturdays, Sundays and Holidays) ~~after~~ they have each been selected, ~~choose~~ an additional member to act as Chairman. In the event of failure of the nominees of the Union and the Employer to agree ~~upon~~ a Chairman within the five (5) day period specified, the Provincial Minister of Labour shall be immediately requested to name a third member who shall act as Chairman of the Board of Arbitration.

Within five (5) days of ~~the~~ appointment of the impartial Chairman, the Board of Arbitration shall sit to consider the matter in dispute and shall render a decision within fourteen (14) days after its first session. It is understood and agreed that the time limits as set forth herein may be altered by mutual agreement between the Employer and the Union.

No person shall serve on a Board of Arbitration ~~who~~ is involved or directly interested in the controversy under consideration. Grievances submitted to the Arbitration Board shall be in writing and shall ~~clearly~~ specify ~~the~~ nature ~~of~~ the issue. In reaching a decision, the Board of Arbitration shall not be vested with the power to change, modify, or alter this Agreement in any of its parts, but may however, interpret its provisions. The expense of ~~the~~ impartial Chairman shall be ~~borne~~ equally by the Employer and the Union unless otherwise provided by law.

The findings and such decision of the Board of Arbitration shall be binding and enforceable on all parties.

- 5.8 Any difference between the Union and the Company arising ~~out~~ of the interpretation or the implementation of the provisions of this Agreement may be submitted in writing by one party to the other at the second step instead of following the regular procedure. Discussions between the Company and the Union, apart from the Grievance Procedure, shall not preclude resort to the Grievance Procedure.
- 5.9 If an employee so desires, he may be accompanied by his Steward when being interviewed in the presence of more than one Company Representative. If the employee is the Steward, he may be accompanied by the Business Manager of the Union.
- 5.10 DISMISSAL, SUSPENSION, OR LAY-OFF: If an employee is dismissed, or suspended for any reason whatsoever or is laid-off and feels that he has been unjustly dealt with, he shall promptly notify an official of the Union ~~who~~ shall, if a grievance is to be filed, notify the Plant Manager in writing within ~~seventy-two~~ (72) hours of employee's written notice of lay-off, suspension or dismissal. The dismissal, suspension or lay-off shall then constitute a grievance and shall be dealt with according to the Grievance Procedure set out above, beginning with the second step of Section 5.4. The Company will notify the Union Business Manager or his designated representative in writing on the same date that an employee is discharged or suspended. Such notice shall state the reason for the dismissal or suspension.
- 5.11 CONTINUE WORK DURING GRIEVANCE INVESTIGATION: If an employee feels he/she is suffering a grievance, he/she should report the grievance at once in the manner described in Section 5.4 above. Pending its investigation and settlement, he/she should meanwhile try faithfully to perform the duties assigned to him/her by his/her foreman or, in his/her absence, by any supervisory officer of the Company. In cases where a grievance may be filed in relation to a transfer, reasonable consideration shall be given to ability to perform the assigned work.
- 5.12 During the life of this Agreement, there shall be no strike, slow down, stoppage of work or any curtailment of production in any form on the part of the Union or any of its members or lock-out on the part of the Company.

ARTICLE 6 –VACATIONS

- 6.1 VACATIONS CALCULATED TO JUNE 30TH EACH YEAR: Vacations will be based on service ~~computed~~ from July 1st preceding the year in which the vacation is to be taken. On June 30th, ~~each~~ employee shall ~~become~~ entitled to a vacation with pay on the following basis:
- 6.2 VACATION SCALE: Employees will receive vacation with pay based on years of service as follows:
- 6.2 (a) All employees who as of June 30th in any year have acquired one (1) year continuous service but ~~less~~ than five (5) years continuous service shall receive two (2) weeks vacation with pay in that year and shall receive as vacation pay 4% of such employee's total earnings during the (twelve) 12 months immediately preceding July 1st, in that year or his/her normal regular wages for ~~two~~ (2) weeks, whichever is the greater.

(2 WEEKS AFTER ONE (1) YEAR)

- (b) All employees who as of June 30th in any year have acquired five (5) years continuous service, but less than ten (10) years continuous service, shall receive three (3) weeks vacation with pay in that year and shall receive as vacation pay 6% of such employee's total earnings during the twelve (12) months immediately preceding July 1st, in that year or his/her normal regular wages for three (3) weeks, whichever is the greater.

(3 WEEKS AFTER FIVE (5) YEARS)

- (c) All employees who as of June 30th in any year have acquired more than ten (10) years continuous service, but less than eighteen (18) years continuous service, shall receive four (4) weeks vacation with pay in that year and shall receive as vacation pay 8% of such employee's total earnings during the twelve (12) months immediately preceding July 1st, in that year or his/her normal regular wages for four (4) weeks, whichever is the greater.

(4 WEEKS AFTER TEN (10) YEARS)

- (d) All employees who as of June 30th in any year have acquired eighteen (18) years continuous service, but less than twenty-five (25) years continuous service shall receive five (5) weeks vacation with pay in that year and shall receive as vacation pay 10% of such employee's total earnings during the twelve (12) months immediately preceding July 1st, in that year or his/her normal regular wages for five (5) weeks, whichever is the greater.

(5 WEEKS AFTER EIGHTEEN (18) YEARS)

- (e) All employees who as of June 30th in any year have acquired twenty-five (25) years of continuous service, shall receive six (6) weeks vacation with pay in that year and shall receive as vacation pay 12% of such employee's total earnings during the twelve (12) months immediately preceding July 1st, in that year or his/her normal regular wages for ~~six~~ (6) weeks, whichever is the greater.

(6 WEEKS AFTER TWENTY-FIVE (25) YEARS)

- (f) Completion of required service after June 30th, employees who after June 30th and prior to the end of the calendar year reach their 5th, 10th, 18th or 25th year, will receive an additional four (4) hours pay per month for each completed month of service calculated from their anniversary date to the end of that calendar year.

- 6.3 VACATION SEASON: Two (2) weeks of an employee's paid vacation shall be given during the regular vacation period, April 1st to September 30th. This can be varied if mutually agreeable to the Employee and the Employer. Where employees are entitled to more than two (2) weeks of paid vacation, the additional weeks shall be scheduled at the discretion of the Employer during either of the three (3) month periods prior to, or following, the regular vacation period.
- 6.4 VACATION DATES: The Company will make a sincere effort to grant vacations at time requested by employees. Senior employees in each department will be given preference of vacation dates, but final allocation of vacation dates is left to the Company in order to assure orderly operation of the plant.
- 6.5 TERMINATION: An employee eligible for vacation whose employment is terminated for any reason shall be allowed pay for the vacation for which he/she had become eligible.
- 6.6 NO CARRY OVER OF VACATIONS: Every employee shall take his/her vacation in the vacation season in which he/she becomes eligible for it and vacation periods shall not be accumulated from year to year.
- 6.7 The occurrence of one of many holidays mentioned in Article 8, Section 8.1 of this Agreement during an Employee's vacation will add a day's pay, eight (8) hours at his/her regular rate, to his/her vacation pay, for each holiday.
- 6.8 Between January 1st and June 30th, the Company will agree to pay the vacation entitlement to those employees taking their "schedule and approved vacation" during the week prior to their scheduled vacation. In addition, vacation pay on overtime and premium earnings will be paid in a lump sum once a year, to be distributed no later than the first pay period following June 30th.

Notwithstanding the preceding, an employee who does not work because of illness or any other cause for a total of 1,560 hours nine (9) months or more during the vacation year July 1 to June 30 shall receive his/her vacation pay and entitlement on a pro-rated basis. For purposes of clarity, absence on vacation, Union Business up to three (3) months or Bereavement leave shall be deemed to be worked.

ARTICLE 7 – WELFARE PLANS

7.1 The following insurance programs shall be continued for all present employees of the Company. New employees shall become eligible after ninety (90) days or more continuous service, except for long term disability for which they shall become eligible after twenty-four (24) months or more of continuous service. Benefit coverage will be provided in accordance with the group benefits insurance policy, between the insurer and the policy holder. The selection of the insurance carrier is vested exclusively with the Company.

Life Insurance \$30,000
Accidental Death
& Dismemberment Insurance \$30,000

Major Medical Expense Benefits include:

Vision Care (Employees and Dependents).....\$125.00/24 months

Hearing Aids \$500.00 every 5 years

Physiotherapist, Chiropractor, Osteopath, Naturopath
..... \$20.00/visit max.
..... \$300.00/calendar year

Long Term Disability Insurance.. 60% of monthly earnings.

Sick Leave (Sick Pay) Exhibit "B"

Dental Plan

7.2 PREMIUM PAYMENTS: The Company agrees to pay the total premium or specified costs of the following plans:

- Life Insurance and Accidental Death
- Extended Health Insurance - Card Plan - The Company will pay up to a maximum of seven (\$7.00) of the actual dispensing fee per prescription.
- Dental Plan
- Sick Leave (Sick Pay)

The employee is solely responsible for the cost of the long term disability insurance premium.

7.3 PENSION PLAN: The Pension Plan will remain in full force and in effect for the duration of this Agreement.

A full time employee who retires following completion of two (2) or more years of continuous service shall receive, commencing on his/her normal retirement date, an annual pension payable in equal monthly instalments for each year of continuous service as follows:

Non-contributory members:

\$9.00 per month per year of service from November 1, 1988 to December 31, 1994.

For service from January 1, 1995...

\$ 9.50 per month per year of service.

\$10.00 per month per year of service (effective November 1, 1995).

\$10.50 per month per year of service (effective November 1, 1997).

Contributory members:

\$9.00 per month per year of service from November 1, 1988 to December 31, 1994.

For service from January 1, 1995...

\$20.50 per month per year of service.

\$21.50 per month per year of service (effective November 1, 1995).

\$22.00 per month per year of service (effective November 1, 1997).

Employee contributions of 3.0% of regular earnings up to YMPE and 5% of earnings in excess of YMPE, will be directed to a Defined Contribution Plan.

Group Registered Retirement Savings Plan:

Employees may contribute voluntary contributions via payroll deduction to a Group RRSP plan which will be introduced by the Company.

Pension Committee: Effective upon ratification to set up a pension committee for the hourly rated pension fund which would include one member elected from the bargaining unit.

NOTE: The purpose of this pension committee is retirement pension administration and they will not have much work until more people are retired and thus retirement administration is generated.

The actuarial report of the hourly rated plan will be made available to this committee.

7.4 DENTAL PLAN: The Company will pay for recall oral examinations once every nine (9) months.

Payment will be based on the Ontario Dental Association Fee Schedule and shall be applied as follows:

The Company shall pay the prevailing schedule of fees minus one year, three (3) months after the last day of the month in which the rate schedule is issued in the Province.

7.5 Eligibility for the above program and entitlement to benefits shall be governed in all respects by the contracts and the Agreement by the Company and the insuring agency, if any, and by applicable legislation.

7.6 Benefit coverage provided in this Article 7 shall cease thirty (30) days after an employee is no longer on active payroll except in the cases of vacation and approved leave of absence as provided in the following scale:

Approved Leave of Absence for Union Business

- up to three (3) months.

Approved Leave of Absence for Personal Business

- up to thirty (30) days.

Accident or Workers' Compensation

- up to twenty-four (24) months.

Illness or Injury
- up to twenty-four (24) months.

The benefit continuation is subject to the employee paying his/her portion of the premium, if any, from the ~~first~~ of the month following the absence and subject to Section 7.5.

Benefit coverage will cease immediately for termination of employment due to voluntary quitting, retirement or discharge.

ARTICLE 8 -- PUBLIC HOLIDAYS

8.1 PUBLIC HOLIDAY PAY: The following days shall be considered as Public Holidays:

New Years Day -- Good Friday -- Victoria Day
- Canada Day (Dominion) -- Civic Holiday -- Labour Day -- Thanksgiving -- Christmas Day -- Boxing Day.

In addition to the foregoing nine (9) Public Holidays, the parties agree to one additional Holiday to be known as a "Floating Day". The parties will determine before May 15th of each year which day shall be observed as the "Floating Holiday". The granting of such holiday with pay will be subject to the same conditions which govern the pay of other holidays.

If the government declares Heritage Day or Flag Day it shall be a paid holiday and included in clause 8.1.

The Company agrees to pay all hourly rated employees eight (8) hours pay at their regular rate, whether they work or not, for each of the Public Holidays. Where mandatory by Provincial Legislation, other Public Holidays will be observed.

If any of these holidays fall on a Sunday, the Monday immediately following the holiday shall be observed, and if Monday is also a holiday, the following Tuesday shall be observed in its stead.

8.2 When employees work on any of the Public Holidays set forth above, they shall be paid eight (8) hours at their regular rates and shall in addition be paid twice their regular rates for all hours worked on such dates.

8.3 To qualify for Public Holiday pay, the employee must have thirty (30) calendar days service with the Company at the date of the Public Holiday.

8.4 ABSENCE -PUBLIC HOLIDAYS: Any employee absent on the work days preceding or next following any Public Holiday shall not be entitled to pay for such holiday, unless the absentee received permission from the Company to be absent or is absent due to illness or accident. The Company has the right to request medical certificates justifying such an absence.

8.5 PERSONAL FLOATER - One individual paid holiday to be taken within each calendar year at a time agreed upon by the Company and the employee, at least one (1) week in advance of the desired day. To qualify, an employee must have worked a minimum of 1040 hours in the preceding year. There will be no carryover of this paid holiday from one calendar year into the next calendar year. Pay for this holiday will be included with the employee's regular pay for the week in which the holiday is taken.

The Company will make a sincere effort to grant this holiday on the date requested. Senior employees in each department will be given preference for the requested holiday dates, but final approval is left to the Company in order to assure orderly operation of the plant.

8.6 An employee who is in receipt of Workers' Compensation Benefits, Weekly Indemnity Benefits provided under the Company Health Insurance Plan, or Employment Insurance Benefits, as a result of illness or injury, will receive only the amount of Statutory Holiday pay by which his regular pay for the holiday exceeds such benefit for that day.

ARTICLE 9 – HOURS OF WORK

- 9.1 The normal work week for all employees shall be forty (40) hours per week comprised of five (5) eight (8) hour days, Monday to Friday.

During the period or part thereof from the first Monday in August to Easter Monday, the Company reserves the right to schedule a four (4) day work week and the normal work week shall be thirty-six (36) hours per week, comprised of four (4) nine (9) hour days.

In the month of August, should the Company be on a four (4) day work week, the number of students employed will be no greater than the number of employees on vacation.

Mechanical employees during this period, may be required to remain on a regular work week.

- 9.2 Overtime at the rate of time and one-half, the employee's regular rate shall be paid for all hours worked in excess of eight (8) hours per day, and for all hours worked before or after the scheduled work hours.

Overtime at the rate of time and a one-half, the employee's regular rate shall be paid in excess of nine (9) hours per day, when the Company is on the four day work week schedule.

WORK SCHEDULE:

The Company shall post a weekly work hour schedule in the Plant for all employees, not later than Thursday of each week for the following week. If a new schedule is not posted by Thursday noon, then the schedule already posted shall apply for the following week.

The work schedule covers 12:01 a.m. Saturday to 12:00 o'clock midnight Friday of each week.

- 9.3 **OVERTIME WORK** The Company shall endeavour to distribute overtime as evenly as possible amongst employees currently performing the same kind of work within the department. However, notwithstanding the above, overtime which is an extension of a regularly scheduled shift will be performed by those who were performing the work at the end of the regularly scheduled shift. It is understood that any valid claim of inequitable distribution of overtime shall result only in an employee's entitlement to the next opportunity to perform available overtime in his/her department that he/she is qualified to perform.

When overtime is worked in a department and employees are asked to work from outside departments, it will be based on plant seniority provided the employee possesses suitable qualifications for the job. Lists of immediately qualified employees will be used to distribute overtime when necessary. These lists are to be kept by the department foreman.

- 9.4 **FIRST PREMIUM DAY:** Work performed on the first premium day, will be paid for at one and one-half times the employee's regular hourly rate. The first premium day is the employee's sixth scheduled shift when on a five (5) day work week schedule and is the employee's fifth scheduled shift when on the four (4) day work schedule.
- 9.5 **SECOND PREMIUM DAY:** Work performed on the second premium day, will be paid at double the employee's regular hourly rate. The second premium day is the employee's seventh scheduled shift when on the five (5) day work week schedule and is the employee's sixth and seventh scheduled shift when on the four (4) day work week schedule.
- 9.6 **DOUBLE TIME AFTER TWELVE (12) HOURS:** If by necessity an employee is requested to work in excess of twelve (12) consecutive hours, he/she shall be paid double time for such additional hours.

- 9.7 DAILY GUARANTEE: An hourly rated employee who has been called out to work and is dismissed for that day by reason of some cause for which he/she is not responsible shall receive for that day at least five (5) hours pay at his/her regular rate. This guarantee shall not apply in case of catastrophes such as flood or fire.
- 9.8 EMERGENCY CALL-IN: Any hourly-rated employee who after leaving the Company's premises is specially called in at any time outside his/her normal working hours shall be through when the emergency is over but shall, nevertheless, be paid for a minimum of four (4) hours at his/her regular rate for the time spent on the emergency work outside of his/her scheduled hours.
- 9.9 PREMIUMS: An off shift premium of forty (40) cents per hour, shall be paid to shift workers whose regular work schedule starts between noon and midnight. Employees working on shifts beginning after twelve (12) midnight and before 6:a.m. shall receive the off shift premium for all hours worked up to 6:a.m.
- 9.10 Overtime premiums shall not be paid more than once for any hour worked and there shall be no pyramiding of overtime.
- 9.11 An hourly rated employee who is scheduled to work on a Saturday, Sunday, or Public Holiday, will be paid the greater of the number of hours actually worked at the applicable overtime rate or four hours at his/her regular straight time rate of pay.

ARTICLE 10 – REST PERIODS

- 10.1 REGULAR REST PERIODS: The Company agrees to grant rest periods of fifteen (15) minutes during the morning and fifteen (15) minutes during the afternoon. The rest period will be granted provided the working time of each half shift exceeds two and one-half (2½) hours. The Union agrees that rest periods should not be abused.
- 10.2 The Company is not required to pay employees for any breaks beyond those described in Article 10.1.
- 10.3 OVERTIME REST PERIOD: Employees required to work overtime shall be granted fifteen (15) minutes rest periods provided such overtime exceeds two (2) hours.

ARTICLE 11 – MEAL ALLOWANCE

- 11.1 Employees shall not be required to work more than five (5) hours without a meal period. If employees are required to work in excess of ten (10) paid hours on a regular work day, or eleven (11) paid hours during the four (4) day week, or five (5) hours on a non-scheduled day, the Company will provide a meal to be eaten on the premises. A non-scheduled working day is defined as one where the employee has been given less than twenty-four (24) hours notice to report to work. If for any reason the Company shall fail to provide a meal, the employee will be paid \$4.50 in lieu thereof. A second overtime meal will be provided if an employee works more than thirteen (13) hours on a regular work day.

ARTICLE 12 – BEREAVEMENT PAY

- 12.1 When an employee with seniority attends the funeral of an immediate relative, he/she shall receive eight (8) hours pay at his/her regular rate for the day of the funeral and for two (2) other days to be taken not later than two (2) days following the funeral, provided that such payments are made only in respect to absence from work on his/her regular work day. For the purpose of this clause and immediate relative shall be one of the following: Wife, Husband, Daughter, Son, Mother, Father, Sister, Brother, Mother-in-Law, Father-in-Law, Grandmother, Grandfather.

- 2.2 When an employee with seniority rights attends the funeral of a Sister-in-Law, Brother-in-Law, he/she shall receive eight (8) hours pay at his regular rate for the day of the funeral, provided that such payments are made only in respect to absence from work on his regular work day.
- 12.3 A seniority employee will receive one day's leave with pay when a member of his immediate family dies and the employee is unable to attend the funeral.

ARTICLE 13 -- SENIORITY

- 13.1 Seniority, as referred to in this Agreement, shall mean length of continuous service in the employ of the Company.
- 13.2 An employee will be considered to be on probation for the first sixty-five (65) worked days and will have no seniority rights during this time. These sixty-five (65) worked days must be accumulated within one calendar year. After sixty-five (65) worked days service, his/her seniority will start to accumulate as if he/she had worked for thirteen (13) weeks (65 worked days), regardless of when he/she actually started his/her employment. A probationary employee may be terminated without cause and such termination shall not be the subject of a grievance.
- 13.3 Seniority lists will be reviewed each year; a copy of the list will be posted in the plant and a copy given to the Union.

If an employee does not challenge the position of his/her name on the seniority list within the first five (5) working days from the date his/her name first appears on a seniority list, provided he/she is at work when the list is posted, then he/she shall be deemed to have proper seniority standing.

In the event the employee is not at work he/she must object to his/her seniority standing within five (5) working days from the date he/she returns to work.

- 13.4 **JOB POSTING:** Where a permanent job vacancy occurs **within** a department, employees within that department shall be permitted at their request to **fill** the said vacancy providing the employee has seniority and possesses suitable qualifications or can qualify within a reasonable period of time.

When a vacancy within a department cannot be satisfactorily filled from within the department affected, the Company will post notice of vacancy throughout the plant for a period of three (3) **work** days and the most senior applicant will be given **the** job providing he/she possesses suitable **qualifications** or can qualify within a reasonable period of time.

An employee who was absent due to sickness, accident or vacation when a vacancy is filled shall receive equal consideration, provided the employee makes his request **within twenty-four (24) hours after his/her** return to work. An employee on leave of absence shall be excluded from the job posting clause.

TEMPORARY JOB VACANCY: When a temporary job vacancy of at least six (**6**) weeks duration occurs, the job posting procedure will be followed to acquire a temporary replacement. Any applicant will only be considered if it is possible to permit **him/her** to leave their own job without interfering with the operation of the department or plant. This determination is vested exclusively with management and cannot form the **subject** matter of a grievance.

If a temporary vacancy occurs due to the illness or injury of an employee, a temporary job posting will not occur until adequate medical **documentation** is received to support an absence of sufficient duration to qualify for a temporary job posting.

- 13.5 Promotions to higher rated jobs other than to supervisory positions shall be based on the following factors:
- (a) Skill and Efficiency
 - (b) Seniority

Where, in the judgement of the Company, the qualifications in factor (a) ~~are~~ relatively equal, seniority shall govern.

13.6 Seniority shall accumulate in the following circumstances only:

- (a) When off the payroll due to sickness or accident in which case seniority will continue to accumulate for a period of two (2) years;
- (b) When off the payroll due to personal leave of absence, seniority will continue to accumulate for the first thirty (30) days of such leave;
- (c) When absent on vacation or on plant holidays;
- (d) When actually at work for the Company.
- (e) When off the payroll due to an approved leave of absence for Union business, seniority will continue to accumulate for a period of up to three (3) months.

In addition, for the purposes of the application of Article 13 only, and not service, employees will also accumulate seniority when:

- (i) on lay-off, subject to **13.7 (f)**
- (ii) on an authorized leave of absence provided that the employee returns from the leave of absence by the date agreed to when the leave was requested.

13.7 Seniority shall terminate and an employee shall cease to be employed by the Company when he/she:

- (a) Voluntarily quits his/her employment with the Company;
- (b) Is discharged and is not reinstated through the Grievance Procedure or Arbitration;
- (c) Fails to report to work within four (4) working days after being notified by the Company following a lay-off, unless absent for a reason satisfactory to the Company;
- (d) Fails to return to work upon the termination of an authorized leave of absence unless a reason acceptable to the Company is given;
- (e) Accepts gainful employment while on a leave of absence without first obtaining the consent of the Company in writing.
- (f) **Has** been laid-off for a period of **twenty-four (24)** months.
- (g) **Has** been absent from work due to illness or injury for twenty-four (24) months and cannot be accommodated with existing work.

An employee absent for twenty-four (24) months, who produces a Doctor's certificate stating he/she will be able to return to employment within a twelve (12) month period and can be accommodated with existing work, shall be granted such extension.

13.8 In the event that an employee covered by this Agreement should be promoted to a supervisory or confidential position beyond the scope of this Agreement, they shall retain the seniority previously acquired and shall not accumulate seniority while serving in such capacity. Should this person be later demoted or otherwise decides that he/she does not want the position they shall not bump another employee to regain the former position unless an opening exists for this job.

- 13.9 Any employee who has been notified by registered letter at his last known address to return to work and within four (4) days has failed to ~~do~~ so, or failed to contact the office, shall be considered to have quit his employment voluntarily and his seniority rights shall thereupon be terminated.
- 13.10 Any employee who leaves the service of the Company for any reason and is subsequently rehired shall resume his employment as a new employee, with ~~no~~ seniority rights for past service.
- 13.11 In the event of a lay-off due to lack of work, the Company will give one (1) weeks notice in writing or pay in lieu thereof to those employees who have completed sixty-five (65) worked days.

Notwithstanding the above, the Company can lay-off up to ten (10) of the most junior employees on the seniority list with no lay-off notice if there is a sudden, unexpected decrease in work or if they were recalled from lay-off to replace people absent from work for an unknown period of time and if further lay-offs are required, anyone with less than three (3) years seniority can be laid-off with two (2) days notice provided it results in Friday being their last worked day.

KEY JOBS: "Maintenance Mechanics, Electricians and Machine Set-Up shall not be subject to lay-off or displacement by more senior employees if it is necessary to continue their work, unless such more senior employees are fully qualified to perform the duties of these positions."

13.12 LAY-OFF PROCEDURE

When it is necessary to reduce the work force the order of lay-offs and work force reassignment, if necessary shall be as follows:

- (1) Lay-off employees by seniority.
- (2) Transfer employees whose job is not required and who have the seniority to remain at work to the vacancies created by ~~laying-off~~ the junior employees. If the employee whose job is not required is not the junior in the department, ~~he/she~~ may exercise his/her seniority to remain in his/her department provided ~~he/she~~ has the qualifications to do the required work. When processing this part of the procedure the Company will afford the most senior employee who is displaced, the opportunity to ~~choose~~ which vacancy ~~he/she~~ will be transferred to subject to the requirements of the business and qualifications of the employees for ~~the~~ work required. Notwithstanding this option, employees who are qualified to perform any of the available job vacancies will be assigned by Management. Employees who are assigned to work under this ~~section~~ who ~~continue~~ to perform this work upon completion of six (6) months may, if they choose, exercise their seniority rights at this time to obtain another permanent job.

Qualified as ~~used~~ herein means the ability to perform all the duties of the job without instruction or training.

- (3) If it is necessary to reduce staff in a department and the junior employees are in that department, the junior employees will be ~~laid-off~~ and the remaining employees will be reassigned within the department at Management's discretion. Management will attempt whenever practical, to make such reassignments recognizing the principle of seniority.
- (4) The parties agree that when transfers occur under this Article due to a staff reduction, the employees who transfer to other jobs in their own or other departments, are considered to be temporarily transferred and will return to their ~~own~~ job or home department as the case may be, if the staff is being increased within a six (6) month period.

Should a transfer under this section exceed two (2) months, the employee is considered to be permanently transferred and can only return to his former department through the application of Article 13.4.

Portion employees temporarily returning to the portion department, will be paid temporary assignment for all hours worked. Should the required period exceed two (2) consecutive weeks, the employee's job rate will be re-instated.

- (5) Employees transferred due to a work reduction to a lower rated job shall not have their rate reduced for a period of two (2) months including lay-off, after which the lower rate will prevail. Qualified employees assigned by management under Section 2 will have their rate protected for a maximum of six (6) months including lay-off.

13.13 RECALL PROCEDURE

When it is necessary to recall employees from lay-off, the employees will be recalled in order of seniority to the available vacancies provided such person can learn the skills to do the work during ten (10) days actually at work. Employees who are recalled to jobs different from those held at the time of the lay-off, may request a return to their former department if the staff is being increased within a six (6) month period from the date of lay-off.

Such request will be granted as soon as a satisfactory replacement can be found to take his/her place and provided that the employee possesses suitable qualifications for the available job.

- 13.14 **LEAVE OF ABSENCE:** Leave of absence may be granted to an employee by the Company for good and sufficient reason upon application by the employee in writing provided the granting of such leave does not interfere with the requirements of the business. If the leave is granted by the Company, it shall be confirmed in writing and a copy thereof sent to the employee. Seniority shall be accumulated only up to thirty (30) days in such cases.

- 13.15 **MATERNITY LEAVE:** Maternity leave will be granted in accordance with Provincial Legislation.

- 13.16 **SHIFT PREFERENCE:** Where practical and where a rotation of shifts is not carried on, an employee, at his/her request, will be permitted to change from one shift to another within his/her gang in accordance with his/her department seniority.

Employees who have the shift changed in a department due to the work they perform being transferred to another shift will be given first consideration for vacancies that occur in the department on their former shift, provided they possess the necessary qualifications to perform the work available.

In the event of a staff reduction under Article 13.12, employees may exercise their rights under this Article upon completion of the reassignment of personnel. An employee exercising his rights for shift preference as a result of a staff reduction is limited to the displacement of the most junior employee on the desired shift.

- 13.17 **SENIORITY DEPARTMENTS:** Seniority Departments as now set up will remain in effect until otherwise agreed upon between the Plant Manager and the Local Union. Department Seniority of each employee will remain in effect unless a regrouping of seniority departments is otherwise agreed upon between the Plant Manager and the Local Union.
- 13.18 A temporary transfer shall be for no longer than six (6) months and the junior employee in the department shall be the first to be transferred provided that he/she possesses suitable qualifications for the job and that employees remaining can perform the work satisfactorily.

ARTICLE 14 – TOOLS AND CLOTHING

- 14.1 The Company will furnish employees with seniority, knives, steels, whetstones, etc., specified by the Company as required for work in accordance with the following:
- (a) New employees will be charged for the above tools but will be reimbursed after their probationary period. Probationary employees who leave the Company may present their tools for the appropriate credit.
 - (b) Employees must return worn or damaged tools and equipment before being supplied with replacements. Failing to return such worn or damaged tools or equipment, the employee will be charged for the full replacement value.
 - (c) An employee who attempts to return another employee's tools or equipment for replacement purposes will be subject to instant dismissal.
- 14.2 Tradesmen or other skilled trades workers with seniority in the mechanical department shall, upon presentation of required tools, broken on the job or worn out, receive replacement tools.
- 14.3 The Company agrees to make available such launderable outer work clothes, waterproof aprons, rubber boots and freezer boots as may be specified by the Company to employees who are required by the Company to wear such clothing. All such clothing shall remain the property of the Company and shall not be removed from the Company's premises. Clothing which, in the opinion of the Company, is worn out shall be returned to the Company before being replaced. Upon termination of employment all clothing provided by the Company shall be returned to the Company. Clothing which is not returned as herein provided shall be paid for by the employee. The Company will continue in effect the present practice of laundering the employee's outer work clothes.

ARTICLE 15 – JURY DUTY PAY

An employee summoned to Jury Duty shall be paid wages amounting to the differences between the amount paid him/her for jury services and the amount he/she would have earned had he/she worked on such days. Employees will provide a statement from the appropriate authorities showing jury pay received.

An employee released from Jury Duty shall return to his/her job if two (2) or more hours of their normal shift can be worked. Time worked in excess of eight (8) hours, combined Jury Duty and time on the job in one (1) day, shall be paid for at overtime rates.

Employees must notify their supervisor within one (1) working day after receipt of notice of selection for Jury Duty.

Employees selected for Jury Duty who are on other than Day Shift shall be assigned to Day Shift for those days required to serve as Jurors, providing they advise the Company of their selection in accordance with the foregoing.

ARTICLE 16 – SHIFT GUARANTEE

An employee injured while working in the Plant shall suffer no loss of earnings for the hours he/she would have worked but were necessarily lost on a day in which the accident occurs and one additional absence within six (6) weeks of the date of the accident if, as a result of such injury, he/she is sent home or to the hospital or for medical attention on instruction from the medical department, but if such is not possible, then by a Company representative.

Amounts received under Workers' Compensation for such injury for such time shall be deducted from benefits due under this section.

ARTICLE 17 -- SAFETY AND HEALTH

It is the desire of the Company and the Union to maintain high standards of safety in order to eliminate, insofar as possible, industrial accidents or illnesses. The Company shall continue to provide for safety and health of its employees during working hours. The Union shall use its best endeavours to require all employees to comply with such safety regulations as may reasonably be established and to work safely at all times.

All protective devices on machinery and wearing apparel used and deemed necessary, by the Safety Committee and Management jointly, to properly protect employees from injury shall be supplied free of charge by the Company and shall remain its property except for safety footwear. A Safety shoe allowance of seventy-five dollars (\$75.00) will be paid to all employees with more than six (6) months seniority who purchase safety footwear for use on the job.

Employees with less than six (6) months seniority who purchase such foot wear shall be reimbursed for up to seventy-five dollars (\$75.00) towards their purchase upon attaining their (6) six months seniority.

For a subsequent purchase employees will again become eligible for this allowance one year from the date of their previous purchase under this provision. Employees will be eligible for this allowance upon proof of purchase.

The Company shall have on the premises persons qualified and responsible to provide first aid care to injured employees and shall take the necessary measures to provide them with medical attention.

ARTICLE 18 -- WAGES

18.1 Basic hourly rates of pay and job classifications in Appendix "A" attached hereto and made part of the Agreement, shall remain in effect for the term of this Agreement.

18.2 Any employee now receiving a wage rate above the minimum wage set forth in Appendix "A" shall not be reduced by the present Employer, by reason of the signing of this Agreement.

18.3 Lead Hands shall be paid fifty (50) cents per hour above his/her personal rate.

The primary role of the Lead Hand is to provide day to day direction to the work force to accomplish the schedule of work as determined by Management, in a safe and efficient manner.

In the performance of the Lead Hand's responsibilities, the Lead Hand will not hire, fire, discipline or demote any employee.

Lead Hand rate will be paid for all hours spent managing a specific production line or group of employees either under the direction or in the absence of a Supervisor.

18.4 A full-time employee will receive credit for one day's service when he completes a minimum of four (4) regular hours work in a day. Wage adjustments will be made effective on the Monday closest to the completion of the required periods of service.

Qualified Journeymen, group 15, will be hired at twenty-five (25) cents per hour below the job rate and will receive the regular rate upon completion of the probationary period.

- 8.5 Freezer premiums of twenty-five (25) cents per hour to be paid to freezer stock keeper.

To qualify for freezer premium an employee must spend 50% or more of his/her time working in the freezer.

- 18.6 TEMPORARY TRANSFERS: Any employee who, for the convenience of the Company, is temporarily transferred for a period of five (5) working days or more to another job for which the rate of pay is different from that in effect for such employee's regular job shall be paid, while so employed as follows:

- (a) If the rate of pay for the job to which he/she is transferred is less than the employee's regular pay, he/she shall receive his/her own higher rate of pay.
- (b) If the rate of pay for the job to which he/she is transferred is higher than the employee's regular pay, he/she shall receive the higher rate of pay for the job to which he/she is temporarily transferred, provided the employee displays efficiency, skill or ability equal to that of the employee performing the job to which he/she is transferred.

ARTICLE 19 -- SEVERANCE PAY

The Company agrees to provide one week's pay per year of service in the event of a department or plant shutdown. This includes employees who are laid-off up to three (3) consecutive months prior to the date of the shutdown.

All employees with more than five (5) years service who are on lay-off waiting to be recalled will be entitled to full severance pay.

ARTICLE 20 -- GENERAL

- 20.1 BULLETIN BOARD: The Company agrees to allow the Union to post notices on the Bulletin Board. Such notices shall be presented to Management for approval prior to pasting.
- 20.2 UNION REPRESENTATIVE CALLING ON PLANT: Any authorized Union representative may upon having the employer's consent, enter the plant, provided that said representative shall not unduly occupy the time of the employees during the working hours.
- 20.3 SEVERABILITY: If any part of this Agreement is rendered or declared invalid by reason of any existing or subsequently enacted legislation, valid government regulation or order, or by decree of a Court of competent jurisdiction, the invalidation of such part of the Agreement shall not affect or invalidate any of the remaining parts hereof, and the same shall continue in full force and effect.
- 20.4 TIME CLOCKS: The Employer shall provide time clocks to enable employees to record their hours worked for payroll purposes. Employees shall punch their own time at the time they commence and finish work.

Employees who record another employee's time shall be subject to disciplinary action including discharge or suspension.



DURATION AND RENEWAL

This Agreement shall be **effective** from November 4, **1996** until October 31, **1998** and shall remain in force thereafter **from year to year** but either party may, not less than sixty (60) days before the expiry date, or renewal date of **such** Agreement, give notice in writing to the other party to terminate such Agreement or to negotiate a revision thereof. During the period of negotiations resulting from any of the provisions above, this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF each of the parties has caused this Agreement to be signed by its duly authorized representatives.


Dated and signed at Toronto, Ontario this **21st** day of March, 1997

FOR THE COMPANY


D. McCourt


J. Hacking
J. Hacking


J. Cowan


R. R. Fleury

FOR THE UNION


R. Gelineau


M. Goncalves


B. Da Silva


C. Bonello

Appendix 'A' Wage Rates

Group	November 1, 1994	Employees Hired After Nov. 1/94
0 Plant Sanitation, Janitor, General Labourer	\$14.94	\$11.20
1 Packer, Taper, Scaler, Labeller, Metal Detector, Palletizer	\$15.03	\$11.27
2 Line Feeder	\$15.12	\$11.34
3 Label Machine Setup	\$15.21	\$11.41
4 F26 Stacker Packer, Box Machine Set Up & Operator, Betcher Cleaver Operator	\$15.55	\$11.66
5 Meat Block Assembler, Grinder	\$16.08	\$12.06
6 Stock Keeper, Trimmer, Defects Analysis, Forklift Operator, Head Packer(Portion) ----	\$16.14	\$12.11
7 Formax Line Operator, Machine Set Up	\$16.22	\$12.17
8 Shipper/Receiver	\$16.40	\$12.30
9 Truck Driver	\$16.58	\$12.44
10 Tractor Trailer Driver, Pregrind, Blending, Formulator (Pork, Stkts)	\$16.85	\$12.64
11 Controller, Cookroom Operator, Blended Formulator in Final Grind	\$17.01	\$12.76
12 Master Portion Cutter, Boner	\$17.41	\$13.06
13 Master Portion Saw Cutter	\$17.56	\$13.17
14 Maintenance Apprentice (Non-ticketed)	\$17.66	\$13.25
15 Maintenance Journeyman, Millwright, Electrician, Journeyman "B", Refrigeration Mechanic, Chief Engineer	\$20.30	\$20.30

Note: New employees hired after November 1, 1994 will be paid a starting rate of **\$10.00** per hour.

Rate Progression: New employees will receive one-half of the difference between the **start** rate and the rate of pay of the job to which they are assigned upon completion of one year of service.

Upon completion of two years of service an employee will be paid the rate of pay of the job to which **he/she** is assigned.

EXHIBIT "B" SICK LEAVE BENEFITS

Effective the date of ratification, all seniority personnel with two (2) years or less service will be entitled to 75% of wages, ie. standard hours at standard rates, following two (2) working days waiting period to a maximum of five (5) days per annum, providing a medical certificate satisfactory to the Company is presented. Sick leave is non-cumulative from one calendar year to the next.

In addition to the above, employees with more than two (2) years service will be entitled to a further five (5) days per annum at 2/3 of wages, ie. standard hours at standard rates, providing a medical certificate is presented. Sick leave is non-cumulative from one calendar year to the next.

The two (2) working day waiting period will be waived in respect to an employee who is hospitalized overnight during the waiting period due to illness or accident, or is hospitalized as an out patient, and scheduled for day surgery. Time spent in the emergency room does not constitute hospital admission, and proof of admission must be provided on request.

For continuous illness exceeding ten (10) days, your payroll department will supply you with a separation certificate for which you will have to apply to the Employment Insurance Commission with a doctor's certificate. You will be covered for fifteen (15) weeks after a two (2) week waiting period, after which Long-Term Disability Insurance Plan takes over.

In the event an employee with two (2) years or more service has no employment insurance credits available at the time of his/her illness and has exhausted the above Company plan, then the Company will provide, at no cost to the employee, a supplemental weekly indemnity program as follows:

- (i) The amount of benefit payable to claims will be ~~66~~ **66 2/3%** of basic straight time weekly earnings ~~subject~~ to a maximum weekly benefit equal to the prevailing maximum benefit per week applicable under The Employment Insurance Act.
- (ii) Such benefits will be payable subject to the exhaustion of the basic plan set ~~out~~ above, only from the first day of accident or illness when the employee is hospitalized overnight, after the third (3rd) work day of absence for any sickness and the benefit period shall be for up to ~~seventeen~~ **(17)** weeks.
- (iii) Employees will be required to provide necessary medical verification satisfactory to the Company in order to claim benefits.

It is further understood that none ~~of~~ the benefits described above apply to maternity absences.

The Company will not pay sick leave for industrial accidents which are covered by Workers' Compensation Program.

It is agreed that the Company will initially pay sick pay to an employee who has had a work related accident that the Company is disputing. The employee will sign an agreement that if the claim is accepted by Workers' Compensation, the Company has the right to deduct the sick pay.

Letter of Understanding

Re: Vacation Draw

Four Day Week

All vacation entitlement must be taken by December 31.

A one time draw on the next years vacation pay entitlement may be taken in August, at the start of the four (4) day schedule. The one time lump sum draw shall equal a minimum of two (2) weeks, and a maximum of three (3) weeks vacation pay.

Vacation time taken, may only be reduced by the amount of the draw. Senior employees will be required to take three (3) weeks vacation.

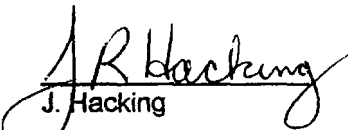
Example.

- Six weeks - (Draw three - Take three) - (Drawtwo - Takefour)
- Five weeks - (Draw three - Take two) - (Draw two - Take three)
- Four **weeks** - (Draw three - Take one) - (Draw *two* - Take two)
- Three weeks - (Draw three - Take none) - (Drawtwo - Take one)

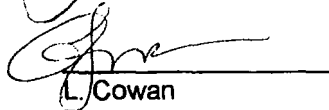
The full amount of **the** vacation time may **be** taken, however, the vacation monies paid in the subsequent year **will be** reduced **by** the amount **of** the vacation pay draw.

Only employees **with** greater than 1560 working hours in the period **July 1** to June 30 will qualify.

FOR THE COMPANY



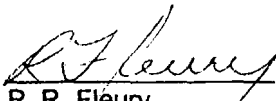
J. Hacking



L. Cowan



D. McCourt



R. R. Fléury

FOR THE UNION



R. Gelineau



M. Goncalves



B. Da Silva



C. Bonello

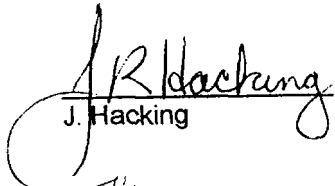
Letter of Understanding

Direct Bank Deposit


With increasing administration charges and the convenience of modern day banking, the Company will direct deposit all employee payroll cheques to a **bank** account of their choice.

FOR THE COMPANY

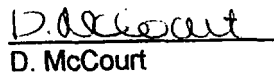
FOR THE UNION

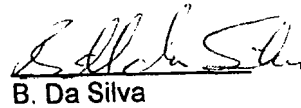

J. Hacking


R. Gelineau


E. Gowan


M. Goncalves


D. McCourt


B. Da Silva


R. R. Fleury


C. Bonello

Letter of Understanding

Re: Hours of Work

Overtime


Overtime at the rate of time and one-half, the employee's regular rate shall be paid for all hours worked in excess of eight (8) hours per day and for all hours worked before or after the scheduled work hours.

Overtime at the rate of time and one-half, the employee's regular rate shall be paid for all hours worked in excess of nine (9) hours per day, when the Company is on a four (4) day work schedule.

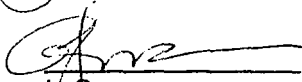
During the time of this Agreement expiring on September 30, 1998 the first two (2) hours of overtime will be paid for at regular rates.

FOR THE COMPANY


FOR THE UNION



J. Hacking


R. Gelineau

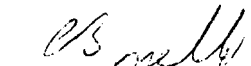

L. Cowan


M. Goncalves


D. McCourt


B. Da Silva


R. R. Fleury


C. Bonello

Letter of Understanding

Re: Regular Hours

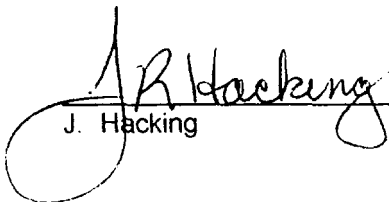
National Meats Inc. business is cyclical in nature and reactive to Sales and Customer needs which may vary production requirements on an ongoing basis. Reaction to volume decreases requires a reduction to the number of hours of work required.

The Company will endeavour to provide the majority of the available work on a seniority basis by managing the reduction of number of hours required through the regular lay-off procedure.

This letter is not subject to the grievance procedure.

FOR THE COMPANY

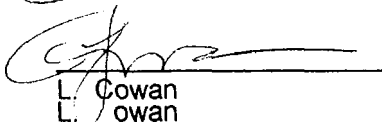
FOR THE UNION



J. Hacking



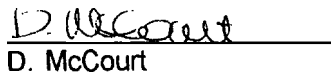
R. Gelineau




L. Cowan
L. Cowan



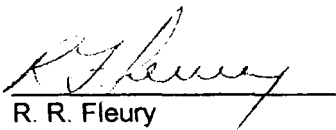
M. Goncalves
M. Goncalves



D. McCourt
D. McCourt



B. Da Silva
B. Da Silva



R. R. Fleury
R. R. Fleury



C. Bonello
C. Bonello

June 10 1998 1:30 PM

Safety Committee Meeting

Laura

Present; Paul Rutherford, Robert Gelineau, Jose Texeira, Laura Cowan

Cc: Ron Fleury, Mary Lee Dawson, Nick Mongelli, John Watson, Joanne Snyder, Satender Toor

-
1. Change of nurses from Christine McAlpine to Mary Lee Dawson was noted. Mary Lee will be in each Monday.
 2. Review of the last workplace inspection occurred. Please see attached inspection with notations about the intended actions.
 3. Review of current injuries / people absent from work
 - Chris Jeffries (student) was injured carrying a roll of BK bags. (see attached report) Robert noted that the bags should not be stored on the shelf anyway because he needs that space for storing other items. Committee agreed that rolls should not be carried gripping only the insert and that the best way to carry the rolls would be to remove the insert and hold the roll itself. Chris has followed up with Drake as they are his employer.
 - Maria Rosa (Leotina) injured her finger on June 10. It was caught in a moving part in the nordale. The finger was pinched and required a Band-Aid. Nick Mongelli to forward a report to Mary Lee. No lost time.
 - Maria Chevchuk is still off and claiming carpal tunnel in her wrists. Mary Lee has forwarded information about various jobs and is investigating bringing her back to work on modified duties.
 - John Escorcio is still off. His original back injury is healed and now his complaint is his knees. He has broken two appointments to see Mary Lee. She is continuing to investigate.
 - Cecelia Texeira is still laid off due to restrictions and since there is no change in applicable available jobs, will remain off at this time.
 - Frank Paulo remains off due to his surgery.
 4. Other Business
 - Several Cooling units in the plant to be reviewed because they are dripping water (Steakette area, Bk area)

RECEIVED
JUN 17 1998

Electrical drops should be put in place for the second Bk line and to move the cord off the floor in cookroom.

BT Trucks are a concern. Paul indicated that we are currently seeking quotes on outside companies to run the maintenance program for the trucks. Batteries and Chargers are being investigated and some have been ordered.

Maintenance must be informed of the specific problems with the trucks. The check sheets must be completed and in some cases are not being completed. The program had been set up so that Richard would pick the sheets up daily and address the noted concerns. Paul will follow up on this item.

Robert indicated concerns surrounding the people driving Raymonds and BTs. He feels that on nights some unlicensed people are driving. The committee agreed that Robert/ Any committee member must immediately address the situation and follow up with the supervisor. If there is a need for further training, we will complete training. Supervisors should advise.

Horseplay in the cafeteria. We agreed that this is an issue that can not continue and that Robert / Jose will follow up with individuals to inform them of the Plant Rules. Management will follow up with individuals when they are advised of the people involved.

Ammonia Alarm is in place and recharged. Paul is investigating training of our internal staff to complete this duty.

Nordale wheels must be replaced, equipment is very difficult to move.

Fire in the cookroom on Friday June 5 1998. (see attached report). Further to the report, it should be noted that of the **two** large extinguishers, only one was empty. Paul is currently investigating a new fire systems monitoring company. They will **take** over from Nu Tek and would complete monitoring **of all of** our safety systems (lights, MSA masks, extinguishers...) Also we are investigating our current sprinkler and alarm system in the cookroom **with** various companies. Security has been reminded of the procedure involving and emergency situation and the emergency contact list **has** been updated (attached)

Emergency evacuation plan. Laura advised that Christine had prepared an updated plan prior **to** her departure. Attached copies should be reviewed by committee members and discussion should occur at the next meeting.

5. It was noted that the last meetings minutes were not reviewed because they were not issued prior to Christine's departure, Laura indicated that she would issue the minutes from this meeting the day after the meeting. The next meeting should be June 25 1998. The date and time will be clarified closer to that date.

Meeting adjourned 2:30 pm

WORKPLACE INSPECTION RECORDING FORM

3

INSPECTION LOCATION(S): _____

DEPT/AREAS COVERED: _____

TIME OF INSPECTION: 20:00

DATE OF INSPECTION: May 26th / 98.

ITEM/LOCATION	HAZARD OBSERVED	CLASS A/B/C	REPEAT YES	TEV NO	RECOMMENDED ACTION	SIGNATURE
DOWNSTAIRS CHARGES.	Exposed station blocked by lanes.				- by June 12 th	
Shop	Back Rm. floor uneven Dike DE-Creased.				- clean up in progress	
Shop	Belt hanging too low.				- fixed	
Day books.	EXIT Sign. N/W.				- in progress	
NH ³ Room	Open pit in floor Not covered MEMO RECE				- Paul to fix	
"	Leaking leaking solvent. Covered FUTURE Dams.					
Final Ground	Water dripping of yellow exhaust hose into S.S. bin.				- Final Grinders monitoring	
Final Ground.	Old floor wire hanging. Need a phone on 3 rd floor.				- Nick follow-up	

COPIES TO:
 JOINT OCCUPATIONAL HEALTH & SAFETY COMMITTEE
 SUPERVISORS
 SENIOR MANAGEMENT

Paul
Nick

ROSEAT GELINEAU

WORKPLACE INSPECTION RECORDING FORM

(4)

INSPECTION LOCATION(S): _____

TIME OF INSPECTION: 20:00

DEPT/AREAS COVERED: _____

DATE OF INSPECTION: 11.26th/98

ITEM/LOCATION	HAZARD OBSERVED	CLASS A B C	REPEAT YES NO	ITEM YES NO	RECOMMENDED ACTION	SIGNATURE
Final + the ground Plant	Pully belts need another layer ELECTRIC covers for wall + drop cords.				- quotes received - in progress	
Plant "	Vent Pipe by F-26 Broken. Sinks head + or missing the foot pedal				- push it in - to be ordered.	
IQF #1	Air line hanger broke.				- fixing	
M.D.	Switch box + panel cover broke				- Peter to fix	
banding Machine	Needs a metal or plastic piece to stop crumbs.				- modifications being investigated	
Blowers	Some need repair.				- done	
WOODEN LADDER	Remove from floor floor				- done	

COPIES TO:

JOINT OCCUPATIONAL HEALTH & SAFETY COMMITTEE
SUPERVISORS
SENIOR MANAGEMENT

Laurie Rutherford

WORKPLACE INSPECTION RECORDING FORM

5

INSPECTION LOCATION(S): _____

TIME OF INSPECTION: 20:00

DEPT/AREAS COVERED: _____

DATE OF INSPECTION: 11/26/98

ITEM/LOCATION	HAZARD OBSERVED	CLASS A B C	REPEAT		RECOMMENDED ACTION	SIGNATURE
			YES	NO		
Lockroom	Power Cord on floor (press)				- working on	
	Power cord hanging across door.				"	
De-Boring	Missing Fire Ex.				- new contractor	
Change Rm.	Some Not bolted to wall.				- anchors are coming	
"	Remove old stands					
Shipping	Vector Station High.				- re-locating	
"	Old Electric panel removed				- remove	
	No guard on riser / OFFICE				- quotes received	
Cashier	Missing Emergency stops.				- adequate safeties in place	
Locking Unit	By Multi-Vac. leaking.				- Paul has it fixed	
Portion Rm.	Stl. Not working.				- done	
Cookroom	Conveyor N/W.				- quote.	

COPIES TO:

JOINT OCCUPATIONAL HEALTH & SAFETY COMMITTEE
SUPERVISORS
SENIOR MANAGEMENT

Paul Kuthyford

D... ..

WORKPLACE INSPECTION RECORDING FORM

6

INSPECTION LOCATION(s): _____

TIME OF INSPECTION: 20:00

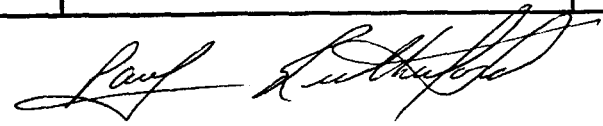
DEPT/AREAS COVERED: _____

DATE OF INSPECTION: May 26th/98.

ITEM/LOCATION	HAZARD OBSERVED	GLASS		REPEAT		RECOMMENDED ACTION	SIGNATURE
		A	B	YES	NO		
Plant	Squeezes + brooms.					- in process	
Receiving	No drain cover by office					- in process to be purchased	
Plant	Air Socks -2-					- fall	
Plant	Seal heads Need bolts					- w. order in place	
	NOT STAINL + ELE. TEES.						
Cookroom	Spark plug wire uph...					- done-	

COPIES TO:

JOINT OCCUPATIONAL HEALTH & SAFETY COMMITTEE
SUPERVISORS
SENIOR MANAGEMENT



ROBERT GELENEAU

June 10 1998 9:50 am

Present: Chris Jeffries, Jose Texeira and Laura Cowan

ACCIDENT REPORT

Injured Party : Chris Jeffries (student from Drake Services)

Date and time of injury: June 9 1998 approx. 10:30 am

Nature of Injury : Sore Right hip and Right thigh - due to a fall

Description of Injury: Chris was moving a roll of Burger King plastic bags from a skid in the aging cooler onto a shelf in the aging cooler for storage. At the time of the incident, Elmiro Camacho was performing the same function, with Chris. Chris was gripping the plastic spool inserts and one of the inserts came out. The roll slipped out of his hand and landed against his right ~~knee~~. Chris then fell to the floor landing on his right hip. At the time of the injury, Chris noted no significant pain. The accident was not reported to National Meats Inc., until Wednesday July 11 at approx. 9:50 am. National Meats Inc. (Laura Cowan) advised Chris that he must inform his employer – Drake, of the situation and follow up With them on the details. National Meats Inc.(Laura Cowan) indicated that since he was injured, he should immediately seek medical attention. Chris noted that he felt pain in his right hip and his right thigh on the morning of Wednesday June 10.

Why did the Accident happen? The insert became dislodged and the roll fell.

How can it be avoided? Rolls should not be transferred using the inserted spools; a firmer hold on the roll would have made it more stable.

June 8 1998

Cookroom Fire Report

Date of occurrence; Friday June 5 1998

Time of occurrence; 8:30 pm

Nature of occurrence: Fire

Copies to
Jerry Security
Ron
Paul
Nick
Jon
Jose Pereira
Robert Beliveau
Mary Lee

FAXED

Fire was noted by **the** cookroom operator (Marcel Goncalves) on the ceiling near the middle cookline stack, Supervisor (John Watson) was in the room at the time.

Supervisor proceeded to use fire extinguishers in the room to contain the fire. Supervisor directed the Cookline Operator to evacuate the room and the building and to advise the Security Guard to call 911 to inform the fire department.

Supervisor discovered that the two large extinguishers were empty. He proceeded to use several (5 -6) of the smaller extinguishers which were available in the room. The fire was contained within 10 minutes.

Supervisor proceeded to the Security station and discovered that the fire department had not yet been called. At which point he directed the Security Guard to do *so*.

Fire department arrived approx. 8:45 pm and reviewed the situation with the supervisor and checked the building, **cookroom**, ceiling **and** roof *they* advised that the situation was clear and allowed the people **to** return into the building.

Laura Cowan was advised that **a** fire had occurred. She arrived at the building approximately 10:00 pm and reviewed the situation with Security, Maintenance (**Chris**) and John Watson. Sanitation crew (Manny Pereira) **was** advised of the situation and was requested to clean area **specifically**. Bell combustion **was called** to review the cookline function on Saturday.

John Watson and Laura Cowan reviewed the situation on Saturday Morning and called Nutek to advise **them** to recharge extinguishers and **also** called Frank Pato to review the line. Laura advised both Nick Mongelli and Ron Fleury of the situation on Saturday.

Bell combustion reviewed the system on Saturday and found **all** to be functioning properly. Frank Pato (National Meats Inc., Gas fitter) reviewed system Saturday night and found all to be OK. He advised that the fire must have originated outside of the stack. Monitor Security advised that they did not have **a** signal on Friday and would review on Monday.

Laura

Meeting held June 8 1998 9:30 am

Attendees: Ron Fleury, Nick Mongelli, Paul Rutherford, and Laura Cowan.

Review of the Cookroom fire report led to these observations.

ITEMS TO REVIEW

1. No alarms were noted at Monitor Security. Therefore the temperature in the stack did not exceed 350 F. Therefore the sprinkler system did not activate. The fire originated at some area outside of the stack and ran across the ceiling.

WE SHOULD INVESTIGATE THE POSSIBILITY OF INSTALLING A CO2 SYSTEM ALONG THE CEILING AND IN THE CEILING AS WELL AS IN THE STACKS. (TO BE REVIEWED WITH NU TEK JUNE 8)

2. The large fire extinguishers were not charged and could not be used.

WE MUST RE-IMPLEMENT AND MONITOR THE WEIGHING OF AND VERIFICATION OF CYLINDERS. * ammendment only 1 was empty 1 was available

3. Security did not call 911 as directed.

COMPLETE REVIEW OF THE FUNCTIONS AND ABILITY TO EFFECTIVELY COMMUNICATE IS REQUIRED.

4. Security did not follow the required protocol of informing Senior Management.

WE MUST REVIEW WHAT INFORMATION IS CURRENTLY HELD BY SECURITY AND ENSURE THAT APPROPRIATE INDIVIDUALS ARE ADVISED IN AN EMERGENCY SITUATION.

meeting scheduled for June 9 / 98

EMERGENCY CONTACT LIST

IN THE EVENT OF AN EMERGENCY ENSURE THAT THE FOLLOWING PEOPLE ARE INFORMED. KEEP CALLING MEMBERS OF THE LIST UNTIL YOU HAVE SPOKEN PERSONALLY TO ONE OF THE LISTED PEOPLE. ENSURE THAT YOU ARE ABLE TO INFORM THEM FULLY OF THE SITUATION AT HAND AND TO WHOM YOU HAVE ALREADY SPOKEN / LEFT MESSAGES.

LAURA COWAN	905 607 0708
RON FLEURY	905 813 7719
NICK MONGELLI	905 850 0017
JOHN WATSON	416 538 9001
PAUL RUTHERFORD	905 456 2503
JEAN KALBUN	416 620 8029



NATIONAL MEATS INC.
550 Kipling Ave., Toronto, Ont.
M8Z 5E9

**EMERGENCY
PREPAREDNESS
&
EVACUATION
PROCEDURES**





NATIONAL MEATS INC.
550 Kipling Ave., Toronto, Ont.
M8Z 5E9

EMERGENCY PREPAREDNESS PLAN

Introduction

An effective loss control program ensures that an emergency plan exists. This plan is based on the organization's identified needs and prepares the facility for effective in-house emergency response and other effective actions.

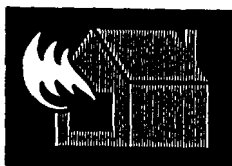
The Emergency Plan will consist of the following sections:

- 6.1 Administration
 - 6.2 The procedures to control and report an emergency.
 - 6.3 Evacuation of people to predetermined areas of safety and an assembly system to account for located or missing people.
 - 6.4 Fire, emergency and evacuation procedures.
-

ANY EMERGENCY DIAL 9-911

NUMBER

Fire – Pompiers



Police



Ambulance



To report an emergency

9-1-1

Pour signaler une urgence

ST. JOSEPH'S HEALTH CENTRE

530-6000

POISON INFORMATION

1-800-268-9017

HOSPITAL FOR SICK CHILDREN (POISON)

813-5900

ENVIRONMENT CANADA

Local

1-800-667-2657

954-0622

MINISTRY OF LABOUR

314-5419

ETOBICOKE POLICE DEPARTMENT

Non-Emergency

808-2222

FIRE DEPARTMENT

335-1867

DOCUMENT	SECTION	PAGE
HEALTH & SAFETY MANUAL	6.1	1 of 2
		DATE Mar.2/98
SUBJECT		REVISION
ADMINISTRATION		

NATIONAL MEATS INC. EMERGENCY GROUP

I. PERSONNEL AND RESPONSIBILITIES:

Emergency Co-ordinator/Captain:

Maintenance Manager
Phil Swanson

i. Assistant Coordinator:

Plant g
Laura Cowan

AF IIEFS:

Maintenance:

Peter Vlasak

Supervisor Patties:

Richard Forrest

Supervisor Patties:

John Watson

Shipping:

Nick Mongelli

Quality Control:

Satender Toor

Office:

Chris McAlpine/Dan Yanosik

JOHSC Worker Certified Representative:

Joe Teixeira

- A) The above personnel will be responsible for containment of fire and emergency evacuation procedures until the arrival of the Fire Department.
- B) This team will be trained in fire and explosion hazards, emergency services repair (Maintenance personnel) and Emergency First Aid.
- C) The Maintenance personnel will be aware of all control points of water, sprinklers, electricity and gas.
- D) They will provide a copy of the floor plan showing:
- i) Plant Layout
 - ii) Fire Emergency Equipment Locations
 - iii) Main Shut Off for all power
 - iv) Chemical storage areas
 - v) Emergency exits and routes of passage through the plant
 - vi) Main Shut Off for Sprinkler system
 - vii) A copy of the WHMIS binder upon request
- * In event of absence of the individual in charge of dept./area. The designated person (supervisor/leadhand) will administer the plan as required.

DOCUMENT	SECTION	PAGE
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ADMINISTRATION		

These will be located in the following areas:

1. Plant Manager's Office
2. Maintenance Department
3. Supervisor's Office
4. Security
5. Occupational Health and Safety Office
6. Health and Safety Manual

EPTIONIST/S

- A) This person is responsible for maintaining communications between office/plant groups and the Fire Dept., Police and other Emergency Personnel.
- B) The security guard must keep the departmental list of personnel, list of emergency numbers and the visitor's log.

At the sound of the fire alarm :

1. Hold all incoming calls
2. Telephone **9-911**
3. PROCEED TO SAFETY IMMEDIATELY if the reception area is threatened, or if communication equipment fails. Report to Emergency Group Captain for instructions.
4. Take the **visitor/contractor** sign-in log with you.
5. Direct all inquiries from the **Press**, Radio, **T.V.**, Department of Labour, Police, to the Public Relations Spokesperson.

II. EMERGENCY RESPONSE ANALYSIS

- a) Major injuries and health effects
- b) Major property damage
- c) Major process loss due to an undesired event
- d) Major environmental damage
- e) Fire, flood, bomb threats
- f) Other - chemical spill, radiation incident

**Emergency Service Training
Programs
(905) 737-8116**

This is to certify that the following individuals have been certified at
the level of

STANDARD FIRST AID

in accordance with the guidelines as recognized by the Workers'
Compensation Board of Ontario

NATIONAL MEATS

**Ada Ordone
Robert Anger
Sherry Vanhoorne
Bruno Babici
Lesley Polesel
[REDACTED]
Isilda Azevedo**

DATE OF ISSUE: 04/97 DIRECTOR J. WOLF

Emergency Service Training Programs

(905) 731-3691

This is to certify that the following individuals have been
certified at the level of

STANDARD FIRST AID

in accordance with the guidelines as recognized by the
Workers' Compensation Board of Ontario.

NATIONAL MEATS

PETER VLASAK

PAUL MALLIS

FRANK PATO

JOSE TEIXEIRA

LAURA COWAN

DATE OF ISSUE NOV.1995 DIRECTOR M. SHEENAN

<p>DOCUMENT</p> <p>HEALTH & SAFETY MANUAL</p>	<p>SECTION</p> <p>6.2</p>	<p>PAGE</p> <p>1 of 2</p>
<p>SUBJECT</p> <p>EMERGENCY CONTROL PROCEDURES</p>		<p>DATE</p> <p>Mar. 2/98</p> <p>REVISION</p>

I. POLICY

*Keyly
to provide* *

Supervisors shall keep a list of telephone numbers of the employees reporting to them both at home and in the office. Emergency reporting procedures must be communicated to and understood by all personnel.

II. PURPOSE

The purpose of this procedure is to provide a method for effectively coping with the multiple problems that arise during a major plant emergency:

1. Reduce the hazards of injury to plant personnel and to the community
2. Minimize damage to plant property and equipment
3. To render everyone in the organization with the ability to deal with the immediate needs during and after a disaster
4. To minimize the impact of a disaster on the environment and surrounding area

III. PROCEDURE

1. In the event of an emergency during working hours, each supervisor **will** notify **his/her** employees of the situation and initiate the Emergency Control Procedures.
2. In case of fire, evacuation or other emergencies, follow the National Meats Inc. Emergency Preparedness and Evacuation Procedures.
3. If an employee becomes injured on the **job**, it is every employee's responsibility to ensure a qualified **First Aider** has been called and help is on the way. The supervisor will be notified and appropriate reporting procedures followed.

DOCUMENT HEALTH & SAFETY MANUAL	SECTION 6.2	PAGE 2 of 2
		DATE Mar.2/98

4. For additional procedures, in case of an employee injury, refer to Accident Investigation/Reporting, in the Health & Safety Manual.
5. All contract personnel and visitors will follow reporting procedures in Section for Accident Investigation and Reporting.

IV. CONTROLLING OR CONTAINING THE DISASTER

As the situation demands, an orderly shutdown of operations will be undertaken. The following steps will be applied:

1. Selected personnel will close all valves on ruptured or critical lines at points located in safe places.
2. The extent of damage will be determined to assess need for additional personnel or equipment
3. Electrical breakers on all damaged power equipment will be de-energized.
4. In case of accidental spill; inform your supervisor and the Emergency Co-ordinator so that plant-wide spill procedures are invoked.

V. GENERAL

1. Unauthorized personnel will not be permitted to enter the plant.
2. Ensure all personnel have been evacuated and accounted for.
3. Only personnel designated by the Emergency Co-ordinator or Maintenance Manager will be permitted in affected area(s).
4. Once secured, all buildings, machinery, equipment and rubble will be left as is and guarded until an All Clear or Re-entry order has been issued. The co-ordinator will be responsible to follow the guidance of the Fire Dept, Ministry of Labour and/or Ministry of Environment

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EVACUATION PROCEDURES		

I. SUPERVISORS

The supervisory personnel will be responsible for declaring a state of extreme emergency and safe evacuation of all personnel in their respective areas. Each department supervisor will follow the responsibilities of "Area Chiefs."

AREA CHIEFS:

Maintenance:	Peter Vlasak
Supervisor Patties:	<u>Richard Forrest</u>
Supervisor Patties:	John Watson
Shipping:	Nick Mongelli
Quality Control:	Satender Toor
Office:	<u>Chris McAlpine</u> /Dan Yanosik

1. Report to Emergency Group Captain for instructions.
2. PROCEED TO SAFETY IMMEDIATELY
3. ^{WHMIS ?} Supervisors or designated persons will pull the time cards. Take the WHMIS binder when leaving the building, if the situation permits.
4. Ensure head count of all personnel has been performed.
5. When the evacuation check has been completed, the information will be reported to the Emergency Group Captain.

II. CONTRACT PERSONNEL AND VISITORS

All contract personnel and visitors will report to the field command post.

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III. ASSEMBLY FIELD COMMAND POST

1. Initial assembly area will be set up in the rear parking lot if it a safe area.
2. Once an employee is out of the building, he or she should make their way to the assembly area immediately.
3. A headcount will be performed.
4. Under no circumstances, will any employee be allowed to re-enter the building unless the Fire Department gives an All Clear.
5. When it is safe to do so, employees will commence regular work.

In case of poor weather conditions, personnel will assemble at rear parking lot. When everyone is accounted for, personnel **will** take shelter at: **56 Torlake Crescent, Etobicoke, ON (416) 252-2791**

No employee **will** leave for shelter unless they have been instructed to do so. The Area chiefs will be responsible for receiving instructions from the Emergency Captain.

IV. EMERGENCY STATION

- a) The security guard house will be the meeting place for emergency personnel.
- b) This station will contain the equipment necessary to perform emergency operations for short duration until the arrival of the Fire Department.

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V. STATION EQUIPMENT

- 2-10-97
- 1 dry chemical extinguisher- (Class ABC)
 - First Aid Kit
 - Current **WHMIS** Binder
 - Copy of Emergency Preparedness & Evacuation procedures
 - Blueprints of plant layout & location of equipment
 - Employee Sign in sheets
 - Employee address and telephone list
 - Step Ladder- 8 feet

VI. DUTIES OF TRAINED PERSONNEL

- To locate and assist trapped personnel from building;
- To administer first aid if essential, as well as;
- Extinguish minor fires, provided they are definitely negligible.

VII. VITAL EQUIPMENT

- Financial records (Accounting Department)
- Customer orders (Purchasing)
- Computer back up tapes

DOCUMENT	SECTION	PAGE 4 of 4
HEALTH & SAFETY MANUAL	6.3	DATE Mar.2/98
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EVACUATION PROCEDURES		

VIII. PUBLIC RELATIONS

The duties of the public relations spokesperson include dealings with the Press and general public in event of an emergency.

For Assistance Telephone:

Primary Designate: President Mr. Ron Fleury

Backup: Plant Manager Mrs. Laura Cowan

X. BUSINESS RESTORATION

The customer orders will be processed at the **Schneider Plant**. The Plant Manager will immediately assemble a team, involving plant, finance and quality control. Factors considered would be:

- a) Estimated length of down-time
- b)** Customer orders to be filled
- c) Plant inventory
- d) Alternate sources of supply

DOCUMENT	SECTION	PAGE 1 of 5
HEALTH & SAFETY MANUAL	6.4	DATE Mar.2/98
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FIRE AND EVACUATION PLAN		

I. POLICY

In event of a fire, National Meats Inc., will have a fire plan and emergency evacuation procedures.

II. PURPOSE

National Meats Inc. has established this policy and procedure that will:

1. Assure effective utilization of life safety features in the building and to protect people from fire;
2. Ensure an orderly evacuation, and
3. Remove and protect vital equipment and safeguard vital records.

III. PROCEDURE

In the event or discovery of fire, occupants will:

1. Activate the fire alarm: use pull station and if safe, proceed to nearest exit
2. Vacate the fire area immediately, and close all doors.
3. STAY CALM - NO RUNNING - NO SHOVING;
4. CALL 9- 91 (Never assume this has been done). Give the operator the correct address (550 Kipling Ave., Etobicoke), the location of fire in the building and your name and telephone number;
5. Each supervisor will do a headcount and report back to the Emergency Captain. Then everyone will continue to an assembly area or any other area deemed suitable by the Emergency Captain. If possible, station someone at the exit door to guide everyone safely.

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FIRE AND EVACUATION PLAN		

If you are in an enclosed area and the fire alarm sounds:

1. Feel all closed doors for heat, by lightly moving the back of your hand against the **door**, if no heat, open door slightly;
2. Repeat the same procedure to check for air pressure or a hot draft. **If** there is no fire or smoke in the corridor; proceed to the nearest exit.
3. **If** your only way out is through smoke, instruct everyone to get down on their hands and knees and crawl as quickly as possible to the nearest exit;
4. If you are trapped and can't get out, ensure all doors between you and the fire are closed, and
5. If there is a phone, call for help and **try** to stay calm!

RESPONSIBILITIES

Receptionist/security will:

1. Keep a daily list of personnel in the building and a **visitor's/contractor's log**,
2. If safe, take this log and emergency phone numbers before evacuating the building, forward this to the Emergency Captain, and
3. Comply with instructions from your immediate supervisor or **his/her** designate.

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Supervisors in conjunction with the Occupational Health and Safety Administrator will:

1. Be conversant with and in complete charge of the approved Fire Safety Plan, and;
2. Assign specific duties to their employees, maintain all emergency procedures and ensure these procedures are current.
3. Maintenance supervisor will ensure all fire fighting equipment is in proper working order,
4. The Occupational Health and Safety Administrator will schedule education, training and periodic retraining, so all personnel are aware of their responsibilities for fire safety and know how to use the fire safety equipment.
5. Practice fire prevention housekeeping;
6. The Occupational Health and Safety Administrator will arrange quarterly fire and emergency evacuation drills for their specific areas and
7. Designate a specific person to be responsible for 9 - 911 call and someone who can enlist persons for the emergency/evacuation team.

IV. PROCEDURE

Upon being notified of fire, the supervisor will:

1. Ensure the fire alarm has been activated and 911 call has been made, if area is threatened;
2. Instruct all personnel to **PROCEED TO SAFETY IMMEDIATELY;**

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3. Ensure all persons report to the designated area so they can be accounted for;
4. Instruct everyone to remain in the designated area until arrival of fire, ambulance or police department, direct operations where necessary;
5. Verify that everyone is accounted for.
6. Upon arrival of the fire, ambulance or police departments, relinquish all authority to them, forward all pertinent information, and
7. Assist authorities when it is requested.
8. When the fire/police department report that it is safe to do so, instruct employees to return to work.

V. CONTROLLING AND EXTINGUISHING FIRES

Fire extinguishment can be performed when;

1. The operator is not alone, has the required training, or,
2. The fire is so small that it can be safely extinguished with the use of a portable extinguisher.

If a dangerous situation exists, due to:

Fire, explosion, furnace breakdown or natural disaster, all personnel are instructed to follow the procedures for fire/evacuation, and

Document the following:

- reason for evacuation;
- date and time of evacuation;
- length of time to complete the evacuation, and
- the difficulties or concerns encountered during the evacuation.

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VI. ALL CLEAR AND RE-ENTRY PROCEDURE

The fire department will inform the supervisor when it is safe to return inside the building. During a fire drill, the supervisor will silence the alarm. When everyone is accounted for, then he or she will notify the employees of all clear procedures. The employees will return to the building.

FIRE EXITS

AREA	EXIT	LOCATION
PATTY FORMING	# 17	North East Comer
PATTY FORMING	# 10	North Wall Lab
PATTY FORMING	# 18	East wall
FINAL GRIND	# 17	North East Comer
BLAST FREEZER & EQUIPMENT WASH	# 18	East wall
BLAST FREEZER & EQUIPMENT WASH	# 10	North
COOKROOM	# 10	North
COOKROOM	# 18	East wall
PORTION	# 10	North
PORTION	# 25	South stairs
PORTION	# 3	West stairs
AGING COOLER	# 3	West stairs
AGING COOLER	# 25	South stairs
BLAST FREEZER	# 25	South stairs
PRE-GRIND	# 18	East wall
PRE-GRIND	# 25 or 21	South stairs
RAW MATERIAL COOLER	# 25	South stairs
RAW MATERIAL COOLER	# 3	West stairs
SHIPPING	# 21	South stairs
HOLDING FREEZER	# 21	South stairs
STORAGE	# 21	South stairs
RECEIVING	# 21	South stairs
RECEIVING	# 25	South stairs
SPICE STORAGE	# 30	North
CARTON STORAGE	# 36	East
CARTON MAKING	# 30 & 36	East
AMMONIA ROOM	# 29 & 30	North
AMMONIA ROOM	# 36	East
CAFETERIA	# 36	East
CAFETERIA		West stairs front door
MAINTENANCE	# 36	East
MAINTENANCE	# 38	South
MENS CHANGE ROOM	# 40	South East stairs
MENS CHANGE ROOM		West stairs front door
LADIES CHANGE ROOM	# 40	South East stairs
LADIES CHANGE ROOM		West stairs front door
V-MAG ROOM	# 25	South east stairs
V-MAG ROOM		West stairs front door
GENERAL OFFICE	# 2	South east stairs
GENERAL OFFICE	# 1	West stairs front door

IN CASE OF FIRE, EMPLOYEES ARE ADVISED TO LEAVE THE BUILDING THROUGH THE NEAREST EXIT UNLESS BLOCKED BY FIRE

March 4, 1998

June 10 1998 9:50 am

Present: Chris Jeffries, Jose Texeira and Laura Cowan

ACCIDENT REPORT

Injured Party : Chris Jeffries (student from Drake Services)

Date and time of injury: June 9 1998 approx. 10:30 ~~am~~

Nature of Injury : Sore Right hip and Right thigh - due to a fall

Description of Injury: Chris was moving a roll of Burger King plastic bags from a skid in the aging cooler onto a shelf in the aging cooler for storage. At the time of the incident, Elmiro Camacho was performing the same function, with Chris. Chris was gripping the plastic spool inserts and one of the inserts came out. The roll slipped out of his hand and landed against his right knee. Chris then fell to the floor landing on his right ~~hip~~. At the time of the injury, Chris noted no significant pain. The accident was not reported to National Meats Inc., until Wednesday July 11 at approx. 9:50 am. National Meats Inc. (Laura Cowan) advised Chris that he must inform his employer - Drake, of the situation and follow up with them on the details. National Meats Inc.(Laura Cowan) indicated that since he was injured, he should immediately seek medical attention. Chris noted that he felt pain in his right hip and his right thigh on the morning of Wednesday June 10.

Why did the Accident happen? The ~~insert~~ became dislodged and the roll fell.

How can it be avoided? Rolls should not be transferred using the inserted spools; a firmer hold on the roll would have made it more stable.

National Meats Inc.

Group Policy No. 92595-503

GROUP BENEFITS

RECEIVED
JUN 17 1998

 The Mutual Group

941201

Your Group Insurance Booklet

Important To You

The information in this booklet is important to you and your family and should be kept in a safe place. We suggest that you familiarize yourself with the contents of the booklet and refer to it whenever you make a claim for group benefits.

Your Plan Administrator

Your plan administrator can

- help you to enrol in the plan,
- provide you with the forms you need to claim group benefits, and
- answer any questions you may have about your group benefits.

Personal Information

Mutual has established a confidential, group insurance file which contains personal information on your plan membership and claims. Only Mutual employees who are responsible for underwriting, administration and investigations, or any other person whom you have authorized, will have access to your file. All files are kept in Mutual's offices.

If you wish to have access to the personal information in your file, or to have it corrected, please send a written request to:

QUÉBEC

Group Plan Administration
Mutual Life of Canada
1555 Peel Street, Suite 1000
Montreal, QC H3A 3L8

OTHER PROVINCES AND TERRITORIES

Group Plan Administration
Mutual Life of Canada
227 King Street South
Waterloo, ON N2J 4C5

It is your responsibility to ensure any information held on your behalf is accurate and up-to-date. Whenever your personal information changes, please notify your plan administrator as soon as possible.

The statements in this booklet are only a summary of some of the provisions in the master policy. If you need further details on the provisions which apply to your group benefits, you must refer to the master policy (available from your plan administrator).

Summary of Insurance

Policy Number 92595-503

Life Insurance and Accidental Death and Dismemberment Insurance

Class of Members	Benefit Formula	Maximum Benefit
4. National Meats Inc. Hourly Employees under age 65	--	\$30,000

Long Term Disability Insurance

Class of Members	Benefit Formula	Maximum Monthly Benefit
4. National Meats Inc. Hourly Employees under age 65	60% of earnings	\$1,400

Extended Health Insurance

Part	Benefit	Deductible per family unit	Reimbursement
A	Drug: Pay Direct	dispensing fee less \$7.00 per prescription	100%
B	Vision: \$125**	none	100%
D	Supp. Health Care	\$25*	100%

*The deductible applies per calendar year. The deductible applies to the eligible expenses for Part D.

**Maximum eligible expenses for eyeglasses/contact lenses every 24 month period.

Termination of Insurance: member's 65th birthday or retirement, if earlier

Dental Insurance

Part	Benefit	Deductible per family unit	Reimbursement	Maximum
A	Preventive	none	100%	\$1,500*
B	Restorative	none	50%	\$1,500**

General Information

Eligibility

You are eligible, and continue to be eligible, to be a member while you meet all of the following conditions:

1. You are actively working as an Hourly Employee for National Meats Inc.
2. You regularly work **for** National Meats Inc. at least **30** hours each week.
3. You have been continuously employed by National Meats Inc. at least as long as the waiting period.

Participation is compulsory.

Waiting Period: 3 months

You are eligible, and continue to be eligible, for dependant insurance while you meet all of the following conditions:

1. You are a member.
2. You have at least one dependant.

Definitions

Dependant

means your spouse or a dependent child of you **or** your spouse. If Mutual does not approve evidence of insurability required for a dependant, he will not be an insured dependant.

Dependent child

means an unmarried child who is entirely dependent on you for maintenance and support and who is

1. under **21** years of age,
2. under **25** years of age and attending a college **or** university full-time, or
3. physically or mentally incapable of self-support and became incapable to that extent while entirely dependent on you for maintenance and support and before reaching the age in **1)** or **2)** above.

Spouse

means the person who is married to you, except that a person of the opposite sex who is living with you and is publicly represented as your wife or husband will be considered to be your spouse.

Enrolment

To enrol, you must submit a completed enrolment card. If you have a dependant, request dependant insurance when you enrol.

If you request dependant insurance more than **31** days after you become eligible, you must submit evidence of insurability for each dependant to Mutual.

If you have no dependant when you enrol and later acquire one, request dependant insurance, (eg. birth of first child, marriage).

If your new dependant is a common-law spouse, see your Plan Administrator to find out how to enrol for dependant insurance.

Evidence of insurability submitted to Mutual is at your expense.

Effective Date

Your insurance is effective on the date you become eligible.

Your dependant insurance is effective on the latest of

- the date that you become eligible for dependant insurance,
- the date that you request dependant insurance, or
- the date that Mutual determines the insurability of all of your dependants and approves at least one dependant.

If you are absent from work on the date your insurance or your dependant insurance would be effective, then that insurance will not be effective until the date you return to active work.

Comparable Coverage

If you are insured for comparable coverage under your spouse's plan, you may decline the Extended Health/Dental coverage offered under this plan. If this comparable coverage stops because the group contract terminates or because you or your spouse are no longer eligible for the comparable coverage, you may request the similar coverage offered under this plan.

If your dependant is insured for comparable coverage under another plan, you may decline the dependant coverage for the Extended Health/Dental coverage offered under this plan. If this comparable coverage stops because the group contract terminates or because your dependant is no longer eligible for the comparable coverage, you may request the similar coverage offered under this plan.

The insurance that replaces the comparable coverage is effective on the date that the comparable coverage stops. If Mutual does not approve evidence of insurability required, the insurance will not be effective.

If you request the dependant coverage more than 31 days after the comparable coverage stops, you must submit evidence of insurability for each dependant to Mutual.

The insurance that replaces the comparable coverage is effective on the date that Mutual approves the evidence of insurability.

Termination of Insurance

Your insurance could terminate for a number of reasons. For example,

- you are no longer eligible, (i.e. you are no longer actively working),

- you reach the Termination Age,
- the provision or the policy terminates.

Your wallet certificate must be returned to your plan administrator.

Member Life Insurance Provision

Benefit

The amount of benefit will be paid to your beneficiary upon your death. If no beneficiary has been appointed or if the beneficiary has predeceased you, payment will be made to your estate.

Claims

A death claim must be received by Mutual within 6 years of the date of death. The claimant must submit proof of the claim and the right to receive the benefit to Mutual.

There is a time limit for proceedings against Mutual for payment of a claim. Proceedings must be started within 1 year of Mutual's receipt of the proof of claim.

At Termination

If your Life Insurance terminates because you are no longer eligible, and this provision continues in force, you may convert it to an individual policy on your life up to the lesser of

- the amount of the insurance terminated,
- the maximum amount of insurance for which you have been

insured under this provision less the total amount of individual insurance still in force on your life which was previously obtained through the Conversion Privilege of this provision.

If your insurance terminates while this provision continues in force and you die within 31 days after termination of insurance, the amount of insurance which you could have converted to an individual policy on your life through the Conversion Privilege of this provision will be paid to your beneficiary.

If your Life Insurance terminates because this provision terminates, and you have been continuously insured under this provision for the five year period before the termination of this provision, you may convert it to an individual policy on your life up to the lesser of

- the amount of the insurance terminated less the amount of insurance in force under a new group policy that replaces this policy, or
- 3 times the Year's Maximum Pensionable Earnings as established under the Canada Pension Plan in the year that this provision terminated.

If you convert your Life Insurance, you must apply and pay the premium to Mutual within 31 days after termination of insurance.

If you have any questions about this conversion privilege, please contact your plan administrator or the nearest Mutual of Canada office.

Member Accidental Death and Dismemberment Insurance Provision

Benefit

The amount of death benefit will be paid to your beneficiary upon your death. If no beneficiary has been appointed or if the beneficiary has predeceased you, payment will be made to your estate. The amount of dismemberment benefit will be paid to you.

Depending on the loss suffered by you, the amount of benefit is limited to the percentage shown in the Schedule of Losses.

Schedule of Losses

Loss of Life	100%
Loss of Both Hands, Both Feet or Sight of Both Eyes	100%
Loss of One Hand and One Foot	100%
Loss of One Hand and Sight of One Eye	100%
Loss of One Foot and Sight of One Eye	100%
Loss of Speech and Hearing	100%
Loss of Use of Both Hands or Both Feet	100%
Loss of Use of One Hand and One Foot	100%
Quadriplegia	100%
Paraplegia	100%
Hemiplegia	100%
Loss of One Arm or One Leg	75%
Loss of Use of One Arm or One Leg	75%
Loss of One Hand, One Foot or Sight of One Eye	67%
Loss of Use of One Hand or One Foot	67%
Loss of Speech or Hearing	50%
Loss of Hearing in One Ear	50%
Loss of Thumb and Index Finger of One Hand	33%

If you suffer more than one of the losses listed above as a result of one accident, Mutual will only pay the amount of benefit for one loss. That loss will be the highest of the losses suffered by you.

When proof is received by Mutual that you have suffered any of the losses due directly to bodily injury caused solely by an accident, the amount of benefit will be paid, provided all of the following conditions are met:

- The accident must occur while you are insured under this provision.
- The loss must occur within 365 days of the date of the accident.

Claims

A death claim must be received by Mutual within 6 years of the date of death. All other claims must be received by Mutual within 3 months of the date of loss. The claimant must submit proof of claim and the right to receive the benefit to Mutual.

There is a time limit for proceedings against Mutual for payment of a claim. Proceedings must be started within 1 year of Mutual's receipt of the proof of claim.

Exclusions

No benefit is payable for a loss directly or indirectly due to

1. suicide, while sane or insane,
2. self-inflicted injuries, while sane or insane,
3. disease,
4. civil disorder or war, whether or not war was declared,
5. full-time service in the armed forces of any country,
6. injuries received while riding in, or on, or boarding or alighting from an aircraft if, when the injuries were received,
 - a. you were operating, learning to operate or serving as a member of a crew of any aircraft, or
 - b. the aircraft was being used for crop dusting, crop spraying, seeding, sky-writing, racing, testing, exploration or any other purpose except transportation.

Long Term Disability Insurance Provision

Benefit

The amount of monthly disability benefit will be paid to you when proof is received by Mutual that you are absent from active work because you are totally disabled and that you have been totally disabled from the same or related causes for the qualifying period.

Benefits are payable from the later of

- one month after the end of the qualifying period, or
- one month after the date you are no longer entitled to receive regular earnings or benefits under a salary continuance plan or short term disability income plan.

If you are receiving disability income or retirement income from other sources, the monthly disability benefit will be reduced so that the total amount of disability and retirement income receivable by you from all sources does not exceed 85% of your monthly rate of earned income in force on the date you became totally disabled.

If you become totally disabled, your Long Term Disability Insurance may be continued without payment of premiums while you are receiving Long Term Disability benefit payments.

Claims

A claim must be received by Mutual within 3 months after the end of the qualifying period. The qualifying period begins on the date you become totally disabled. Proof of continuing disability may be required each year.

There is a time limit for proceedings against Mutual for payment of a claim. Proceedings must be started within 1 year of Mutual's receipt of the proof of claim.

Rehabilitation

As your condition improves, you will want to get back to work. If your condition does not allow you to return to your job on a full-time basis, you might be able to work on a part-time basis or take a less demanding job. Inform the personnel department. It may qualify as a rehabilitation program. If it does, you will continue to receive your regular monthly disability benefit less 50% of your monthly earnings, during your rehabilitation.

At Termination

If this Long Term Disability provision terminates while you are totally disabled, you will continue to be eligible for this benefit as if it were still in force.

Exclusions and Limitations

No benefit is payable for a disability due to

- intentionally self-inflicted injuries,
- civil disorder or war, whether or not war was declared,
- committing or attempting to commit a criminal offence,
- injuries or sickness for which benefits are payable under any Worker's Compensation Act.

You are not considered totally disabled unless you are under the active and continuous care of a physician for that disability.

You are not considered totally disabled due to the use of drugs or alcohol unless you are being actively supervised by and receiving continuous treatment for that disability from a rehabilitation centre or an institution provincially designated for that treatment.

Extended Health Insurance Provision

Benefit

You will be reimbursed when you submit proof to Mutual that you or your insured dependant has incurred any of the eligible expenses for medically necessary services required for the treatment of disease or bodily injury. To determine the amount payable, the total amount of eligible expenses you claim will be adjusted as follows:

1. the maximums described throughout the extended health benefit provisions are applied,
2. then the deductible, which must be satisfied each year, is subtracted, and
3. the reimbursement percentage is applied.

If you or your insured dependant are insured under another policy and the other policy does not contain a co-ordination of benefits clause, payment under the other policy must be made first.

If the other policy does contain a co-ordination of benefits clause, priority of payment will be attributed in the following order:

Member

1. The plan where the person is covered as a member,
2. If a person is covered under two plans, priority goes to
 - the plan where the member is a full-time employee,
 - the plan where the member is a part-time employee,
 - the plan where the member is a retiree.

Spouse

3. The plan where the person is covered as a spouse.

Dependent Child

4. The plan of the parent with the earlier birthdate (month/day) in the calendar year.
5. The plan of the parent whose first name begins with the earlier letter in the alphabet, if the parents have the same birthdate.
6. In situations where parents are **separated/divorced**, then the following order applies,
 - the plan of the parent with custody of the dependent child,
 - the plan of the spouse of the parent with custody of the dependent child,
 - the plan of the parent not having custody of the dependent child,
 - the plan of the spouse of the parent not having custody of the dependent child.

If a dental accident occurs, health plans with dental accident coverage will pay benefits before dental plans.

If priority cannot be established in the above manner, the benefits will be prorated in proportion to the amount that would have been paid under each policy had there been coverage by only that policy.

Following payment under another policy, the amount of benefit payable under this policy will not exceed the total amount of eligible expenses incurred less the amount paid by the other policy.

Claims

A claim must be received by Mutual within 18 months of the date that the expense is incurred. For the assessment of a claim, itemized bills, attending physician statements or other necessary information are required.

If your physician is recommending medical treatment that is expected to cost more than \$1,000, you should request **pre-authorization** to ensure that the expenses are covered.

There is a time limit for proceedings against Mutual for payment of a claim. Proceedings must be started within 1 year of Mutual's receipt of the proof of claim.

At Termination

If, on the date of termination of your insurance,

- you have a medically determinable physical or mental impairment due to injury or disease which prevents you from performing the regular duties of the occupation in which you participated just before the impairment started, regardless of the availability of work for you, or
- your insured dependant has a medically determinable physical or mental impairment due to injury or disease, is receiving treatment from a physician and is confined to a hospital or his/her home,

benefits will be payable for eligible expenses related to the impairment provided they are incurred within 90 days of the date of termination and this provision continues in force.

Exclusions

No benefit is payable for

- expenses for which benefits are payable under a Workers' Compensation Act or a similar statute,
- expenses incurred due to intentionally self-inflicted injuries,
- expenses incurred due to civil disorder or war, whether or not war was declared,
- expenses for services and products, rendered or prescribed by a person who is ordinarily a resident in the patient's home or who is related to the patient by blood or marriage,
- expenses for which benefits are payable under a government plan,
- expenses for benefits which are legally prohibited by the government from coverage,
- out-of-province expenses for elective (non-emergency) medical treatment or surgery.

Extended Health - Pay Direct Drug Benefit

Eligible Expenses

Eligible expenses mean reasonable and customary charges for the following items of expense, provided they are prescribed by a physician or dentist and dispensed by a registered pharmacist. The maximum amount payable for an eligible expense will be limited to the lowest priced item in the appropriate generic category, unless the physician or dentist has indicated no substitution on the prescription form:

1. drugs which legally require a prescription and are identified in the Monographs section of the current Compendium of Pharmaceuticals and Specialties as a narcotic, controlled drug, or requiring a prescription.
2. life-sustaining drugs which may not legally require a prescription and are identified in the Therapeutic Guide section of the current Compendium of Pharmaceuticals and Specialties under the following headings:
 - anti-anginal agents
 - antiparkinsonism agents
 - bronchodilators
 - antihyperlipidemic agents
 - hyperthyroidism therapy
 - parasympathomimetic agents
 - tuberculosis therapy
 - anticholinergic preparations
 - anti-arrhythmic agents
 - glaucoma therapy
 - insulin preparations
 - oral fibrinolytic agents
 - potassium replacement therapy
 - topical enzymatic debriding agents
3. injectible drugs.
4. compounded prescriptions, regardless of their active ingredients.
5. needles, syringes, and chemical diagnostic aids for the treatment of diabetes.

Limitations and Exclusions

No benefit is payable for

1. the portion of expenses for which reimbursement is provided by a government plan,
2. expenses for drugs which, in Mutual's opinion, are experimental,
3. expenses for dietary supplements, vitamins and infant foods,
4. expenses for contraceptives (other than oral).

To claim for expenses for vaccines and preventive inoculations the member must submit the receipts directly to us.

Extended Health - Vision Care Benefit

Eligible Expenses

Eligible expenses mean reasonable and customary charges for the following items of expense:

1. eye examinations by an optometrist limited to one examination in a 24 month period (12 month period for an insured dependant under age 18).
2. eye glasses and contact lenses and repairs to them that are necessary for the correction of vision and are prescribed by an ophthalmologist or optometrist, limited to the maximum specified in the Summary of Insurance less the amount paid during the previous 24 months for the member and each insured dependant.
3. eye glasses and contact lenses certified by an ophthalmologist as necessary due to a surgical procedure or the treatment of keratoconus, limited to \$150 for the non-surgical treatment of keratoconus for the lifetime of the member and each insured dependant and \$150 for each surgical procedure.

Extended Health - Supplementary Health Care Benefit

Eligible Expenses - Miscellaneous

Eligible expenses mean reasonable and customary charges for the following items of expense, provided they are prescribed by a physician:

1. the services of a registered nurse (R.N.) providing private duty nursing services in the patient's home, limited to \$25,000 in a calendar year. To qualify as an eligible expense, the patient's treatment must require the level of expertise of an R.N.
2. the services of the following practitioners, limited to \$20 per visit to a calendar year maximum of \$300 for each practitioner.
 - a. a physiotherapist,
 - b. a registered massage therapist,
 - c. a speech language pathologist,
 - d. a psychologist,
 - e. a chiropractor*, including one x-ray examination per calendar year,
 - f. an osteopath*, including one x-ray examination per calendar year,
 - g. a podiatrist*, including one x-ray examination per calendar year, and
 - h. a naturopath*.

*physician's prescription not required.

3. rental, or purchase at our option, of wheel chair, hospital bed, walker and other durable equipment approved by us and required for temporary therapeutic use.
4. artificial limbs or eyes, or braces or crutches, excluding maintenance or replacement of these items.
5. oxygen and rental of oxygen equipment.
6. diagnostic laboratory and x-ray examinations.
7. x-ray and radium therapy and similar therapeutic treatment.
8. licensed ground ambulance service and emergency air ambulance service to the nearest hospital equipped to provide the required treatment, when the physical condition of the patient prevents the use of another means of transportation.
9. hearing aids and repairs to them, excluding batteries, limited to \$500 during the 5 year period ending on the date an eligible expense is incurred.
10. blood and blood plasma.
11. hospital room and board up to the difference between the charges for semi-private accommodation and private accommodation for each day of hospitalization.
12. charges made by a licensed hospital located outside a member's province of residence for room and board and auxiliary in-patient treatment, the eligible expense to be equivalent to the prevailing level of charges for the same services in the member's province of residence, however, in the case of such services which are non-elective and rendered for emergency treatment of an injury or disease occurring in a member's province of residence, but the required hospital services are not available in the member's province of residence, expenses will be considered up to \$35.00 per day over and above any provincial government allowance.
13. charges made for the services of a physician or surgeon rendered outside a member's province of residence, the eligible expense to be equivalent

to the prevailing fee for the same services as indicated in the Provincial Medical Association Schedule of Fees, in the member's province of residence, however, in the case of such services which are non-elective and rendered for emergency treatment of an injury or disease which occurred outside a member's province of residence or in the case of services which are non-elective and rendered for emergency treatment of injury or disease which occurred in a member's province of residence but the required services are not available in the member's province of residence, expenses will be considered on a reasonable and customary fee basis according to the area in which the services are rendered.

14. colostomy supplies.

Dental Insurance Provision

Benefit

You will be reimbursed when you submit proof to Mutual that you or your insured dependant has incurred any of the eligible expenses for necessary dental services performed by a dentist. To determine the amount payable, the total eligible expenses claimed are adjusted as follows:

1. the deductible, which must be satisfied each year, is subtracted,
2. the reimbursement percentage is applied, and
3. the maximums specified in the Summary of Insurance are applied.

If you or your insured dependant are insured under another policy and the other policy does not contain a co-ordination of benefits clause, payment under the other policy must be made first.

If the other policy does contain a co-ordination of benefits clause, priority of payment will be attributed in the following order:

Member

1. The plan where the person is covered as a member,
2. If a person is covered under two plans, priority goes to
 - the plan where the member is a full-time employee,
 - the plan where the member is a part-time employee,
 - the plan where the member is a retiree.

Spouse

3. The plan where the person is covered as a spouse.

Dependent Child

4. The plan of the parent with the earlier birthdate (month/day) in the calendar year.
5. The plan of the parent whose first name begins with the earlier letter in the alphabet, if the parents have the same birthdate.
6. In situations where parents are **separated/divorced**, then the following order applies,
 - the plan of the parent with custody of the dependent child,
 - the plan of the spouse of the parent with custody of the dependent child,
 - the plan of the parent not having custody of the dependent child,
 - the plan of the spouse of the parent not having custody of the dependent child.

If a dental accident occurs, health plans with dental accident coverage will pay benefits before dental plans.

If priority cannot be established in the above manner, the benefits will be prorated in proportion to the amount that would have been paid under each policy had there been coverage by only that policy.

Following payment under another policy, the amount of benefit payable under this policy will not exceed the total amount of eligible expenses incurred less the amount paid by the other policy.

If you or your insured dependant incurs expenses for the services of a dentist for the treatment of accidental injuries to teeth, payment for these expenses must be made under an extended health insurance policy that includes these expenses as eligible expenses, before payment will be made under this provision.

Claims

A claim must be received by Mutual within 18 months of the date the expense is incurred. For the assessment of a claim, itemized bills, commercial laboratory receipts, reports, records, pre-treatment x-rays, study models or other necessary information are required.

If your dentist has recommended dental treatment that is expected to cost more than \$500, you must have your dentist prepare a pre-treatment plan.

There is a time limit for proceedings against Mutual for payment of a claim. Proceedings must be started within 1 year of Mutual's receipt of the proof of claim.

Exclusions and Limitations

No benefit is payable for

- expenses for which benefits are payable under a Workers' Compensation Act or a similar statute,
- expenses incurred due to intentionally self-inflicted injuries,
- expenses incurred due to civil disorder or war, whether or not war was declared,
- expenses for which benefits are payable under a government plan.

Anaesthesia and laboratory procedure charges must be completed in conjunction with other services and the amount payable will be limited to the reimbursement percentage of the services they are being performed in conjunction with. Laboratory charges are also limited to 66 2/3% of the fee for the procedure in the Dental Fee Guide shown on the Summary of Insurance.

Dental Insurance Provision - Preventive Benefit

Eligible Expenses

Eligible expenses mean reasonable and customary charges for the following items of expense -

Procedures

- a. examination and diagnosis:
 - oral examination,
 - recall oral examination (once every 6 months),
 - special oral examination,
 - treatment planning,
 - emergency and unusual services,
 - consultation,
 - house call, institutional call and office visit,
- b. tests and laboratory examinations:
 - microbiologic culture,
 - biopsy of oral tissue,
 - cytologic smear from oral cavity,
 - pulp vitality tests,
 - pathologic report,
- c. radiographs:
 - periapical (one complete series every 5 years),
 - occlusal,
 - bitewing (once every 6 months),
 - extra oral,
 - sialography,
 - radiopaque dyes to demonstrate lesions,
 - temporomandibular joint,
 - panoramic (once every 5 years),
 - interpretation of radiographs received from another source,
 - tomography,
- d. preventive services:
 - dental prophylaxis (once every 6 months),
 - topical application of fluoride phosphate (once every 6 months),
 - pit and fissure sealant,
 - caries control,
 - interproximal discing,
 - preventive recall package (once every 6 months)
- e. space maintainers:
- f. plastic fillings:
 - amalgam,
 - acrylic or composite resin,

- transitional restoration of fractured anterior,
 - steel crown - primary teeth,
- g. endodontics:
- pulpotomy,
 - root canal therapy,
 - periapical services,
 - other endodontic procedures,
 - emergency procedures,
- h. periodontics:
- non surgical services,
 - occlusal equilibration (not exceeding 8 time units every year),
 - scaling and dentition,
 - surgical services,
 - post-surgical treatment,
 - adjunctive procedures,
 - post treatment evaluation,
- i. surgical services:
- uncomplicated removals,
 - surgical removals and repositioning,
 - surgical excision,
 - surgical incision,
 - fractures,
 - lacerations,
 - frenectomy,
 - miscellaneous surgical services,
- j. major surgery:
- alveoplasty,
 - excision of tumor,
 - dislocations,
- k. anaesthesia in connection with oral surgery and drug injections:

Exclusions

No benefit is payable for expenses incurred for the treatment of malocclusion or for orthodontic treatment.

Dental Insurance Provision - Restorative Benefit

Eligible Expenses

Eligible expenses mean reasonable and customary charges for the following items of expense -

Procedures

- a. crowns, inlays, onlays:
 - gold foil restorations,
 - metal inlay restorations,
 - composite inlay restorations,
 - porcelain inlay restorations,
 - crowns,
 - other restorative services,
 - hemisection,
- b. fixed bridgework:
 - bridge pontics,
 - retainers,
 - other prosthetic services,
- c. partial and complete dentures:
 - complete dentures,
 - partial dentures,
- d. repairs and adjustments:
 - recementing crown,
 - adjustment to dentures,
 - repairs/additions to dentures,
 - denture rebasing and relining,
 - remake partial dentures,
 - repairs to bridges,
- e. examinations:
 - oral examination,
 - diagnostic casts,

Replacement of an existing denture, bridgework, crown, inlay, onlay or periodontal splinting is an eligible expense if the replacement is required to replace an existing denture, bridgework, crown, inlay, onlay or periodontal splinting which was installed at least 5 years before the replacement, limited to a maximum eligible expense of the value and quality of the original denture, bridgework, crown, inlay, onlay or periodontal splinting.

The addition of teeth to an existing partial denture or bridgework is an eligible expense if the addition is required to replace one or more teeth removed while the member or insured dependant is insured under this benefit.

Laboratory charges are eligible expenses limited to **66 2/3%** of the fee for the procedure in the Dental Fee Guide specified in the Summary of Insurance.

Exclusions

No benefit is payable for expenses for

1. cosmetic services,
2. initial dentures and bridgework (including crowns and inlays forming the abutments) to replace a tooth or teeth missing before the member or insured dependant became insured under this benefit or to replace a tooth or teeth congenitally missing,
3. crowns and onlays, placed on a tooth not functionally impaired by incisal or cuspal damage,
4. replacement of dentures which have been lost, stolen or mislaid,
5. prosthetic devices which are ordered while the member or insured dependant is insured under this benefit but are installed after termination of this benefit,
6. replacement of dentures, bridgework, crowns, inlays, onlays or periodontal splinting and addition of teeth to existing dentures or bridgework except as provided under Eligible Expenses.

J. M. Schneider Inc.

Pension Plan for Hourly-Rated Employees

National Meats Inc. — Kipling Avenue Plant



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Overview of Your Pension Plan

	Defined Benefit (DB) Component	Defined Contribution (DC) Component
What does it provide?	<ul style="list-style-type: none"> ■ A lifetime pension based on a formula that reflects your length of service, contributions (if applicable) and age at retirement ■ Pension benefit is guaranteed, regardless of investment earnings 	<ul style="list-style-type: none"> ■ A DC retirement account in your name to which you make regular contributions ■ Pension benefit depends on account balance at retirement and interest rates at the time your pension starts U DC component available only to individuals who made contributions to the Defined Benefit plan prior to January 1, 1995, or who joined the pension plan after January 1, 1995
Who pays the cost?	<ul style="list-style-type: none"> ■ The company covers the costs of providing your retirement benefits U The company will contribute the required amount to guarantee payment of the defined benefits 	<ul style="list-style-type: none"> U You cover the costs of the retirement benefits through your contributions to your DC account
What do I contribute?	<ul style="list-style-type: none"> ■ As an employee, you do not make any contributions to the DB component 	<ul style="list-style-type: none"> ■ You contribute 3% of your earnings, up to the YMPE,* and 5% above the YMPE,* to your own personal account
Who makes the investment decisions?	<ul style="list-style-type: none"> ■ The company's pension fund managers make the investment decisions, based on guidelines established by the company U The amount of your pension is independent of investment performance 	<ul style="list-style-type: none"> ■ You invest your contributions to your DC account through a range of investment funds offered by the company U The amount of your pension benefit is directly dependent on your investment returns
When can I retire?	<ul style="list-style-type: none"> ■ You may retire any time after age 55 ■ You receive your full accumulated pension if you retire at age 65, otherwise your pension is reduced 	<ul style="list-style-type: none"> ■ You may retire any time after age 55 ■ You may purchase a pension (annuity) with your DC account, or transfer your account to another locked-in retirement vehicle and continue investing the funds until you purchase an annuity
What happens if I leave the company before retirement?	<ul style="list-style-type: none"> U If you have two years of plan membership, you have a vested right to all or part of your accumulated pension U You may transfer the value of your entitlement to another locked-in retirement vehicle 	<ul style="list-style-type: none"> U You may transfer the value of your DC account to another locked-in retirement vehicle

*The Year's Maximum Pensionable Earnings (YMPE) for 1997 is \$35,800.

Introduction

We all have plans about what we'd like to do when we retire. To make those plans a reality, we need to have adequate retirement income.

Financial security in your retirement years is a goal shared by you and National Meats. The Pension Plan for Hourly-Rated Employees of National Meats Inc. — Kipling Avenue Plant will provide you with an important source of retirement income, along with your personal retirement savings and the benefits available from the Canada Pension Plan and Old Age Security.

This booklet describes the combined Defined Benefit/Defined Contribution pension plan,

in effect since January 1, 1995. This arrangement provides eligible employees with the security of a guaranteed pension as well as the flexibility to make contributions to a personal retirement account. (All employees, including those not eligible for the Defined Contribution pension component, can take advantage of the Additional Voluntary Contribution Option to augment their retirement savings.)

Please take some time to read this booklet carefully and keep it for future reference. If you have any questions, or require additional information about the pension plan, please contact your Human Resources representative.

Who Should Read This Booklet

This booklet has been prepared for the following groups of employees.

- Hourly employees of National Meats who were members of the original Defined Benefit pension plan prior to January 1, 1995, and *who made* contributions to the pension plan.
- Hourly employees of National Meats who were members of the original Defined Benefit pension plan prior to January 1, 1995, but *who did not make* contributions to the pension plan.
- Hourly employees of National Meats who joined the pension plan on or after January 1, 1995, when the combined DB/DC pension plan took effect.

Employees who made contributions to the Defined Benefit pension plan prior to January 1, 1995, or who joined the pension plan after January 1, 1995, are eligible to participate in

both the Defined Benefit and Defined Contribution components of the combined pension plan. The amount previously contributed by individual employees to the DB plan is now directed to the DC component of the current plan. (This applies to contributions from January 1, 1995 onward.) Employees joining the company after January 1, 1995 contribute to the DC component at the same level.

Employees who were members of the original Defined Benefit pension plan prior to January 1, 1995, but *did not make* contributions to that plan, are eligible to participate in only the Defined Benefit component of the combined pension plan.

All hourly employees are eligible to participate in the Additional Voluntary Contribution Option. (See page 14 for more information.)

Eligibility and Enrollment

Full-time employees become members of the pension plan on the first day of the month following the completion of three months of continuous service.

Part-time employees become members of the pension plan after completing 24 months of continuous service, provided they have earned at least 35% of the YMPE or have worked 700 or more hours in each of the two previous calendar years.

Gaining Ownership Rights to Benefits

You gain ownership **rights** to your DB pension benefits earned after 1986 once you have completed **two** years of pension plan membership. This is referred to as “vesting.”

When You May Retire

Your **normal retirement** date is the first day of the month that follows the date on which you reach age 65. (Your last day at work, however, **is** actually the Friday closest to your 65th birthday.) You may retire on the first day of any month following your 55th birthday and receive **an** early retirement pension, provided your pension benefits have vested.

How Your Pension is Calculated: Normal Retirement

The pension plan has **two** components: a Defined Benefit component and a Defined Contribution component. All National Meats hourly employees participate in the Defined Benefit component of the pension plan. This component is fully funded by National Meats and requires no employee contributions.

Those employees who made contributions to the original Defined Benefit pension plan, and those joining the company after January 1, 1995, also participate in the Defined Contribution component of the pension plan.

Employees who did not contribute to the original Defined Benefit plan, and were members of the pension plan prior to January 1, 1995, are not eligible to participate in the DC component. Like all employees, these individuals can make contributions to the Additional Voluntary Contribution Option, which provides a similar opportunity to build additional retirement savings.

The following examines the pension benefits available through the combined DB/DC pension plan in more detail.

The Defined Benefit component provides **two types** of benefits:

- an annual pension, payable in equal monthly installments; and
- a supplemental benefit for continuous service.

The Defined Contribution component provides you with an account balance at retirement that you can then use to purchase a retirement income vehicle, such as an annuity.

The following **looks** at how your pension is calculated at retirement, based on whether you participate in both the DB and DC pension components, or the DB component alone.

If You Participate in Both the DB and DC Components

Your DB Pension Benefit

If you retire at age 65 (normal retirement), your monthly pension from the DB component will be calculated based on the following formula:

- \$9 per month per year of service after November 1, 1988, and prior to January 1, 1995

Plus

- 50% of your contributions to the plan as of December 31, 1994

Plus

- \$22.00 per month per year of service after January 1, 1995.

Some Terms Defined

Defined Benefit (DB) Pension Plan:

A pension plan that promises a monthly pension at retirement, based on a formula that is related to your age, years of service with the company and earnings. National Meats Inc. is required, by law, to make sure there is enough money in its pension fund to pay the promised retirement income to all retired employees.

Defined Contribution (DC) Pension Plan:

A pension plan that allows an employee to contribute to a retirement account in his or her name. At retirement, the account value — which has grown with contributions, earned interest, and investment earnings — is used to purchase a retirement income vehicle, such as an annuity, which then provides a retirement benefit.

Combined DB/DC Pension Plan:

A pension plan that combines both Defined Benefit and Defined Contribution components.

How Your Pension is Calculated *(cont'd)*

Your DC Pension Benefit

In addition to your DB pension benefit, you will also receive retirement income based on your DC account balance. The balance will reflect the amount of contributions you have made, as well as the interest and investment income you earned with the account.

You are required to contribute **3%** of your earnings up to the YMPE, and **5%** above the YMPE, to your own personal account.

For example, if you earned **\$38,000**, you would contribute the following. (This example uses the YMPE for 1997, which is **\$35,800**.)

■ $3\% \times \$35,800 = \$1,074$

Plus

■ $5\% \times \$2,200 = \110

Equals

Contributions of **\$1,184** per year, or **\$98.67** per month.

You direct the money in your DC account to one or more of the investment options available. There are five investment options available, including:

- guaranteed investment certificates (GICs);
- a money market fund;
- a bond fund;
- a balanced fund; and
- a stock fund.

When making any investment decisions, you should consider both the degree of risk associated with each investment opportunity, as well as the potential return. It is important to develop an investment strategy that is tailored to your personal needs, and reflects such factors as your age, your savings goals, and your personal risk tolerance.

For example, experts suggest that you consider your age when making investment decisions. The younger you are, the more time you have to take advantage of high growth funds — and the more time you have to recover from declines in the value of one or more investments.

Your investments enable you to earn interest and/or investment income, so you can grow your account. At retirement, you will use your account balance to purchase a retirement income vehicle. Your investment decisions will therefore have a major impact on your final account balance, and the amount of retirement income that account balance will yield.

If You Participate in the DB Component Only

Your DB Pension Benefit

If you retire at age 65 (normal retirement), your monthly pension from the DB component will be calculated based on the following formula:

■ \$9 per month per year of service after November 1, 1988, and prior to January 1, 1995

Plus

■ \$10.50 per month per year of service after January 1, 1995.

Early Retirement Benefits

From the DB Component

If you retire before age 65, your pension calculated under the DB component will be permanently reduced, since it is assumed that you will receive your pension benefit over a longer period of **time**. Your pension will be reduced by half of 1% for each month by which your early retirement date precedes your normal retirement date.

For example, if you retire at age 63 — or 24 months in advance of your normal retirement date — your pension benefit will be reduced by 12%, as shown below.

$24 \text{ months} \times 0.5\% = \text{a } 12\% \text{ reduction.}$

From the DC Component

If you retire before age 65, you have the same options for managing your account balance as you would at normal retirement. Early retirement, however, means that you have fewer years to contribute to — and build — your final account balance.

How Your Pension is Paid

Benefits from the DB Component

When you retire, you immediately begin to receive your pension benefits in monthly payments.

Normal Payment Form if You Don't Have a Spouse

If you don't have a spouse when you retire, the normal form of pension payment from the DB component is monthly installments for your lifetime, with payments guaranteed for at least 10 years (120 months). If you die before receiving 120 monthly payments, your beneficiary will receive the value of the remaining payments.

Normal Payment Form if You Have a Spouse

If you have a spouse when you retire, legislation in most provinces requires you to elect a Joint and Survivor payment option, *unless you and your spouse sign a waiver*. Under this form of payment, 60% of your pension is continued to your spouse for life if you die first. Your pay-

ments will be lower than under the normal form of payment for employees with no spouse, to reflect the additional value of the lifetime spousal benefit.

Optional Payment Forms

You may also elect an optional form of pension payment, should one of these options better meet your individual needs.

15-Year Guaranteed Term — provides monthly payments for your lifetime, with a guaranteed term of 15 years (180 months). If you die before receiving 180 monthly payments, your spouse or other beneficiary will receive the value of the remaining payments.

Joint and Survivor Pension (Alternative Forms) — enables you to specify the percentage of your monthly installments that your spouse would receive should you die first. You can vary the percentage between 60% and 100%.

How Your Pension is Paid *(cont'd)*

Level Income Option — available only if you retire before age 65, it provides you with increased amounts of monthly pension until age 65, and a reduced pension after that (since government benefits start at that time), to provide a reasonably level pension income from all sources throughout retirement.

Benefits from the DC Component

When you retire, you will have a number of options for receiving a retirement income from your DC account. You may choose one or more of the following options.

Apply funds to purchase an annuity. This provides you with a fixed lifetime monthly income purchased from an insurance company.

Transfer funds to a locked-in retirement account (LIRA), also known as a locked-in RRSP. This is a registered retirement vehicle that must be converted to an annuity or life income fund (LIF) by the end of the year in which you turn age 69. In the meantime, you may continue to manage the investment of the funds and continue to earn investment income.

Transfer funds to a life income fund (LIF). This is a registered retirement vehicle that allows you to define each year the amount of pension income you receive (subject to minimum and maximum withdrawal requirements) and continue to invest the balance. A LIF must be converted to an annuity by the end of the year in which you reach 80.

About Annuities

When you purchase an annuity, the amount of your monthly pension depends on a number of factors, including the amount of money used to purchase the annuity, interest rates at the time of purchase, the age at which you want your pension payments to begin, and the **type** of annuity you purchase.

There are several **types** of annuities, including:

Life Only — provides a monthly pension for your life only, with no provision for continuing income to another person after your death.

Term Certain — provides a monthly pension for your life, with a guaranteed payment term (eg., five years, 10 years, 15 years). If you die before the end of the guaranteed term, your designated beneficiary will receive 100% of your monthly pension for the balance of the term. If you live beyond your guaranteed term, you will continue to receive your monthly pension for life, but payments will stop upon your death. The amount of your monthly pension will depend on the length of the guaranteed term you choose: the longer the guaranteed term, the lower your monthly pension.

Joint and Survivor — provides a monthly pension for your life, with provision for a continuing lifetime pension to your spouse after your death. You **choose** the percentage of your pension you wish to continue (eg., 60%, 75%, 100%). The amount of your monthly pension **will** depend on the percentage you choose to continue **after** your death; the higher the survivor percentage, the lower your monthly pension.

Note: If you have a spouse when you retire, legislation requires you to select a Joint and Survivor annuity that continues at least 60% of your payments to your spouse in the event of your death, unless you both sign a waiver.

Your Retirement Statement

You will receive an annual statement that reviews the pension benefits you have earned to date through the DB component of the pension plan. If applicable, you will **also** receive regular statements on the status of your DC account.

If You Terminate Employment

Your Vested DB Benefits

If you leave the company before retirement, you are entitled to take your vested pension benefit from the DB component of the pension plan with you. When you leave, you may be vested in all or part of your accumulated pension. You are fully vested in your pension earned after 1986, if you have completed *two* or more years of plan membership.

Your vested pension benefit is locked-in, and cannot **be** taken as cash. **As** a result, you have several payment options for your vested benefits. You can:

- receive your vested pension **from** the pension plan at age 65; or on a reduced basis prior to age **65**; or
- transfer the current value of your vested pension to a locked-in retirement account;
- purchase a deferred annuity from an insurance company, provided the benefits do not begin before age **55**; or
- transfer the current value of your vested pension to another employer's plan, if that plan **accepts** transfers.

If You Have a DC Account

If you leave the company before retirement, and you have a DC account, you may elect one of the following options **so** that you can take your account balance with you. You can:

- purchase a deferred annuity from an insurance company, provided the benefits do not begin before age 55; or
- transfer the value of your account to a locked-in retirement account; or
- transfer the value of your account to another employer's plan, provided that plan agrees to accept the transfer.

If You Are Laid Off

If you are laid off, your status in the pension plan will be suspended, and your contributions to your DC account, if applicable, will be discontinued.

Upon recall, you will be reinstated in the pension plan, effective the date of your return. The period of suspension shall qualify as credited service under the pension plan.

Upon being laid off, you may request a refund of pension contributions, if pension legislation permits. However, you must voluntarily terminate employment to receive these funds. This shall result in the forfeiture of recall rights.

If You Become Disabled

If you become disabled and are receiving benefits under the National **Meats** long-term disability plan, you will continue to accumulate pension benefits through the DB component of the pension plan during this period. The period of your disability shall qualify as credited service under

the pension plan. However, your contributions to your DC account, if applicable, will stop.

If you remain disabled until age 65, you will begin to receive your pension at that **time**.

If You Die Before Retirement

If you die while an employee of National Meats, and have **two** or more years of continuous membership in the pension plan (i.e. your benefits have vested) your spouse or other beneficiary will receive a death benefit equal to the sum of your required accumulated contributions made prior to January 1, 1987, with interest, plus the lump-sum value of your earned pension benefit from the DB component

for service on or after January 1, 1987, along with any excess contributions. Your spouse would have the additional option of taking the value of your earned pension as an annuity payable for his or her lifetime.

In addition, your **spouse** or designated beneficiary will receive the full value of your DC account, if applicable.

If You Die After Retirement

If you die after you have retired, the death benefits available to your spouse or to your designated beneficiary will depend on the form of pension that you selected at the time of your retirement.

Government Benefits

In addition to your company pension plan and your personal retirement savings, you may receive pension benefits from the following government programs. It is important to note, however, that these plans may change by the time you retire.

Canada/Quebec Pension Plan (C/QPP)

This program currently provides a lifetime monthly pension based on both how long you have been contributing to the C/QPP and on your earnings during each year of participation. C/QPP contributions are deducted from your pay and are reported on your T4. National Meats also makes a matching contribution on your behalf, as required by law.

The annual amount of pension payable is generally equal to about 25% of the average of your **earnings**, up to the YMPE, in the five years before your retirement. The YMPE is the maximum amount of your earnings on which you make C/QPP contributions in any year. The federal government adjusts the YMPE each January 1.

Normally, the C/QPP pension is payable at age **65**. However, you may apply for C/QPP benefits any time after age **60** if you have substantially ceased employment. If you choose to start receiving benefits early, the amount will be reduced by 0.5% for each month between the date you start receiving C/QPP payments and your 65th birthday. Once payments begin, they are adjusted each January 1 to reflect increases in the Consumer Price Index.

Old Age Security (OAS)

This program currently provides a lifetime income for you and your spouse, starting at age **65**. No contributions are required. The plan is funded from general government revenue.

Currently, OAS benefits are subject to a “claw back” if a pensioner’s net annual income is more than \$53,215, and no OAS benefits are payable if net annual income is more than \$84,000.

The **1996** federal budget included a new program — the Seniors’ Benefit — which is intended to replace the OAS program by the year 2001. The new program will provide a monthly tax-free benefit based on the combined income of spouses.

Sample Retirement Pension Calculations

The following are three examples to help you understand how pension benefits are calculated. The first illustrates how benefits are calculated for employees in the DB component only. The second illustrates how DB benefits are

calculated for employees in both the DB and DC components. The third illustrates how DC benefits are determined for employees in the combined pension plan.

Example 1

DB Benefits For Employees in DB Component Only

Suppose John Doe enters the DB component of the pension plan at age 30 and retires at age 65, with 35 years of service. John makes no contributions to the pension plan. We'll assume that the flat dollar supplements provided by the pension plan remain the same over this time.

Example 1: Total Annual Pension at Age 65		
Service supplement (\$10.50/month x 12 months)		\$126.00/year
Multiplied by years of service	x	35
Equals total annual pension at age 65 or about	=	<u>\$4,410.00</u> per year, \$367.50 per month

Example 2

DB Benefits For Employees in Both DB and DC Components

Suppose John Doe enters the combined DB/DC pension plan at age 35 and retires at age 65, with 30 years of service. John makes contributions to the DC component of the plan. We'll assume that the flat dollar supplements provided by the pension plan remain the same over this time.

Example 2: Total Annual Pension at Age 65 from DB Component		
Service supplement (\$22.00/month x 12 months)		\$264.00/year
Multiplied by years of service	x	30
Equals total annual pension at age 65 or about	=	<u>\$7,920.00</u> per year, \$660.00 per month

This illustration excludes the additional retirement based on John's DC account balance.
(See example 3.)

Sample Retirement Pension Calculations *(cont'd)*

Example 3

DC Benefits For Employees in Both DB and DC Components

As noted earlier, the pension benefit you receive from your DC account depends on a number of factors, including the final account balance, interest rates when you retire, and the **type** of retirement income vehicle you purchase with your account balance.

Using the following Annuity Factor Table, you can estimate how much monthly income would

be provided by your DC account at various retirement ages. Simply select the Annuity Factor corresponding to your assumed annuity rate and age at time of purchase. Then, divide your anticipated account balance by the Annuity Factor to arrive at your estimated monthly annuity income.

The Annuity Factors in the table below assume that you purchase a Life Only annuity. Your monthly income would be **less** if you choose a type of annuity that provides a survivor benefit for your beneficiary.

Age at Time of Purchase	Annuity Rate at Time of Purchase			
	6%	7%	8%	9%
55	161.2	146.1	133.4	122.6
56	158.9	144.4	132.0	121.5
57	156.6	142.5	130.5	120.3
58	154.2	140.6	129.0	119.0
59	151.8	138.6	127.3	117.6
60	149.2	136.5	125.6	116.2
61	146.5	134.3	123.7	114.6
62	143.7	132.0	121.8	113.0
63	140.8	129.6	119.8	111.3
64	137.9	127.1	117.7	109.6
65	134.8	124.5	115.5	107.7

Moving back to our John Doe example, let's assume he has a DC account balance of \$100,000 at age 65 and that the annuity rate at that time is 7%. John's annuity income from the DC component of the plan would be:

$$\$100,000 \div 124.5 = \$803 \text{ per month}$$

Additional Voluntary Contributions

The Additional Voluntary Contribution Option is available to all National Meats hourly employees. It provides you with a convenient and tax-effective way to save for retirement. If you join this option, your contributions will be made in monthly installments, and deducted from your pay each month.

Your contributions automatically reduce your current taxable income, and interest and investment earnings are tax sheltered as long as they remain in the plan. Tax is withheld only when funds are withdrawn. However, if you withdraw the funds at retirement, your tax rate will likely be lower.

Contributions

The maximum annual contribution that you can make to retirement savings vehicles is the lesser of 18% of your current calendar year's income, or the applicable dollar limit.

Because you are a member of a Registered Pension Plan, this contribution limit is reduced by your Pension Adjustment, which is documented on your current year's T4 slip. Revenue Canada will report your individual limit each year on your income tax Notice of Assessment.

Additional Plan Information

Plan Administration

National Meats Inc. handles the day-to-day administration of the pension plan.

Funding

The assets of the pension plan are held in a trust fund managed by Canada Trust and invested by independent investment managers in accordance with the investment requirements specified in the Pension Benefits Act of Ontario. Independent actuaries advise the company on making appropriate contributions to the trust fund to meet the cost of present and future benefit commitments. In addition, the actuaries periodically value the assets and liabilities of the plan to make **sure** it is soundly funded in compliance with provincial requirements.

Future of the Plan

If, at any time, the plan is amended or terminated, your benefits accrue to the termination date and will be fully protected to the extent that there are sufficient assets in the trust fund.



Glossary of Pension Terms

Actuary	A person professionally trained in the technical and mathematical aspects of insurance, pensions and related fields.
Annuity	An individual pension purchased from a life insurance company.
Beneficiary	A person named by a pension plan member to receive any benefits provided by the plan if the member dies.
Continuous service	Your years of uninterrupted employment with National Meats.
Earnings	Your remuneration received from the company, excluding overtime pay, bonuses, or any other type of compensation.
Locked-in	Vehicles that do not allow you to withdraw savings before retirement; under current pension law, you are not allowed to cash out funds provided to you by a registered pension plan until your date of retirement, at which time you'll have a number of payment options.
Spouse	A legal or common-law spouse, as defined by provincial legislation.
Vesting	When you are entitled to receive your earned pension if you terminate employment with National Meats (when you've completed two years of plan membership).
YMPE	Year's Maximum Pensionable Earnings. An amount specified under the Canada/Quebec Pension Plan, based on the average wage in Canada.

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The Fine Print

This guide is a summary of your pension plan from January 1, 1995. Complete plan details about the Defined Benefit and Defined Contribution components can be found in the legal documents that govern plan administration. If there are any differences between this guide and the legal documents, the legal documents will prevail. The information in this guide is based on current tax legislation, which is subject to change without notice.

