

COLLECTIVE AGREEMENT

between

CCL CONTAINER,

and

**INDEPENDENT CANADIAN EXTRUSION
WORKERS UNION**

RECEIVED
NOV 22 2006

Expiry date May 3, 2008

12538 (03)

COLLECTIVE AGREEMENT

between

CCL CONTAINER,
(hereinafter called “the Company”)

and

**INDEPENDENT CANADIAN EXTRUSION
WORKERS UNION**
(hereinafter called “the Union”)

ARTICLE 1 – RECOGNITION

- 1.01 The Company recognizes the Union as the sole bargaining agent for all employees of CCL Container at Penetanguishene, Ontario, save and except foremen, persons above the rank of foreman, office and sales staff, students employed during the school vacation period, and persons regularly employed for not more than twenty-four (24) hours per week.
- 1.02 The Company and the Union agree that there will be no intimidation, discrimination, interference, restraint or coercion exercised or practised by either of them or their representatives or members against any of the employees of the Company. The Union further agrees that there will be no Union activity or meetings on the Company’s premises, except as provided for in this agreement.

article 2 - management rights

2.01 The Union recognizes that the management of the Company and the direction of the working force are fixed exclusively with the Company and shall remain solely with the Company, subject to the terms of this agreement, and, without limiting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the Company to:

- (a) maintain order, discipline and efficiency, and in connection therewith to make, alter and uphold, from time to time, reasonable rules and regulations, policies and practices to be observed by its employees, discipline or discharge employees for just cause, provided that a claim for unjust discipline or discharge by an employee who has completed his/her probationary period may be the subject of a grievance and dealt with as hereinafter provided;
- (b) select, hire, transfer, assign, retire, direct, promote, demote, classify, lay off or recall employees, and select employees for positions excluded from the bargaining unit;
- (c) determine in the interest of the efficient operation and highest standard of service, the number of personnel required at any time, the hours of work, starting and quitting times, work assignments, working schedules, methods of doing the work, the location of work, the subcontracting of work, the number of shifts, the functions to be performed and the methods, procedures and equipment to be used, job content, quality and quantity standards, hygiene standards, the qualifications of an employee to perform any particular job, use improved methods and equipment, and require medical examinations for justifiable reasons;
- (d) have the sole and exclusive jurisdiction over all operations, buildings, machinery, equipment and employees.

2.02 The Company agrees that it will not exercise its functions in a manner inconsistent with the provisions of this agreement. It is understood by the Union that the express provisions of this agreement constitute the only limitations upon the Company's rights.

article 3 - hours of work

3.01 The normal hours of work will be eight (8) hours per day, exclusive of minimum half-hour meal periods, Monday to Friday. However, at the Company's discretion, some employees or all employees may be scheduled to work eight (8) hours per day, inclusive of a half-hour meal period Monday to Friday. It is understood, however, that this shall not be, nor construed to be, a guarantee as to the hours of work per day, or as to the hours of work per week, nor as a guarantee of working schedules, and some employees may be scheduled to work less than eight (8) hours per day and/or five (5) days per week.

3.02 Reporting Pay

An employee who reports for work at the starting time of his/her regular scheduled full shift, not having been previously advised not to so report, shall be given a minimum of four (4) hours' work in any area or four (4) hours' pay in lieu of no work available at the employee's regular straight time hourly rate of pay. The Company will not be subject to this obligation in the case of an employee who fails to keep the Company informed of a current telephone number which may be used by the Company to give notice, and in cases of fire, flood, power failure, or other conditions beyond the control of the Company.

3.03 Call-in Pay

An employee who has left the premises of the Company and who is requested to and reports for work outside his/her regular scheduled working hours shall be paid a minimum of three (3) hours' pay AT STRAIGHT TIME or the rate of time and one-

half (1-1/2) for the hours worked, whichever is greater, provided the hours so worked do not overlap and extend into his/her regular shift. If the hours so worked under this call-in provision overlap and extend into his/her regular shift, he/she shall receive pay only for the hours actually worked prior to the commencement of his/her regular shift at the rate of time and one-half (1-1/2) of his/her regular rate of pay.

3.04 Rest Period

A rest period of fifteen (15) minutes shall be provided during the first half of each regularly scheduled shift and another fifteen (15) minutes shall be provided during the second half of each regularly scheduled shift.

3.05 Overtime Rest Period

When an overtime period in excess of two (2) hours is required to be worked, a fifteen (15) minute paid rest period shall be granted at the end of the regular shift.

Another fifteen (15) minutes shall be granted during the first four (4) hours of overtime. If the overtime is five (5) hours or more, a paid half-hour (1/2) meal period will be provided.

article 4 - overtime

- 4.01 (a) The rate of one and one-half (1-1/2) times the regular rate shall be paid for all hours worked in excess of eight (8) hours in any one day and for the first eight (8) hours on Saturday, provided the hours worked on Saturday are not part of the employee's normal work week.
- (b) The rate of two (2) times the regular rate of pay shall be paid for all hours worked on Sunday, provided the hours worked on Sunday are not part of the employee's normal work week.
- (c) The rate of two (2) times the regular rate of pay shall be

paid for the hours worked on Saturday in excess of eight (8) hours provided the hours are not part of the employee's normal work week.

(d) Where an employee is scheduled to work on a holiday, recognized under Article 14, he/she shall be paid at the rate of two (2) times his/her regular straight time hourly rate for all hours so worked, in addition to his/her holiday pay entitlement as outlined in Article 14.03.

4.02 An employee shall not be entitled to an overtime premium more than once with respect to hours worked, and there shall be no pyramiding or duplication of overtime.

4.03 It is understood that the Company may require employees to perform work in excess of their regular scheduled hours with the understanding that overtime is voluntary.

The Company and the employees are expected to use discretion when overtime is necessary. Reasonable notice that overtime work is required shall be given in all cases.

However, in the case of employees who would seriously affect the Company's ability to continue production, the Company could not accept repeated refusals to work a reasonable amount of overtime, especially if no person is willing to replace him/her, in which case some disciplinary action and a complaint to the Union might be considered.

In addition, in an emergency situation, when the appropriate employee cannot be located, then another employee, even a salaried employee or outside technician with sufficient skill, might be required to perform some emergency repair.

article 5 - union representation

5.01 (a) The Company acknowledges the right of the Union to appoint or otherwise select a committee up to a maximum of five (5) employees, one of whom shall be the Chairman

of the Committee, in connection with the negotiation of amendments or renewal of this agreement.

(b) The Company agrees to recognize four (4) stewards, one for each shift, the Chief Steward and one of the following: the President of the Union or Vice-president or Secretary-Treasurer or directors, for a total of five (5) employees, to assist the employees in the presentation of any grievance that properly arises under the provisions of the collective agreement.

(c) The President of the Union shall be scheduled to work steady day shift for the length of term held in office.

If for any reason the President of the Union does not wish to be assigned to the steady day shift as outlined in Article 3.01, the Union may designate another employee, as defined in Article 5.01 (b), to fulfil this function.

5.02 The Union shall advise the Company, in writing, the names of the five (5) people outlined in 5.01(b) above who shall assist the employees in the presentation of any grievance that properly arises under the first step of the grievance procedure. The Company shall not be obliged to recognize any one of the above mentioned five (5) people until such time as written notice has been received. The Union has the right to replace, by writing, any sick representative, and will name a second person for each shift to replace a representative when absent. Union representation at the second step of the grievance procedure will be as outlined in the Letter of Understanding which forms part of the collective agreement.

- 5.03 I Leave of absence without pay shall be granted upon written request to the Company to employees elected or appointed to represent the Union at conventions and/or seminars provided:
- (a) the total of such time shall not exceed sixty (60) days;
 - (b) not more than five (5) employees are involved in each request; and
 - (c) such leave does not interfere with the efficient operation of the Company.
- II The Company will not pay employees for Union business, which is to be reimbursed by the Union, unless the Union gives prior written consent.

article 6 - union security

6.01 Union Dues

The Company agrees to deduct the regular monthly Union dues from the pay due to any employee. The Company further agrees to forward the amount so deducted by the 20th of the month following the month the deduction is made to a designated officer of the Union together with a list of employees from whom such deductions have been made. The Union agrees to save the Company harmless from all and any claims which may arise as a result of such deduction and payment.

In addition, the Company will on a monthly basis bill the Union for any monies that have to be reimbursed by the Union to the Company at the same time it remits the union dues to the Union.

article 7 - wages

7.01 (a) Employees shall be classified and paid in accordance with

Schedule "A" which forms part of this collective agreement. The rate progression for any employee in any job classification may be waived at the discretion of the Company, if it is to the benefit of the employee.

(b) Premium for Journeyman Status

Skilled trades personnel who have obtained journeyman status (certificate) shall be paid thirty-five cents (35¢) above their rate for all hours worked in the skilled trade classification. It is understood that the skilled trades classifications which are entitled to this premium are:

Electrician, Toolmaker/CNC Operator,
Machinist No. 1, Industrial Mechanics (Millwrights) No. 1, No. 2A or No. 2 and Machinist No. 2.

It is understood that the Company has the right to ask for journeyman status on any job posting for the above-mentioned job classifications. Likewise, the Company can post for apprenticeship positions in the above-mentioned job classifications if it so desires. Apprenticeship positions do not have a journeyman status.

7.02 (a) All employees who are assigned to work a full shift on the second (afternoon) shift shall receive sixty-five cents (65 cents) per hour in addition to their regular earnings for all hours worked on the second shift.

(b) All employees who are assigned to work a full shift on the third (midnight) shift shall receive seventy cents (70 cents) per hour in addition to their regular earnings for all hours worked on the third shift.

article 8 - miscellaneous

8.01 Employees at Penetanguishene, Ontario, excluded from the bargaining unit, shall not perform bargaining unit work where

such work, in itself, would result in a lay-off of bargaining unit employees or would result in the reduction of normal working hours for bargaining unit employees.

article 9 - seniority

9.01 Definition of Seniority

Seniority as referred to in this agreement shall mean length of continuous service in the employ of the Company in the bargaining unit.

9.02 Probationary Period

- (a) An employee will be considered to be on probation and will not have seniority standing until he/she has actually performed four hundred and eighty (480) hours of work for the Company.
- (b) Termination of employment of an employee by the Company during the probationary period or an extended probationary period shall not become subject to the grievance or arbitration procedure of this agreement. Upon satisfactory completion of the probationary period an employee will then acquire seniority standing dating from the date he/she commenced his/her current period of employment.
- (c) The Company will notify the union in writing of an employee's completion of his/her probationary period, with a copy to the employee within two (2) weeks following the completion of the probationary period.
- (d) In the event that the Company finds it necessary to extend the employee's probationary period the Company will meet with the employee in question and the Union, stating the reasons for the extension in writing. The probationary period will only be extended for up to an additional 480

hours. In the event of an extension of the probationary period Article 9.02 (b) applies during the extended probationary period.

9.03 Seniority Lists

Seniority lists will be supplied to the Union quarterly and posted on the bulletin board quarterly.

9.04 Lay-offs and Recalls from Lay-offs

The Company will consider the requirements and efficiency of operations, the knowledge, training, physical fitness, experience, skill and present ability of the individual to perform the required work in determining which employee is to be laid off or recalled from lay-off and where these are, in the justifiable opinion of the Company, relatively equal, the employee with the greatest seniority will be the last to be laid off and conversely, the first to be recalled from lay-off. For the purpose of this Article, a lay-off means a lay-off for more than ten (10) working days.

When there is a lay-off as defined in this Article, the Company will endeavour to post a list of employees to be laid-off five (5) working days prior to the lay-off. Failure to post such list will not result in delaying the lay-off or in the financial compensation to any employee. At the same time as the lay-off posting, notice of changed work assignments flowing from the lay-off will be posted.

In the event of a lay-off it is understood that probationary employees in the job classification(s) where the downgrading took place shall be laid off first. Employees who are to be laid off will only be able to exercise their seniority in the Oiler, Building Maintenance, Production Handler, Material Handler, Custodian, or Viewer Packer/Tester job classification. An employee who exercises his/her right to move to the General Labour, Custodian, or Viewer Packer/Tester job classification shall be paid at the rate level he/she was receiving in the job classification he/she was moved from in the new job

classification he/she moved to. It is understood that an employee cannot exercise his/her seniority rights to move to a higher paid job classification.

Notwithstanding the previous paragraph if an employee holding the Printer #1, Toolmaker/CNC Operator, Setter #1, Machinist #1 and / or Industrial Mechanics (Millwrights) #1 job classifications, is to be laid off, he/she will be able to exercise their seniority in the **ABS** Operator job classification, provided:

- i) There are two (2) or more **ABS** Operators on each shift and not more than one (1) of these **ABS** Operators on each shift is bumped out of the **ABS** Operator classification; and
- ii) Provided the employee holding the above mentioned job classifications has the knowledge, training, physical fitness, experience, skill and present ability to perform the work in the **ABS** Operator job classification.

The Union will receive a monthly report of employees on lay-off including any changes which may occur in the status of such employees.

Each year the Company attempts to schedule a two (2) week planned shutdown for maintenance on each line. During the scheduled planned maintenance, the company will assign employees who are regularly scheduled on that line, other duties, for that two (2) week period. This does not apply to the planned maintenance conducted during the annual summer shutdown period.

9.05 Promotions

- (a) When job vacancies occur in the bargaining unit, other than entry level positions, and the Company desires to fill such a job vacancy, such fact will be posted on the bulletin board for five (5) working days. Employees on the active payroll making written application during this five (5) day period will be considered as follows:

The Company will consider the requirements and efficiency of operations, the knowledge, training, physical fitness, experience, skill and present ability of the individual to perform the normal required work in determining which employee is to be promoted to higher paid jobs within the bargaining unit and where these are, in the justifiable opinion of the Company, relatively equal, the employee with the greatest seniority will receive the promotion. For the purpose of the article, promotions do not include temporary promotions.

- (b) An employee selected on this basis will be given an opportunity of fulfilling the duties of the new position during a probationary period which may not exceed three (3) months. If an employee fails to meet the requirements for the job at any time during the three (3) month probationary period, or if the employee wishes to relinquish the position at any time during the three (3) month probationary period, he/she will be returned to his/her former position.
- (c) His/her previous posting plus one additional posting will be posted and governed by this article, but further vacancies created by the selection of an employee on this basis are not covered by this article.
- (d) Where no employee meets the qualifying factors under this article, the Company shall be free to fill the job at its discretion.
- (e) The Company will notify the President of the Union of the name of the successful applicant to the job posting. In addition, the Company will post on the bulletin board the name of the successful applicant. If the successful applicant is not moved to the new job classification within two calendar weeks following his/her selection by the Company, the successful applicant shall be paid the rate for the new classification even though he/she has not been actually transferred to the new job classification.

9.06 Seniority and Employment Termination

An employee shall lose his/her seniority and shall be deemed to have terminated his/her employment when:

- (a) he/she voluntarily quits his/her employment;
- (b) he/she is discharged and is not reinstated through the grievance procedure;
- (c) he/she does no work for the Company for a period of twelve (12) months or more, unless he/she is off work due to accident or sickness which is verified by a duly recognized medical doctor. It is clearly understood that the above does in no way preclude the Company from terminating an employee for “innocent absenteeism”. In the case of an employee off work on long term disability, benefits under Article 18.01 (1) and (2) with the exception of weekly indemnity, are provided until the employee reaches age sixty-five (65). In the case of the Dental Plan, the employee must continue to pay his/her share of the premiums on a timely monthly basis. Failure to do so, will result in the cancellation of the Dental Plan for the employee and his/her dependants.

NOTE: All benefits under Article 18.01 (1) and (2) cease when an employee on long term disability dies or is retired at age sixty-five (65). In the event of a layoff the Company will notify the employee, by registered mail, of discontinuance of benefits in the month that the benefits will be discontinued, as outlined in Article 18.03.

- (d) he/she, upon being recalled from a lay-off, fails to report to work within ten (10) days from the date of notification by the Company. The notification will be by ordinary mail, or registered mail;
- (e) he/she fails to return to work upon termination of an authorized leave of absence unless he/she provides reasons which are acceptable to the Company;

- (f) he/she accepts gainful employment while on a leave of absence unless agreed to by the Company;
- (g) he/she is absent from work without providing a reason satisfactory to the Company for such absence;
- (h) he/she is retired at age sixty-five (65);
- (i) he/she has been laid-off due to lack of work for a period exceeding one (1) year, without being recalled to work from the lay-off.

NOTE: This one (1) year provision is not applicable if an employee accepts pay in lieu of notice and/or severance pay as is required by the *Employment Standards Act*, as may be amended from time to time, in the event of termination as defined by the *Employment Standards Act*. In such case, he/she shall be deemed to have abandoned recall rights and terminated his/her employment.

9.07 Seniority and Employment Termination for being absent from work without notifying the Company

An employee who is unable to report for work will be expected to notify the Company by the time that he/she is due to report for work, Two (2) work days without notifying shall be considered cause for dismissal, unless he/she provides reasons which are acceptable to the Company.

9.08 Transfer Outside of the Bargaining Unit

The selection or appointment of an employee to a supervisory position or any other type of position not subject to this agreement, is not governed by this agreement, but if an employee who has been transferred back to a position in the bargaining unit, then the service accumulated during the transfer shall be counted as service for the purpose of determining seniority, provided he/she has not been transferred out of the bargaining unit for a period exceeding three (3) months.

In the event the Company at its sole discretion elects to transfer a non bargaining unit employee to the bargaining unit, such employee will be classified in an entry level position without seniority and will be deemed to be a new employee who is required to serve the probationary period under Article 9.02, notwithstanding anything that may be to the contrary in the collective agreement.

9.09 **Seniority Preference**

The Company and the Union agree that the use of seniority for a selection of jobs within a job classification on a seniority basis will not be permitted.

9.10 **Downgrading**

In the event of a decrease in the workforce within a classification, the employee with the least seniority, will be downgraded to the Building Maintenance, Oiler, Production Handler, Material Handler, Custodian or Viewer Packer Tester job classification or previous job classification he/she has experience in, provided their seniority will allow.

Notwithstanding the previous paragraph if an employee holding the Printer #1, Toolmaker/CNC Operator, Setter #1, Machinist #1 and / or Industrial Mechanics (Millwrights) #1 job classifications, is to be laid off, he/she will be able to exercise their seniority in the ABS Operator job classification, provided:

- i) There are two (2) or more **ABS** Operators on each shift and not more than one (1) of these **ABS** Operators on each shift is bumped out of the **ABS** Operator classification; and
- iii) Provided the employee holding the above mentioned job classifications has the knowledge, training, physical fitness, experience, skill and present ability to perform the work in the **ABS** Operator job classification.

It is understood and agreed that if the downgrade results in an

employee's hourly wages being decreased by more than twenty-five percent (25%), from the job classification hourly rate that he/she is downgraded from then he/she will have the option of accepting the downgraded position or going on lay-off. If after completing the downgrading process, there are too many employees in a job classification, the lay-off provisions of the collective agreement shall be followed.

9.11 Application of Seniority

Seniority shall have no application except as herein specifically provided.

article 10 - grievance procedure

10.01 Purpose of this Article

The purpose of this article is to establish a procedure for the settlement of grievances.

10.02 Definition of a Grievance

A grievance is defined and limited to a complaint or dispute concerning the interpretation, application, administration or alleged violation of this agreement.

10.03 Procedure for Filing Employee Non-Discharge and Non-Suspension Grievances

(a) First Step:

- (i) Any employee having a grievance will make known to his/her immediate foreman the fact that he/she has a grievance within seven (7) work days after the incident giving rise to the grievance.
- (ii) Within seven (7) work days of this notification, the immediate foreman will arrange to have a meeting with

the employee for the purpose of discussing the grievance. The employee may be accompanied by his/her union representative, if the employee so desires.

- (iii) The immediate foreman shall state his/her decision verbally to the employee within seven (7) work days from the date of this discussion.

(b) Second Step:

- (i) If the employee is dissatisfied with the decision of his/her immediate foreman, the employee must discuss the matter with his/her union representative.
- (ii) After this discussion with the union representative, if the employee is still dissatisfied, the grievance shall be placed in writing and shall state the nature of the grievance, the section or sections of the contract alleged to have been violated and the redress sought.
- (iii) This written grievance, signed by the employee, must be presented to the Operations Manager and/or his/her nominee(s) by the union representative within seven (7) work days from the date of the immediate foreman's reply in the first step of the grievance procedure.

- (iv) Within seven (7) work days of the receipt of the grievance, the Operations Manager and/or his/her nominee(s) will arrange to meet with the Union President. If desired, the Company will be represented by a member or members of the Management Committee and/or his/her nominee(s). If desired, the Union will be represented by the Union President and/or the two (2) other grievance committee members, plus a representative for the Union.
- (v) Within seven (7) work days of this meeting, a member of the Management Committee or his/her nominee(s) shall render his/her decision in writing.

10.04 Procedure for Filing Employee Discharge and Suspension Grievances

- (a) A claim by an employee, who has completed his/her probationary period, that he/she has been unjustly suspended or discharged, shall be treated as a grievance if a written statement of such grievance is lodged with the Company within five (5) work days after the suspension or discharge is effected. Such grievance shall commence at Step 2 of the grievance procedure.
- (b) When a grievance which is filed under this article is not settled and duly comes before the arbitration board, the Board may make a ruling:
 - (i) confirming the Company's action;
 - (ii) reinstating the employee with compensation for regular time lost (except for the amount of any remuneration or compensation the employee has received from any other source pending the disposition of his/her case); or
 - (iii) disposing of the grievance in any other manner which may be just and equitable.

10.05 Procedure for Filing Union or Company Policy Grievances

A grievance of general application by either the Company or the Union affecting either of the parties directly arising out of the interpretation or administration of the collective agreement, may be submitted at Step 2 of the grievance procedure. Such grievance must be submitted within ten (10) work days after the incident giving rise to the grievance.

10.06 Time Limits Imposed on Grievances

- (a) Any grievance which is not made known within the time specified in this agreement or which is not processed through to the next step of the grievance procedure or carried through to arbitration within the time specified in the agreement shall be deemed to have been dropped by the party initiating the grievance, and therefore, can no longer be processed through the grievance procedure or carried through to arbitration.
- (b) Time limits referred to in the grievance procedure and arbitration procedure may be extended by mutual agreement, if specified in writing.
- (c) The settlement of a grievance in any of the steps of the grievance procedure shall prevent the grievance from being processed further.
- (d) All reference made to the number of work days or time limit in the different steps of the grievance procedure shall exclude Saturdays, Sundays, and holidays recognized in this agreement, and during plant shutdowns as identified in Article 15.03.

10.07 Grievance Time for Stewards

- (a) It is understood, where possible, that the writing up and investigating of grievances shall be performed outside of regular working hours.
- (b) A steward or committeeman, after first obtaining permission

from his/her foreman, will be permitted at reasonable times during working hours, to leave his/her regular duties for short intervals to perform such functions as are properly provided under Article 10. When returning to his/her regular duties, such employee shall so notify his/her foreman. Such employee will be compensated for the time so taken when it is during the employee's working hours on the premises of the Company.

- (c) No discrimination shall be shown against the Union Grievance Committee for carrying out their duties according to this agreement.

10.08 Disciplinary Action

The Employer, if it is going to take disciplinary action against an employee, shall inform the Union of such fact within five (5) normal working days from the time the Company becomes aware of the incident warranting the discipline, if reasonably possible. This obligation is not applicable to actions taken with regards to innocent absenteeism.

article 11 - arbitration

11.01 Procedure for Proceeding to Arbitration

When either party requests that a grievance be submitted to arbitration, the request shall be made within ten (10) days from the date of the reply of the member of the Management Committee or his/her nominee(s) in the second step of the grievance procedure. Such a request shall be made by mail, addressed to the other party of the agreement, indicating the name and address of its nominee to the arbitration board. Within ten (10) days thereafter, the other party shall answer by mail indicating the name and address of its nominee. If no written request for arbitration is received within the time limit specified above, the grievance in question shall be deemed to have been dropped by the party initiating the arbitration proceedings and, therefore, cannot be processed to arbitration.

11.02 Procedure for Selecting the Chairman of the Arbitration Board

- (a) The two (2) nominees shall, within ten (10) working days of the appointment of the second of them, or at a time mutually agreed upon, appoint a third person who shall be the Chairman. If the two nominees fail to agree upon a Chairman within the time limit, the Minister of Labour of the Province of Ontario, upon request of either party, shall appoint an impartial Chairman.
- (b) No person may be appointed as an arbitrator who has been involved in an attempt to negotiate or settle the grievance.

11.03 Functions of the Board of Arbitration

- (a) In the event that arbitration proceedings are invoked, the matter before the Board shall be the written grievance identified in 10.03(b), Second Step, of the Grievance Procedure.
- (b) The board of arbitration shall not be authorized to make any decision inconsistent with the provisions of this agreement, nor to alter, modify or amend any part thereof.

11.04 Arbitration Expenses

- (a) The Company and the Union shall each bear its own separate cost of arbitration, and the expense of its own nominee mentioned in Article 11.01.
- (b) The expense and fee of the Chairman shall be borne equally by the Company and the Union.

11.05 Expedited Arbitration

If either party wants to consider expedited arbitration by way of the Labour Relations Act, the party will discuss the matter with the other party.

article 12 - no strikes or lock-outs

12.01 It is understood and agreed that there shall be no strike, concerted work stoppage, slowdown or other activity either complete or partial by the Union, nor by any of its members during the term of this agreement. It is further understood and agreed that should there be any strike, concerted work stoppage, slowdown or other such activity, either complete or partial, by any of the said members, that the Union shall make and continue to make every effort to prevent or stop such action. Any employee who violates this article shall be subject to discipline, which may include discharge. It is understood and agreed that there shall be no lock-out by the Company during the term of this agreement.

article 13 - leave of absence

13.01 The Company may grant leave of absence without pay at its discretion. Such leaves shall be for stated periods and shall not exceed three (3) months, unless both the Union and the Company mutually agree otherwise. A request for leave of absence without pay will be answered in five (5) working days.

13.02 The Company's payment towards all group insurance benefits shall be suspended after the first month of any leave of absence granted under Article 13.01, for employees with less than three (3) years of service, for employees with three (3) to five (5) years of service, payment will be suspended after two (2) months, and for employees with five (5) years' service or over, after three (3) months. They will be reinstated upon the return of the employee to full-time duty. If the employee wishes continuation of these benefits during such a leave, it will be his/her responsibility to pay the total cost of these group insurance benefits prior to starting the leave of absence.

13.03 Pregnancy leave shall be granted in accordance with the *Employment Standards Act*, Part XI and Article 13.02 shall apply. Entitlement to benefits under the collective agreement will be in accordance with the

Employment Standards Act of Ontario, as may be amended from time to time.

13.04 Notwithstanding Article 13.03 above, if an employee is entitled to pregnancy leave under Section 35(1) of the *Employment Standards Act*, as may be amended from time to time, she will be treated for the purpose of calculating vacation pay credits only as if she worked her normal regular weekly hours for a period of seventeen (17) weeks or for the actual duration of her pregnancy leave, whichever is the shorter period of time. The employee's vacation pay credits for the above time period will be based on the percentage rate she is entitled to under Article 15. The parties further agree that under no circumstances is it to be construed that an employee is to be entitled to any pay, other than vacation pay credits as is provided under this Article, while off on pregnancy leave. Finally, the parties agree that this Article is not applicable to an employee on Parental Leave under Section 38(1) of the *Employment Standards Act*, as may be amended from time to time.

article 14 - holidays

14.01 Full-time employees who have completed their probationary period will be entitled to the following holidays:

New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Dominion Day	Boxing Day
Civic Holiday	Three (3) Floaters

It is understood that the "Floater" days will be decided by mutual agreement between the Company and the Union.

- 14.02 When any of the above noted holidays fall on a Saturday or Sunday, and are not proclaimed as being observed on some other day, the following Monday shall be deemed to be the holiday for the purpose of this agreement unless agreed otherwise by the Union and the Company at least two (2) weeks in advance.
- 14.03 Holiday pay will be computed on the basis of the regular hours the employee would otherwise work had there been no holiday, up to a maximum of eight (8) hours at his/her regular hourly rate of pay, exclusive of shift premium.
- 14.04 In order to qualify for holiday pay, the employee must work the last full scheduled shift immediately preceding and the first full scheduled shift immediately following the holiday. However, an employee shall not lose the holiday pay if absent on either or both qualifying days provided he/she is absent due to a leave of absence granted under Article 13.01 or lay-off, or verified non-occupational accident or hospitalization, and provided he/she has been at work within three (3) days of the holiday, either before or after such holiday.
- 14.05 An employee who is scheduled to work on a recognized holiday, and who fails to do so, shall lose his/her entitlement for the holiday pay, unless he/she provides reasons which are acceptable to the Company.
- 14.06 It is understood that if an employee is entitled to receive pay on any day recognized as a paid holiday under any other provision of this agreement or, as the result of government legislation, there will be no pyramiding or duplicating of benefits.

article 15 - vacations

- 15.01 The following vacation schedules shall apply to all full-time employees:
- (a) An employee who has completed less than one (1) year of continuous employment as of and including June 30th, in any

current year, shall receive one (1) day of vacation time off for each month of service, to a maximum of ten (10) days, and shall receive vacation pay according to the *Employment Standards Act*, as may be amended from time to time.

- (b) An employee who has completed one (1) or more years, but less than five (5) years of continuous employment, as of and including June 30th, in any current year, shall receive two (2) weeks' vacation time off and four percent (4%) of his/her gross earnings from July 1st of the previous year, to and including June 30th of the current year.
- (c) An employee who has completed five (5) or more years, but less than ten (10) years of continuous employment, as of and including June 30th, in any current year, shall receive three (3) weeks' vacation time off and six percent (6%) of his/her gross earnings from July 1st of the previous year, to and including June 30th of the current year.
- (d) An employee who has completed ten (10) or more years, but less than twenty (20) years of continuous employment, as of and including June 30th, in any current year, shall receive four (4) weeks' vacation time off and eight percent (8%) of his/her gross earnings from July 1st of the previous year, to and including June 30th of the current year.
- (e) An employee who has completed twenty (20) years but less than twenty-five (25) years or more of continuous employment, as of and including June 30th, in any current year, shall receive five (5) weeks' vacation time off and ten percent (10%) of his/her gross earnings from July 1st of the previous year to and including June 30th of the current year.
- (f) An employee who has completed twenty-five (25) years or more of continuous employment, as of and including June 30th, in any current year, shall receive five (5) weeks' vacation time off and twelve percent (12%) of his/her gross earnings from July 1st of the previous year to and including June 30th of the current year.

15.02 Vacations will, so far as possible, be granted at times desired by the employees, but the final right to allotment of vacation periods is reserved to the Company so as to ensure the orderly operation of the business.

If vacation time off requests for the same vacation time frame are made on the same day, seniority will be the governing factor in determining which employee will be allowed to take his/her vacation, provided the Company does not require the senior employee during the vacation time frame requested. If vacation time off requests for the same vacation time frame are not made on the same day, the date of the first request will be the governing factor, provided the Company does not require that employee during the vacation time frame requested.

An employee cannot book weekly blocks of vacation time off more than nine (9) months ahead of the request date. If an employee wants two (2) to four (4) consecutive days of vacation time off he/she cannot book these days more than three (3) months ahead of the request date and not less than fifteen (15) days before the request date. If an employee wants one (1) day of vacation time off, he/she cannot **book** this day more than thirty (30) days ahead of the request date and not less than seven (7) days before the request date.

15.03 The Company will notify the Union by May 1st preceding the vacation year, whether or not any area or all areas will be shut down for vacations. Should an area be shut down for vacation, employees not eligible for a vacation will be transferred to another area, if work is available, that they are willing and able to perform. If such work is not available, they will be laid off and, in such case, Article 9.04 will not apply. The Company will endeavour to shut down during the last two (2) weeks, prior to the first Monday in August.

15.04 Vacations shall be taken between July 1st of the current year, and June 30th of the following year. Vacations earned in more than one vacation year may not be taken consecutively.

15.05 All employees entitled to vacation time off shall be paid their vacation pay upon starting their vacation.

All employees entitled to vacation time off shall be paid their vacation pay seven (7) days prior to the commencement of their vacation, provided the employees make such request three (3) weeks prior to starting their vacation. Each week of vacation pay entitlement will be paid by separate cheque.

15.06 If a paid holiday falls or is observed during an employee's vacation period, he/she shall be granted an additional day of vacation with pay for each holiday in addition to his/her regular vacation time, provided he/she worked the last scheduled full shift immediately before going on vacation and he/she worked the first regular scheduled full shift immediately following the vacation period. However, an employee shall not lose the holiday pay if absent on either the last regular scheduled full shift immediately before going on vacation and/or the first regular scheduled full shift immediately following the vacation period, provided he/she is absent due to a leave of absence granted under Article 13.01 and provided he/she has been at work within three (3) days of the vacation period, either before or after such vacation period.

15.07 Employees who quit without giving the Company one (1) week's notice shall receive vacation pay in accordance with the *Employment Standards Act*, as may be amended from time to time.

15.08 Extra days of holiday shall be paid at the time those days are taken, with the next payroll.

15.09 Reference to "gross earnings" in Article 15 - Vacations shall include any vacation pay paid in the period between July 1st of the previous year, to and including June 30th of the current year.

article 16 - bereavement leave, jury duty and crown witness

16.01 Bereavement Leave

- (a) The Company shall pay an employee up to three (3) days' pay at the employee's regular hourly rate of pay for all regular time lost in the event of the death of the employee's mother, father, brother, sister, wife, husband, children, step-children, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparents or grandchildren. Such leave of absence shall be granted provided:
 - (i) the employee has completed his/her probationary period;
 - (ii) that the employee concerned attends the funeral of the deceased;
 - (iii) such leave of absence occurred during the regular working days of the employee concerned;
 - (iv) the leave of absence shall be for the days of the funeral and other days necessary for the employee concerned to attend or arrange the funeral, but shall in no event be for a period of more than three (3) working days;
 - (v) employees will not be paid for Saturday or Sunday under this article.

- (b) The Company shall pay an employee one (1) day's pay at the employee's regular hourly rate of pay for all regular time lost in the event of the death of the employee's sister-in-law or brother-in-law. Payment shall be made on the same conditions as stated in Article 16.01 (a).

16.02 It is understood that if the employee is entitled to receive pay under any other provisions of this agreement or, as the result of government legislation, there will be no pyramiding or duplicating of benefits.

16.03 Jury Duty and Crown Witness

An employee who is selected for service as a juror or who is subpoenaed as a Crown witness to appear in court will be compensated for loss of pay from his/her regularly scheduled shift due to such jury or Crown witness service. Such compensation will be based on his/her regular scheduled hours at his/her regular hourly rate less the fee received for his/her services as a juror or Crown witness. However, should the employee present himself/herself for selection as a juror and not be selected then he/she is required to return to the Company's premises to complete his/her remaining normally scheduled work day.

In order for an employee to qualify for payment under this section, he/she must:

- (a) inform his/her foreman as soon as possible or at least within twenty-four (24) hours of his/her selection for service as a juror or the requirement to be a Crown witness;
- (b) if released from service as a juror or Crown witness, and four (4) hours or more remain in the employee's regularly scheduled work hours, he/she must return to the Company's premises to complete his/her remaining normally scheduled work day;
- (c) provide a written statement to the Company indicating the date of his/her service as a juror or Crown witness, the time so spent and the fee received for his/her services as a juror or Crown witness;

-and-

- (d) have completed his/her probationary period.

It is understood that if the employee is entitled to receive pay under any other provisions of this agreement or, as the result of government legislation, there will be no pyramiding or duplicating of benefits.

The parties agree that an employee who is required to act as a juror or required to be a Crown witness will be deemed to be assigned to the day shift when performing such service for the entire week.

article 17 - safety and health

- 17.01 The Company agrees that it is its desire to maintain high standards of safety and health in order to prevent industrial injury or illness.
- 17.02 The Union will assist the Company in carrying out any reasonable health and accident prevention program.
- 17.03 The plant shall be kept clean underfoot; it being the responsibility of each employee to keep his/her immediate work area clean.
- 17.04 The Union shall have three (3) members, one of which must be a certified member, on the joint Union and Management Health and Safety Committee, which will meet every two (2) months. Should the certified elected union member resign his/her replacement shall be subject to election by the Union membership.
- 17.05 The Company agree that before any machinery is put into production all appropriate Acts and Codes will be followed.

article 18 - group insurance plan

18.01 The Company will assume the full premium cost of the following plans for all employees working on a full-time basis on the first of the month following the completion of their probationary period:

(1) Benefits for Employees Only

- (i) Life Insurance - \$40,000.00 for all employees.
- (ii) Accidental Death and Dismemberment - \$40,000.00 for all employees.
- (iii) Weekly Indemnity – payable 1st day of accident or hospitalization; payable after seven (7) days of sickness, 66 2/3% of regular wages up to a maximum payable under the *Employment Insurance Act* as may be amended from time to time, for twenty-six (26) weeks.

Surgery currently performed in a hospital on an out patient basis which previously required at least one (1) overnight stay in hospital shall be deemed to be hospitalization under the weekly indemnity plan.

As long as the insuring company will accept faxed transmissions of the weekly indemnity claim forms, the Company will send the claim forms by fax.

NOTE: Weekly Indemnity is payable for non- occupational accident, hospitalization or sickness only.

- (iv) When payments cease from Weekly Indemnity, Sickness benefits, available through Employment Insurance, will be collected. The last two (2) weeks of payment received from Weekly Indemnity will serve the two (2) week waiting period for EI Sickness Benefits. The basic benefit rate is fifty-five percent (55%) of the employee's average insured earnings up to a maximum amount of \$413 per week. This benefit is payable for a maximum of fifteen (15) weeks. Fees that are requested by the doctor, for forms/notes regarding your application for EI Benefits, will be reimbursed by the Company. A paid receipt will need to be provided for reimbursement.

If required bridge financing will be provided to the employee if there is a delay in receiving EI benefits. The employee is responsible for reimbursing the Company for any bridge financing.

NOTE: The Company's payments towards all group insurance benefits shall continue during the period that the employee is collecting EI Sickness Benefits.

- (v) Long Term Disability – payable immediately after an elimination period of twenty-six (26) weeks of weekly indemnity and fifteen (15) weeks of EI Sickness Benefits, in the amount of sixty percent (60%) of regular monthly wages, just prior to the disability covered by the long term disability plan, to a maximum monthly benefit of five thousand dollars (\$5000) and subject to such other

terms of the CCL Long Term Disability Plan which may be applicable. This benefit is payable until recovery as outlined by the Plan, age sixty-five (65), or death, whichever occurs first.

NOTE: Long Term Disability is payable for non-occupational accident, sickness and/or disability only.

(2) Benefits for Employees and Dependents

(i) Prescription Drug Plan

The Company pays \$67.53 per month for single coverage and \$173.10 per month for family coverage per employee for prescription drug premiums. Any increases in the single and family premiums will be shared equally by the Company and the employees.

Effective during the first year of the collective agreement, there shall be a seven dollar (\$7.00) cap on dispensing fees to be paid by the Company. Dispensing fees in excess of the seven dollar (\$7.00) cap, is to be paid entirely by the employee. Effective the second year of the collective agreement, the seven dollar (\$7.00) cap increases to seven dollars and fifty cents (\$7.50). Effective the third year of the collective agreement, the seven dollars and fifty cents (\$7.50) cap increases to eight dollars (\$8.00). Effective the fourth year of the collective agreement, the eight dollars (\$8.00) cap increases to eight dollars and fifty cents (\$8.50). The employee will pay the excess amounts above the second and third year dispensing fee caps.

The drug plan only provides for generic drugs, unless otherwise specified by the doctor.

(ii) Prescription Eye glasses – The Plan pays up to one hundred dollars (\$100.00) every twenty-four (24) months for each family member.

(iii) Dental Plan - The Company will pay fifty percent (50%) of the premium cost of the Canada Life BL7-Dental Plan, or a similar plan, for all employees and their dependants commencing on the

first day after completion of six (6) months' employment. The coverage shall be based on the current O.D.A. Schedule of Fees and updated annually. The Company will pay fifty percent (50%) of the premium cost of the Canada Life BL7 - Rider Number 1 Dental Plan, or similar plan, for all employees and their dependants commencing on the first day after completion of six (6) months' employment. Reimbursement for Rider Number 1 is one hundred percent (100%) of Insured Charges with an unlimited maximum.

The Company will pay fifty percent (50%) of the premium cost of the Canada Life Dental Plan BL7 - Rider Number 2 or a similar plan, for all employees and their dependants commencing on the first (1st) day after completion of six (6) months' employment.

Reimbursement under Rider Number 2 is eighty percent (80%) of Insured Charges with a total maximum payout for the total number of members in each family (not each member of the family) of One Thousand Five Hundred Dollars (\$1,500.00) per benefit year. Once an employee and/or his/her dependants have accumulated the total maximum payout for the family of One Thousand Five Hundred Dollars (\$1,500.00) per benefit year, no further reimbursement will be made on behalf of the employee and/or his/her dependants for that benefit year. In other words, the maximum payout for **all** family members (not each member of the family) **per** benefit year, is limited to a total of One Thousand Five Hundred Dollars (\$1,500.00).

The Company will pay fifty percent (50%) of the premium cost of the Canada Life Dental Plan BL7 - Rider Number 4, or a similar plan, for all employees and their dependants commencing on the first (1st) day after completion of six **(6)** months' employment.

Reimbursement under Rider Number 4 is eighty percent (80%) of Insured Charges with a total maximum payout for the total number of members in each family (not each member of the family) of One Thousand Five Hundred Dollars (\$1,500.00) per benefit year. Once an employee and/or his/her dependants have accumulated the total maximum payout for the family of One Thousand Five Hundred Dollars (\$1,500.00) per benefit year, no further reimbursement will be made on behalf of the employee and/or his/her dependants for that benefit year. In other words, the maximum payout for **all** family members (not each member of the family) per benefit year, is limited to a total of One Thousand Five Hundred Dollars (\$1,500.00).

18.02 The above 18.01(1) and (2) outline the principal features included in the insurance program, but it is not to be considered the Contract of Insurance. The complete terms and conditions of these protections are set forth in the policies, certificates and/or plan of each of the insuring companies.

18.03 In the event of a lay-off, the Company's payments towards all group insurance benefits shall cease after the first month of the lay-off for employees with less than three (3) years of service, for employees with three (3) to five (5) years' service payment will cease after two (2) months following the lay-off and for employees with five **(5)** years' service or over, payments will cease after three (3) months following the lay-off.

article 19 - group registered retirement savings plan

19.01 Employees in the employ of the Company who have completed their probationary period plus nine (9) months of service will have the option to join and participate in the Group Registered Retirement Savings Plan on the first (1st) of the month following the completion of their probationary period plus nine (9) months of service.

19.02 (a) Effective May 3, 2001 an employee's minimum contribution which will be deducted off each pay cheque will be:

1. two percent (2%) of regular earnings; or
2. two point four percent (2.4%) of regular earnings; or
3. two point (2.8%) of regular earnings; or
4. three point two (3.2%) of regular earnings.

The Company's contribution to the Group Registered Retirement Savings Plan, effective May 3, 2001 will be:

1. two point five percent (2.5%) of the employee's regular earnings, if the employee's minimum contribution is two percent (2%) of regular earnings; or
2. three percent (3%) of the employee's regular earnings, if the employee's minimum contribution is two point four percent (2.4%) of regular earnings.
3. three point five (3.5%) of the employee's regular earnings, if the employee's minimum contribution is two point eight percent (2.8%) of regular earnings; or
4. four percent (4%) of the employee's regular earnings, if the employee's minimum contribution is three point two percent (3.2%) of regular earnings.

Employee's contributions may exceed the minimum contribution on

regular earnings, up to the maximum allowed by law.

- (b) Effective July 1, 1998 accrued vacation pay earned can be used by an employee to achieve his/her required minimum Group Registered Retirement Savings Plan contribution. However, if an employee elects to take this approach his/her total accrued vacation pay earned must be placed in the Group Registered Retirement Savings Plan. Accrued vacation pay earned placed in the Group Registered Retirement Savings Plan in excess of the employee's minimum contribution shall be deemed additional voluntary contributions, not subject to the Company's contribution. As such, accrued vacation pay earned, in this circumstance, but in no other circumstance, will be deemed to be regular earnings. No withdrawals of accrued vacation pay earned placed in the Group Registered Retirement Savings Plan can be made between July 1 and June 30, inclusive (i.e. – during the year when the accrued vacation pay earned credits for that year are being made). Accrued vacation pay earned placed in the Group Registered Retirement Savings Plan can only be withdrawn during the period July 1 to June 30 following the contributions made between July 1 and June 30 inclusive of the previous year. An employee will only be allowed to withdraw monies during this period on two (2) occasions. If as a result of one or both of these withdrawals, the employee does not meet the minimum contribution required for the entire year in question, the employee will not be entitled to ever again use accrued vacation earned credits to fund his/her contributions to the Group Registered Retirement Savings Plan. In addition, he/she will be prohibited from participating in the Group Registered Retirement Savings Plan for a period of two (2) years thereafter. An employee shall not be allowed to withdraw any money contributed on his/her behalf by the Company because of the approved vacation earned credit contribution to the Group Registered Retirement Savings Plan. It is clearly understood by the employee and the Union that once the employee directs that his/her accrued vacation pay earned credits should be placed into the Group Registered Retirement Savings Plan, the Company has fulfilled all its obligations to the employee with regard to vacation pay owed. In other words, the employee will be deemed to have been paid his/her vacation pay owing in full.

19.03 Employee contributions in excess of the minimum two percent (2%) may be revised twice each calendar year. Likewise, an employee will only be able to

cease contributions in excess of the minimum of two percent (2%) twice each calendar year.

- 19.04 An employee shall not be allowed to withdraw any money contributed on his or her behalf by the Company, regardless if it is as a result of accrued vacation pay earned credits or normal employee contributions. Employees shall be allowed to withdraw all or part of their normal contributions, not accrued vacation pay earned contributions, from the Group Registered Retirement Savings Plan on thirty (30) days' written notice to the Trustee, provided however that in the event of any such withdrawal, the employee shall for a period of two (2) years thereafter, be prohibited from making any further contributions to the Group Registered Retirement Savings Plan. The joint committee may, on humanitarian grounds only, reduce this two (2) year waiting period by such period of time as they may agree upon unanimously.

Upon termination of employment, an employee's rights to all monies contributed under the Plan, whether such monies have been contributed by the employee or by the Company on the employee's behalf, together with all income earned thereon, will be governed by the law(s) applicable to group registered retirement savings plans. Notwithstanding anything herein, the terms of the Group Registered Retirement Savings Plan shall at all times be subject to Provincial and Federal law(s) and regulations governing group registered retirement savings plans, as amended from time to time.

If the employee withdraws his/her contributions, from the Group Registered Retirement Savings Plan for the purpose of participating in a government approved and sponsored savings plan, such as Home Buyers Plan (HBP), etc., notwithstanding anything to the contrary in the collective agreement the employee shall not be prohibited from making any further contributions to the Group Registered Retirement Savings Plan for any period of time. Under no circumstances can the Company contribution be withdrawn for any of the above plans.

19.05 A joint committee consisting of two (2) members from the Union and two (2) members from the Management will oversee the Group Registered Retirement Savings Plan and will issue instructions to the Trustee, selected by the joint committee, of the Group Registered Retirement Savings Plan, as necessary, other than relating to how the employees can invest their contributions, net of any gains or losses. Four (4) members of the joint committee shall constitute a quorum for all meetings.

19.06 Unless there is unanimous agreement by the four (4) members of the joint committee to do otherwise, monies accumulated from the Company's contributions, plus interest earned in the Group Registered Retirement Savings Plan will only be invested in Certificates of Deposit or like investment vehicles issued by a Canadian Chartered Bank and/or Canadian Treasury Bills. If there is a waiting period before such monies can be invested, such monies will be placed in a daily savings account or similar vehicle for the waiting period.

However, the employees' contributions, net of any gains or losses, may be invested in any vehicle provided by the Trustee as the employee so desires.

19.07 Monies deducted from employees and contributed by the Company to the Group Registered Retirement Savings Plan will be remitted to the Trustee of the Group Registered Retirement Savings Plan by the fifteenth (15th) of the month following the month in which the deduction and contribution was made.

19.08 It is understood that regular hours worked or regular hours paid and regular earnings shall be deemed not to include overtime, or cost of living adjustments. However, it can include accrued vacation pay earned in the sole situation as outlined in Article 19.02 above and it can include shift premium as specified in Article 7.02 and shift premium specified under point 3 of the Letter of Understanding on Continuous Shift Operation. As mentioned in Article 19.02 this is the only circumstance that accrued vacation pay and shift premium earned will be deemed to be regular earnings.

19.09 Meetings of the joint committee for the Group Registered Retirement

Savings Plan shall take place during regular working hours once every three (3) months and the time spent shall be with pay.

19.10 The Company's and the Union's obligations under the Group Registered Retirement Savings Plan are limited solely to their respective obligations contained herein.

19.11 Any employee who does not take the option to join and participate in the Group Registered Retirement Savings Plan, as specified in Article 19.01 above, will only be able to opt into the Group Registered Retirement Savings Plan at the beginning of the first payroll period following July 1 and January 1 of any calendar year. Employees opting to contribute accrued vacation pay earned credits can only do so as outlined in Article 19.02 above.

19.12 For the purpose of the Group registered Retirement Savings Plan only, and for no other purpose, reference to regular earnings includes cost of living adjustments. Only one (1) credit is given for any specific C.O.L.A. adjustment. Once given, that credit is finished. The next credit will apply to the next C.O.L.A. adjustment.

19.13 An employee eligible to participate in the Group Registered Retirement Savings Plan will be allowed to catch up missed contributions on regular earnings, by December 31 of any current year, notwithstanding the fact that he/she did not earn wages on missed days. Failure to give the money for the catch up by December 31 of any current year prohibits the employee from catching up in that current year.

article 20 - temporary transfers

20.01 When an employee is temporarily transferred to a higher paying job classification than his/her own, he/she shall continue to receive the pay for his/her own job classification unless the specific transfer continues for one full shift. If the specific transfer continues for one full shift the employee will be paid at least the minimum rate of the job classification he/she is transferred to, as of the beginning of such transfer. When an employee is temporarily transferred to a lower paying position, his/her rate shall not be thereby reduced. For the purpose of this article, temporary means a transfer that is not expected to exceed sixty (60) working days.

article 21 - wages upon promotion

21.01 Employees who are promoted as per Article 9.05 will be paid the first rate of pay of the new job classification to which they are promoted which is higher than their present rate of pay. Once they are established at this new rate of pay, they will progress through the rate structure as set out in Schedule "A", until the maximum rate for their job classification is obtained.

article 22 - area co-ordinators

22.01 Area Co-ordinators which may be appointed at the discretion of the Company shall be paid seventy-five cents (75¢) above their rate for all hours worked while acting as Area Co-ordinators. An Area Co-ordinator will not have the power to discipline. His/her functions shall include but are not limited to such things as: supervise tooling and other equipment, training and trouble shooting.

In other words, the responsibility of an Area Co-ordinator is exclusively confined to work involved in his/her area. As a general concept, his/her responsibility is recognized as assisting in the organizing of the flow of production to help maximize efficiencies.

The Company agrees that it will not use the evidence of an Area Coordinator to support any disciplinary action that may be taken against an employee.

In the event of reverse seniority an area coordinator title does not give the employee protection.

article 23 - cost of living (C.O.L.A.)

23.01 During the first year of this agreement (May 3, 2004 to May 2, 2005) the 1992 Consumer Price Index ("C.P.I.") for April 2004 plus 3.5% will be the base of comparison for the first year (the "Year 1 Base"). In any month during the first year of this agreement if the 1992 C.P.I.

has increased over the Year 1 Base, the increase divided by the Year 1 Base will be the percentage applied to the wages for the purpose of the cost of living allowance.

For example, if the 1992 C.P.I. for April 2004 is 125.1, the Year 1 Base will be 129.48 ($125.1 \times 1.035 = 129.48$). If in October 2004, the 1992 C.P.I. is 130.33, the difference over the Year 1 Base is .85 ($130.33 - 129.48$). In order to calculate the cost of living adjustment, you then divide .85 by the Year 1 Base (129.48) to obtain .0066. Multiply .0066 by 100% to get the percentage factor of .66%. For the month of October 2004, you would then apply this percentage (.66%) to the wages to obtain the cost of living adjustment.

If in November 2004, the 1992 C.P.I. is 130.39, the difference over the Year 1 Base is .91. Dividing .91 by the Year 1 Base of 129.48 gives a factor of .0070. Multiply this factor by 100% to get .70%. The cost of living adjustment for November 2004 is therefore .70% of the wages.

NOTE: Cost of living adjustments are not cumulative, (e.g. do not add .66% + .70% to get 1.36%).

This formula will continue until May 2, 2005, at which time the cost of living adjustment is no longer payable.

During the second year of this agreement (May 3, 2005 to May 2, 2006), the 1992 Consumers Price Index (C.P.I.) for April 2005 is 3.5% will be the base of comparison for the second year ("the Year 2 Base").

In any month during the second year of this agreement if the 1992 C.P.I. has increased over the Year 2 Base, the increase divided by the Year 2 Base will be the percentage applied to the wages for the purpose of the cost of living allowance.

For example, if the 1992 C.P.I. for April 2005 is 129.77 the Year 2 Base will be 134.31 ($129.77 \times 1.035 = 134.31$). If in October 2005 the 1992 C.P.I. is 135.55 the difference over the Year 2 Base is 1.24 ($135.55 - 134.31$). In order to calculate the

cost of living adjustment, you then divide 1.24 by the Year 2 base (134.31) to obtain .0092%. Multiple .0092 by 100% to get the percentage factor of .92%. for the month of October 2005, you would then apply this percentage (.99%) to the wages to obtain the cost of living adjustment.

If in November 2005 the 1992 C.P.I. is 134.43 the difference over the Year 2 base is .12. Dividing .12 by the Year 2 Base of 134.31 gives a factor of .0009. Multiply this factor by 100% to .09%. the cost of living adjustment of November 2005 is therefore .09% of the wages.

Note: Cost of living adjustments are not cumulative. (e.g. do not add .92% + .09% to get 1.01%).

This formula will continue until May 2, 2006 at which time the cost of living adjustment is no longer payable.

During the third year of this agreement (May 3, 2006 to May 2, 2007), the 1992 Consumer Price Index ("C.P.I.") for April 2006 plus 3.0% will be the base of the comparison for the third year ("Year 3 Base"). In any month during the third year of this agreement if the 1992 C.P.I. has increased over the Year 3 Base, the increase divided by the Year 3 base will be the percentage applied to the wages for the purpose of the cost of living allowance.

The formula will continue until May 2, 2007, at which time the cost of living adjustment is no longer payable.

During the fourth year of this agreement (May 3, 2007 to May 2, 2008), the 1992 Consumer Price Index ("C.P.I.") for April 2007 plus 3.0% will be the base of the comparison for the fourth year ("Year 4 Base"). In any month during the fourth year of this agreement if the 1992 C.P.I. has increased over the Year 4 Base, the increase divided by the Year 4 base will be the percentage applied to the wages for the purpose of the cost of living allowance.

The formula will continue until May 2, 2008, at which time the cost of living adjustment is no longer payable.

The consumer Price Index (CPI) will be posted on a monthly basis in the Plant, by the end of the following month. The Cost of Living Allowance (C.O.L.A.) shall be calculated on a quarterly basis and if the monies are due and payable to employees, a separate cheque will be issued within thirty (30) days after the end of the quarter.

article 24 - wage rates for apprentices

24.01 As a minimum, apprentices will be paid in accordance with the relevant legislation.

24.02 Apprentice positions are subject to the job posting provisions of this agreement.

article 25 - pay day

25.01 The Company agrees to continue to pay the employees on a weekly basis. Provided at least fifty percent (50%) of the bargaining unit employees agree to have their weekly pay deposited into their bank accounts, the Company will implement such a system. If such a system is implemented, employees may have the choice of receiving their weekly pay cheques at the Company premises or based on the voluntary bank deposit. If they elect the voluntary bank deposit, such employees shall be given their pay statement at work on the pay day. If an employee wishes to switch from one method to the other method of payment he/she will be allowed to do so twice each contract year. It is understood and agreed by the parties, that if an employee selects the direct banking deposit system, his/her pay may not be deposited until Thursday, rather than on Wednesday, the normal pay day. The parties further agree if such is the case, there would be no violation of the collective agreement, notwithstanding anything that may be to the contrary in the collective agreement. All paycheques will be delivered in envelopes. If the Company makes an error in an employee's paycheque, the Company will issue a manual cheque for the difference. If the employees makes an error with regard to his/her paycheque, for example, failure to swipe his/her time card, the error will be corrected

on the next scheduled payroll run, following the authorization of the direct supervisor. In addition, the Company will investigate a terminal.

article 26 - trainers

26.01 The Company will designate one viewer packer/tester per shift to train new viewer packer/testers. These designated trainers shall be paid fifty cents (50 cents) above their classified rate for all hours worked. It is understood that the Company can replace employees designated as trainers if the Company believes they are not properly performing this function.

In the event of reverse seniority a trainer designation does not give the employee protection.

**ARTICLE 27 - PERMANENT DISCONTINUANCE OF ALL OR PART OF
THE PLANT OPERATIONS_____**

27.01 In the event of the permanent discontinuance of all or part of the plant operations, the Company shall provide notice to the Union. Upon the request of the Union, the Company shall meet with the Union to discuss the reasons for the discontinuance or possible other options. In addition to the above, the Company will negotiate with the Union the effect that the decision to close will have, including a severance package above the Employment Standards Act of Ontario, as may be amended from time to time.

article 28 - duration

28.01 This agreement shall become effective on the 3rd day of May, 2004 and remain in full force and effect until midnight on the 2nd day of May, 2008 and shall renew itself from year to year thereafter unless written notice to terminate or amend this agreement is given by either party within three (3) months prior to the expiration day of any annual renewal thereof.

28.02 In the event of such notification being given to amend this agreement,

negotiations between the parties shall begin within fifteen (15) days following such notification.

This agreement signed this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister

Cal Patterson

Vanessa Bates

Michelle Glover

FOR THE UNION:

Paul Wells

David Miller

Dan Desjardins

Craig Hadwin

Doug Thorndyke

SCHEDULE "A"
JOB CLASSIFICATION AND HOURLY WAGE RATES
EFFECTIVE MAY 4, 2004

Job Classification	Start Rate	Rate After 3 Months	Rate After 12 Months
Electrician	\$ 21.16	\$ 21.85	\$ 22.60
Printer #1	\$ 20.12	\$ 20.77	\$ 21.62
Toolmaker/CNC Operator	\$ 20.12	\$ 20.77	\$ 21.62
Setter #1	\$ 19.89	\$ 20.52	\$ 21.24
Machinist#1	\$ 19.89	\$ 20.52	\$ 21.24
Industrial Mechanics (Millwrights #1)	\$ 19.89	\$ 20.52	\$ 21.24
ABS Operator #1	\$ 18.71	\$ 19.34	\$ 19.97
Industrial Mechanics (Millwrights #2A)	\$ 18.10	\$ 18.33	\$ 19.24
Printer #2A	\$ 17.63	\$ 18.21	\$ 18.93
Setter #2A	\$ 17.18	\$ 17.98	\$ 18.56
Tool Crib	\$ 16.80	\$ 17.34	\$ 18.03
Electrical Technician	\$ 16.80	\$ 17.34	\$ 18.03
Machinist#2	\$ 16.80	\$ 17.34	\$ 18.03
industrial Mechanics (Millwright #2)	\$ 16.31	\$ 16.80	\$ 17.24
Shipper/Receiver	\$ 16.25	\$ 16.78	\$ 17.27
QC inspector	\$ 16.09	\$ 16.63	\$ 17.29
Printer #2	\$ 15.70	\$ 16.25	\$ 16.91
Setter #2	\$ 15.51	\$ 16.00	\$ 16.50
Oiler	\$ 15.51	\$ 16.00	\$ 16.50
Building Maintenance	\$ 15.51	\$ 16.00	\$ 16.50
ABS Operator	\$ 15.51	\$ 16.00	\$ 16.50
QC Inspector #2	\$ 14.99	\$ 15.53	\$ 16.09
Shipper #2	\$ 14.67	\$ 15.20	\$ 15.61
Production Handler	\$ 14.67	\$ 15.20	\$ 15.61
Printer Helper	\$ 14.60	\$ 15.14	\$ 15.70
Setter Helper	\$ 14.50	\$ 15.01	\$ 15.53
Maint. Mechanic Helper	\$ 14.50	\$ 15.01	\$ 15.53
Material Handler	\$ 13.96	\$ 14.50	\$ 14.96
Custodian	\$ 13.96	\$ 14.50	\$ 14.96
Viewer Packer/Tester*	\$ 13.71	\$ 13.85	\$ 14.18

* Designated as entry level positions which are not subject to the job posting provisions.

SCHEDULE "A"
JOB CLASSIFICATION AND HOURLY WAGE RATES
EFFECTIVE MAY 4, 2005

Job Classification	Start Rate	Rate After 3 Months	Rate After 12 Months
Electrician	\$ 21.90	\$ 22.61	\$ 23.39
Printer #1	\$ 20.82	\$ 21.50	\$ 22.38
Toolmaker/CNC Operator	\$ 20.82	\$ 21.50	\$ 22.38
Setter #1	\$ 20.59	\$ 21.24	\$ 21.98
Machinist #1	\$ 20.59	\$ 21.24	\$ 21.98
Industrial Mechanics (Millwrights #1)	\$ 20.59	\$ 21.24	\$ 21.98
ABS Operator #1	\$ 19.36	\$ 20.02	\$ 20.67
Industrial Mechanics (Millwrights #2A)	\$ 18.73	\$ 18.97	\$ 19.91
Printer #2A	\$ 18.25	\$ 18.85	\$ 19.59
Setter #2A	\$ 17.78	\$ 18.61	\$ 19.21
Tool Crib	\$ 17.39	\$ 17.95	\$ 18.66
Electrical Technician	\$ 17.39	\$ 17.95	\$ 18.66
Machinist #2	\$ 17.39	\$ 17.95	\$ 18.66
Industrial Mechanics (Millwright #2)	\$ 16.88	\$ 17.39	\$ 17.84
Shipper/Receiver	\$ 16.82	\$ 17.37	\$ 17.87
QC Inspector	\$ 16.65	\$ 17.21	\$ 17.90
Printer #2	\$ 16.25	\$ 16.82	\$ 17.50
Setter #2	\$ 16.05	\$ 16.56	\$ 17.08
Oiler	\$ 16.05	\$ 16.56	\$ 17.08
Building Maintenance	\$ 16.05	\$ 16.56	\$ 17.08
ABS Operator	\$ 16.05	\$ 16.56	\$ 17.08
QC Inspector #2	\$ 15.51	\$ 16.07	\$ 16.65
Shipper #2	\$ 15.18	\$ 15.73	\$ 16.16
Production Handler	\$ 15.18	\$ 15.73	\$ 16.16
Printer Helper	\$ 15.11	\$ 15.67	\$ 16.25
Setter Helper	\$ 15.01	\$ 15.54	\$ 16.07
Maint. Mechanic Helper	\$ 15.01	\$ 15.54	\$ 16.07
Material Handler	\$ 14.45	\$ 15.01	\$ 15.48
Custodian	\$ 14.45	\$ 15.01	\$ 15.48
Viewer Packer/Tester*	\$ 14.19	\$ 14.33	\$ 14.68

* Designated as entry level positions which are not subject to the job posting provisions.

SCHEDULE "A"
JOB CLASSIFICATION AND HOURLY WAGE RATES
EFFECTIVE MAY 4, 2006

Job Classification	Start Rate	Rate After 3 Months	Rate After 12 Months
Electrician	\$ 22.56	\$ 23.29	\$ 24.09
Printer #1	\$ 21.44	\$ 22.15	\$ 23.05
Toolmaker/CNC Operator	\$ 21.44	\$ 22.15	\$ 23.05
Setter #1	\$ 21.21	\$ 21.88	\$ 22.64
Machinist#1	\$ 21.21	\$ 21.88	\$ 22.64
Industrial Mechanics (Millwrights #1)	\$ 21.21	\$ 21.88	\$ 22.64
ABS Operator #1	\$ 20.04	\$ 20.72	\$ 21.39
Industrial Mechanics (Millwrights #2A)	\$ 19.29	\$ 19.44	\$ 20.51
Printer #2A	\$ 18.80	\$ 19.42	\$ 20.18
Setter #2A	\$ 18.31	\$ 19.17	\$ 19.79
Tool Crib	\$ 17.91	\$ 18.49	\$ 19.22
Electrical Technician	\$ 17.91	\$ 18.49	\$ 19.22
Machinist#2	\$ 17.91	\$ 18.49	\$ 19.22
industrial Mechanics (Millwright #2)	\$ 17.39	\$ 17.91	\$ 18.38
Shipper/Receiver	\$ 17.32	\$ 17.89	\$ 18.41
QC Inspector	\$ 17.15	\$ 17.73	\$ 18.44
Printer #2	\$ 16.74	\$ 17.32	\$ 18.03
Setter #2	\$ 16.53	\$ 17.06	\$ 17.59
Oiler	\$ 16.53	\$ 17.06	\$ 17.59
Building Maintenance	\$ 16.53	\$ 17.06	\$ 17.59
ABS Operator	\$ 16.53	\$ 17.06	\$ 17.59
QC Inspector#2	\$ 15.98	\$ 16.55	\$ 17.15
Shipper #2	\$ 15.64	\$ 16.20	\$ 16.64
Production Handler	\$ 15.64	\$ 16.20	\$ 16.64
Printer Helper	\$ 15.56	\$ 16.14	\$ 16.74
Setter Helper	\$ 15.46	\$ 16.01	\$ 16.55
Maint. Mechanic Helper	\$ 15.46	\$ 16.01	\$ 16.55
Material Handler	\$ 14.88	\$ 15.46	\$ 15.94
Custodian	\$ 14.88	\$ 15.46	\$ 15.94
Viewer Packer/Tester*	\$ 14.62	\$ 14.76	\$ 15.12

* Designated as entry level positions which are not subject to the job posting provisions.

SCHEDULE "A"
JOB CLASSIFICATION AND HOURLY WAGE RATES
EFFECTIVE MAY 4, 2007

Job Classification	Start Rate	Rate After 3 Months	Rate After 12 Months
Electrician	\$ 23.24	\$ 23.99	\$ 24.81
Printer #1	\$ 22.08	\$ 22.81	\$ 23.74
Toolmaker/CNC Operator	\$ 22.08	\$ 22.81	\$ 23.74
Setter #1	\$ 21.85	\$ 22.54	\$ 23.32
Machinist #1	\$ 21.85	\$ 22.54	\$ 23.32
Industrial Mechanics (Millwrights #1)	\$ 21.85	\$ 22.54	\$ 23.32
ABS Operator #1	\$ 20.64	\$ 21.34	\$ 22.03
Industrial Mechanics (Millwrights #2A)	\$ 19.87	\$ 20.02	\$ 21.13
Printer #2A	\$ 19.36	\$ 20.00	\$ 20.79
Setter #2A	\$ 18.86	\$ 19.75	\$ 20.38
Tool Crib	\$ 18.45	\$ 19.04	\$ 19.80
Electrical Technician	\$ 18.45	\$ 19.04	\$ 19.80
Machinist #2	\$ 18.45	\$ 19.04	\$ 19.80
Industrial Mechanics (Millwright #2)	\$ 17.91	\$ 18.45	\$ 18.93
Shipper/Receiver	\$ 17.84	\$ 18.43	\$ 18.96
QC Inspector	\$ 17.66	\$ 18.26	\$ 18.99
Printer #2	\$ 17.24	\$ 17.84	\$ 18.57
Setter #2	\$ 17.03	\$ 17.57	\$ 18.12
Oiler	\$ 17.03	\$ 17.57	\$ 18.12
Building Maintenance	\$ 17.03	\$ 17.57	\$ 18.12
ABS Operator	\$ 17.03	\$ 17.57	\$ 18.12
QC Inspector #2	\$ 16.46	\$ 17.05	\$ 17.66
Shipper #2	\$ 16.11	\$ 16.69	\$ 17.14
Production Handler	\$ 16.11	\$ 16.69	\$ 17.14
Printer Helper	\$ 16.03	\$ 16.62	\$ 17.24
Setter Helper	\$ 15.92	\$ 16.49	\$ 17.05
Maint. Mechanic Helper	\$ 15.92	\$ 16.49	\$ 17.05
Material Handler	\$ 15.33	\$ 15.92	\$ 16.42
Custodian	\$ 15.33	\$ 15.92	\$ 16.42
Viewer Packer/Tester*	\$ 15.06	\$ 15.20	\$ 15.57

* Designated as entry level positions which are not **subject** to the job posting provisions.

LETTER OF UNDERSTANDING

President
Independent Canadian Extrusion
Workers Union

Dear Sir:

It is the intention of the Company to commence the first shift for the midnight shift on Sunday night. As such, their last shift for the week will end on Friday morning.

The Company, after discussion with the Union, has the absolute right to return to a Monday night commencement date and a Saturday morning terminating date for the midnight shift if such a schedule (Sunday to Friday) in the management's opinion, proves ineffective for Saturday overtime assignments.

Mr. Frank McAllister
Vice-president, Operations

AGREEMENT

between:

CCL CONTAINER

(hereinafter called the "Company")

-and-

INDEPENDENT CANADIAN EXTRUSION WORKERS UNION

(hereinafter called the "Union")

Notwithstanding Article 3.01 and Article 4.01(a), those employees regularly scheduled to work seven and one-half (7-1/2) hours per day, exclusive of minimum half-hour (1/2) meal periods, Monday to Friday, shall receive one and one-half (1-1/2) times the regular rate for all hours worked in excess of seven and one-half (7-1/2) hours in any one day, Monday to Friday.

This agreement forms part of the collective agreement between the parties.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

AGREEMENT

between:

CCL CONTAINER,
(hereinafter called the "Company")

-and-

INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the "Union")

Notwithstanding Article 7.01, those employees who are presently being paid above the classified rates will continue to be paid at the same cents per hour above the classified rates until such time that they no longer hold their present job classification. This provision does not apply to Viewer Packer/Testers.

This agreement forms part of the collective agreement between the parties.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

-

LETTER OF UNDERSTANDING

President
Independent Canadian Extrusion
Workers Union

Dear Sir:

It is understood that on any job posting under Article 9.05, the President of the Union will be given a list of all applicants to the posting. Also, the President of the Union will be notified in writing of the name of the successful applicant to the job posting and the name of the successful applicant shall be posted.

Any job posting under Article 9.05 which is not filled within three (3) months from the time the posting is taken down will be reposted if the Company still desires to fill the position.

Mr. Frank McAllister
Vice-president, Operations

President
Independent Canadian Extrusion
Workers Union

Dear Sir:

Re: Safety Shoes

The Company shall contribute toward the purchase of safety shoes **up** to a maximum of one hundred and ten dollars (\$110.00) per contract year for each non-probationary employee who is required to wear safety shoes in the plant. In order to be eligible for such payment the employee shall first furnish to the Company receipts evidencing purchase of such safety shoes.

Mr. Frank McAllister
Vice-president, Operations

President
Independent Canadian Extrusion
Workers Union

Dear Sir:

In order to assist the employees in the speedy processing of their weekly indemnity claim forms, the Company will "red flag" those claims that are going to go beyond eleven weeks. On or about the eleventh week, the Company will send a new weekly indemnity claim form to the employee in question with a notation that they should have their Doctor fill out the new claim form and return it to the Company as quickly as possible

Yours truly,

Mr. Frank McAllister
Vice-president, Operations

LETTER OF UNDERSTANDING

President
Independent Canadian Extrusion
Workers Union

Dear Sir:

Re: Article 18.01(1)(iii) - Weekly Indemnity

An employee entitled to weekly indemnity and requiring outpatient surgery will be allowed once each contract year to treat the outpatient surgery as hospitalization, provided the employee's medical doctor confirms in writing that the employee was unable to perform his/her regular duties and such conclusion is verified by the insurance carrier as being reasonable.

Mr. Frank McAllister
Vice-president, Operations

AGREEMENT

between:

CCL CONTAINER

(hereinafter called the "Company")

-and-

**INDEPENDENT CANADIAN EXTRUSION
WORKERS UNION**

(hereinafter called the "Union")

Where an employee receives any type of disciplinary warning and receives no further discipline of any type for a period of twelve (12) clear months from the date of the disciplinary warning, such disciplinary warning shall be removed from the employee's record and shall not be used to justify any subsequent disciplinary action.

This agreement forms part of the collective agreement between the parties.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

between:

CCL CONTAINER

(hereinafter called the "Company")

-and-

**INDEPENDENT CANADIAN EXTRUSION
WORKERS UNION**

(hereinafter called the "Union")

This letter of understanding forms part of the collective agreement.

As discussed during contract negotiations, the President of the Union or his/her designate if he/she so desires, will be entitled to meet with the Plant Manager of the Company or his designate within three (3) days from the alleged incident with the view of resolving the matter, if possible, before commencing the formal grievance procedure.

If the President of the Union or his designate opts for this procedure, the seven (7) work days required for the filing of the grievance under the first step of the grievance procedure shall commence on the day following the meeting with the Operations Manager.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

between:

CCL CONTAINER
(hereinafter called the "Company")

-and-

**INDEPENDENT CANADIAN EXTRUSION
WORKERS UNION**
(hereinafter called the "Union")

This letter of understanding forms part of the collective agreement.

The Company will endeavour, where practical, to allow the same number of employees on each shift departmentally to take their vacation at the same time if they so desire. This provision is qualified by the fact that such scheduling will not interfere with the efficient operation of the Company. As such the final scheduling of vacations must be determined by the Company.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

CCL CONTAINER
(hereinafter called the “Company”)

-and-

INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)

Re: Company Annual Inventory

This letter of understanding forms part of the collective agreement.

Permanent Accounting and / or other office staff will continue to be used for the annual inventory taking. If the Company requires additional help for the inventory taking, the Company will first choose qualified volunteer members by seniority from respective departments, for example, Tool Crib, Shipping/Receiving, and Tool Preparation. If additional assistance is required, the Company will choose qualified volunteer members by seniority, on a Plant wide basis.

DATED at Penetanguishene, Ontario this 2nd day of **April**, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING
Between
CCL CONTAINER
(hereinafter called the “Company”)
-and-
INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)

**Re: Permanent long-term transfers from one job to another job in the same
job classification**

This letter of understanding forms part of the collective agreement.

Notwithstanding Article 9.09, in the case of an employee desiring a long-term transfer to another job within his/her job classification, he/she will notify the Company of such fact. When a permanent vacancy occurs in the job he/she wishes to be transferred to, the senior employee wishing the transfer will be transferred provided he/she has the present qualifications, skills and ability to meet the standards for the job he/she wishes to transfer to.

Notwithstanding Article 9.09 and the above, a senior employee can, once per contract year, make a request to bump into a job within his/her job classification. He/she will be allowed to bump such an employee provided the employee agrees to be bumped, and provided the Company in its opinion, concludes that such bumping will not interfere with the efficient operation of the Company. This right is limited to a total of two (2) employees per shift, to a maximum of six (6) employees, being transferred in any specific job classification, per contract year, for the entire bargaining unit.

In the case where the Company wants to make a long-term transfer, the Company will state its reasons for the transfer and discuss with the Union if there are other alternatives, before finalizing the transfer.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING

Between

CCL CONTAINER
(hereinafter called the “Company”)

-and-

INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)

Re: Plant Wide Rotation

This letter of understanding forms part of the collective agreement.

In addition to the job classifications that currently rotate shifts in the Plant, the following job classifications will be subject to the current Plant rotation schedule effective September 03,2001:

Viewer Packer Tester
Custodian
Material Handler

With regard to the Viewer Packer Tester job classification, the Company will accommodate a maximum of four (4) senior Viewer Packer Testers per present shift, which would not be subject to the rotation. It is understood, that when one (1) of these designated non-rotating Viewer Packer Testers is no longer in the Viewer Packer Tester job classification, the vacancy will be replaced as rotating.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin

Doug Thorndyke

**LETTER OF UNDERSTANDING
BETWEEN**

CCL CONTAINER
(hereinafter referred to as the “Company”)

and

THE INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter referred to as the “Union”)

This letter of understanding forms part of the collective agreement.

Both the Company and the Union recognize that the ever increasing demands of the marketplace require that suppliers be able to react very quickly and competitively to the needs of their customers, or risk losing their business to the competition. With the advent of Free Trade and the globalization of the marketplace, Canadian manufacturers have been forced to adapt to this reality, or perish. The Company is determined to insure that it always maintains the ability to compete on a world scale. In order to achieve this end, the Company recognizes the importance of producing as much product as possible in Penetang. Due to physical limitations on plant facilities, a seven (7) day continuous operation is the only feasible way of producing additional product on short notice in the event of a substantial increase in customer demand.

As such, both the Union and the Company agree that notwithstanding anything to the contrary in the collective agreement the Company has the absolute right to establish a seven (7) day continuous shift operation for up to five (5) of the current production lines plus any new production lines and the **ABS** Department.

This seven (7) day continuous shift operation will be based on the following:

1. Work Schedules

(a) Twelve Hour Shifts

First Shift	7:00 am to 7:00 pm
Second Shift	7:00 pm to 7:00 am

(b) Number of Shifts Per Week

Employees will be scheduled to work three (3) twelve (12) hour shifts one week and four (4) twelve (12) hour shifts the next week with the individual employee work schedules repeating themselves every two (2) weeks.

(c) Breaks*

- (i) First Break - Between 9:00 and 10:00
- Fifteen (15) minutes
- (ii) Meal Period - Between 11:00 and 1:00
- Half (1/2) hour paid meal period
- (iii) Second Break - Between 2:00 and 3:00
- Fifteen (15) minutes
- (iv) Meal Period - Between 5:00 and 6:00
- Half (1/2) hour paid meal period

If for any reason the time scheduled above for taking the breaks or meal periods, as the case may be, conflicts with the Employment Standards Act, the Company has the absolute right to change such times as to comply.

*The parties to this letter agree that this section complies with the requirements under the Employment Standards Act with regard to eating periods.

It is understood, however, that this shall not be, nor construed to be, a guarantee as to the hours of work per day, or as to the hours of work per week, nor as a guarantee of working schedules but merely provides a basis for the calculation of overtime.

2. Overtime Payment

Article 4 of the collective agreement has no application with regard to employees who are scheduled to work on the seven (7) day continuous shift operation. In lieu thereof, the following provisions shall apply:

- (i) The rate of one and one-half (1 ½) times the regular rate shall be paid for all hours worked in excess of twelve (12) in any one day and for the first eight (8) hours on the first regular scheduled day off in the work week in question, providing the hours worked on the first regular scheduled day off in the work week in question are not part of the employee's normal work week.
- (ii) The rate of two (2) times the regular rate of pay shall be paid for all hours worked on the second regular scheduled day off in the work week in question, provided the hours worked on the second regular scheduled day off in the work week in question are not part of the employee's normal work week.
- (iii) The rate of two (2) times the regular rate of pay shall be paid for all hours worked on the first regular scheduled day off in the week in question in excess of eight (8) hours, provided the hours are not part of the employee's normal work week.

NOTE: An employee shall not be entitled to an overtime premium more than once with respect to hours worked, and there shall be no pyramiding or duplication of overtime.

3. Continuous Operation Premiums

Article 7.02(a) and (b) of the collective agreement have no application with regard to employees who are scheduled to work on the seven (7) day continuous shift operation.

Employees scheduled to work a full scheduled shift on the seven (7) day continuous shift operation shall receive One Dollar Seventy-Five cents (\$1.75) per hour in addition to their regular earnings for all hours worked. Effective May 03, 2005, the shift premium will change from One Dollar Seventy-Five cents (\$1.75) per hour to One Dollar Eighty-Five cents (\$1.85) per hour. Effective May 03, 2006, the shift premium will change from One Dollar Eight-Five cents (\$1.85) per hour to Two Dollars (\$2.00) per hour.

4. Shift premium is not deemed to be earnings when calculating overtime payments. As such, they are not subject to the time and one-half (1 ½) factor or the two (2) times factor when calculating overtime payments.
5. Notwithstanding anything to the contrary, overtime will not be paid for additional hours worked during a twenty-four (24) hour period as a result of change-over to daylight saving from standard time and vice versa.
6. The Company will endeavor to plan days off in such a way so as to attempt to provide an equitable distribution of full weekends off within specific departments by specific job classifications on specific shifts. The efficient operation of the Company will be the determining factor in attempting to provide the equitable distribution of full weekends off. If, in the Company's opinion, the equitable distribution of full weekends is not feasible as it conflicts with the efficient operation of the Company, it will be deemed that the Company has fulfilled its obligations under this Article.

Errors in this weekend scheduling will be corrected by allocating more weekends off to the employees in question, on a floating basis, until such time as the error is corrected.

7. Employees scheduled to work on a seven (7) day continuous shift operation will not be paid under Article 16.01(e), notwithstanding anything to the contrary.

8. Payment for Holidays under Article 14, Bereavement Leave and Jury Duty and Crown Witness under Article 16

Notwithstanding anything to the contrary in the collective agreement, holiday pay will be computed on the basis of the regular twelve (12) hours up to a maximum of twelve (12) hours of his/her regular rate of pay, exclusive of shift premium.

NOTE: Employees must meet all other qualifying factors under Article 14 and Article 16, in order to be entitled to payment. With the exception of pay entitlement, all other provisions applicable to Article 14 and Article 16 apply to employees scheduled to work the seven (7) day continuous operation.

Notwithstanding anything to the contrary in the collective agreement, when an employee is scheduled to work on a holiday, recognized under Article 14, if he/she does not elect to take the lieu day prior to working on the statutory holiday he/she shall be paid at the rate of two times (2) his/her straight time hourly regular rate for all hours so worked in addition to his/her holiday pay entitled as outlined above. If he/she elects to take a lieu day he/she will be paid at the rate of two times (2) of his/her straight time hourly regular rate for all hours so worked on the holiday and will be given twelve (12) hours in lieu time on a mutually agreeable date and will then receive holiday pay at the regular rate.

Notwithstanding anything to the contrary in the collective agreement, when an employee is scheduled to be off on a holiday, recognized under Article 14, if he/she does not elect to take the lieu day prior to the statutory holiday he/she shall be paid holiday pay entitled as outlined above. If he/she elects to take a lieu day the employee will be given twelve (12) hours in lieu time on a mutually agreeable date and will then receive holiday pay at the regular rate.

With regards to statutory holidays a day in lieu shall be scheduled no more than three (3) months after the statutory holiday or if the employee and the Company agree, a day that is no more than twelve (12) months after the statutory holiday.

9. Vacations will be allotted as per Article 15.02 of the collective agreement.

An employee cannot book weekly blocks of vacation time off more than nine (9) months ahead of the request date. If an employee wants two (2) to four (4) consecutive days of vacation time off he/she cannot book these days more than three (3) months ahead of the request date and not less than fifteen (15) days before the request date. If an employee wants one (1) day of vacation time off, he/she cannot book this day more than thirty (30) days ahead of the request date and not less than seven (7) days before the request date.

10. Notwithstanding anything to the contrary in the collective agreement for those employees scheduled to work the seven (7) day continuous shift operation payments under the weekly indemnity plan will be based on regular earnings for three and one-half (3 ½) days per week at the twelve (12) hours per day earning potential.

For example regular earnings for a twelve (12) hour day are as follows:

First 12 hours at a straight time rate of \$13.00 per hour.

$$\$13.00 \times 12 = \$156.00$$

Regular earnings for 12 hour day are therefore \$156.00.

Regular weekly earnings for the weekly indemnity payments.

$$\$156.00 \times 3.5 = \$546.00$$

Payments under the weekly indemnity plan would be 66 2/3% of the \$546.00 up to the maximum payable under the Employment Insurance Act. To calculate a daily rate, you divide the regular weekly earnings by three and one-half (3 ½) days and cap it as the daily E.I. maximum.

Prior to assigning employees to the seven (7) day continuous operation a general notice asking for volunteers will be posted on the bulletin board and the Union shall be given a copy.

After a period of seven (7) calendar days this general notice for seeking volunteers will be taken down. The Union shall be notified of the employees who have volunteered.

Within fourteen (14) calendar days following the removal of the general volunteer notice, the Company will give forty five (45) calendar days notice to the volunteers and to those employees who have not volunteered but who will be assigned to the seven (7) day continuous operation.

The purpose of this advanced notice is to minimize as much as possible the disruption to the lives of employees who will be assigned to the seven (7) day continuous shift operation. It will be the Company's sole right to determine which employees will be assigned to the seven (7) day continuous shift operation work schedule.

The Company will first seek qualified volunteers to fill the positions required on the seven (7) day continuous operation. If an insufficient number of qualified volunteers fails to apply, the Company will fill the positions as it sees fit, keeping in mind the principles of reverse seniority and the qualifications required.

Six Month Trial Period

Any employee assigned to the seven (7) day continuous day operation will be given a six (6) month trial period. An employee on continuous operation has six months to inform the Company if he/she would like to remain on continuous operation. If he/she decides to return to the five (5) day, forty (40) hour schedule the following will apply:

- (i) The employee will inform the Company within the first six (6) months that he/she is no longer interested in staying in the continuous operation.
- (ii) Another employee will be assigned as a replacement within thirty (30) calendar days.
- (iii) The employee transferring back will train that employee until he/she is qualified to run the line on his/her own.
- (iv) The Company will place the employee transferring back to the five (5) day, forty (40) hour schedule, if work is available, provided that he/she is qualified to perform the work and has the seniority.
- (v) Reverse seniority still applies to this trial period.

This continuous operation may be cancelled by the Company on giving thirty (30) days' notice to the Union, or shorter such notice as may be agreed to by the Union.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Production Lines

This letter of understanding forms part of the collective agreement.

Three (3) of the current eight (8) production lines (1, 2, 5, 6, 7, 8, 9, & 10) shall remain on the hours of work as specified in Article 3.01.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING
Between
CCL CONTAINER
(hereinafter called the “Company”)
and
INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)

Re: Job Posting Interview Policy

This letter of understanding forms part of the collective agreement.

All permanent full time employees who submit a job posting application form within the specified timeframe will receive an interview. The Company will supply the Union with a list of all written applicants to the job posting. Prior to posting or informing the successful applicant(s) the Company will discuss the reasons for this choice with the Union. All applicants who are not selected for the job will be informed in writing as to the reasons that they were not selected.

Notwithstanding anything to the contrary in the collective agreement, if the senior applicant to a job posting is awarded the job, no interview is required.

However, if the senior applicant is not to be awarded the job posting, a union representative on his/her own time, may sit in on the interviews, if the employee so requests. It is clearly understood that the sitting in on the interview by the union representative is not deemed to be time spent working for the Company and therefore the union representative shall not be paid for the time spent in interviews. If for any reason the time is deemed work for the Company, which is entitled to payment, this right of the union representative to sit in on the interviews becomes null and void.

While sitting in on the interviews, the role of the union representative shall be strictly limited to observing the process. The union representative cannot debate the pros and cons of the interviewing process at that time.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Area Coordinators

This letter of understanding forms part of the collective agreement.

Those area coordinators working the hours of work specified in Article 3.01 will rotate shifts based on current practices.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Job Posting

This letter of understanding forms part of the collective agreement.

If two (2) or more Area Coordinators apply for a job posting that falls under Article 9.05 and the Company has determined that one (1) of the Area Coordinators will be the successful candidate to the job posting, the Company will select the senior Area Coordinator for the position. All other provisions of Article 9.05 apply.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Christmas Shutdown

This letter of understanding forms part of the collective agreement.

Whether working the hours of work under Article 3.01 or under the Letter of Understanding regarding seven (7) day continuous shift operations, employees entitled to holidays identified in Article 14.01 from and including December 25 to and including January 01 will be allowed to take Christmas Day, Boxing Day and New Year’s Day off.

Payment for these holidays is based on the employees meeting all the qualifying factors under Article 14.

Notwithstanding the above, the Company is free to ask for volunteers to work on all or any of the holidays from and including December 25 to and including January 01.

Whether floater holidays, as identified in Article 14.01, are deemed to fall between December 25 and January 01 will be determined by Article 14.01.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Overtime Policy

This letter of understanding forms part of the collective agreement.

If the parties agree that there are problems with the current overtime policy, they will endeavour to correct the situation.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Sub Contracting of Work

This letter of understanding forms part of the collective agreement.

The Company will not utilize sub contractors to perform work normally performed by the skilled trades in the bargaining unit, provided the skilled trades are not assigned to other priorities, at the time the sub contractor is retained. It is understood by the parties to the collective agreement that work such as, but not limited to, the installation of new lines, is not deemed to be work normally performed by the skilled trades in the bargaining unit.

Sub contractors will not be utilized to perform normal work of the skilled trades, if such work, can be performed by the skilled trades in an overtime situation. This limitation does not apply if at the time the sub contractor was retained, the skilled trades were assigned to other priorities in an overtime situation or non overtime situation.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING
Between
CCL CONTAINER
(hereinafter called the “Company”)
and
INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)

Re: Retaining Employees After the Normal Retirement Age of 65

This letter of understanding forms part of the collective agreement.

An employee can elect not to retire at age 65, provided he/she is capable of performing all aspects of the job, to the standards set by the Company.

In the event that the Company retains an employee after age 65, the employee will be entitled to benefits under Article 18 – Group Insurance Plan as specified in the policies, certificates and/or plan of each of the insuring companies.

An employee retained after age 65 will be retained in employment on six (6) month intervals. At the end of any six (6) month interval, the Company can, at its sole discretion, retire the employee and when this occurs the employee shall lose his/her seniority and shall be deemed to have terminated his/her employment. If at the end of a six (6) month interval, the employee is told that he/she will be retired, he/she will be given two (2) full months notice before the retirement becomes effective and before he/she loses his/her seniority and has been deemed to have terminated his/her employment.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Benefit Policy Manual

This letter of understanding forms part of the collective agreement.

The Company will supply the Union with a complete copy of the benefit policy manual from the carrier within sixty (60) days of the receipt of the benefit policy manual **by** the Company.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

LETTER OF UNDERSTANDING

Between

**CCL CONTAINER
(hereinafter called the “Company”)**

and

**INDEPENDENT CANADIAN EXTRUSION WORKERS UNION
(hereinafter called the “Union”)**

Re: Agency Workers

This letter of understanding forms part of the collective agreement.

Within 3 months following date of ratification, the Company will cease using agency workers for normal production work.

Normal production work does not include situations where the work in question has to be performed in a timely manner.

Prior to utilizing agency workers to perform work in a timely manner, the Company will make a determination, if this work can be performed in an overtime situation and still meet the timely requirements. If it can, it will not be performed by agency workers.

DATED at Penetanguishene, Ontario this 2nd day of April, 2004.

FOR THE COMPANY:

Frank McAllister
Cal Patterson
Vanessa Bates
Michelle Glover

FOR THE UNION:

Paul Wells
David Miller
Dan Desjardins
Craig Hadwin
Doug Thorndyke

83