

GENERAL DYNAMICS
Land Systems–Canada

CAW  **TCA**
CANADA

AGREEMENT

BETWEEN

GENERAL DYNAMICS LAND SYSTEMS – CANADA

AND THE

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION
(CAW-CANADA)**

Local No. 27 London, ON

Dated

March 25, 2013

13703 (03)

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**AGREEMENT
THIS AGREEMENT**

ENTERED into this Twenty-fifth day of March, 2013

BETWEEN

General Dynamics Land Systems - Canada referred to in this Agreement as "Company"

AND:

National Automobile, Aerospace, Transportation and General Workers Union (CAW Canada), referred to in this Agreement as "National Union CAW" and its Local No. 27 respectively referred to in this Agreement as "Local Union" said "National Union CAW" and

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said "Local Union" also being referred to jointly in this Agreement as "Union".

WITNESSETH:

SECTION I

PURPOSE OF AGREEMENT

- 1.0** The purpose of this Agreement is to provide orderly collective bargaining procedures between the Company and the Union, to secure prompt and equitable disposition of grievances and to prevent interruptions of work and interferences with the efficient operation of the Company's business.
- 1.1** If either party believes that the provisions of this Agreement are being administered in a manner inconsistent with orderly collective bargaining relations, the circumstances will be discussed between the designated representative of Management and the Chairperson of the Shop Committee in an effort to resolve the problem. If the problem is not resolved locally, it will be reviewed by Human Resources and Administration and a representative of the President National Union CAW.

SECTION II

DEFINITION

- 2.0** The word "employee" as used in this Agreement means any hourly rated employee employed by the "Company" hereinafter designated but excluding the employees or classes of employees specified:

General Dynamics Land Systems - Canada ,
London, Ontario

Supervisors; persons above the rank of Supervisor; plant protection employees; cooperative students; office and administrative employees.

SECTION III

RECOGNITION

- 3.0** The Company recognizes the Union as the exclusive bargaining agent for its employees with respect to wages, hours and working conditions.

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- 3.1** It is the policy of the Company and the Union that the provisions of this Agreement be applied to all employees covered by this Agreement without regard to race, colour, creed, religion, age, sex, gender, sexual orientation, national origin, disability, or other prohibited grounds as set forth in applicable Human Rights Law. The terms and conditions of agreements between the Company and the Union always have applied equally to all employees regardless of such considerations.

In order to ensure full knowledge and understanding of the foregoing policy on the part of employees and all agents and representatives of the Company and the Union, the parties hereby incorporate the same in this agreement. Any claims of violation of this policy or the Human Rights Code, may be taken up as a grievance, provided that any such claim must be supported by written evidence by the time it is presented by the Shop Committee at a meeting with Management.

SECTION IV

MANAGEMENT

- 4.0** The Union recognizes the right of the Company to hire, promote, transfer, demote and lay off employees and to suspend, discharge or otherwise discipline employees for just cause subject to the right of any employee to lodge a grievance in the manner and to the extent as herein provided.

The Union further recognizes the right of the Company to operate and manage its business in all respects, to maintain order and efficiency in its plant, and to determine the location of its plant, the products to be manufactured, the scheduling of its production and its methods, processes, and means of manufacturing. The Union further acknowledges that the Company has the right to make and alter, from time to time, rules and regulations to be observed by employees, which rules and regulations shall not be inconsistent with the provisions of this Agreement.

SECTION V

STRIKES, STOPPAGES AND LOCKOUTS

- 5.0** It is the intent of the parties to this Agreement that the procedures herein shall serve as a means for peaceable settlement of all disputes that may arise between them.

- 5.1** During the life of this Agreement, the Company will not lock out any employees until all of the bargaining

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procedure as outlined in this Agreement has been exhausted and in no case on which the Arbitrator shall have ruled, and in no other case on which the Arbitrator is not empowered to rule until after negotiations have continued for at least five days at Step Four of the Grievance Procedure. In case a lockout shall occur the Union has the option of cancelling the Agreement at any time between the tenth day after the lockout occurs and the date of its settlement.

- 5.2** During the life of this Agreement, the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down, stay-in or slow-down, in any plant of the Company, or any curtailment of work or restriction of production or interference with production of the Company. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Company's operations or picket any of the Company's plants or premises until all the bargaining procedure as outlined in this Agreement has been exhausted, and in no case on which the Arbitrator shall have ruled, and in no other case on which the Arbitrator is not empowered to rule until after negotiations have continued for at least five days at Step Four of the Grievance Procedure and not even then unless authorized by the President National Union CAW, and written notice of such intention to authorize has been delivered to the Personnel Staff of the Company at least five (5) working days prior to such authorization. The Union will not cause or permit its members to cause nor will any member of the Union take part in any strike or stoppage of any of the Company's operations or picket any of the Company's plants or premises because of any dispute or issue arising out of or based upon the provisions of the Supplemental Agreements specified in Paragraph 173 of the Agreement; nor will the Union authorize such a strike, stoppage, or picketing. In case a strike or stoppage of production shall occur, the Company has the option of cancelling the Agreement at any time between the tenth day after the strike occurs and the day of its settlement. The Company reserves the right to discipline any employee taking part in any violation of this Section of this Agreement.

SECTION VI

UNION SECURITY AND CHECK-OFF OF UNION DUES AND INITIATION FEES

- 6.0** During the life of this Agreement the Company agrees to deduct, as hereinafter provided, an initiation fee and monthly

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membership dues uniformly levied against all Union members from the pay of its employees who are or become Union members, or in the case of monthly membership dues, to notify the Trustee of the Canadian Supplemental Unemployment Benefit Plan Fund to deduct such dues from each employee's Regular Benefit.

- 6.1** A "member of the Union" or "Union member" for the purposes of this Section is any employee who, as a member of the Union is not more than thirty (30) days in arrears of the payment of Union membership dues.
- 6.1.1** An employee who is a member of the Union on the effective date of this Agreement shall continue membership in the Union for the duration of this Agreement to the extent of paying the monthly membership dues uniformly required of all Union members as a condition of retaining membership in the Union.
- 6.1.2** An employee who is not a member of the Union on the effective date of this Agreement and each employee hired thereafter shall become a member of the Union within forty (40) days following the effective date of this Agreement or within forty (40) days following employment, whichever is later or, upon a showing of Union membership on a list which the Local Union may furnish to Management. An employee shall remain a member of the Union to the extent of paying an initiation fee and the monthly membership dues uniformly required of all Union members as a condition of acquiring or retaining membership in the Union.
- 6.2** For the purposes of this Section Union dues shall be the amount of monthly dues uniformly levied by the Local Union on its members in accordance with its Constitution and By-laws. Union initiation fees shall be an amount not in excess of the maximum prescribed by the Constitution of the National Union CAW at the time the employee becomes a member.
- 6.2.1** The Financial Secretary or the Secretary Treasurer, as the case may be, of the Local Union will advise Management through its designated representative, by letter, not later than the fifth (5th) day of the month following the effective date of this Agreement, of the amount of monthly Union dues uniformly levied on each of its members for the month. Thereafter in the event of any change in this amount the Financial Secretary or the Secretary Treasurer, as the case may be, will in the same manner advise Management of the change not later than the

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twentieth (20th) day of the month prior to the month in which the change is to become effective.

6.2.2 The Company shall have no responsibility for collection of membership dues under this Agreement for any month prior to the month in which the first membership dues deduction is made for a particular employee under this Agreement except as provided in Paragraph 6.3.1.

6.3 The deduction for monthly dues, other than the initial dues deductions for newly hired employees as specified in Paragraph 6.3.1 below, will be made from the first pay received following the first payroll period ending in the calendar month. All payroll periods ending in a calendar month will constitute, in the aggregate, the dues deduction month. Regular monthly dues and past dues or initiation fees, if any, will be deducted provided the employee has sufficient net earnings to cover the deductions. In the event there are insufficient net earnings, the deductions will be made from the subsequent pay or Regular Benefit received by the employee that is sufficient to cover the deductions. Any liability will be carried forward until the employee has sufficient net earnings to cover the deduction or breaks seniority, whichever occurs first. In the event an employee has a past dues or initiation fee liability and receives Vacation Pay such liability shall be deducted from such payment.

6.3.1 The initial monthly dues deduction from the pay of an employee who is not a member of the Union on the effective date of the Agreement or from the pay of an employee who is hired thereafter will be made from the first payroll period following the employee having worked forty (40) hours since being hired. It shall be presumed that all new employees, except rehires and preferential hires who have previously paid initiation fees at a location, owe initiation fees and such initiation fees will be deducted simultaneously with the initial monthly dues deduction as specified in this paragraph. Thereafter, Union membership dues for each succeeding calendar month shall be deducted as provided in Paragraph 6.3.

6.3.2 In the case of employees rehired, or returning to work after layoff or leave of absence, or being transferred back into the bargaining unit, deductions will be made for membership dues as provided herein.

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6.3.3 Deductions will be made only after any and all other claims against the employee's pay have been satisfied. No deduction will be made from the pay due a deceased or separated employee.

6.3.4 Any dispute arising in connection with an employee's deduction required by this Section shall be reviewed with the employee by a representative of the Local Union and a representative of the Company. Should this review not dispose of the matter, it may be referred to the Arbitrator whose decision shall be final and binding on the employee, the Union and the Company.

6.3.5 In the event net earnings are sufficient to cover union membership dues for only one dues deduction month and an employee has a dues liability for more than one (1) month, the deduction will be for the current dues deduction month. In such situations membership dues for the past dues liability will be deducted from the next earnings received in that month or in a succeeding month in which the employee has sufficient net earnings to cover such union membership dues.

In the event an employee receives a back pay settlement or award for any calendar month for which no dues deduction has been made, a deduction for each such month shall be made from such settlement or award.

6.3.6 In cases where a deduction is made which duplicates a payment already made to the Union by an employee or where a deduction is not in conformity with the provisions of the Union constitution and By-laws, refunds to the employee will be made by the Local Union.

6.4 In the event an employee does not receive a pay cheque for a payroll period ending in a dues deduction month prior to the receipt of a Regular Benefit applicable to any such period, union dues in the amount of one (1) hour straight time pay, including cost of living, calculated on the basis of the same hourly rate used for the purpose of calculating an employee's SUB benefits or such other amount as may be established as dues shall be deducted from the Regular Benefit. In the event such an employee subsequently receives a pay cheque for a payroll period ending in the same dues deduction month, the difference between the amount of union dues paid and the amount then owing will be deducted from such pay cheque.

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6.5 The Local Union will file with the Company a voucher signature of its Financial Secretary or the Secretary Treasurer, as the case may be, and of a person or persons authorized to negotiate the monthly cheques for the Union. Dues deductions shall be remitted to the designated financial officer of the Local Union once each month within 10 days after the regular deduction date. Any deductions made from the subsequent payrolls or from Regular Benefits paid during payroll periods that end in the calendar month shall be included with the remittance for the following month. Management shall furnish the designated financial officer of the Local Union, monthly, with the names and employee numbers of those for whom deductions have been made, the amounts of the deductions, and where such deductions have been made from wages, the amounts deducted respectively, for initiation fees, current dues, and past dues. This information should be furnished along with the dues remittance. The designated financial officer will be advised of the order in which the names will be listed and of any future changes in the order of the listing as far in advance as possible.

6.5.1 Each month the Financial Secretary shall be furnished with the names and employee numbers of those employees on the active roll as of the last day of the final payroll period ending in the month, for whom no deductions were made during that dues deduction month. This information should be furnished along with the dues remittance report described in Paragraph 6.5.

The Financial Secretary will be advised of the order in which the names will be listed and of any future changes in the order of the listing as far in advance as possible.

6.5.2 Once each month, the designated financial officer may submit to Management a list showing the name and employee number for each employee who is certified as owing an initiation fee and/or monthly dues, specifying the amount of the liability and the period to which any such monthly dues liability applies. This list shall be dated and shall be submitted on or before the first Tuesday following the third payday in the month. Such amounts will be deducted from the first pay received following the first payroll period ending in the next following calendar month provided the employee has sufficient net earnings to cover the liability.

6.6 In the event of a retroactive change in an employee's job classification of record for the pay period in which dues

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have been deducted, there will be no retroactive adjustment in the deduction of Union membership dues.

6.6.1 The Company or the Trustee of the Canadian Supplemental Unemployment Benefit Plan Fund will use its best endeavours to comply with the provisions of this Section, but is relieved by the Union of both responsibility and liability for making or failing to make deductions hereunder.

SECTION VII

REPRESENTATION

7.0 The union shall be represented in the plant based on the following plant population numbers:

Union Representation Hours	Plant Population
448	875
408	750
368	625
328	500
288	375
248	250
208	125

In the case of a decrease in plant population by either attrition or a layoff, the number of Union Representation hours will go down by 40 hours after the plant population is reduced by 125 employees. This will take place 90 days following the reduction of the 125th employee.

When employees are recalled back to the plant or population increases through hiring, the increase in representation hours will occur 90 days after the 125th employee is either back to work or is hired.

This process continues as we increase or decrease the plant population in increments of 125 employees.

8.0 There shall be an alternate on the same shift for each Zone Committeeperson who shall be entitled to act as Zone Committeeperson in the same zone and only when such Zone Committeeperson is absent from the plant during straight time hours, overtime hours, or attending any

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meetings with Management, including arbitration. All alternates shall be seniority employees working in the plant.

9.0 Each Zone Committeeperson and the alternate shall have a definitely assigned zone. The zoning of the plant shall be by mutual agreement between the Shop Committee and the Management. No person shall act as a Committeeperson in a zone, or as an alternate in a zone, other than that for which the Committeeperson is designated and in which the Committeeperson is then employed. No person shall act as Chairperson, Alternate Chairperson, Committeeperson or alternate until after notice of such designation has been furnished in writing to the designated representative of Management by the Chairperson of the Shop Committee as far in advance as possible.

10.0 Upon entering a department in the fulfillment of their duties, all Committeepersons and the Chairperson shall notify the Supervisor of that department of their presence and purpose or give the Supervisor a copy of the written complaint providing the Supervisor has not already received one.

10.1 All Committeepersons and the Chairperson shall enter and remain in the plant only on their respective shifts unless otherwise agreed to by Management.

10.2 The prompt and fair disposition of grievances involves important and equal obligations and responsibilities, both joint and independent, on the part of representatives of each party to protect and preserve the Grievance Procedure as an orderly means of resolving legitimate grievances. All Committeepersons and the Chairperson, acting properly in their official capacity, should be free from orders by supervision which, if carried out, would impair the orderly investigation and presentation of grievances. Actions which tend to impair or weaken the Grievance Procedure, whenever they occur or in whatever manner or form are improper.

All Committeepersons and the Chairperson have a responsibility to the Union and the employees they represent to conduct themselves in a businesslike manner and shall conform to the plant rules. The normal standard of conduct applicable to all employees shall be applied to all Committeepersons and the Chairperson. Likewise, Supervision has a responsibility to the Company to conduct themselves in a businesslike manner.

The Chairperson of the Shop Committee shall designate, as an Alternate Chairperson, one of the members of the Shop Committee whose term of office shall be the same as that of the Chairperson and who shall be assigned to

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the same shift as the Chairperson. Such Alternate Chairperson shall function as Chairperson only when the Chairperson is absent from the plant and not being compensated by the Company except when the Chairperson is in meetings of the Appeal Committee in accordance with the provisions of Paragraph 24.5. The Chairperson will notify Management in advance of such intended absence in a mutually satisfactory manner.

- 11.0** For the purposes of representation in handling grievances as provided in the Agreement, during overtime hours a Zone Committeeperson will be offered work, regardless of seniority, on a job that is operating in such Committeeperson's zone which the Zone Committeeperson can do whenever ten (10) or more employees, exclusive of employees on continuous operations, are working in that zone.

If a Committeeperson declines to accept such work assignment, the Company will make such offer to the respective Alternate, except that this provision shall not apply if the Committeeperson is required to work overtime on their own respective job classifications. If a Committeeperson has been offered work pursuant to this paragraph and fail to advise their respective Supervisor that they will not be available for such work, the Company is relieved of all responsibility for providing representation for such overtime.

Full-Time Representation of the Union

- 12.0** Their shift starting and ending time will be the starting and ending time of the majority of the employees they represent and they shall clock in and out in the same manner as other employees are required to do.

They shall be paid at their regular straight time hourly rate, as of the time they assumed their duties as Committeepersons for the time they are scheduled to be and actually are in the plant for representation purposes.

This rate shall be adjusted in accordance with any adjustments made in the rate for the classification the Committeeperson then held.

When provisions of the Agreement entitle a Committeeperson to return to such Committeeperson's former group on a higher rated job, the rate will be adjusted in accordance with such provisions.

They shall be scheduled to report at the plant for representation purposes, as follows:

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12.1 All regular hours up to eight that their zone is scheduled to operate, on their respective shifts.

12.2 Other than regular hours (including overtime):

12.2.1 When 50% or more of the people they normally represent are working.

12.2.2 The Chairperson of the Shop Committee shall be scheduled to report for representation purposes when 10 or more employees covered by this Agreement are working in the plant on their respective shifts.

13.0 Special problems involving representation arising under or not covered by the above provisions may be negotiated between Management and the Shop Committee.

SECTION VIII

GRIEVANCE PROCEDURE

14.0 All grievances arising between employees and the Company shall be dealt with as speedily and effectively as possible by cooperative effort on the part of both the Union and Management in accordance with the following procedure.

Step One (1)

15.0 An employee having a grievance or one designated member of a group having a grievance, should first take the grievance up with the employee's Supervisor who will attempt to adjust it.

15.1 Any employee may request the Supervisor to call the Zone Committeeperson to handle a specified grievance with the Supervisor. The word "specified" as used in this paragraph is interpreted by the parties hereto to mean an employee is required to "state the nature of the grievance". The Supervisor will send for the Zone Committeeperson without undue delay and without further discussion of the grievance. When an employee is being temporarily transferred to another Zone, and the employee has requested representation prior to being notified of such transfer, the committeeperson for the employee's regular Zone may respond to the request, providing the Zones involved are in reasonable proximity and there is no change of shift.

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- 15.2 The Committeeperson will attempt to adjust the specified grievance with the Supervisor before it is given to the Area Manager/Sr. Team Lead. The Committeeperson then shall meet with the Area Manager/Sr. Team Lead with or without the employee being present. If the grievance remains unresolved the Area Manager/Sr. Team Lead shall give a reply in writing on the Employee Grievance Form to the Zone Committeeperson without undue delay but in any event no later than the end of the employee's shift next following that on which the written grievance was received by the employee's Area Manager/Sr. Team Lead.

Step Two (2)

- 16.0 An appeal may be lodged by the Zone Committeeperson within two (2) working days thereafter to the Department Manager of the aggrieved employee's department. The Zone Committeeperson shall be given an opportunity to discuss the grievance with the Department Manager, with or without the employee concerned being present.

The Department Manager shall provide a written decision on the Employee Grievance Form to the Zone Committeeperson within two (2) working days following receipt of the written grievance.

The Chairperson, in accordance with the agreed local practice, may assist a Zone Committeeperson at Step Two of the Grievance Procedure.

Step Three (3)

- 17.0 If the written decision of the Department Manager is not satisfactory, the grievance may be referred to the Shop Committee. The Chairperson of the Shop Committee may then investigate the grievance, in accordance with agreed local practice, in order to discuss the grievance properly if it is to be taken up by the Shop Committee at a meeting with Management. The Shop Committee may within five (5) working days of receipt of the written decision of the Department Manager appeal in writing to Labour Relations Department.

- 17.1 Management shall consider the written grievance at a meeting with the Labour Relations Department along with the Union Chairperson and the shop committee. The decision of Management shall be given in writing to

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the Shop Committee not later than five (5) working days after the holding of such meeting. An agenda of the written grievances to be considered at any such meeting shall be submitted to Management by the Shop Committee not less than three (3) working days prior to such meeting.

- 18.0** The plant shall have a regularly scheduled meeting between representatives of the Management, including the Human Resources and Administration Director or the Human Resources and Administration Director's representative, and the Shop Committee weekly, unless otherwise agreed between the Management and the Shop Committee to extend the time between meetings, at a time to be mutually agreed upon between the Committee and the Management. Emergency meetings will be arranged by mutual agreement. If the Local Union desires minutes of the proceedings of such meeting they will be furnished by Management in a manner to be determined by Management and the Shop Committee.
- 19.0** The Chairperson of the Shop Committee may file a "policy grievance" at Step Three of the Grievance Procedure. A "policy grievance" is defined and to one which alleges an actual violation of a specified provision of this Agreement and/or a written local agreement supplementary hereto and which could not otherwise be resolved at lower steps of the Grievance Procedure because of the nature or scope of the subject matter of the grievance.

Written Reprimand, Suspension, Disciplinary Layoff and Discharge Cases

- 20.0** When a suspension, disciplinary layoff or discharge of an employee is contemplated, the employee, where circumstances permit, will be offered an interview to allow the employee to answer to charges involved in the situation for which such discipline is being considered before the employee is required to leave the plant. Any employee who is removed from work to the Supervisor's desk; or to an office; or called to an office, for an interview concerning discipline will be advised that the employee may, if desired, request the presence of the Zone Committeeperson to represent the employee during such interview. The Supervisor will send for the Zone Committeeperson without undue delay and without further discussion of the matter. The provisions of this paragraph are also applicable in the case of a written reprimand.
- 21.0** Any employee who has been disciplined by a written reprimand, suspension, or discharge will be furnished a brief written statement which advises the employee of the

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employee's right to representation and describes the misconduct for which the written reprimand, suspension or discharge has been issued and, in the case of a suspension, the extent of the discipline. Thereafter, the employee may request the presence of the Committeeperson for the employee's Zone to discuss the case privately in a suitable office designated by the Management, or other location by mutual agreement, before the employee is required to leave the plant. The Committeeperson will be called promptly. Whether called or not, the Committeeperson will be advised in writing within one working day of twenty-four (24) hours of the fact of written reprimand, suspension or discharge. The written statement furnished to the employee pursuant to the first sentence of this paragraph shall not limit Management's rights, including the right to rely on additional or supplemental information not contained in the statement to the employee.

21.1 The employee will be tendered a copy of any warning, written reprimand, suspension, disciplinary layoff, or discharge entered on the employee's personal record within three (3) working days of the action taken. In imposing discipline on a current charge, Management will not take into account any prior infractions which occurred more than one (1) year previously nor impose discipline for falsification of the employee's employment application after a period of twelve (12) months from the employee's date of hire.

22.0 The Chairperson, representing the employee involved, may, in accordance with agreed local practice, assist a Zone Committeeperson at the interview referred to in Paragraph 21 if such presence has been requested by the Zone Committeeperson.

23.0 Any grievance arising from a suspension or discharge shall be filed with Management through the Shop Committee on an Employee Grievance Form signed by the employee involved within three (3) working days after the suspension or discharge occurred.

23.1 Unless there is mutual agreement to do otherwise, the grievance will then be considered by a committee consisting of not more than three (3) Local Union Committeepersons. The committee shall meet with Management representatives at a special meeting to be held within two (2) working days after the presentation of such grievance. Management's decision in the matter shall be given in writing to the Chairperson of the Shop Committee within two (2) working days after such meeting; however, in the event a suspension does not exceed two (2) days or in the event the employee involved is notified to return to work before the special

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grievance meeting can be held under the above procedure, the grievance shall be automatically referred back to Step One.

Step Four (4)

- 24.0** If the written decision of Management at Step Three is not satisfactory and the Shop Committee believes it has grounds for appeal from such decision, the Chairperson of the Shop Committee will give the plant management a written "Notice of Appeal", on forms supplied by the Company. Thereafter the Chairperson or a designated member of the Shop Committee or the Union Representative of the Health and Safety Committee and the Human Resources and Administration Director or the Human Resources and Administration Director's designated representative will each prepare a complete "Statement of Unadjusted Grievance". Such statement shall include the grievance identification number, and all the facts and circumstances surrounding the grievance.
- 24.1** Three copies of the Local Union's Statement will be exchanged with the Management for three copies of the Management's Statement as soon as possible and in any event within five (5) working days after the Chairperson has given the Management the "Notice of Appeal".
- 24.2** Each Shop Committee shall consecutively number each "Statement of Unadjusted Grievance" from one upward for identification purposes.
- 24.3** The Chairperson of the Shop Committee shall then forward copies of the "Statement of Unadjusted Grievance" to the President National Union CAW.
- 24.4** The case will then be considered by an Appeal Committee consisting of four members as follows: for the Union, the President National Union CAW or one specified representative of the President National Union CAW who is assigned to handle all cases arising under this Agreement and the Chairperson or another designated member of the Shop Committee of the plant involved; and two representatives of Management, one of whom has not previously rendered a decision in the case. No person shall act as a representative of the President National Union CAW in the meetings of the Appeal Committee unless the name of the person has been given to the Company in writing by the President National Union CAW. A representative of the Human Resources and Administration Staff of General Dynamics Land Systems - Canada may also attend such meetings at any time. Upon the written request of the

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President National Union CAW or the specified representative, to the Management twenty-four (24) hours in advance of the meeting, a member of the Shop Committee (or the Zone Committeeperson who has previously handled such case) in lieu of such Shop Committeeperson will be permitted to participate in the appeal meeting on such case. Whenever the Union requests the presence of a third representative at the appeal hearing, Management may also select a third representative who has previously handled the case, to participate in the appeal meeting on such case.

- 24.5** Attendance of the Chairperson and the member provided for in Paragraph 24.4, at meetings of the Appeal Committee shall be considered as absence from the plant; however, the Chairperson and such member will be paid their regular rates of pay for time spent in such meetings of the Appeal Committee for the hours they would otherwise have worked in the plant.
- 24.6** Meetings of the Appeal Committee shall be arranged by mutual agreement with the President National Union CAW or the specified representative and the Company member or the specified representative. In the event no meetings of the Appeal Committee have been held for more than two (2) weeks, meetings will be arranged within seven (7) days after Notice of Appeal has been received.
- 24.7** If an adjustment of the case is not reached at this meeting Management will furnish a copy of its decision in writing to the Chairperson of the Shop Committee and the President National Union CAW, or the specified representative, within five (5) working days after the meeting.

Special Procedure - Contracting of Work

- 24.8** Grievances charging a violation of the Company's express commitments set forth in Paragraphs 166.0, 166.1 and 166.2 shall be handled in the following manner:
- 24.8.1** When a grievance arises involving the above, it shall be reduced to writing on forms provided by the Company, signed by the Chairperson of the Shop Committee or the Shop Committeeperson involved, and referred to the Shop Committee at Step Three of the Grievance Procedure. The grievance may then be processed in the Grievance Procedure under the terms of the Agreement.

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24.8.2 Should the Arbitrator find a violation of the express commitments set forth in Paragraphs 166.0, 166.1 and 166.2, the Arbitrator can only provide a remedy where the Arbitrator finds (1) the established violation resulted from the exercise of improper judgment by Management, and (2) a journeyman/journeywoman employee who customarily performs the work in question has been laid off or was allowed to remain on layoff as a direct and immediate result of work being subcontracted. The Arbitrator's remedy shall be to back wages for the parties at interest as defined in (2) of this paragraph.

24.9 Within thirty (30) days of the date of notice of appeal to the Arbitrator, the President National Union CAW will notify the Director of Human Resources and Administration of the Company in writing of the President's election to refer the case back to the Appeal Committee. Thereafter, the bargaining procedure provided in Paragraph 5.2 may then be applicable.

25.0 After "Statements of Unadjusted Grievance" have been exchanged as provided in Paragraph 24.1, if such grievance is of the nature that observation or investigation will aid in arriving at a decision as to whether or not such grievance has merit and shall be appealed, the President National Union CAW or the specified representative may visit the plant for the purpose of investigating a specific grievance involved in such "Statement of Unadjusted Grievance". In the case of a grievance involving a production standard, the specified representative, may include in the investigation during the plant visit, the timing of the disputed work element or elements of the operation which is the subject of the grievance.

25.1 Mutually satisfactory arrangements for such plant visit shall be made in advance in writing by the President National Union CAW or the specified representative with the Human Resources and Administration Director or the Human Resources and Administration Director's specified representative.

25.2 A member of the Shop Committee may accompany the Union representative during such visit should such presence be requested. Management representatives may accompany the Union representative or representatives during such visit.

25.3 Only one such visit on a specified grievance shall be made by the President National Union CAW or the specified representative unless otherwise mutually agreed.

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- 25.4** Such visits shall be of reasonable duration and shall be subject to all plant rules and regulations which apply to employees.
- 25.5** It is mutually agreed that the purpose of these plant provisions is solely to facilitate the operation of the Grievance Procedure, and that the Union representative shall confine the visit to its stated purpose. If it is necessary, the Union representative may interview the employee or employees signing the grievance and employees in the bargaining unit who have information relevant to the case.
- 25.6** The privilege of plant visits as provided herein will be extended so long as such privilege is not abused.

Arbitration

- 26.0** Should any grievance fail to be satisfactorily settled under the foregoing provisions of this Section, such grievance may be referred by the President National Union CAW or the specified representative to arbitration in the manner and subject to the conditions and provisions hereinafter set out and the decision of the Arbitrator shall be final and binding upon the parties and upon all employees.
- 27.0** Where under the provisions hereof a grievance may be referred to arbitration and the President National Union CAW or the specified representative desires to so refer it, the President National Union CAW or the specified representative shall give written "Notice of Appeal to Arbitrator", on forms supplied by the Company, to Management within twenty-one (21) working days after the written decision of Management at Step Four has been given.
- 28.0** The parties agree that any grievance referred to arbitration shall be ruled on by an Arbitrator selected by the parties in Ontario.
- 28.1** In the event the Arbitrator is not acceptable to one of the parties, such party shall give written notice to the other party and to the Arbitrator.
- 28.2** If such notice is given or the Arbitrator is no longer willing to serve, the parties shall meet within ten (10) working days to select a new Arbitrator. Any grievances appealed to arbitration in the interim shall be accumulated to be heard by the new Arbitrator.
- 28.3** If the parties are unable to select an Arbitrator within thirty (30) days of any first meeting held for such

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purpose, the matter may be referred to the Minister of Labour of Ontario.

- 29.0** The Arbitrator's decision in a case shall be rendered within thirty (30) days from the date on which the case was submitted to the Arbitrator.
- 30.0** In any arbitration the written grievance of the employee or employees first presented on the Employee Grievance Form, or as amended at Step Three, the written decisions at each step of the Grievance Procedure in respect thereof, the Statements of Unadjusted Grievance and the Company's written answer following the Appeal Committee Meeting shall be presented to the Arbitrator and the Arbitrator's decision shall be confined to deciding the issues therein set out.
- 31.0** Any grievance involving a dispute regarding an employee's job assignment which has resulted in a loss of work, (except as provided in (a) below) or a refusal of Management to return an employee to work from sick leave of absence by reason of the medical findings of a physician or physicians acting for the Company, will be initiated at the Third Step, if such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which such employee is entitled in line with seniority or do the disputed job assignment as the case may be. Failing to resolve the question, the parties may refer the employee to a Local clinic or physician mutually agreed upon for an impartial medical opinion whose decision with respect to whether the employee is or is not able to do a job to which such employee is entitled in line with seniority or do the disputed job assignment as the case may be, shall be final and binding upon the Union, the employee involved and the Company. The expense of such examination shall be paid one-half by the Company and one-half by the Union. Any retroactive pay due the employee shall be to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which the employee is entitled in line with seniority, whichever is later.
- 31.1** This procedure will also be applicable at the request of either party, to a situation where:
- 31.1.1** an employee is prevented from being transferred to a job classification because of a medical finding by a physician acting for the Company if the employee's personal physician disagrees with the findings of the physician acting for the Company.
- 31.1.2** the medical findings or advice of the employee's personal physician dispute the appropriateness of

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an assignment approved by a physician acting for the Company.

31.1.3 during discussions concerning any grievance at the Third Step of the Grievance Procedure or beyond, it becomes evident that the findings of an employee's personal physician are in conflict with the findings of a physician or physicians acting for the Company.

32.0 An Arbitrator shall not alter, add to, subtract from, modify or amend any part of this Agreement. The Arbitrator shall, however, in respect of a grievance involving the suspension or discharge of an employee, be entitled to modify or set aside such penalty, if, in the opinion of the Arbitrator, it is just and equitable so to do, and in cases involving Paragraphs 48.3, 48.4 and 48.5 the Arbitrator shall be empowered to exercise discretion in determining whether a satisfactory reason has been given.

32.1 The Arbitrator may, pursuant to written agreement between the parties executed prior to the hearing, be directed to issue a Memorandum Decision in any case that may be presented. Such Memorandum Decision shall be without precedent value and be to the Arbitrator's decision and remedy, if any, in that specific case. The Arbitrator will issue the decision within ten (10) days following the date the Arbitration hearing is concluded.

33.0 All differences between the parties arising from the interpretation, application, administration or alleged violation of this Agreement, including any questions as to whether a matter is arbitrable, shall be arbitrable. No other differences shall be arbitrable.

34.0 No costs of any arbitration shall be awarded to or against either party.

35.0 The Local Union and Management shall each be responsible for one-half of the expenses of and the fee payable to the Arbitrator, and the Local Union and Management agree that notwithstanding the provisions of any applicable Federal or Provincial legislation the expenses of and fee payable to the Arbitrator shall be such as the Arbitrator may reasonably require.

36.0 Arbitration shall be heard at the city where the plant in which the grievance arose is located, or at such other place as may be agreed upon by the parties.

General

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- 37.0** Should a Local Union desire to take advantage of the procedure provided for in this Section for the settlement of grievances, each step in such procedure shall be taken by the Local Union or the National Union CAW within the time limits prescribed herein or the grievance will be deemed withdrawn from the procedure without prejudice to either party.
- 38.0** No claims, including claims for back wages, by an employee covered by this Agreement, or by the Union against the Company shall be valid for a period prior to the date the grievance was first filed in writing, unless the circumstances of the case made it impossible for the employee, or for the Union as the case may be, to know that such employee, or the Union had grounds for such a claim prior to that date, in which case the claim shall be retroactively to a period of sixty (60) days prior to the date the claim was first filed in writing.
- 39.0** Any time limits fixed by this Section for the taking of any action in connection with a specific written grievance may be extended by written agreement of Management and the Chairperson of the Shop Committee.
- 40.0** Where, under the provisions of this Section, it has been finally established that an employee has been improperly laid off, suspended or discharged, such employee shall be reinstated without loss of seniority, and the consideration of the employee's grievance shall include the determination of the extent, if any, to which the employee shall be compensated for lost pay. In the case of protested discipline or loss of seniority, the amount of Supplemental Unemployment Benefits and Employment Insurance (provided the denial of this benefit is final) the employee applied for in a timely manner, was otherwise entitled to, but did not receive because of such discipline or loss of seniority shall be included as lost pay in the consideration of the grievance.
- 41.0** In meetings between the Shop Committee and the Human Resources and Administration Director or the designated representative, pursuant to the provisions of Paragraph 18 above, the Shop Committee may be accompanied by a duly accredited representative or representatives of the National Union CAW. The Human Resources and Administration Director or the designated representative likewise may be accompanied by such individual or individuals as the Human Resources and Administration Director or the specified representative may desire. The President of the

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Local Union, if not employed by the Company, will be permitted to attend meetings between the Shop Committee and Management. Where the President of the Local Union works in the plant and is not a Shop Committeeperson, such President may attend meetings between the Shop Committee and Management in that plant and will be allowed such time off from the President's straight time working hours as may be required to attend such meetings without loss of time or pay.

- 42.0** Grievances filed prior to the date of notification of ratification of this Agreement by the Union may be appealed to the Arbitrator under the provisions of the Agreement dated March 25, 2013.

SECTION IX

SENIORITY

- 43.0** Fundamentally the rules of this Agreement respecting seniority rights are designed to give employees an equitable measure of security based on their length of continuous service in the bargaining unit in which they are employed.
- 44.0** The word "seniority" as used in this Agreement shall mean the length of an employee's unbroken service in the bargaining unit measured from the employee's seniority date in accordance with the terms of this Agreement, it being understood and agreed, however, that the seniority of any employee who has an established seniority date on the effective date of this Agreement shall be the length of the employee's service in the bargaining unit measured from such seniority date unless such employee's seniority is hereafter broken under the terms of this Agreement.

All hourly employees with identical seniority dates would be prioritized by serial number with the lower numbered employee considered as having the greater seniority.

The tie-breaker for former Scarborough preferential hire employees will be their GM Canada seniority.

- 44.1** Any employee who has been transferred from a supervisory position to a job classification in the bargaining unit shall be credited with the seniority the employee had previously established in the Bargaining unit provided the employee's employment with the Company has remained unbroken.

Such employee may be placed on the job to which the employee is entitled, beginning with the last previous job the employee held in the bargaining unit; provided

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however, that if such last previously held job is no longer in existence, the employee may be placed in accordance with plant-wide seniority. In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

45.0 An employee shall acquire seniority rights after ninety (90) days in any consecutive six (6) month period terminating during the life of this Agreement, in which event, the employee's seniority date will be a date ninety (90) days prior to the date on which the employee's seniority rights were acquired. In the event an employee is separated due to a plant temporary layoff or plant vacation shutdown during the six (6) continuous months preceding the date that the employee acquires seniority, the employee's seniority when acquired will be adjusted to give the employee credit for such period of separation. However, an employee rehired pursuant to Paragraph 48.6 may acquire seniority by working thirty (30) days during a period of six (6) continuous months in which event the employee's seniority will date back thirty (30) days from the date seniority is acquired. Notwithstanding the foregoing provisions of this Paragraph 45, employees hired as vacation replacements, for a period not to exceed four months (unless a shorter period is mutually agreed), will not acquire seniority rights, nor be given credit toward acquiring seniority rights.

Probationary employees shall not receive credit toward the ninety days of employment if absent for 5 consecutive days or more. Probationary employees disabled as the result of an occupational injury or illness compensable under the Workers' Compensation Act shall be given credit for the period of such disability toward acquiring seniority.

In the event a probationary employee is summoned and reports for jury duty as prescribed by applicable law during the period of six (6) continuous months preceding the date the employee acquires seniority, the employee's seniority when acquired will be adjusted to give the employee credit for seven (7) additional days for each week in the period in which the employee did not work and during which jury duty was performed. The employee must furnish evidence that the jury duty was performed in order to receive seniority credit in accordance with this provision.

46.0 An employee shall be a "Probationary Employee" until such employee has acquired seniority rights at which time the employee shall become a "Seniority Employee". The retention of Probationary Employees shall be solely at the discretion of Management and there shall be no responsibility for the reemployment of Probationary Employees who are laid off or discharged, except if directed

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by a decision of an Arbitrator, the Ontario Labour Relations Board or the Ontario Human Rights Commission. Any claim made by a Probationary Employee, that such employee's layoff or discharge is not for just cause, may be taken up as a grievance. In the event a Probationary Employee's performance is unsatisfactory, the Supervisor will review the employee's performance with their Zone Committeeperson.

47.0 During vacation shutdown, the provisions of the Seniority Agreement shall not apply.

47.1 Once the vacation shutdown date is known, the Company and the Union will meet as far in advance as possible and a notice will be posted advising employees that during a specified period of Company, to work supplemental maintenance during shutdown.

47.2 The Company shall select, on a seniority basis, the number of employees required to accomplish such work and shall advise these employees as far in advance of the vacation shutdown period as possible. Any employee may cancel their request to work vacation shutdown by notifying the Company in writing at least ten (10) working days prior to the beginning of the vacation shutdown.

47.3 Should the number of requests to work on the vacation shutdown be insufficient, the necessary employees will be selected from production departments by inverse seniority order, provided they are capable of performing the work.

48.0 An employee's seniority shall be broken:

48.1 if the employee quits;

48.2 if the employee is discharged (if the discharge is reversed under the Grievance Procedure such employee shall be reinstated without loss of seniority);

48.3 if the employee is absent for three working days without properly notifying the Management, unless a satisfactory reason is given. After the unreported absence of three working days, Management will send, by registered mail, clear written notification to the employee's last known address as shown on the Company records, that the employee's seniority has been broken and that it can be reinstated if, within three specified working days after delivery or attempted delivery of such notice, the employee reports for work or properly notifies Management of such absence and provides satisfactory evidence on day of return. A copy of such Management

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notification will be furnished promptly to the Chairperson of the Shop Committee. If the employee complies with the conditions set forth in the notification, the employee's seniority will be reinstated if it has not otherwise been broken; however, such reinstatement shall not be construed as limiting the application to the employee's case of the Shop Rule regarding absence without reasonable cause;

48.4 if the employee fails to report for work in accordance with a notice of recall which is clear in intent and purpose or within five (5) working days after mailing of such notice, whichever is later, unless a satisfactory reason is given. A copy of such notification will be furnished to the Chairperson of the Shop Committee;

48.5 if the employee fails to report for work within five (5) working days after the expiration of any leave granted to the employee, unless a satisfactory reason is given. However, in the case of leaves of absence granted under Paragraphs 64, 65, 66, 67.0 and 67.1, Management will send, by registered mail, clear written notification to the employee's last known address as shown on the Company records, that the employee's seniority has been broken and that it can be reinstated, if, within three (3) specified working days after delivery or attempted delivery of such notice, the employee reports for work or properly notifies Management of such employee's absence. A copy of such Management notification will be furnished promptly to the Chairperson of the Shop Committee. If the employee complies with the conditions set forth in the notification, the employee's seniority will be reinstated if it has not otherwise been broken; however, such reinstatement shall not be construed as limiting the application to the employee's case of the Shop Rule regarding absence without reasonable cause;

48.6 if the employee is laid off or is absent on a sick leave pursuant to Paragraph 69.0 for a continuous period equal to the seniority such employee had acquired at the time of such layoff period or, in the case of an employee with less than one (1) year of seniority, eighteen (18) months or, in the case of an employee with one (1) or more years of seniority, thirty-six (36) months whichever is longer; however, an employee whose seniority is so broken shall, for a period of sixty (60) months beginning with the employee's last scheduled workday prior to layoff, or sick leave pursuant to Paragraph 69.0, retain a right to be rehired in accordance with the seniority date the employee had established at that plant as of such last day scheduled. An employee who is rehired, pursuant to Paragraph 45.0, within sixty (60) months

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immediately following the last day worked prior to the layoff or sick leave during which the employee's seniority was broken by virtue of this Paragraph 48.6, shall have the employee's new seniority date adjusted by adding an amount equal to the seniority the employee had acquired at the plant as of such last day worked. For the purpose of computing the period for breaking seniority only, the first day of that period will be the next otherwise regularly scheduled work day after layoff.

In the case where the next otherwise regularly scheduled work day is a Monday holiday as listed in Paragraph 86.0, that Monday will be considered the first day of that period;

- 48.7** If during the period an employee has been absent on sick leave or educational leave, the employee would otherwise have been laid off, and such sick leave or educational leave terminates, the period which breaks seniority shall start from the date the employee would otherwise have been laid off;
- 48.8** if the employee retires or is retired under the terms of the Pension Plan, in which case the following provisions shall apply:
 - 48.8.1** the employee shall on such retirement cease to be an employee;
 - 48.8.2** if the employee has been retired on total and permanent disability pension and has thereby broken seniority in accordance with this Paragraph 48.8 and if the employee recovers and the employee's pension is discontinued, the employee's seniority will be reinstated as though the employee had been continued on a sick leave during the period of the disability retirement, provided however, if the period of the disability retirement was for a period longer than the employee's seniority at the date of retirement, the employee shall, upon the discontinuance of the disability pension, be given seniority equal to the amount of seniority the employee had at the date of such retirement;
 - 48.8.3** if the employee retires or is retired otherwise than on a total and permanent disability pension and is subsequently reemployed the employee shall be considered a new employee and without seniority, and shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing holiday and vacation pay;

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- 48.9** if the employee is issued a Separation Payment cheque by the Company pursuant to the Supplemental Agreement: Canadian Separation Payment Plan, attached hereto as Exhibits "C" and "C-2", the employee's seniority shall be broken as of the date the employee's application for such Separation Payment was received by the Company; provided, however, that if the employee:
- 48.9.1** returns the amount of the Separation Payment to the Company within 30 days of the date of the Separation Payment cheque, the employee's seniority shall be reinstated as of the fourth working day following receipt of the returned amount;
 - 48.9.2** received such Separation Payment by reason of total and permanent disability and subsequently recovers and reports for work, the employee's seniority shall be reinstated as though the employee had been on sick leave of absence during the period of the employee's disability, provided further however, that if the period beginning with the date the employee's seniority was broken by reason of the Separation Payment and ending with the date of the employee's return to work was for a period longer than the seniority the employee had at the date such seniority was broken because of the Separation Payment, the employee shall be given seniority equal to the amount of seniority the employee had at the date of such seniority break;
- 48.10** If the employee is issued a termination payment cheque by the Company pursuant to the Supplemental Agreement: Voluntary Termination of Employment Plan attached hereto as Exhibit "D" and "D-2", the employee's seniority shall be broken at of the Company as of the date the employee's application for such termination payment was received by the Company;
- 48.11** An employee whose seniority is broken under the provisions of Paragraphs 48.1, 48.2, 48.3, 48.4 and 48.5 will, in the event the employee's seniority is reinstated, be reimbursed for any contributions the employee makes pursuant to Section 6 of the Supplemental Agreement: Group Life and Disability, Insurance Program Exhibit B and B-1 which the Company would have made if the employee's seniority had not been broken.
- 49.0** Seniority employees who have been recalled shall be reemployed as they report for work. Management shall be entitled to fill, on a temporary basis, any jobs available pending the return of those having preferential rights to be recalled as provided in the Agreement.

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When Management sends a notice of recall to an employee, it shall send such notice, in line with the employee's seniority rights under the terms of this Agreement, by registered mail or other locally agreed upon method, addressed to the last address which such employee has recorded with the Company.

In order to prevent loss of the employee's seniority, under the provisions of Paragraph 48, it shall be each employee's responsibility to keep Management informed of the employee's proper mailing address. Such notification shall be made in writing to the employee's supervisor or to the HR&A Department on forms provided by Management. One signed copy will be returned to the employee. Also, employees may give notification of a change of address by registered mail, return receipt requested, to the HR&A Department.

Notwithstanding the provisions of Paragraph 49 of the Agreement, the parties agree that when it is known in advance that a recall to work will be for a period of thirty (30) days or less, a laid off seniority employee may have the option of refusing such recall only if the employee is currently employed on a full-time basis.

- 50.0** Should an employee's seniority be broken and should the employee thereafter be rehired, such employee shall on such rehiring be a Probationary Employee.

TEMPORARY REDUCTIONS IN FORCE

- 51.0** Seniority shall be exercisable in Non –Interchangeable occupational Seniority Groups within departments by job classifications, except that the job classifications set forth in Schedule “A”, attached hereto, shall constitute a Clearance Group which shall be plant-wide. Such Non-Interchangeable occupational Seniority Groups are set forth in Schedule “A” attached hereto and made a part hereof.
- 52.0** When work in a seniority group decreases as a result of inventory, plant re-arrangement, material shortage, breakdown, or other temporary conditions, employees will be laid off from their Occupational Seniority Groups as follows:
- 52.1** Temporary layoffs not exceeding beyond the balance of the shift and four (4) working days. No seniority will be exercised. However, the provisions of the Inverse Seniority Agreement may be applied to this period

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provided there are no adverse impacts on a department's operations.

- 52.2** Temporary layoffs extending beyond 52.1, but not in excess of a total of (10) working days: Seniority will be exercised within the Non-Interchangeable Occupational Seniority Group by department.

However, the provisions of the Inverse Seniority Agreement may be applied to this period providing there are no adverse impacts on a department's operations.

- 52.3** Temporary layoffs extending beyond 52.2, but not in excess of a total of thirty (30) calendar days: Seniority will be exercised within the Non-Interchangeable Occupational Seniority Group. The provisions of the Inverse Seniority Agreement may apply to this period of temporary lay off on a voluntary basis.

- 52.4** When there is a temporary reduction in one or more Departments resulting in layoffs and it is necessary to temporarily supplement another Department where more than one employee is equally capable and qualified to perform the required work then seniority will be the prevailing factor. Any reduction in force necessary following the expiration of such temporary condition will be made in accordance with the provisions in Paragraph 53.

Permanent Reduction of Workforce

- 53.0** In the event of a permanent reduction in force due to a reduction in production schedule and in the event employees have been laid off temporarily for more than the maximum time provided for in Paragraph 52, the following procedure shall be applied:

- 53.1** an employee will be laid off in seniority order from their Seniority Group by department in accordance with Schedule "A".

- 53.2** such laid off seniority employee shall be entitled to displace employees with less seniority who are working on jobs that the laid off employee is capable of doing:

- 53.2.1** 1st – In the same Non-Interchangeable Occupational Seniority Group or Sub-Group plant-

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wide on a job which the employee had previously performed the normal requirements of that job, or failing that,

53.2.2 2nd – By application, in another Non-Interchangeable Occupational Seniority Group in which the laid off employee had previously established seniority, or failing that,

53.2.3 3rd – The Plant Wide Clearance Group.

- 53.3** When Management knows in advance that layoff will be permanent in nature, employees shall be laid off without regard to the periods set forth above. It is understood and the parties agree that Management will have a reasonable time, not to exceed a total of ten (10) working days, to make Personnel moves required because of this provision. The Zone Committeeperson will be informed of employees retained out of line of seniority for training purposes.
- 53.4** Notwithstanding the provisions of Paragraph 53 above, the seniority of employees placed pursuant to the layoff and recall provisions of the Seniority Agreement will be established in the seniority group to which they are so placed as of the date of placement.
- 53.5** No seniority employee shall be laid off under these layoff provisions while probationary employees are retained at work in an occupational Seniority Group in which such Seniority Employee's seniority rights are exercisable.
- 53.6** The seniority of each employee laid off will be reviewed by management and if such laid off seniority employee possesses more seniority than an employee currently working in the General Assembly classification, then such lay off employee will displace the employee with the least seniority working in the General Assembly classification. It is understood that Management will have sixty (60) calendar days following date of layoff to place such laid off employee.
- 53.7** The seniority of each employee laid off will be reviewed by Management and if such laid off seniority employee possesses more seniority than an employee currently working in the classifications of Attendant-Crib or Sweeper and Janitor then such laid off employee will be offered the opportunity by application to displace the employee with less seniority working in the

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aforementioned classifications according to the following ratios:

Attendant-Crib -- 2 per month

Sweeper and Janitor -- 5 per month

It is understood that Management will have sixty (60) calendar days following date of layoff to initiate such placements of laid off employees.

- 53.8** Within sixty (60) calendar days following the employee's date of layoff, employees who had previously held the XOAZ classification will be offered the opportunity by application to take the qualifying welding test for XPAZ on their own time. If the laid off employee successfully passes the qualifying welding test, the laid off employee will displace the employee with less seniority in the XPAZ classification.

Following the sixty (60) calendar day period of layoff Management will displace five (5) XPAZ welders per month with XOAZ welders who qualify by passing the welding test.

- 53.9** An employee who has been reduced to another Seniority Group, pursuant to the lay off provisions of this Seniority Agreement, provided that the employee has one (1) or more years of seniority, may apply using forms supplied by the Company within ninety (90) calendar days following such reduction to return to the Seniority Group in which the employee had established seniority at the beginning of the initial reduction. Such employee shall be returned to the employee's former Seniority Group in preference to recalls or Paragraph 58 transfers in line with the employee's seniority if an opening occurs within a period of 12 months from the date of the employee's reduction. Applications shall be cancelled 12 months from the date of the reduction from the Seniority Group.

The effective date of the initial reduction is considered to be the date the employee should have been laid off in accordance with the employee's seniority.

- 54.0** When an employee acquires seniority rights, the employee's name shall be posted on a seniority board located in the plant. The names and seniority dates of employees shall be listed under their respective seniority groups in order of seniority.

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54.1 When an employee transfers from one seniority group to another pursuant to Paragraph 57 or 58 of the Agreement. There shall be no loss of seniority. Employees who are temporarily transferred or promoted to another seniority group out of line of seniority shall not acquire seniority rights to the seniority group to which they are transferred.

55.0 Up-to-date seniority lists shall be made available to all employees for their inspection within the plant either by posting where practical or by a satisfactory equivalent method. The method of displaying seniority lists is a matter for local negotiation.

55.1 The seniority list shall contain each employee's name, serial number, occupational group, plant seniority date, and, if different than the employee's plant seniority date, the employee's skilled trades date of entry or the employee's skilled trades seniority date. This will not require a change in any mutually satisfactory local practice now in effect.

55.2 Within thirty (30) days after the ratification of this Agreement and each month thereafter, the Chairperson of the Shop Committee shall be given two up-to-date copies of the complete seniority list of the plant containing each employee's name, serial number, department number, occupational group or classification, plant seniority date, and, if different than the employee's plant seniority date, the employee's skilled trades date of entry or the employee's skilled trades seniority date. An additional copy of each such list shall be given to the Financial Secretary. This will not require a change in any mutually satisfactory local practice now in effect.

55.3 Following the end of each month the Chairperson of the Shop Committee, shall be furnished two copies and the Financial Secretary shall be furnished one copy of the list of names, serial numbers, department number and seniority dates of employees who during the preceding month have:

55.3.1 acquired seniority

55.3.2 lost seniority and the reason therefore

55.3.3 been granted leave of absence of more than thirty (30) days' duration

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- 55.3.4** been transferred in or out of the bargaining unit
- 55.3.5** returned to work from permanent layoff during preceding month
- 55.3.6** returned to work from leaves of absence described in (3) above
- 55.3.7** had their employment terminated while in a probationary employee status if on check-off.

56.0 Management will designate on the list those employees who ceased to be subject to the check-off and the reason therefore. The list shall also include a notation of the seniority date of the employee with the longest seniority who is laid off or the "leveling off" date.

56.1 Within thirty (30) days after the ratification of this Agreement and each month thereafter, the Company shall give to the Chairperson of the Shop Committee and the Financial Secretary the names of all employees together with their addresses, clock number or serial number and social insurance number as they then appear on the records of the Company. The Chairperson of the Shop Committee and the Financial Secretary shall receive and retain such information in confidence and shall disclose it only to those officials of the Union whose duties require them to have such information.

56.2 Newly hired employees will be ineligible to apply for a job posting outside the job classification they are hired into for the period of 36 months, unless otherwise mutually agreed upon by the Company and Union. This process will begin once the parties have come to an agreement on a new process for the yearly weld re-certification.

57.0 The provisions of this Paragraph 57 and its subsections shall apply to all promotions.

57.1 A promotion is a transfer to a job that is based on merit and ability. Employees will apply listing experience and qualifications. An interview may also be required.

57.2 When the merit and ability between two candidates is approximately equal, the employee having the greatest seniority will be given the preference.

57.3 If the settlement of a grievance alleging violation of this Paragraph 57.1 is on the basis that a different employee should have been promoted, that employee will receive the difference in wages earned (exclusive of earnings

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received for overtime hours which the employee worked but were not worked by the employee improperly promoted and the wages the employee would have earned had that employee been promoted effective on the date of the grievance.

57.4 The following is a list of codes deemed Paragraph 57 transfers or promotions:

- YHAZ – Test and Repair
- YOAZ – Quality Audit
- YLAZ – Inspection Process Layout
- YIAZ – Turret Inspection
- XCAZ – Assembly Special Prototype
- XH1Z – Laser Burner Operator
- XIAZ – Machinist Special Setup
- XMAZ – Painter
- XPTZ – Weld Lab Instructor
- All Skilled Trades

58.0 Employees who make application under Paragraph 58 will be given preference by seniority providing they are capable of doing the job.

58.1 Employees who have made application as provided for above and who are capable of doing the job available shall be given preference for the openings in the plant over new hires.

58.2 Any secondary job openings resulting from filling jobs pursuant to this provision may be filled without regard to seniority standing, or by new hire.

58.3 The following is a list of codes deemed Paragraph 58 transfers:

- WTAZ – General Assembly
- XPAZ – Welder/Grinder Structural (Weld ticket required)
- ZAAZ – Stockkeeper (Computer test required)
- XYAZ – Janitor
- XZAZ – Labourer
- YRAZ – Crib Attendant
- YWAZ – Maintenance Truck Driver
- ZTKE – Oiler/Hazardous Waste
- YAAZ – Mechanical Inspection
- YCAZ – Welding Inspection (Weld ticket) (Test required)
- XLAZ – Fab Machine Operator

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- XP1Z – Weld Cell Operator (Ticket required)

58.4 Any claim of personal prejudice or any claim of discrimination for Union activity may be taken up as a grievance. Such claims must be supported by written evidence submitted within forty-eight (48) hours from the time the grievance is filed.

58.5 Employees with one (1) or more years of seniority who are working in non-productive or productive job classifications and who desire a transfer must follow the following agenda:

- communication for those jobs deemed Paragraph 58 will be posted and will state the classification and department for the job. They will be posted on the current company boards.
- paragraph 57 will continue to be posted as per past practice and selected on a merit and ability basis as per the Agreement.
- primary job openings will be posted on Wednesdays and will remain open until 4:00 p.m. on the following Monday. All applications must be received by the Labour Relations Personnel Department by 4:00 p.m. the following Monday. If a holiday falls on the Monday, then the deadline would be 4:00 p.m. on Tuesday.
- an “Application for Transfer” form will be used to apply for all openings. These will be available from the Labour Relations Department or the Union office. Once complete, the application will be submitted to Labour Relations.
- each signed “Application for transfer” form will indicate the employee’s sincere desire and intent to move to the posted job opening. If an employee applies for a posted job opening and is selected as the successful applicant, then he/she will be moved to the new job as soon as his/her current supervisor and Labour Relations Personnel coordinates their release to the new assignment. The applicant **cannot decline** the offer. When there is more than one opening, then the highest rated posting will be filled first. Open requisitions will not be published on the workforce letter until it has been declined whether they will be filled with reductions, Paragraph 53.9 or Paragraph 58.

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- if an applicant wants to apply for more than one opening at the same time, he/she needs to submit a separate application for each opening.
- 58.6** Each applicant must be deemed physically capable of safely performing the physical demands of the posted job. It is the employee's responsibility to ensure that his/her physical restrictions on file in the Medical Department are current and accurate.
- 58.7** A "Vacation" file will be maintained by the Labour Relations Department in order to allow any employees not at work due to being on vacation at the time of a job opening, to be considered for job opening opportunities. Employees going on vacation for a minimum of 1 week and a maximum of two weeks can submit an "Application for Transfer" form listing, **in priority order**, job classification and the corresponding department number for jobs that may be posted during their absence. They will then be included with other applicants for any job opportunities that match their application.
- 58.8** If an applicant changes his/her mind, then he/she must cancel his/her application in writing prior to the closing date (Monday at 4:00 p.m. or Tuesday at 4:00 p.m. after a long weekend).
- 58.9** The successful applicant will be frozen from applying to other Paragraph 58 job openings and from receiving secondary job openings for a period of six months from the effective date of the transfer.
- 58.10** Unsuccessful applications will be destroyed and will not be active for future openings. Applicants must reapply for each job posted.
- 58.11** Applications for skilled trades' supplemental will be kept on file from September to September of each year.
- For supplemental skilled transfers, employees may make application to the Employment Department for such transfers. The employee's application shall state qualifications and experience and shall specify the job classification desired. When a need occurs in such job classification, those employees who have made application for the job classification will be considered for transfer and will be given preference over new hires.
- 58.12** In the application of Paragraph 58.5 above the words "primary job openings", shall be interpreted by the parties hereto to mean a job opening to which no

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seniority employee has a right under the lay off and recall provisions of the Seniority Agreement. The parties further agree that Paragraphs 58.5 above shall not be applicable to situations where it is necessary for the Company to transfer a number of employees from one department to another department for a temporary period not to exceed thirty (30) days unless otherwise agreed upon by the parties. The [parties can extend this period by mutual agreement.

58.13 It is understood that none of the provisions contained herein shall supersede any of the provisions of the Seniority Agreement or any other agreements supplemental to the Seniority Agreement.

58.14 When the seniority employee is permanently transferred to another job classification the employee shall receive the job rate of the classification to which the employee is transferred.

59.0 In the event the layoff provisions of the Agreement would otherwise permit layoff, the following provisions shall apply:

59.1 So long as other employees remain at work within that zone, a Zone Committeeperson shall, for the purpose of representation, be retained at work.

59.2 So long as other employees remain at work in the bargaining unit, the Chairperson of the Shop Committee, shall, for the purpose of representation, be retained at work.

59.3 An Alternate Zone Committeeperson, shall, for the purpose of representation, be retained at work in such Alternate Committeeperson's zone so long as other employees remain at work within that zone.

59.3.1 If the Alternate Committeeperson cannot perform any job within the zone, the Alternate Committee person will be retained at work in another zone where work is available that he or she can perform.

59.4 A Third Shift Steward, shall, for the purpose of representation, be retained at work on such shift so long as other employees remain at work on that shift and there is work he or she can perform.

59.5 The following Union Representatives:

- Local Union Health & Safety Representative(s)
- Financial Secretary
- President of Local

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- First Vice President
- Local Benefits Representative(s)
- Local Skilled Trades Representative(s)
- Local Union Substance Abuse/EFAP Representatives
- Local Women's Advocate

shall, at the point where they would be subject to layoff from the plant in a reduction in force, be retained at work in the plant regardless of their seniority.

60.0 Whenever it becomes necessary, due to rearranging operations, to establish a new seniority group, Management shall do so on a temporary basis, and will so advise the Chairperson of the Shop Committee in writing, pending the permanent establishment of such new group by mutual agreement between Management and the Shop Committee.

60.1 In the event mutual agreement cannot be reached within thirty (30) days the matter may be treated as a grievance and referred directly to Step Four (4) of the Grievance Procedure by the Shop Committee.

60.2 If the grievance is still unresolved after it has been considered at the Appeal Step (Fourth) of the Grievance Procedure, it may be referred to the Arbitrator who shall be empowered to determine the proper seniority group.

60.3 In determining the proper seniority group the Arbitrator shall do so by comparing the work in question with other comparable work in the same bargaining unit, so as to be consistent with the general seniority group pattern in the plant. The Arbitrator's decision shall be to the area of dispute.

61.0 Any employee who has been incapacitated at work by injury or compensable occupational disease, while employed by the Company, will be employed in other work on a job that is operating in the plant which the employee can do without regard to any seniority provisions of this Agreement, except that such employee may not displace an employee with more seniority.

61.1 In the event of an employee suffering a major physical disability other than covered in Paragraph 61.0, the following process shall apply:

61.1.1 any employee placed in accordance with this procedure must possess sufficient seniority to be retained in the seniority group in the Department in which the employee is placed.

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61.1.2 A copy of the form will be submitted to the Chairperson of the Shop committee and the affected Shop Committeeperson indicating the employee's name, date of placement, etc.

61.1.3 any employee placed on a job in accordance with this procedure shall be examined on a periodic basis by the Plant Medical Director to review the necessity of continuing to recognize such employee as requiring job placement. Such re-examination will usually be made within ninety (90) days except in the case of permanently disabled employee who will be re-examined annually.

Any changes in an employee's work restrictions will be made by the Plant Physician based on the physician's findings and on supporting evidence and documentation from the employee's attending physician.

61.1.4 if the results of a medical re-examination referred to in 63.1.3 above determine that an employee does not require job placement, such employee shall thereupon return to the seniority status held prior to being placed on a job in accordance with this procedure, providing such employee possesses sufficient seniority. However, such employee will not acquire seniority rights pursuant to Paragraph 54.1 of the Seniority Agreement for future layoff and recall purposes.

61.1.5 when an employee is placed on a job in accordance with this procedure, the employee shall be eligible for transfer pursuant to the terms of the Collective Agreements only to jobs consistent with the medical restrictions of the employee as approved by the Plant Medical Department.

61.1.6 when an employee is placed on a job in accordance with this procedure the employee shall work only on the job to which the employee is so placed or on jobs within their overtime group consistent with the medical restrictions of the employee as approved by the Plant Medical Department.

61.1.7 To be eligible for job placement in accordance with this procedure, an employee must be able to perform all the requirements of the job.

61.1.8 All placements of Paragraph 58 nature will be as a

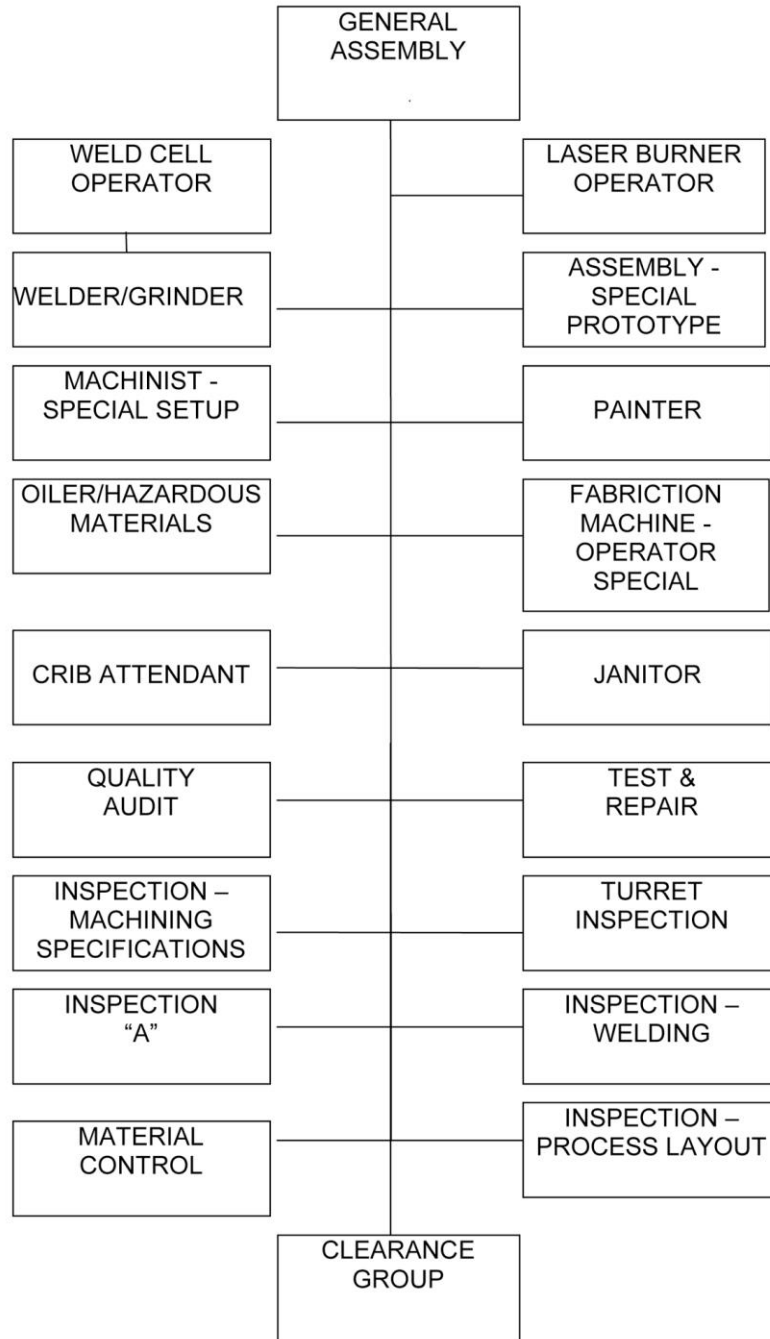
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result of an agreement between the Shop
Committee and the Company.

- 62.0** Management shall not be obligated to place any employee on any job under any of the provisions of this Seniority Section, unless the employee is capable of performing the normal requirements of the job.

SCHEDULE A – SENIORITY FLOWCHART

Approved by both parties: _____



SECTION X

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LEAVES OF ABSENCE

63.0 Informal leaves of absence may be granted for a period not to exceed thirty (30) days, upon application of the employee to, and approval by the Area Manager/Sr. Team Lead in writing. Such leaves of absence shall not be renewed.

64.0 Employees requesting formal leaves of absence including, those for family responsibility leave, exceeding thirty (30) days, shall make application therefore in writing to the Area Manager/Sr. Team Lead of Labour Relations. Such leaves of absence may be granted to an employee for not more than ninety (90) days. Such leaves of absence may be extended at the option of Management for a period of not more than ninety (90) days upon application by the employees to the Area Manager/Sr. Team Lead before the expiration of their first leaves.

64.1 Eligible employees are entitled to Special Leaves of Absence for the purpose of adopting an infant or child, without pay, in accordance with applicable law from the date the child is placed in the home. Eligibility applies to both female and male employees, however, if both adopting parents are eligible employees under the provisions of this Agreement, only one adopting parent may request and be granted such leave of absence.

If satisfactory evidence is provided by the adoption agency establishing that an employee must remain at home for an extended period of time, such leave may be extended at the option of Management.

64.2 Notwithstanding the foregoing, employees with one (1) or more years of seniority who desire to further their education, may make application for a leave of absence for that purpose.

One continuous leave of absence for such education will be granted to eligible employees for a period not to exceed twelve (12) months subject to the provisions of Paragraph 48.5 of this Agreement. Additional leaves of absence may be granted at the option of Management. Except as otherwise provided in Paragraph 48.7, seniority shall accumulate during such leaves of absence.

65.0 Any employee elected to a permanent office in, or as a delegate to, any labour activity necessitating a leave of absence, shall be granted such leave for a minimum of the first half or the second half of the employee's shift. Written notice for such leaves, giving the length of leave, shall be given the local Plant Management as far in advance as

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possible but in no event later than the day prior to the day such leave is to become effective. At the conclusion of the leave the employee will be reinstated, in line with the employee's seniority, to the employee's own or similar work.

- 66.0** Leaves of absence may be granted to employees for other Union activities. Such leaves will be granted only when requests are made in writing to the Human Resources and Administration Director of the Company location involved by the President National Union CAW.
- 67.0** Any Seniority Employee elected to public office (Municipal, Regional, Provincial, or Federal) shall, upon written application to the Human Resources and Administration Director, be granted a leave(s) of absence for the period of time necessary to fulfill the duties of such office during the employee's first term of active service in such elective office, providing that the employee's seniority is equal to or greater than the period of time which is required. Additional leaves of absence for service in elective public office may be granted at the option of the Human Resources and Administration Director upon written application by the employee.
- 67.1** Any Seniority Employee who is appointed to a position as administrative assistant in a Federal, Provincial, or Regional Government office, or as a Labour Representative on a Community Agency, or to a non-civil service governmental position which is not generally available to an applicant for employment, or as a full time officer in a credit union, may make written application for a leave of absence for the period of the employee's active service in such position, not to exceed one year. Such leave may be renewed at the option of Management upon written application by the employee.
- 68.0** Committeepersons and other Union Representatives may leave the plant on Union business when arrangements are made as far in advance as possible with the Human Resources & Administration Department by the President of the Local Union, Chairperson of the Shop Committee or National Union Representative.
- 68.1** The Chairperson of the Shop Committee will be permitted to leave the plant in accordance with Paragraph 68.0 and will be paid the Chairperson's regular rate for up to four hours per day Monday through Friday while out of the plant attending to bargaining unit business during straight time hours when the Chairperson would otherwise be entitled to be in the plant for representation purposes. He shall notify a designated representative of the Human Resources &

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Administration Department when leaving and returning to the plant during working hours.

- 69.0** Any employee who is known to be ill, supported by satisfactory evidence, will be granted sick leave automatically for the period of continuing disability. Except as otherwise provided in Paragraph 48.7, seniority of such employees shall accumulate during sick leave and shall be broken, figured from the date the sick leave started, on the same basis as provided in Paragraph 48.6 for laid off employees breaking seniority. Not later than 10 days prior to such loss of seniority, Management will send a letter to the employee's last known address as shown on the Company records reminding the employee of the fact that the employee's seniority is subject to being broken as provided above. A copy of such letter will be furnished promptly to the Chairperson of the Shop Committee. However, failure through oversight to send the letter to the employee or furnish a copy to the Chairperson of the Shop Committee will not be the basis for any claim.
- 70.0** In occupational injury and illness cases, compensable under the Workers' Compensation Act, sick leave will be granted automatically and seniority will accumulate for the full period of legal temporary disability.
- 70.1** If an employee is injured on the job the employee will be paid for the balance of the scheduled shift on which the employee has been sent home or has been sent to an outside hospital or to an outside doctor by the Medical Department of the Company because of such injury, irrespective of when the injury occurred.
- 70.2** As a result of negotiations between the parties with respect to Paragraph 70.1 of the Agreement, it was agreed by the Company that in a case where an injured employee had been sent to their supervisor by the Medical Department for assignment to other than their regular duties and had subsequently been sent home because no work was available, Paragraph 70.1 would be applicable as though the employee had been sent home by the Medical Department.
- 71.0** Seniority employees shall accumulate seniority during periods of leave of absence subject to the provisions of Paragraph 48.6. Such employees shall, on their return at the expiration of any leave of absence granted to them, be reinstated on their own or similar work in line with their seniority.

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SECTION XI

HOURS OF WORK AND OVERTIME

- 72.0** "Straight time rate" as used in this Agreement means the employee's regular hourly rate for the employee's job classification as set forth in the applicable Agreement plus cost of living allowance.
- 72.1** "Time and one-half" as used in this Agreement means one and one-half (1 1/2) times the applicable straight time rate.
- 72.2** "Double time" as used in this Agreement means two (2) times the applicable straight time rate.
- 72.3** "Overtime" as used in this Agreement means any hours compensated at time and one-half or double time.
- 73.0** In calculating the pay to which an employee is entitled under this Section, an employee's "day" shall be the twenty-four consecutive hours from:
- 73.1** The time an employee is scheduled to start work on the particular calendar day, or
- 73.2** The time an employee commenced work on the particular calendar day if earlier than the employee's scheduled starting time for that day, as the case may be.
- 74.0** All work performed by the employee in the employee's "day" will be considered as having been performed on the calendar day on which such "day" commenced. Should the starting time of any such shift be midnight, it shall be deemed to have commenced immediately prior to midnight.
- 75.0** An employee's work week shall start with the commencement of the employee's day on Monday, except as may be agreed otherwise locally between Management and the Shop Committee.
- 76.0** An employee will be compensated for time worked at the employee's straight time rate except as otherwise provided herein.
- 76.1** Where lunch periods are established such periods shall not be considered as time worked. The principle of a straight eight hour shift with a twelve minute paid lunch period would apply only to those employees who

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rotate on a three continuous shift operation involving a single machine or a single equipment operation.

- 76.2** A ten-minute break period for all employees will be given during the first four hours of work and during the four hours after the lunch period. This break period is given conditional upon the break period limits being strictly adhered to.
- 76.3** A five minute wash-up period will be given prior to the beginning of the lunch period and at the end of shift.
- 77.0** An employee who has worked eight (8) hours at the applicable straight time rate in the employee's day, shall be paid at the rate of time and one-half for all further time worked by the employee on that day.
- 78.0** Paragraph 77.0 shall not apply to any employee whose work in excess of the applicable straight time hours on the employee's day is the result of a regularly scheduled shift change.
- 79.0** An employee, shall be paid at the rate of time and one-half for all time worked by the employee on Saturday to the extent that such time is not part of the employee's Friday shift, and for all time worked by the employee on August Civic Holiday to the extent that such time is not part of the employee's shift on the preceding day.
- 80.0** An employee shall be paid at the rate of double time for all time worked by the employee on Sunday, to the extent that such time is not part of the employee's Saturday shift.
- 81.0** An employee shall be paid at the rate of double time for all time worked by the employee on the holidays specified in Paragraph (86) and for time worked on a specified holiday in excess of eight (8) hours worked on a shift which starts the preceding day and runs over into one of the specified holidays.
- 81.1** In addition to the amount an employee shall be paid pursuant to Paragraph 81.0, an employee who performs work on the holidays specified in Paragraph 86 shall also receive further payment at the employee's regular hourly straight time rate for all hours worked in excess of eight (8) on such day(s).
- 82.0** Night shift premium, holiday pay and overtime payments, or any of them shall not be pyramided or duplicated for the same hours under any of the terms of this Agreement. Hours worked and paid for at overtime under any provision of this

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Agreement shall not be counted more than once for the purpose of determining whether an employee is entitled to overtime under the same or any other provision of this Agreement.

- 83.0** Any change in the established shift hours or lunch period shall be first discussed with the Shop Committee as far in advance as possible of any such change.

Shift Rotation Guidelines

- 84.0** Employees who rotate shifts will do so every two (2) weeks. The order of shift rotation will be from third shift to second shift to first shift.
- 84.1** Employees who wish to work on a shift other than the day shift, must present their request in writing to their supervisor and the employee will also be advised to give a copy to the Zone Committeeperson. If the supervisor is able to accommodate such request, then the senior employee will be granted such request. The employee shall remain on such shift for a period of three (3) months at which time the request will become invalid and the employee will again begin working rotational shifts. The submission period ends at 4:00pm on the Friday 2 weeks prior to the new quarter commencing. No alterations are permitted after the submission period ends. Management will post the new quarter swing one week prior to the quarter commencing.
- 84.2** Where there are unbalanced shifts in a department, junior employees on the 1st shift will rotate with the employees on corresponding jobs on the opposite shift(s) in the department.
- 84.3** Employees will be given training for the purpose of shift rotation providing that the workforce in the area has been stabilized and the efficiency of operations is not adversely affected.
- 84.4** An employee performing the work of Lead Hand will not be retained on a shift solely because the employee performs the work of a Lead Hand.
- 84.5** Employees will not rotate across departmental lines.
- 84.6** In some instances, rotation will be by corresponding jobs and not by job classification.
- 84.7** It is understood that the rotation of employees or the

Approved by both parties: _____

granting of a request to remain on a certain specified shift shall not be allowed if it would adversely affect the efficiency of operations.

- 85.0** These guidelines can be altered by discussions between Management and the Union in the event that changes in the method of operations in the plant would make alterations desirable.

SECTION XII

HOLIDAY PAY

- 86.0** Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st YEAR	
MARCH 29, 2013	GOOD FRIDAY

Approved by both parties: _____

APRIL , 1, 2013	DAY AFTER EASTER
MAY 20, 2013	VICTORIA DAY
JUNE 28,2013	FRIDAY PRECEDING CANADA DAY
JULY 1, 2013	CANADA DAY
AUGUST 30,2013	FRIDAY PRECEDING LABOUR DAY
SEPTEMBER 2,2013	LABOUR DAY
OCTOBER 14,2013	THANKSGIVING
DECEMBER 24, 2013 DECEMBER 25,2013 DECEMBER 26,2013 DECEMBER 27, 2013 DECEMBER 30, 2013 DECEMBER 31, 2013 JANUARY 1,2014	CHRISTMAS HOLIDAY PERIOD
FEBRUARY 17, 2014	FAMILY DAY

Refer to Document 103 for the December 23, 2013 Union Day.

2nd YEAR

Approved by both parties: _____

APRIL 18, 2014	GOOD FRIDAY
APRIL 21, 2014	DAY AFTER EASTER
MAY 19, 2014	VICTORIA DAY
JUNE 27, 2014	FRIDAY PRECEDING CANADA DAY
JUNE 30, 2014	CANADA DAY
AUGUST 29, 2014	FRIDAY PRECEDING LABOUR DAY
SEPTEMBER 1, 2014	LABOUR DAY
OCTOBER 13, 2014	THANKSGIVING
DECEMBER 24, 2014 DECEMBER 25, 2014 DECEMBER 26, 2014 DECEMBER 29, 2014 DECEMBER 30, 2014 DECEMBER 31, 2014 JANUARY 1, 2015	CHRISTMAS HOLIDAY PERIOD
FEBRUARY 16, 2015	FAMILY DAY

Refer to Document 103 for the January 2, 2015 Union Day.

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3rd YEAR	
APRIL 03, 2015	GOOD FRIDAY
APRIL 6, 2015	DAY AFTER EASTER
MAY 18, 2015	VICTORIA DAY
JUNE 26, 2015 JUNE 29, 2015	FRIDAY PRECEDING CANADA DAY CANADA DAY
SEPTEMBER 4, 2015 SEPTEMBER 7, 2015	FRIDAY PRECEDING LABOUR DAY LABOUR DAY
OCTOBER 12, 2015	THANKSGIVING
DECEMBER 24, 2015 DECEMBER 25, 2015 DECEMBER 28, 2015 DECEMBER 29, 2015 DECEMBER 30, 2015 DECEMBER 31, 2015 JANUARY 1, 2016	CHRISTMAS HOLIDAY PERIOD
FEBRUARY 15, 2016	FAMILY DAY

In the event an additional Federal or Provincial holiday is proclaimed during the life of this Agreement, such holiday will take the place of a holiday designated in this Agreement. The selection of the holiday to become the newly proclaimed Federal or Provincial holiday will be made based on mutual agreement between the parties.

Approved by both parties: _____

87.0 An employee shall be paid at the employee's straight time rate for eight (8) hours for specified holidays and the holidays in each of the Christmas Holiday Periods providing the employee meets all of the following eligibility requirements except as otherwise provided in Paragraphs 88, 89 and 90. Notwithstanding any of the eligibility provisions of Section XII of this Agreement, no employee shall receive holiday pay for any holiday for which the employee receives Workers' Compensation benefits while on a sick leave of absence pursuant to Paragraph 70.0 of the Agreement.

The employee must be a seniority employee as of the date of each specified holiday and as of each of the holidays in each of the Christmas Holiday Periods.

87.1 The employee must have worked both the employee's last scheduled workday prior to, and first scheduled workday after each specified holiday and each Christmas Holiday Period, and on such days the employee must work at least as many hours as the employee is scheduled to work, less one, unless the employee's tardiness beyond one hour is excused by supervision.

87.2 The employee must have worked during the week in which the holiday falls except during the week that constitutes the Christmas Holiday Period. Failure to work either the employee's last scheduled workday prior to or the next scheduled workday after each Christmas Holiday Period will disqualify the employee for the two holidays in the Christmas Holiday Period which follow or precede such scheduled workday.

An employee who retires as of January 1, and who is otherwise eligible for holiday pay for those holidays falling in the Christmas Holiday Period up to and including December 31, will receive holiday pay for such holidays.

Each of the designated days in the Christmas Holiday Period shall be a holiday for purposes of this Holiday Pay Section.

87.3 For holidays specified in Paragraph 86.0, except those falling within the full week of holidays (Monday through Friday) in the Christmas Holiday Period, an eligible employee shall receive the night shift premium that would have attached to the employee's straight time rate if the employee had worked the employee's regularly scheduled shift had such day not been a holiday.

Approved by both parties: _____

For the holidays falling within the full week in the Christmas Holiday Period, an eligible employee shall have the night shift premium determined in accordance with the Memorandum of Understanding, - Night Shift Premium for Christmas Holiday Period (Doc. 49).

87.4 In order for employees to have maximum time off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December 28, 2013	Sunday, December 29, 2013
Saturday, December 27, 2014	Sunday, December 28, 2014
Saturday, December 26, 2015	Sunday, December 27, 2015

An employee shall not be disqualified for holiday pay if the employee does not accept work on such days.

88.0 Eligible employees who have been laid off in a reduction in force (except as provided below), or who have gone on sick leave during the week prior to or during the week in which the holiday falls, shall receive pay for such holiday irrespective of date of recall.

Eligible employees who work in the fourth work week prior to the week in which the Christmas Holiday Period begins, and who are laid off in a reduction in force during that week, or eligible employees who are laid off in a reduction in force during the first, second, or third work week prior to or during the work week in which the Christmas Holiday Period begins, shall if otherwise eligible receive pay for each of the holidays in the Christmas Holiday Period, providing such employee worked the last scheduled work day prior to such layoff.

An eligible employee who works in the fifth, sixth, or seventh work week prior to the week in which the Christmas Holiday

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Period begins, and who is laid off in a reduction in force during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas Holiday Period providing such employee worked the last scheduled work day prior to such layoff.

89.0 When a specified holiday falls within an eligible employee's approved vacation period or during a period in which the employee receives jury duty pay pursuant to Paragraph 162 of this Agreement, and the employee is absent from work during the employee's regularly scheduled work week because of such vacation or jury duty, the employee shall be paid for such holiday.

90.0 When an eligible employee is on an approved leave of absence and returns to work following the holiday but during the week in which the holiday falls, the employee shall be eligible for pay for that holiday.

An eligible employee whose leave of absence terminates during the Christmas Holiday Period, and who reports for work on the next scheduled workday after the Christmas Holiday Period, will be eligible for holiday pay beginning with the first holiday the employee would otherwise have worked and each holiday thereafter in the Christmas Holiday Period.

In the event that the holiday falls on Friday, Saturday or Sunday, an eligible employee on an approved leave of absence shall be eligible for pay for that holiday provided the employee works the first scheduled workday in the next work week following such holiday.

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

91.1 An employee who meets the eligibility requirement of Paragraph 87.0 and who performs work on the holidays specified in Paragraph 86.0 shall receive holiday pay for such day(s) providing the employee meets the applicable eligibility requirements of Section XII of this Agreement, but disregarding the requirements of Paragraph 87.1 and 87.2.

SECTION XIII

WAGES

92.0 The wage provisions presently in effect are hereby established as set forth in the Agreement between the Management and the Local Union dated concurrently

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herewith. It is understood that the wage rates by job classifications are those which were in effect on March 24, 2013 plus any written changes, additions or supplements thereto. Any changes, additions or supplements thereto shall be reduced to writing and are subject to the approval of the Director of Human Resources and Administration of General Dynamics Land Systems - Canada, or the Director's designated representative, and the President National Union CAW, or the President's designated representative.

92.1 New employees hired on or after March 22, 2010 and before March 25, 2013, who do not hold a seniority date are not covered by the provisions of Paragraph 92.3 below, shall be hired at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

<u>Hire Date</u>	<u>At 12 Months</u>	<u>At 24 Months</u>	<u>At 36 Months</u>	<u>At 48 Months</u>	<u>At 60 Months</u>
70%	80%	80%	90%	90%	100%

New employees hired on or after March 25, 2013, who do not hold a seniority date are not covered by the provisions of Paragraph 92.3 below, shall be hired at a rate equal to sixty (60) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

<u>Hire Date</u>	<u>At 12 Months</u>	<u>At 24 Months</u>	<u>At 36 Months</u>	<u>At 48 Months</u>	<u>At 60 Months</u>	<u>At 72 Months</u>	<u>At 84 Months</u>
60%	60%	65%	70%	75%	80%	90%	100%

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Such an employee who is laid off prior to acquiring seniority and who is re-employed at that plant within one year from the last day worked prior to layoff shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Upon such re-employment, the credited rate progression period of the employee's prior period of employment at that plant shall be applied toward the employee's rate progression to the maximum base rate of the job classification. For the purpose of applying the provisions of this Paragraph 92.1, 92.2 and 92.3 only, an employee will receive credit toward acquiring the maximum base rate of the job classification effective with the first day worked and will include the subsequent days of that pay period.

Thereafter, such employee will receive credit for seven days for each pay period during which the employee works except that credit will not be given for any days the employee is on layoff. Credit will not be given for any pay period during which for any reason, the employee does not work except as provided in Paragraph 70 and in the case of the pay period in which the full week of the Christmas Holidays fall, provided the employee would otherwise have been scheduled to work. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of days of employment.

92.2 A laid-off seniority employee hired in a job classification other than skilled trades, shall receive a base rate, upon re-employment, which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff from the employee's Company plant. Such employee shall continue to be covered by the rate progression provisions in effect during the previous Company employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment, at the former Company plant shall be applied toward the employee's rate progression to the maximum rate of the job classification.

92.3 New employees hired on or after the effective date of this Agreement, who do not hold a seniority date in GDLS-C but who were formerly employed and had acquired seniority in the plant and who had broken such seniority pursuant to the provisions of Paragraph 48.6 or 48.7, shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee in prior Company employment. Such

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employee shall continue to be covered by the rate progression provisions in effect during previous Company employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment at the Company shall be applied toward rate progression to the maximum base rate of the job classification.

92.4 The foregoing Paragraph 92.1, 92.3 and 92.3 shall not apply to skilled trades classifications.

92.5 The seniority employee recalled from layoff will receive the job rate of that classification.

Those in wage progression will return at the same wage progression step that they held at the point of layoff.

92.6 When an employee is temporarily required to work in a lower rated classification other than the employee's own, while work within the employee's own classification is available, such employee shall receive the higher of the two established rates.

92.7 When an employee is temporarily required to work in a lower rated classification other than the employee's own, when work is not available within the employee's own classification, such employee shall receive the established rate for the classification in which the employee is required to work.

92.8 Notwithstanding the above, when an employee is temporarily transferred to a lower rated job classification but the employee works one hour within the employee's regular job classification, the employee will be paid the established rate for the employee's classification for all the hours worked on that day.

92.9 In the event an employee is temporarily assigned to a higher rated job classification on any given day, the employee will be compensated at the higher rate for all hours worked on that day, providing the employee works on such higher rated job classification for one (1) hour or more.

92.10 For pay purposes only, employees working as a Lead Hand will receive a minimum rate of twenty-five (25) cents above the rate for the job classification for which they are performing the duties of Lead Hand.

93.0 When a new job is introduced into the plant which cannot be properly placed in an existing classification or when the job content of an existing job is so changed that it cannot be properly covered by an existing classification, Management,

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following a review with the Chairperson, will set up a new classification and a rate covering the job in question, and will designate it as temporary. A copy of the rate and classification name will be furnished to the Shop Committee.

- 93.1** The new classification and rate shall be considered temporary for a period of 30 calendar days following the date of notification to the Shop Committee. During this period (but not thereafter) the Shop Committee may request Management to negotiate the rate for the classification. The negotiated rate, if higher than the temporary rate, shall be applied retroactively to the date of the establishment of the temporary classification and rate except as otherwise mutually agreed. If no request has been made by the Local Union to negotiate the rate within the thirty (30) day period, or if, within sixty (60) days from the date of notification to the Shop Committee, no grievance is filed concerning the temporary classification and rate as provided below, or upon completion of negotiations, as the case may be, the temporary classification and rate shall become a part of the Agreement.
- 93.2** If the Shop Committee requests Management to negotiate and the Shop Committee and Management are unable to agree on a classification and rate for the new job, the disputed rate and/or classification may be treated as a grievance. Such grievance may be filed at the Management-Shop Committee Step (Third) of the Grievance Procedure. If the grievance is still unresolved after it has been considered at the Appeal Step (Fourth) of the Grievance Procedure, it may be referred to the Classification Review Committee who shall consider the matter. Thereafter, if the grievance is still unresolved, it may be referred to the Arbitrator who shall be empowered to determine the proper classification and/or rate for the new job as provided herein.
- 93.3** In establishing the rate of pay for a classification the Arbitrator shall do so by comparing such classifications with other comparable classifications in the same bargaining unit, the rates for which are consistent with the general wage pattern in the plant. The Arbitrator's decision shall be to the area of dispute and the wage rate the Arbitrator establishes for the new job classification shall be set so as to maintain the wage rate relationship and internal balance which the parties have established in the applicable Agreement through their negotiations.
- 93.4** The classification and/or rate established by the Arbitrator shall become a part of the Agreement at the Company location from which the case arose.

Approved by both parties: _____

General Increases

94.0

There will be a lump sum payment of one thousand dollars each year of the agreement, paid to all employees on active employment roll on each of the payment dates of April 18, 2013, April 17, 2014 and April 16, 2015. Employees who are not on the active employment roll on the payment date and who are subsequently reinstated to the active employment roll during that calendar year, will be paid the lump sum payment as soon as practicable.

94.2

95.0

GDLS - C Hourly Job Codes & Rates

Job Classification	Rate as of		
	21-Mar-10	21-Mar-11	21-Mar-12
SKILLED TRADES			

Approved by both parties: _____

QTSZ	TEMPLATE MAKER	\$43.69	\$44.56	44.56
RBSZ	ELECTRICIAN	\$43.77	\$44.65	\$44.65
RGSZ	PAINTER	\$43.26	\$44.13	\$44.13
RISZ	PLUMBER	\$43.36	\$44.23	\$44.23
RPSZ	INDUSTRIAL TRUCK REPAIR	\$43.36	\$44.23	\$44.23
RWSZ	MACHINE REPAIR MACHINIST	\$43.65	\$44.52	\$44.52
SHSZ	TOOL & DIE MAKER	\$43.77	\$44.65	\$44.65
SLSZ	WELDER/MAINTENANCE	\$43.69	\$44.56	\$44.56
PRODUCTION				
WTAZ	GENERAL ASSEMBLY - ALL PRODUCTS	\$37.02	\$37.76	\$37.76
XCAZ	ASSEMBLY - SPECIAL - PROTOTYPE	\$37.46	\$38.21	\$38.21
XH1Z	LASER BURNER OPERATOR	\$38.50	\$39.27	\$39.27
XIAZ	MACHINIST - SPECIAL SETUP	\$38.21	\$38.97	\$38.97
XLAZ	FABRICATION MACHINE OPERATOR	\$37.21	\$37.95	\$37.95
XMAZ	PAINTER - LOCO/DEFENCE	\$37.35	\$38.10	\$38.10
XP1Z	WELD CELL OPERATOR - WELDER GRINDER, STRUCTURAL QUALIFIED - DEFENCE VEHICLE	\$38.16	\$38.92	\$38.92
XPAZ	WELDER/GRINDER, STRUCTURAL	\$37.52	\$38.27	\$38.27
XPTZ	WELD LAB INSTRUCTOR	\$38.66	\$39.43	\$39.43
NON-PRODUCTIVE				
XYAZ	SWEEPER AND JANITOR	\$36.33	\$37.06	\$37.06
XZAZ	LABOURER	\$36.68	\$37.41	\$37.41
YRAZ	ATTENDANT - CRIB	\$37.12	\$37.86	\$37.86
YWAZ	TRUCK DRIVER - LIFT TRUCK - MAINTENANCE	\$36.99	\$37.73	\$37.73
ZAAZ	MATERIAL CONTROL UTILITY	\$37.22	\$37.96	\$37.96
ZTXE	HAZARD WASTE REMOVAL	\$38.60	\$39.37	\$39.37
INSPECTION				
YAAZ	INSPECTION A	\$37.35	\$38.10	\$38.10
YCAZ	INSPECTION WELDING - ALL PRODUCTS	\$37.52	\$38.27	\$38.27
YHAZ	TEST AND REPAIR - DEFENCE VEHICLE	\$38.60	\$39.37	\$39.37
YIAZ	TURRET INSPECTION	\$38.60	\$39.37	\$39.37
YLAZ	INSPECTION PROCESS LAYOUT	\$40.33	\$41.14	\$41.14
YOAZ	QUALITY AUDIT - ALL VEHICLES	\$37.65	\$38.40	\$38.40

**APPENDIX A - SENIORITY
PRODUCTIVE CLASSIFICATIONS**

Approved by both parties: _____

JOB CODE	DESCRIPTION
WTAZ	General Assembly
XCAZ	Assembly - Special - Prototype
XH1Z	Laser Burner Operator
XIAZ	Machinist- Special Setup
XLAZ	Fab Machine Operator - Special
XMAZ	Painter
XPAZ	Welder/Grinder
XP1Z	Weld Cell Operator - Welder/Grinder

**NON-PRODUCTIVE CLASSIFICATIONS
INSPECTION AND TEST**

YAAZ	Inspection "A"
YCAZ	Inspection Welding
YHAZ	Test and Repair
YIAZ	Turret Inspection
YLAZ	Inspection Process Layout
YMAZ	Inspection Machining Special
YOAZ	Quality Audit

SERVICE

ZAAZ	Material Control Utility
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APPENDIX B

Approved by both parties: _____

OF SENIORITY AGREEMENT

CLEARANCE

XZAZ Labourer

YWAZ Truck Driver - Lift Truck - Maintenance

Cost of Living Allowance

96.0 Effective with the adjustment scheduled for June 7, 2010, the Cost of Living Allowance will be determined and adjusted up or down as specified in 99.0 in accordance with changes in the Consumer Price Index published by Statistics Canada (2002 = 100).

97.0 The Cost of Living Allowance provided herein shall be paid to each employee for each hour worked. The amount of the Cost of Living Allowance in effect at any given time shall be included in computing vacation pay, holiday pay, call in pay, bereavement pay, jury duty pay, paid absence allowance and Scheduled Paid Absence (SPA). Effective with the effective date of this Agreement but after the application of the wage increases provided in Paragraph 94.0, one dollar eighty nine cents (\$1.89) shall be deducted from one dollar ninety four cents (\$1.94) Cost of Living Allowance in effect immediately prior to that date and one dollar sixty five cents (\$1.65) shall be added to the base wage rates (minimum, intermediary, and maximum) for each day work classification in effect on that date.

97.1 **The first two cents (\$0.02) of each quarterly COLA increase will be diverted.**

98.0 During the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

Effective With Shifts Beginning On:	Based Upon Three-Month Average Of The Consumer Price Indexes For:
June <u>7, 2010</u>	February, March and April <u>2010</u>
First pay period beginning on or after September <u>6, 2010</u> and at three calendar month intervals thereafter to December <u>3, 2012</u>	May, June and July <u>2010</u> and at three month intervals thereafter to August, September and October <u>2012</u>

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In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

99.0 Effective with the effective date of this Agreement and until June 7, 2010, the Cost of Living Allowance shall be five (\$0.05) cents per hour. Effective June 7, 2010 and for the periods thereafter as provided in Paragraphs 97.0 and 98.0 the Cost of Living Allowance shall be in accordance with the following table:

Three Month Average Canadian Consumer Price Index	Cost of Living Allowance
2002 = 100	Per hour
115.0 or less	None
115.1	3 Cents
115.2	5 Cents
115.3	8 Cents
115.4	11 Cents
115.5	14 Cents
115.6	16 Cents
115.7	19 Cents
115.8	22 Cents
115.9	24 Cents
116.0	27 Cents
116.1	30 Cents
116.2	32 Cents
116.3	35 Cents
116.4	38 Cents
116.5	41 Cents
116.6	43 Cents
116.7	46 Cents
116.8	49 Cents
116.9	51 Cents
117.0	54 Cents
117.1	57 Cents
117.2	59 Cents
117.3	62 Cents
117.4	65 Cents
117.5	68 Cents
117.6	70 Cents
117.7	73 Cents
117.8	76 Cents
117.9	78 Cents
118.0	81 Cents
118.1	84 Cents
118.2	86 Cents
118.3	89 Cents

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118.4	92 Cents
118.5	95 Cents
118.6	97 Cents
118.7	\$ 1.00
118.8	\$ 1.03
118.9	\$ 1.05
119.0	\$ 1.08
119.1	\$ 1.11
119.2	\$ 1.14
119.3	\$ 1.16
119.4	\$ 1.19
119.5	\$ 1.22
119.6	\$ 1.24
119.7	\$ 1.27
119.8	\$ 1.30
119.9	\$ 1.32
120.0	\$ 1.35
120.1	\$ 1.38
120.2	\$ 1.41
120.3	\$ 1.43
120.4	\$ 1.46
120.5	\$ 1.49
120.6	\$ 1.51
120.7	\$ 1.54
120.8	\$ 1.57
120.9	\$ 1.59
121.0	\$ 1.62
121.1	\$ 1.65
121.2	\$ 1.68
121.3	\$ 1.70
121.4	\$ 1.73
121.5	\$ 1.76
121.6	\$ 1.78
121.7	\$ 1.81
121.8	\$ 1.84
121.9	\$ 1.86
122.0	\$ 1.89
122.1	\$ 1.92
122.2	\$ 1.95
122.3	\$ 1.97
122.4	\$ 2.00
122.5	\$ 2.03
122.6	\$ 2.05
122.7	\$ 2.08
122.8	\$ 2.11
122.9	\$ 2.14
123.0	\$ 2.16
123.1	\$ 2.19
123.2	\$ 2.22
123.3	\$ 2.24

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123.4	\$ 2.27
123.5	\$ 2.30
123.6	\$ 2.32
123.7	\$ 2.35
123.8	\$ 2.38
123.9	\$ 2.41
124.0	\$ 2.43
124.1	\$ 2.46
124.2	\$ 2.49
124.3	\$ 2.51
124.4	\$ 2.54
124.5	\$ 2.57
124.6	\$ 2.59
124.7	\$ 2.62
124.8	\$ 2.65
124.9	\$ 2.68
125.0	\$ 2.70
125.1	\$ 2.73
125.2	\$ 2.76
125.3	\$ 2.78
125.4	\$ 2.81
125.5	\$ 2.84
125.6	\$ 2.86
125.7	\$ 2.89
125.8	\$ 2.92
125.9	\$ 2.95
126.0	\$ 2.97
126.1	\$ 3.00
126.2	\$ 3.03
126.3	\$ 3.05
126.4	\$ 3.08
126.5	\$ 3.11
126.6	\$ 3.14
126.7	\$ 3.16
126.8	\$ 3.19
126.9	\$ 3.22
127.0	\$ 3.24
127.1	\$ 3.27
127.2	\$ 3.30

and so forth with one (1) cent adjustment for each .037 change in the Average Index and will be calculated in accordance with the Letter of Understanding signed by the parties.

100.0 In the event that Statistics Canada does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph 98.0, any adjustment in the Cost of Living Allowance required by such appropriate Index shall be effective at the

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beginning of the first pay period after the Index has been officially published.

- 101.0** No adjustment, retroactive, or otherwise, shall be made due to any revision which may later be made in the published figures used in the calculation of the Canadian Consumer Price Index, for any month or months on the basis of which the Cost of Living Allowance has been determined.
- 102.0** The continuance of the Cost of Living Allowance shall be contingent upon the availability of the official monthly Indexes published by Statistics Canada in their present form and calculated on the same basis as the Index for January 2010 unless otherwise agreed upon by the parties. If such agency changes the form or basis of calculating its Consumer Price Index, and such Index is required to determine the Cost of Living Allowance pursuant to the provisions of this Agreement, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index for January 2010.

Night Shift Premium

- 103.0** A night shift premium on night shift earnings, including overtime premium pay will be paid to an employee for time worked on a shift scheduled to start in accordance with the following chart:

SCHEDULED SHIFT STARTING TIME	AMOUNT OF SHIFT PREMIUM
(1) ON OR AFTER 10:30 A.M. AND BEFORE 6:30 P.M.	FIVE PERCENT
(2) ON OR AFTER 6:30 P.M. AND ON OR BEFORE 4:15 A.M.	TEN PERCENT
(3) AFTER 4:15 A.M. AND BEFORE 5:30 A.M.	TEN PERCENT UNTIL 6:30 A.M.

When an employee covered by (1) above is scheduled to work more than nine hours and until or beyond 2:00 a.m., such employee shall be paid ten percent for the hours worked after 12 midnight.

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In applying the above night shift premium provisions, an employee shall be paid the premium rate, if any, which attaches to the shift that employee works on a particular day.

- 104.0** Any employee reporting for work or starting work without having been advised that there will be no work, shall receive a minimum of four hours' pay at the applicable hourly rate. However, any employee who is called to work as the result of emergencies and works four hours or less, shall receive a minimum of four hours' pay at the straight time hourly rate. No payments shall be made under this paragraph in cases resulting from labour disputes or other conditions beyond the control of Management.

SECTION XIV

VACATION PAY ALLOWANCES

- 105.0** Each employee who has one or more years' seniority as of the vacation pay, Scheduled Paid Absence (SPA) and Paid Absence Allowance (PAA) eligibility date, shall on that date become entitled to one week's vacation in that year, or such time off as the employee would be entitled to under existing law. For the purpose of ensuring compliance with such law, time off for PAA and SPA is deemed to be vacation time off.
- 106.0** The vacation pay, PAA and SPA eligibility date shall be June 30th.
- 107.0** No employee shall receive less vacation pay than that to which such employee would be entitled under existing law at the time such vacation, PAA and SPA pay is payable. For the purpose of ensuring compliance with such law, pay for PAA and SPA is deemed to be vacation pay.
- 108.0** The expression "minimum hours" for vacation pay and SPA shall mean a total of 1000 hours in the vacation eligibility year which shall be the previous calendar year. For the purpose only of calculating minimum hours worked, hours spent in connection with related training under Paragraph 139.0, hours paid for holidays not worked, jury duty and bereavement leave, shall be considered as hours worked.

The expression "minimum hours" for paid absence allowance wherever used in this Section shall mean a total of 1000 hours in the paid absence eligibility year which shall be the 52 weeks prior to June 30. For the purpose only of calculating minimum hours worked, hours spent in

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connection with related training under paragraph (145), hours paid for holidays not worked, jury duty and bereavement leave, shall be considered as hours worked.

109.0 Each employee who has attained at least one year's seniority as of the vacation pay SPA and PAA eligibility date and who has worked the minimum hours in the applicable eligibility year, shall become entitled on that date to vacation pay and SPA allowances (January 1), PAA credit (June 30), in accordance with the following:

For An Eligible Employee With Seniority Prior to March 21, 2010	Hours Of Vacation Pay Allowance	Hours of Scheduled Paid Absence	Paid Absence Allowance Credit
Three But Less Than Five Years	88	80	40
Five But Less Than Ten Years	108	80	40
Ten But Less Than Fifteen Years	128	80	40
Fifteen But Less Than Twenty Years	148	80	40
Twenty Or More Years	188	80	40
For An Eligible Employee With Seniority After March 21, 2010	Hours Of Vacation Pay Allowance	Hours of Scheduled Paid Absence	Paid Absence Allowance Credit
One but less than three	68	80	0
Three but less than five	88	80	20
Five but less than ten	108	80	28
Ten but less than fifteen	128	80	40
Fifteen or more	148	80	40

No employees fall into these gro

109.1 Without modifying or adding to any other provision of Section XIV, Vacation Pay Allowances, an employee who has not acquired one year's seniority as of the vacation pay SPA and PAA allowance eligibility date occurring after the effective date of this Agreement shall nevertheless become eligible for a vacation pay allowance provided:

109.1.1 The employee has seniority as of January. 1 of the vacation year and

109.1.2 The employee has worked during at least 13 pay periods as of January 1.

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An eligible employee who qualifies as provided herein shall be paid a percentage of 40 hours vacation following January 1 based on the number of pay periods the employee works in such employee's eligibility year, in accordance with the following, or as provided by applicable law, whichever is greater:

PAY PERIODS WORKED	PERCENTAGE OF 40 HOURS VACATION PAY
26	100%
25	96
24	92
23	88
22	84
21	80
20	76
19	73
18	69
17	65
16	61
15	57
14	53
13	50

109.1.3 Whenever PAA must be used to ensure compliance with existing law related to vacations, paid absence allowance will be taken by the employee and paid by the Company at the time and in the manner required to ensure such compliance. Management may issue a procedure for such purpose.

110.0 An eligible employee may use vacation pay allowances on a pay as you go basis provided the employee meets the notification guideline. Vacation pay allowance shall be calculated on the basis of the employee's rate of pay plus the attached night shift premium that would have been attached to the employee's straight time rate if the employee had worked the employee's regularly scheduled shift had such day not been a vacation day. Unused vacation pay allowances as of the end of the calendar year will be paid out prior to holiday shutdown and calculated in accordance with the Memorandum of Understanding (Doc. No. 53) – Night Shift Premium on Vacation Pay and Unused Paid Absence Allowance Credit.

110.1 An eligible employee may use vacation and/or a PAA credit during the eligibility year following the date such vacation and/or PAA is credited to the employee, provided the employee meets the call-in requirements

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and is not receiving sickness and accident insurance benefits.

110.1.1 An employee may elect to use vacation and/or PAA, in 8 hour increments, by informing the Company no later than ½ hour prior to the start of the employee's regular scheduled shift.

110.1.2 An employee may exercise this option in Paragraph 110.1.1 to a maximum of five (5) call-ins per calendar year (a maximum of 40 hours of vacation and/or PAA yearly).

110.2 PAA, shall be calculated on the basis of the employee's rate of pay plus the attached night shift premium, but not including overtime premium, that would have attached to the employee's straight time rate if the employee had worked the employee's regularly scheduled shift had such day not been a paid absence. Unused PAA credit shall be calculated in accordance with the Memorandum of Understanding - Night Shift Premium on Vacation Pay and Unused PAA Credit.

110.3 An eligible employee who, at the time of the employee's next eligibility date, has not used the employee's entire paid absence allowance credit shall have the unused hours moved to vacation for the balance of the calendar year.

111.0 Where an employee has failed to work the minimum hours in the eligibility year, the employee shall be entitled to the vacation pay SPA and PAA credit shown in Paragraph 109.0 for that year to which the employee would have been entitled if such employee had worked the minimum hours for that year, reduced by five (5) percent for each fifty (50) hours (or fraction thereof) by which the employee has failed to work the minimum hours for that year.

112.0 Each employee who is discharged and who on the vacation pay, SPA and PAA eligibility date immediately preceding the discharge had one or more years' seniority, shall receive in lieu of the vacation pay, SPA and PAA to which the employee might be otherwise entitled under the provisions of this Section, the following:

Whatever amount the employee would be entitled to receive under existing law, from the Company since the vacation pay, SPA and PAA eligibility date immediately preceding the date of discharge, up to the date of discharge.

113.0 Each employee who has broken seniority (other than as a result of discharge) and who on the vacation pay, SPA and PAA eligibility date immediately preceding the date of such

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cessation had one or more year's seniority, shall receive vacation pay, SPA and unused PAA credit equal to:

113.1 All vacation pay, SPA and unused PAA credit to which the employee may have become entitled under the provisions of this Section as of the vacation pay, SPA and PAA eligibility date immediately preceding the date of such cessation of employment and which has not been paid to the employee prior to the date of cessation of employment; and

113.2 An amount equal to the vacation pay, SPA and unused PAA credit to which the employee would have become entitled under the provisions of this Section had such employee remained in the employment of the Company until the vacation pay, SPA and PAA eligibility date next following cessation of employment.

114.0 In determining the length of a vacation week, the period shall mean seven (7) consecutive days including Saturdays, Sundays and holidays falling within the period.

114.1 The parties agree to a practice of selecting vacation time whereas employees may make application in writing for vacation time off by the end of the previous year, December 31.

In the event more employees apply for time off than can be spared from the job at a given time, seniority by seniority group by department, will be the basis for resolving priority of applications. Vacation time off for the year will be authorized two weeks after the start of the New Year.

Any openings left over after all vacation requests have been through will be granted on a first come first served basis. Anyone requesting vacation for the first two weeks of the year will be authorized on a first come first served basis.

SECTION XV

SKILLED TRADES

115.0 From a long-range standpoint it is desirable to train individuals to become journeymen/journeywomen in the tool, die, wood and metal pattern and maintenance skilled trades through an apprentice training program. Apprentice training, due to lack of training facilities, type of work performed and other important factors, is neither practical nor feasible in all plants nor in all skilled trades within plants.

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115.1 In view of the foregoing, therefore, it is desirable to expand or institute apprentice training programs where needed and practical.

116.0 Paragraphs 57, 58 and 156 shall not apply to apprentices.

117.0 A GDLS-C-CAW Skilled Trades Committee will be established, and will be composed of two (2) representatives of the Company and two (2) representatives appointed by the President National Union CAW.

117.1 The duties of this Committee shall be:

117.1.1 To review and revise the uniform shop training schedules when necessary. The shop training schedules which have been agreed to by the GDLS-C-CAW Skilled Trades Committee are made a part of this Agreement.

117.1.2 To review and revise the related training schedules when necessary. Example related training schedules which may be agreed to pursuant to Paragraph 118.0 by the GDLS-C-CAW Skilled Trades Committee are made a part of this Agreement.

117.1.3 To review and revise, when necessary, the Standard Apprentice Plan which is made a part of this Agreement.

117.1.4 To receive reports by the plants having apprentices of the number of apprentices within each training period by apprentice classification and the number of journeymen/journeywomen by classification included in the ratio of apprentices in training to journeymen/journeywomen.

117.1.5 To establish new apprentice training schedules for classifications in which such schedules have not been previously agreed upon by the GDLS-C-CAW Skilled Trades Committee.

117.1.6 To review and make disposition of apprentice training matters referred to the GDLS-C-CAW Skilled Trades Committee by the Local Apprentice Committees.

117.1.7 To consider the establishment of pre-apprentice training programs as a means of meeting the parties' affirmative action objectives related to the apprentice training program.

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117.1.8 To meet on a quarterly basis (unless mutually agreed otherwise) to fulfill the above duties. An agenda will be established for these meetings and either party may submit specific items for discussion up to two (2) weeks prior to any planned meeting.

117.1.9 To deal with other matters concerning the Skilled Trades Section of this Agreement.

117.1.10 Disputes concerning the Skilled Trades Section of this Agreement may be appealed to the Arbitrator in accordance with the Arbitration Section, commencing with Paragraph 26.0.

118.0 The present shop and related training schedules will remain in effect until replaced by revised schedules. The revised schedules will be adopted for those apprentices presently indentured to the extent that they can be integrated into such revised programs without interfering with the progress of the apprentice.

Local Apprentice Committee

119.0 A Local Apprentice Committee composed of two (2) Union members and two (2) Management members shall be established in each plant in which apprentices are employed. One shall be designated as the Chairperson of the Union members of the Local Apprentice Committee. In order to perform their duties as described in Paragraph 122 the Union members of the Local Apprentice Committee will be provided with the following:

119.1 in plants employing fewer than fifty (50) apprentices, a filing cabinet in an appropriate and secure location near their work area,

119.2 in plants employing fifty (50) or more apprentices, a filing cabinet, a desk and chair in the Centre for Benefit Plans and Health and Safety representatives.

Management shall notify the Local Union of its members, one of whom shall be designated the Apprentice Coordinator.

120.0 The Chairperson of the Union members of the Local Apprentice Committee shall be permitted to attend regular Shop Committee meetings for the purpose of assisting in the handling of grievances of apprentices. The Chairperson's regular rate will be paid for time spent in such meetings and for making the investigations provided for in this paragraph for the hours the Chairperson would otherwise have worked in the plant. The Chairperson of the Shop Committee may designate the Chairperson of the Union members of the

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Local Apprentice Committee, in lieu of a member of the Shop Committee, to make the further investigation provided for in Paragraph 17.0, of a grievance filed by an apprentice.

121.0 The Local Apprentice Committee shall meet at a mutually agreed upon time at least once each thirty (30) days, unless it is otherwise agreed to extend the time between meetings. Union members of the Local Apprentice Committees will be paid their regular rates for time spent in such meetings and for the necessary time to properly perform duties and functions provided for in Paragraph 122 for the hours they would otherwise have worked in the plant. Minutes of such meetings will be furnished to the Union members of the Local Apprentice Committee within seven (7) calendar days from the date of the meeting.

122.0 The duties and functions of the Local Apprentice Committee shall be as follows:

122.1 To discuss issues involving the effect of the employment of apprentices on the employment of journeymen/journeywomen in the trades involved.

122.2 To study other matters that may involve the training of apprentices by journeymen/journeywomen in the shop.

When machinery, equipment or material is introduced or modified and new skills are required in the journeyman/journeywoman classification in the plant, the matter may be reviewed to determine the effect on the shop and related training of apprentices including necessary revision of such training. If requested, arrangements will be made with the Apprentice Coordinator for the Local Apprentice Committee to investigate the new skills on the plant floor as a part of their review.

122.3 Progress reports of the apprentice shop and related training schedules shall be reviewed in meetings of the Local Apprentice Committee, except that upon the request of a member of the Local Apprentice Committee an individual apprentice's record shall be reviewed in a meeting of the Local Apprentice Committee once during the last thirty (30) day period prior to completion of the apprentice shop training schedule. Problems involving the improper application of the shop training schedules to individual apprentices may be raised with supervision and if necessary discussed with the apprentice on the plant floor by the Chairperson or another Union member of the Local Apprentice Committee.

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122.4 To be aware of the apprentice testing process and to participate, as necessary, in the testing of apprentice applicants.

122.4.1 To evaluate the overall qualifications of apprentice applicants and to interview and place tested apprentice applicants who have successfully completed the apprentice selection procedure on separate lists, one for seniority employee applicants and one for all other applicants, each list to be in descending order of points scored for each classification for which they have applied. When apprentices are selected, such selections shall be on the basis of at least two from the employee applicant list for every one selected from the other list in descending order of total point score; however, more selections from the other list may be made in the event sufficient qualified employee applicants are not available. Qualified applicants who have already applied and who are available will have their points adjusted according to the revised selection procedure by the date the first selection lists for the plant are formulated after the effective date of this Agreement.

122.4.2 When either list of qualified applicants for a classification is exhausted, additional qualified applicants may be placed on the list for that classification, but in any event additional qualified applicants will be added to the list at six (6) month intervals.

122.4.3 When necessary, the Apprentice Coordinator will make arrangements to temporarily assign a Union member of the Local Apprentice Committee to another shift for the purpose of interviewing applicants. Such a change in shift will be considered a regularly scheduled shift change pursuant to Paragraph 78.0.

122.5 All applications for apprenticeship will be available upon request for review by either Union member of the Local Apprentice Committee.

122.6 The evaluation of each apprentice applicant in accordance with the Point Rating System will be available for review by the Union members of the Local Apprentice Committee prior to finalizing the points awarded for each factor. The Chairperson of the Union members of the Local Apprentice Committee will be provided with a copy of the list of qualified applicants eligible for selection for each classification containing the

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name and, in the case of employee applicants, the seniority date will be included.

- 122.7** The Apprentice Coordinator and the Chairperson of the Union members of the Local Apprentice Committee will confer with new apprentices for the purpose of acquainting the apprentices with the role of the Company, Management, the Union and the Local Apprentice Committee in the apprentice program and to ascertain that the apprentices understand their status and obligations as apprentices in accordance with the Apprentice Indenture provided for in Paragraph 138.0.
- 122.8** The Apprentice Coordinator and the Chairperson of the Union members of the Local Apprentice Committee will confer with an apprentice where there are indications that the apprentice is failing to perform the obligations of the apprenticeship.
- 122.9** To evaluate and credit previous experience as provided for in Paragraph 127.
- 122.10** To issue certificates of completion of apprenticeship as provided for in Paragraph 144.0.
- 122.11** Each six (6) months the Chairperson of the Union members of the Local Apprentice Committee will be furnished with a list of the number of apprentices in each training period by classification and the number of journeymen/journeywomen by classification included in the ratio of apprentices in training to journeymen/journeywomen.
- 122.12** Employees eligible for Tuition Refund who express a desire to enter the apprentice program will be advised by a member of the Local Apprentice Committee of courses that are available through the Tuition Refund Program which may help them become better prepared as applicants for apprentice training.
- 123.0** Grievances filed by apprentices will be handled under the Representation and Grievance Procedure Sections.
- 124.0** Notwithstanding the provisions of Paragraph 123.0 above, problems involving apprentice related training schedules which cannot be settled locally by the Local Apprentice Committee shall not be subject to the Grievance Procedure. Such problems may be referred to the GDLS-C-CAW Skilled Trades Committee.

Apprenticeship Eligibility Requirements

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125.0 In order to be eligible for consideration for apprenticeship, an applicant must meet the requirements for apprentice training applicable at the plant to prospective apprentices, including education and other tests, such as aptitude tests. To satisfy the education requirement, the applicant must be a high school graduate, or have an equivalent education, or meet the alternative requirements set forth in the GDLS-C-CAW Standard Apprentice Plan.

126.0 Management will review its apprentice training needs, not more frequently than semi-annually, and will post on the bulletin board a list of apprentice openings. Notwithstanding other provisions of this Agreement, any employee other than those classified as apprentices may file an application for an opening in the apprentice program; provided, however, that where there is evidence that the filing of such applications by journeymen/journeywomen in apprenticeable classifications having similar apprentice training schedules is for other than promotion purposes or inconsistent with skilled trades staffing objectives, such application shall be subject to review and decision by the Local Apprentice Committee and will not be acted upon unless it is consistent with skilled trades staffing objectives. An apprentice with seniority who is scheduled to be removed from an apprenticeable classification in a reduction in force may apply for an apprentice opening in a related skilled classification.

If such applicant meets all of the requirements for apprentice training applicable at the plant to prospective apprentices, the applicant's application will be considered with other applicants for the apprentice program. Where the qualifications of the employee-applicant and non-employee-applicant are equal, the employee-applicant will be given preference. When the qualifications of employee-applicants are equal, the employee-applicant with the longest seniority will be given preference.

Credit for Previous Experience

127.0 Within one (1) year from the date an apprentice commences the apprentice program credit for previous experience may be given up to the total time required on any phase of the apprentice shop training or related training schedules. Such credit shall be given at the time the apprentice has satisfactorily demonstrated that such apprentice possesses such previous experience and is able to do the job, or possesses the educational knowledge for which the apprentice is requesting credit under the related training schedule. At the time such credit is given, the apprentice's wage rate shall be correspondingly adjusted within the apprentice rate schedule based on the amount of credit given toward completion of the shop training schedule.

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127.1 Any contemplated credit for such training will be reviewed with the Local Apprentice Committee.

Term of Apprenticeship

128.0 The term of apprenticeship shall be nominally four (4) years in length, but shall be based on the number of hours actually worked. The shop schedule shall be divided into eight (8) periods of 916 hours each.

Seniority of Apprentices

129.0 Each apprentice classification in the apprentice program shall be a separate non-interchangeable occupational group.

130.0 An apprentice hired directly into an apprentice classification shall establish seniority in the apprentice's non-interchangeable occupational group in accordance with Paragraph 45.0 of this Agreement.

131.0 An employee transferred to an apprentice classification shall have a date of entry in the non-interchangeable occupational group to which the employee is transferred and will continue to accumulate seniority in the seniority group from which such employee was transferred.

132.0 For the purpose only of determining the seniority status of apprentices in training, such apprentices shall have their seniority established as provided in Paragraphs 130.0 and 131.0 above.

132.1 For the purpose of layoff and rehire or other applicability in an employee's skilled occupational group, the seniority of the apprentice who graduated prior to September 15, 1970, upon graduation, was adjusted to a date which represented 50% of the time (subsequent to the employee's seniority date established pursuant to Paragraph 45.0) spent in the apprentice training program including previous experience, at that plant only, for which the employee received credit under the provisions of Paragraph 127.0. Such credited hours shall be converted to seniority under this Paragraph 132.1 by crediting seven (7) calendar days for each forty (40) hours and one (1) calendar day for each additional eight (8) hours. For all other purposes seniority shall be as established by Section IX of this Agreement.

132.1.1 An apprentice starting training on or after September 15, 1970, shall upon graduation, be given journeyman/journeywoman seniority in the apprentice's skilled occupational group, equal to the calendar days (subsequent to the apprentice's

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seniority date established in the plant pursuant to Paragraph 45.0) spent in the apprentice program.

An apprentice graduating after September 15, 1970, with apprentice training time both prior to and after such date shall have journeyman/journeywoman seniority for the training time prior to such date as provided in 132.1 above and for the training time on and after such date the apprentice will be given journeyman/journeywoman seniority equal to the calendar days spent in the apprentice program.

132.1.2 For the purpose of layoff and rehire or other applicability in an apprentice's skilled occupational group, the seniority of the apprentice who enters the program subsequent to September 14, 1982 shall, upon graduation, be adjusted by the amount of time spent in such apprentice training program, but not to exceed a period of four (4) years, except in the case of an apprentice who is incapacitated at work by injury or compensable occupational disease who shall, upon graduation, be given the same journeyman/journeywoman seniority date as the apprentice would have received had such apprentice not been so incapacitated.

132.1.3 For the purpose of layoff and rehire or other applicability in an apprentice's skilled occupational group, the seniority of the apprentice who graduates on or after October 21, 1987, shall be adjusted by the amount of time spent in such apprentice training program, but not to exceed a period of four (4) years and four (4) months, except in the case of an apprentice who is incapacitated at work by injury or compensable occupational disease who shall, upon graduation, be given the same journeyman/journeywoman seniority date as the apprentice would have received had such apprentice not been so incapacitated.

132.1.4 For the purpose of layoff and rehire or other applicability in an apprentice's skilled occupational group, the seniority of the apprentice who graduates on or after October 28, 1996, shall be adjusted by the amount of time spent in such apprentice training program, but not to exceed a period of four (4) years and six (6) months, except in the case of an apprentice who is incapacitated at work by injury or compensable occupational disease who shall, upon graduation, be given the same journeyman/journeywoman seniority date as the apprentice would have received had such apprentice not been so incapacitated.

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132.1.5 For the purpose of layoff and rehire or other applicability in an apprentice's skilled occupational group, the seniority of the apprentice who graduates on or after September 23, 2002, shall be adjusted by the amount of time spent in such apprentice training program, but not to exceed a period of five (5) years, except in the case of an apprentice who is incapacitated at work by injury or compensable occupation disease who shall, upon graduation, be given the same journeyman/journeywoman seniority date as the apprentice would have received had such apprentice not been so incapacitated.

132.2 An apprentice who satisfactorily completes the shop training schedule in a plant prior to the time the apprentice's related training is complete shall be considered as a journeyman/journeywoman but only in the plant in which the apprentice was in apprentice training of indenture in the classification to which such employee has been apprenticed. Seniority of such an employee shall be established in accordance with Paragraph 132.1.

Time spent by such an employee in completing the apprentice's related training schedule shall be paid for at the straight time rate applicable to such related training for that classification in that plant in accordance with Paragraph 141.0 and the Apprentice Rate Schedule set forth in Paragraph 146.0; provided, however, the hourly rate for such apprentice related training shall not exceed the applicable rate for the eighth (8th) 916 hour Apprentice Training Period for that classification as set forth in Paragraph 146.0. The Company's payment of fees and/or tuition required in connection with apprentice related training for such an employee is limited to the maximum provided in Paragraph 143.0.

Upon completion of the apprentice's related training schedule, the employee shall be given a certificate of completion of apprenticeship, in accordance with Paragraph 145.0, and shall thereupon be a journeyman/journeywoman within the meaning of Paragraph 148.0.

133.0 In a reduction in force, apprentices will be removed in accordance with their seniority in the non-interchangeable occupational group to which they are assigned and they shall be laid off except that:

133.1 Apprentices with seniority who were hired directly into an apprentice classification who apply in writing prior to

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leaving the plant on layoff will be placed on other available work.

133.2 Apprentices with seniority who have been transferred from a job in the plant to an apprentice classification, who apply in writing prior to leaving the plant on layoff, will be returned to the group from which they were so transferred unless otherwise agreed to locally.

133.3 Failing to have sufficient seniority to be placed on other work, as provided above, apprentices will be laid off.

134.0 Apprentices who have been removed from an apprentice non-interchangeable occupational group pursuant to Paragraph 133 above, will be recalled to such group in line with their seniority in such group.

Ratio of Apprentices to Journeymen/Journeywomen

135.0 The number of new apprentices who may be enrolled shall be determined on the basis of the number of journeymen/journeywomen employed for the program averaged over the preceding twelve (12) months. The ratio of apprentices in training to journeymen/journeywomen should not exceed one (1) apprentice to eight (8) journeymen/journeywomen. However, the Union agrees that Management can establish a ratio of apprentices to journeymen/journeywomen in excess of the one (1) to eight (8) ratio, but not to exceed a ratio of one (1) apprentice to five (5) journeymen/journeywomen. Deviations below the one (1) to five (5) ratio may be agreed to by the Local Apprentice Committee. Favourable consideration will be given to requests for deviation below the one (1) to five (5) ratio in instances in which it is anticipated the impact of early retirement will create a shortage of skilled trades employees. In the event of a reduction in force, the apprentices in excess of the one (1) to eight (8) ratio will be laid off before any journeyman/journeywoman in that trade is laid off. Exceptions to this ratio may be agreed to locally.

136.0 To maintain the proper schedule for graduating apprentices, their standard work week, including time spent in connection with related training, shall be forty (40) hours.

136.1 Apprentices may be assigned to overtime work when all journeymen/journeywomen on the shift in the equalization group with which the apprentice in the course of such apprentice's training is currently associated, are either scheduled to work overtime or have had the opportunity to work overtime. Deviation from this provision may be negotiated by Management and the Shop Committee.

Approved by both parties: _____

136.2 Equalization of any available overtime among apprentices is subject to arrangements made by the Local Apprentice Committee in a manner consistent with the shop and related training of each apprentice.

136.3 Individual apprentices will not be assigned to work overtime for the purpose of completing their apprentice training ahead of other apprentices in like circumstances in the trade.

137.0 In case an apprentice is required to work overtime, such apprentice shall receive credit on the term of apprenticeship for only the actual hours of work.

Tool Allowance

138.0 An apprentice starting training prior to September 23, 2002 will be furnished a new tool box, which will become the property of the apprentice upon graduation. At the same time, the apprentice will be paid an allowance of \$150.00 for the purchase of tools. Upon satisfactory completion of the first through eighth periods of 916 hours of work in the apprentice program, the apprentice will be paid \$150.00 for the purchase of tools. Management will assist the apprentice in obtaining tools. Upon graduation, the apprentice will receive the balance, if any, of the total tool allowance of \$1350.00 including credit granted for prior experience pursuant to Paragraph 127.0 less any tool allowance payments received.

138.1 An apprentice starting training on or after September 23, 2002 will be furnished a new tool box, which will become the property of the apprentice upon graduation. At the same time, the apprentice will be provided with the appropriate tools of their trade from a tool list developed by the Local Apprentice Committee. Such tools will become the property of the apprentice upon graduation or as otherwise agreed to locally.

Apprentice Indenture

139.0 Every apprentice (or if a minor, the parent or guardian) shall be required to sign and will receive a copy of the Apprentice Indenture.

Related Training

140.0 Each apprentice shall be required during the period of this apprentice program, to complete a program of related and supplemental classroom instructions not to exceed 672 hours during a four-year training course, less the amount of related training for which the apprentice received credit pursuant to Paragraph 127.0. The Local Apprentice

Approved by both parties: _____

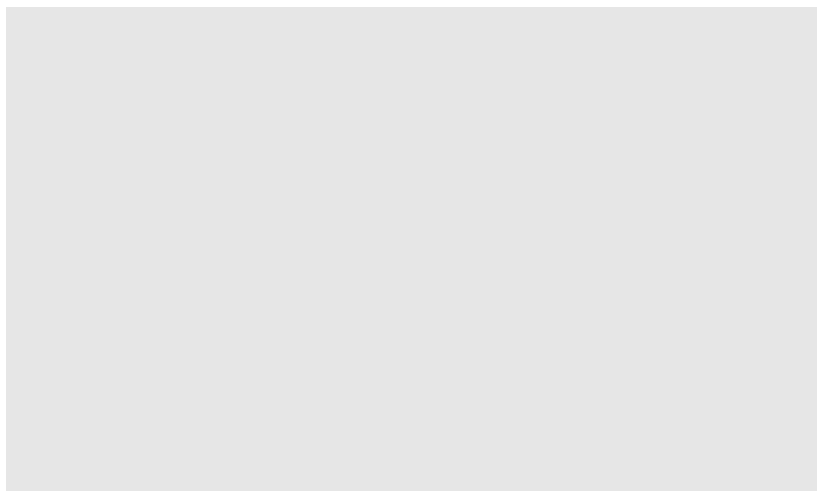
Committee may recommend increasing related training for specific classifications.

- 141.0** Time spent by the apprentice in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent by the apprentice in taking required related training shall be paid for at the apprentice's straight time hourly rate.
- 142.0** Whether related training shall be conducted by Management or through a local educational institution, or otherwise, shall be determined by Management in light of prevailing circumstances in the community. Management will notify and discuss this matter with the Local Apprentice Committee prior to making such determination.
- 143.0** The Company agrees to pay, on behalf of apprentices covered by this Agreement, registration fees and/or tuition required in connection with related training under the apprentice program.

Progress Reports

- 144.0** An accurate record shall be kept of the hours worked by each apprentice under the training program. These hours shall be recorded on appropriate forms. Where the basic work processes are subdivided on the uniform shop training schedules, a more detailed breakdown of hours conforming to such sub-divisions, which do not change the uniform shop training schedules, may be developed locally.
 - 144.1** Optional hours are provided in each shop training schedule to be used as follows:
 - 144.1.1** to give additional training over and above the hours designated in the shop training schedule in those phases which would be most beneficial to the apprentice in acquiring journeyman/journeywoman status.
 - 144.1.2** to give training in related phases of the trade not specifically designated in the shop training schedule but normally required of journeymen/journeywomen.
- 145.0** As soon as possible after completion of apprenticeship a certificate shall be issued by the Company to the apprentice.
- 146.0** The straight time hourly wage rates (exclusive of Cost of Living Allowance and shift premium) for apprentices shall be the rates set forth in the following Apprentice Rate Schedule.

Approved by both parties: _____



Apprentice Training Period		Hourly Rate
1st 916 Hours 2 nd 916 Hours 3rd 916 Hours	<u>\$28.00</u> <u>\$28.15</u> <u>\$28.15</u> + 9%	Of Difference Between <u>\$28.15</u> And Maximum Rate (Less 20 Cents) Of Journeyman/ Journeywoman Classification For Which The Apprentice Is In Training. The Resultant Rates Shall Be Rounded To The Nearest 1 Cent.
4th 916 Hours	<u>\$28.15</u> + 20%	
5th 916 Hours	<u>\$28.15</u> + 33%	
6th 916 Hours	<u>\$28.15</u> + 48%	
7th 916 Hours	<u>\$28.15</u> + 66%	
8th 916 Hours	<u>\$28.15</u> + 86%	

The above Apprentice Rate Schedule automatically provides for all increases in straight time rates effective through the effective date of this Agreement. These rates shall be adjusted to reflect the general increases scheduled for September 22, 2003 and September 20, 2004 as provided in

Approved by both parties: _____

Paragraphs 94.1 and 94.2 of this agreement. The straight time rates for individual apprentices shall be determined only in accordance with the provisions of this Paragraph 146.0.

Notwithstanding the foregoing provisions, a seniority employee transferred to apprentice training shall be transferred at the employee's current rate or the rate of \$28.70 per hour, whichever is lower, provided, however, that in no event will the employee's 1st period rate be lower than a rate of ten cents (10¢) over the 1st Period Hourly Rate set forth above. Upon completion of that 1st Period, the employee shall be paid a rate of \$28.58 or such employee's first period rate, whichever is higher, and if retained, shall be paid such rate until the employee qualifies for a higher rate in accordance with the Apprentice Rate Schedule.

Journeyman/Journeywomen

147.0 Upon becoming classified as a journeyman/ journeywoman, an employee shall receive the maximum rate for the job classification to which the employee is assigned.

148.0 The term "journeyman/journeywoman" when used in this Agreement shall mean a person who:

148.1 has satisfactorily completed a bonafide apprentice training course with similar standards to the GDLS-C-CAW Apprentice Training Program; or

148.2 has properly carried journeyman/journeywoman status in the trade under this and/or prior Agreements between the parties; or

148.3 as a new hire meets one of the above alternative requirements or provides proof of having worked in the trade at least eight (8) years.

Copies of any documents presented pursuant to this provision will be furnished the Chairperson of the Shop Committee upon request, or as otherwise agreed upon locally.

149.0 If journeymen/journeywomen employees in a trades classification are not available either through hire, transfer or graduation of an apprentice, other employees in the plant, who have the ability or adaptable skills may be reclassified on a temporary basis to supplement the work force in the trade classification affected.

Approved by both parties: _____

The seniority of a supplemental employee shall be in relation to other employees of that same status, but shall not be retained in a trade classification where journeymen/journeywomen are subject to layoff.

150.0 Employees, except apprentices, who have not qualified as journeymen/journeywomen and supplemental employees may be retained in their classifications until displaced by:

150.1 a journeyman/journeywoman in the same classification or occupational group presently employed in the plant;

150.2 a journeyman/journeywoman in the same classification who may be a new hire;

150.3 a newly graduated apprentice in that classification of work;

150.4 a reduction in force.

151.0 During model change or major plant rearrangement employees may be temporarily transferred to skilled classifications as extra help to assist in such work. Seniority of such employees shall remain and accumulate in their occupation or plant groups from which they are temporarily transferred, and to which they may be returned upon the completion of the temporary assignment. It is understood, therefore, that no employee will be credited with any seniority in such skilled classifications either for the purpose of being retained in the classification or as a factor for being selected at some subsequent period for this type of work. Extra help employees will not be retained beyond such model change or major plant rearrangement periods unless mutually agreed between the parties. However, extra help employees may not be required for the duration of such periods. In that event they will be returned to their jobs in line with their seniority.

151.1 In the event an employee (other than those in the Skilled Trades classifications) is assigned as a Supplemental Employee or as Extra Help to a Skilled Trades classification as provided in Paragraphs 149.0 and 151.0 of the Agreement, the employee shall receive a rate thirty (30) cents per hour below the maximum rate of the lowest paid Skilled Trades wage classification.

152.0 Lines of Demarcation

152.1 The Chairperson of the Shop Committee may request the Labour Relations Department to arrange a special meeting to hear the skilled trades representative's views concerning problems in connection with work assignments of employees in Skilled Trades

Approved by both parties: _____

classifications and to discuss the matter. Such special conference will be attended by two Committeepersons representing employees in Skilled Trades classifications, a representative of the section of the Management organization in charge of the skilled trades activity involved, and a representative of Labour Relations.

The President National Union CAW or the President's specified representative, upon request to the Director of Personnel, may attend the conference.

- 152.2** If the matter involves the appropriateness of the work assignment of employees in Skilled Trades classifications and is resolved, the settlement will be reduced to writing within seven (7) calendar days from the date of the settlement unless otherwise agreed to by the parties. If the matter is not resolved, the Local Union may reduce the matter to writing in a statement setting forth all the facts and circumstances surrounding the case and the position taken by the Union. The statement will be presented to Management within ten (10) working days of the special conference.

Within five (5) working days thereafter, Management will prepare and give to the Union a complete statement of the facts of the case and the reasons for the position taken. The Union may, within thirty (30) days of such delivery, forward the Union's statement and the Management's statement to the President National Union CAW or the President's specified representative.

- 152.3** If in its judgment the matter warrants appeal, the National Union CAW may within thirty (30) days of receipt of the statements, appeal the matter by written notice to the Director of H.R. & A. from the plant of which the appeal was made.

- 152.4** If the Committee is unable to resolve the case within a reasonable period of time of the date of appeal to it, the case may be withdrawn without prejudice by the Union members or may be appealed to the Arbitrator for final and binding decision. Upon the submission of a case to the Arbitrator, the parties will make an effort to provide the Arbitrator with a jointly agreed upon set of specific criteria to guide the Arbitrator's decision in each case.

Skilled Trades Layoff Procedure

- 153.0** Pursuant to Paragraph (58) of Skilled Trades section of the Agreement: In the event of a reduction in force in excess of the balance of shift the following procedure shall apply:

Approved by both parties: _____

- 153.1** probationary journeymen/journeywomen will be laid off from the classification affected.
- 153.2** Journeymen/journeywomen will be removed in line with their seniority from skilled trades classification affected by the reduction.
- 153.3** any shift re-assignments, which are necessary as the result of layoffs due to a reduction in force, will be made on the next Monday following such reduction.
- 153.4** any employee laid off from a journeyman/journeywomen classification may elect to take a layoff subject to the provisions of Paragraph 48.6 of the Agreement or the employee may elect to accept a job offer in a classification other than a skilled trades classification provided that the acceptance of such offer does not result in the displacement of any seniority employee, and provided further that the employee must return at the earliest opportunity to the employee's former skilled trades classification, in line with the employee's seniority, as openings occur.

Failing to so return the employee shall forfeit all claims to the employee's former skilled trade's classification and the employee's full seniority shall be established in the seniority group in which the employee is working.

Skilled Trades Transfers

- 154.0** Employees having journeymen/journeywomen status who are transferred from a non-skilled occupational seniority group into a skilled trades classification and who have not previously established seniority in such skilled trades classification will have a date of entry seniority status in the skilled trades classification as of the date of transfer.
- 155.0** In the application of Paragraph 58.3 of the Agreement dated March 25, 2013, all Skilled Trades Departments will be combined to constitute a "department".
- 156.0** Where transfer, layoffs or recalls are made in accordance with the connecting lines as shown on the Skilled Trades Flow Chart (Schedule E), an employee transferred shall established their seniority rights in the classification to which the employee is transferred as of the date of

Approved by both parties: _____

transfer.

SECTION XVI

GENERAL PROVISIONS

157.0 Insofar as it is practicable for Management to do so, overtime on any shift in any Department will be equitably distributed among those employees in the group which performs similar work on such shift in such Department. Information concerning equalization of hours status will be openly displayed in the Department in such a manner that the employees involved may check their standing.

RULES FOR ADMINISTRATION OF PARAGRAPH 157 OF THE AGREEMENT CONCERNING EQUALIZATION OF OVERTIME WORK

157.1 Overtime records should have the department number, month and year filled in for each month. All overtime records will be recorded on-line.

157.2 Equalization records will be maintained on an up to date basis and will be posted weekly.

157.3 All records must be openly displayed in the department involved. Where employees are scattered throughout the plant, their record should be kept in the most suitable place and openly displayed in a locked case.

157.4 The Company will hold a meeting prior to the spread reaching in excess 100 hours, in any overtime group (Manager of Production, Area Manager/Sr. Team Lead, Labour Relations & Employment, Committee Person and Supervisor). If no solution is reached the issues will be elevated.

157.4.1 With Production Manager, Industrial Relations Manager, Committee Person and Supervisor – Joint solution to correct.

157.4.2 If no solution agreed upon, proceeds to the next level of Management (Director of H.R.&A., Director of P&D, Supervisor and Plant Chairperson) – Joint solution to correct.

157.4.3 If no solution agreed upon, the issue then proceeds to Divisional Labour Relations, Supervisor and the National C.A.W. for resolution.

Approved by both parties: _____

- 157.5** Jointly develop a standardized 'ask' sheet to be used by Supervisors to record overtime asked and refused.
- 157.6** Employees will be charged as follows:
- 157.6.1** medically restricted employees are to be offered overtime on their regular duties. If no work exists in their regular duties but overtime is offered within the medically restricted employee's group, then the medically restricted employee will be charged overtime as if the employee was able to perform the work.
 - 157.6.2** employees will be charged during all contractual and non-contractual absences.
- 157.7** Employees to be grouped on the overtime record with each group consisting of employees engaged in similar work. Employees on steady first, second, third or swing will each be placed in a separate overtime group. Overtime groups will be reviewed; cross-training needs will be assessed, and then scheduled. Overtime groups may be modified if the make up of the group is jointly found to be a contributing factor to an artificial spread of overtime hours.
- 157.8** Where overtime is offered and there exists 2 or more overtime groups on the same shift that perform the same work then it will be considered as an overtime group only for the purposes of asking for overtime.
- 157.9** Employees that change shifts or groups within a department or transfer to another department will receive the average overtime hours of the group that they will be performing work in.
- 157.10** When a new shift or group is started then all employees in the new group will receive the average overtime hours of the entire department.
- 157.11** When a new department is started then all employees will start at zero hours in all the groups in the new department.
- 157.12** Employees off sick, S&A, and WSIB less than 30 days are to be charged overtime offered when overtime is being worked in the overtime group.
- 157.13** Employees off sick, S&A, and WSIB for more than 30 calendar days, will be averaged into their respective

Approved by both parties: _____

group upon their return.

- 157.14** A seniority employee returning from layoff to the same or different equalization group shall be credited with the average hours of the group in which the employee has been placed.
- 157.15** When a new hire becomes a seniority employee, that employee will be entitled to an equitable share of overtime work and shall, on that date, be credited with the average hours of the group in which the employee has been placed. Probationary employees may be asked for overtime during the week after their group is exhausted and on weekends after the department has been exhausted. **157.16** Overtime outside of the group – When an employee is offered overtime work in another overtime equalization group and accepts or declines such offers, such employee shall have the available overtime hours credited to their own equalization group.
- 157.17** Record overtime hours as follows: Overtime Hours Offered
- 157.18** An employee performing the work of a Lead Hand will equalize hours with the other employees in the overtime group within the seniority job classification in the employee's department.
- 157.19** Although supplemental help may on occasion be assigned to the same overtime work as journeymen/journeywomen, they shall not have any claim to equalize overtime with journeymen/journeywomen.
- 157.20** Hours shown on the equalization records shall be credited as follows:
- 157.20.1** One hour at time and one half – 1.5 hours credited.
- 157.20.2** One hour at double time – 2 hours credited.
- 157.21** When a committeeperson, the Alternate Committeeperson or Chairperson of the Shop Committee are required and /or declined to work overtime for representation purposes only, this overtime should not be recorded. When the above

Approved by both parties: _____

are required and/or decline to work overtime on their own jobs, then it should be recorded as for any other employee.

157.22 When an employee is requested to work overtime and the employee declines, the hours will be recorded as if the employee had worked. An employee who is called at home and declines the offer of overtime will not be charged for the hours offered.

158.0 Bulletin boards shall be located in the plants by arrangement between Management and the Shop Committee. Management shall post on such bulletin boards at the request of the Local Union such notices respecting Union affairs as may have received the approval of Management. The subject matter of all such notices shall concern:

158.1 notices of Union recreational and social affairs.

158.2 notices of Union elections.

158.3 notices of Union appointments and results of Union elections.

158.4 notices of Union meetings.

158.5 other notices concerning bona fide Union activity such as: Cooperatives; Credit Unions; and Unemployment Compensation information.

159.0 The Union shall not conduct or attempt to conduct any Union activity during working time, except as herein expressly provided.

160.0 Where a physical examination of an employee has been made by the Company physician, a report of such examination will be given to the personal physician of such employee, upon written request of the employee.

161.0 After consultation with the Shop Committee, the Company shall make reasonable rules regarding smoking. Any protest against the reasonableness of the rules may be treated as a grievance.

162.0 An employee with seniority who is summoned and reports for jury duty (including Coroner's juries and duty required in connection with the Ontario Public Institution Inspection Act) as prescribed by applicable law, shall be paid by the Company an amount equal to the difference between the amount of wages (including night shift premium) the employee otherwise would have earned by working during

Approved by both parties: _____

straight time hours for the Company on that day and the daily jury duty fee paid by the court (not including travel allowances or reimbursement of expenses), for each day on which the employee reports for or performs jury duty and on which the employee otherwise would have been scheduled to work for the Company.

In order to receive payment, an employee summoned for jury duty must give Management prior notice of such and must furnish satisfactory evidence that such employee reported for or performed jury duty on the days for which such payment is claimed. The provisions of this paragraph are not applicable to an employee who, without being summoned, volunteers for jury duty.

163.0 When death occurs in a seniority employee's immediate family, as defined below, the employee, on request, will be excused up to the number of normally scheduled days as indicated in the chart below, within the ten (10) working day period immediately following the date of death provided appropriate documentation regarding the death is submitted to the Company.

The immediate family and the associated number of excused normally scheduled working days for purposes of this paragraph are defined as

Employee's Immediate Family Member	Number of Excused Normally Scheduled Working Days
Spouse Parent Child Brother Sister	Four (4) days

Approved by both parties: _____

Step Parent Grandparent Step Child Grandchild Step Brother Half Brother Step Sister Half Sister Current Spouse's Parent Current Spouse's Step Parent Current Spouse's Grandparent Son's Current Spouse Daughter's Current Spouse	Three (3) days
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In the event a member of the employee's immediate family as defined above dies while in the active service of the Canadian Armed Forces, the employee may, should the funeral be delayed, have excused absence from work delayed until the period of three (3) or four (4) normally scheduled working days, whichever is applicable, which includes the date of the funeral.

In the case of an employee who is granted a leave of absence due to an immediate family member's illness, as defined above, and such family member dies within the first fourteen (14) calendar days of the leave, the requirement that the employee otherwise be scheduled to work will be waived.

An employee excused from work under this paragraph shall, after making written application, receive the amount of wages including night shift premium if applicable, the employee would have earned by working during straight time hours on such scheduled days of work for which such employee is excused (including scheduled Saturdays (exclusive of overtime premium) but excluding non-scheduled Saturdays, Sundays and holidays, or, in the case of employees working in necessary continuous seven-day operations, the sixth and seventh workdays of the employee's scheduled working week and holidays).

Payment under this provision shall be made at the employee's rate of pay, as of the employee's last day worked. Time thus paid will not be counted as hours worked for purposes of overtime.

164.0 Supervisory employees shall not be permitted to perform work on any hourly-rated job except in the following types of

Approved by both parties: _____

situations: (1) in emergencies arising out of unforeseen circumstances which call for immediate action to avoid interruption of operations; (2) in the instruction or training of employees, including demonstrating the proper method to accomplish the task assigned.

- 165.0** When the Company establishes work standards, they shall be made on the basis of fairness and equity in that such standards shall recognize the reasonable working capacities of experienced employees working at a normal pace with regard to the required quality of work and the efficiency of operations. They shall also recognize ergonomic factors.
- 166.0** Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or manufacturing work, or fabrication of tools, dies, jigs and fixtures, normally and historically performed by them, when performance of such work involves the use of Company-owned machines, tools, or equipment maintained by Company employees.
- 166.1** The foregoing shall not affect the right of the Company to continue arrangements currently in effect; nor shall it limit the fulfillment of normal warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.
- 166.2** In no event shall any seniority employee who customarily performs the work in question be laid off as a direct and immediate result of work being performed by any outside contractor on the plant premises.
- 167.0** The Union will not during the life of this Agreement make any economic demands on the Company.
- 168.0** When and if a Local Union, the National Union CAW, or Union is hereafter certified by an appropriate provincial labour board as the collective bargaining agent for a group of employees of the Company, the Company and the certified Union will negotiate with respect to including such employees under the terms and conditions of this Agreement.
- 169.0** No provisions of this Agreement shall have any effect prior to the date hereof unless otherwise specifically stated herein.
- 170.0** In the event of any conflict between the provisions of this Agreement and the provisions of any Agreement between the Company and a Local Union, whether or not the National Union CAW is a signatory or party to such Agreement, the provisions of this Agreement shall prevail. In addition, in the event of any conflict between the provisions of this Agreement and a provision of an existing law at the time of

Approved by both parties: _____

signature of this Agreement, the provision of such law and not of the Agreement shall be applicable to all affected employees. In no event shall an employee receive less than as provided by this Agreement.

171.0 Upon this Agreement becoming effective, all prior agreements between the Company and a Local Union, whether or not the Union is a party or signatory to the Agreements, are superseded and terminated, except for those Supplemental Agreements between the Company and the Local Unions, which are identified and referred to in Paragraph 173.0 hereof.

172.0 Simultaneously with the execution of this Agreement the Company and the Union have entered into the following identified Supplemental Agreements, each and all of which are made a part of this Agreement the same as if herein set out in full:

General Dynamics Land Systems - Canada, London, Ontario, and CAW Local No. 27:
Local Seniority Agreement
Local Wage Agreement
Local General Agreement

173.0 The parties to this Agreement have provided for Supplemental Agreements signed by the parties simultaneously with the execution of this Agreement. These Supplemental Agreements and Plans are attached hereto as exhibits, identified as follows:

Supplemental Agreement: Pension Plan	Exhibit A Exhibit A-1
Supplemental Agreement: <u>Health Care</u> , Group Life and Disability Insurance Program	Exhibit B Exhibit B-1
Supplemental Agreement: Supplemental Unemployment Benefit Plan	Exhibit C Exhibit C-1
Canadian Separation Payment Plan	Exhibit C-2
Canadian Automatic Short Week Benefit Plan	Exhibit C-3
Supplemental Agreement: Income Maintenance Benefit Plan	Exhibit D Exhibit D-1
Voluntary Termination of Employment Plan	Exhibit D-2

Supplemental Agreement:

Approved by both parties: _____

**Deleted 2010 Negotiations
Supplemental Agreement:**

Exhibit G

**Deleted 2010 Negotiations
Health Care Insurance Program**

Exhibit G-1

No matter respecting the above Supplemental Agreements, Program or Plans shall be subject to the Grievance Procedure established in this Agreement.

174.0 The Company and the Union shall exchange, in writing, between January 19, 2016 and February 19, 2016 the proposals and demands with respect to the modification of this Agreement, and the proposals and demands with respect to any proposed new agreement to be entered into after termination of this Agreement on March 20, 2016. It is mutually agreed that any exchange of proposals and demands does not preclude changing or adding to such demands or proposals at a later date and that any such exchange shall not in any way affect the March 20, 2016 termination date of this Agreement.

175.0 This Agreement shall become effective at the beginning of the first pay period following receipt of notice of ratification by the Company from the Union and shall continue in full force and effect until 11:59 p.m., March 20, 2016 when it shall automatically terminate.

In WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and representatives as of the day and year first above written.

176.0 Notwithstanding the provisions of this Agreement, the Shop Committee and Management may at any time mutually agree upon exceptions or modifications thereto.

For Local 27, C.A.W. Unit 66	General Dynamics Land Systems - Canada
C. McLarty	<u>H. Wade</u>
<u>E. Bulgin</u>	J. Gargarella
T. Tschekalin	M. Ford
J. L. Skinner	S. Bryson
H. Smith	B. Wilson
T. Carrie	K. Knight
	M. Callaghan
	K. Masse

Approved by both parties: _____

For the National Union	For GDLS
F. Berto	D. Bucksbaum P. Belsito

APPENDIX "A"

SPECIAL SKILLED TRADES REPRESENTATIVE

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

- 1.0** In any plant on a shift where there are 30 or more skilled trades employees (journeyman/journeywoman) who are not represented by a Zone Committeeperson who is classified as a skilled trades employee, a Special Skilled Trades Representative may be selected as specified below to assist in handling skilled trades grievances as provided hereinafter.
- 1.1** In those plants where there is a Zone Committeeperson on the shift classified as a skilled trades employee, such Zone Committeeperson shall be the designated Special Skilled Trades Representative on that shift. If there is more than one Zone Committeeperson on the shift classified as a skilled trades employee, only one shall be selected as the Special Skilled Trades Representative by the Union.
- 1.2** Where there is no Zone Committeeperson on a shift classified as a skilled trades employee, the Local Union will select a skilled trades employee from among those working on that shift to be the Special Skilled Trades Representative and a reservoir of 12 scheduled straight time hours for Monday through Friday will be established for the Special Skilled Trades Representative to handle the duties specified below without loss of pay except that time spent attending the regular shop committee meetings pursuant to Paragraph II.(c) below will not be charged against this reservoir.
- 2.0** Upon written notification designating the Special Skilled Trades Representative selected pursuant to Paragraph I. above, that representative will be allowed to leave his job assignment without undue delay to perform the following duties:

Approved by both parties: _____

- 2.1** if a Zone Committeeperson who is not a skilled trades employee is called pursuant to Paragraph 15.1 to represent a skilled trades employee to handle a specified grievance concerning an alleged violation of one of the provisions of Paragraphs 148, 149,150,151, 152 and 164 such Committeeperson may request that the supervisor call the Special Skilled Trades Representative for that shift. Before a grievance is reduced to writing by the Zone Committeeperson, the Special Skilled Trades Representative may assist the Zone Committeeperson in a consultative and advisory capacity and in doing so, if necessary, may make an independent investigation of the grievance and submit a report to the Zone Committeeperson. The Special Skilled Trades Representative may not function as a Committeeperson nor initiate a grievance.
- 2.2** if the grievance is reduced to writing by the Zone Committeeperson and the Special Skilled Trades Representative has made an independent investigation and submitted a report to the Zone Committeeperson on that grievance before it is reduced to writing, the Special Skilled Trades Representative may, at the request of the Zone Committeeperson, assist the Zone Committeeperson in a consultative and advisory capacity during the Committeeperson's discussions conducted with supervision.
- During discussions at the Second Step of the Grievance Procedure, the Special Skilled Trades Representative will function as an alternative to the second Union representative provided for in the provisions of Paragraph 16 of the Agreement.
- 2.3** in those plants where there is no member of the Shop Committee classified as a skilled trades employee, one Special Skilled Trades Representative shall be permitted to attend regular Shop Committee meetings to serve in a consultative and advisory capacity during the time a grievance alleging violation of one of the provisions of Paragraphs 148, 149,150,151, 152 and 164 is being discussed.
- 2.4** in the event there is no Committeeperson classified as a skilled trades employee representing skilled trades employees, one Special Skilled Trades Representative may attend the special conference provided for in the provisions of Paragraph 152.1 of the Agreement, replacing one of the Union's representatives provided for in that paragraph, to serve in a consultative and advisory capacity during such conference.

Approved by both parties: _____

2.5 in the event none of the Local Union representatives designated are skilled trades employees, one Special Skilled Trades Representative may replace one of those representatives during the specified advance discussion and serve in a consultative and advisory capacity during those discussions.

3.0 Where the Special Skilled Trades Representative is selected while not a Committeeperson, the Special Skilled Trades Representative will nevertheless be governed by the provisions of Paragraphs 10.0, 10.1, and 10.2 of the Agreement.

4 The provisions of Paragraphs 11.0, 12.1, and 12.2 of the Agreement will not be applicable to the Special Skilled Trades Representative.

Yours Truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "B"

**MEMORANDUM OF UNDERSTANDING
COVERING SPECIAL CANADIAN CONTINGENCY FUND**

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

BETWEEN:

General Dynamics Land Systems – Canada, referred to hereinafter as "Company"

AND:

National Union CAW, and its Local 27, said National Union CAW and said Local Unions being referred to jointly hereinafter as "Union":

The Company and the Union agree that:

- 1.0** The Special Canadian Contingency Fund will be continued during the term of the 2013 Agreement.
- 2.0** The Company's obligation to add to such Special Canadian Contingency Fund will be computed as fifty (\$0.50) cents per hour worked by all covered employees. For greater certainty, the Company and the Union agree that the Company's obligation to add to the Special Canadian Contingency Fund as provided in this Section 2, accrues and becomes absolute as the hours described in the immediately preceding sentence are worked. The Company and the Union agree that the amounts accrued to the Special Canadian Contingency Fund are to be utilized exclusively for the

Approved by both parties: _____

benefit of members of the Union and other appropriate Union purposes, the specific uses to be determined as provided in Section 3 below.

3.0 During the term of the 2013 Agreement, the Special Canadian Contingency Fund will be utilized primarily in support of the following plans, programs and activities:

3.1 negotiated Child Care Programs,

3.2 the Legal Services Plan,

3.3 the CAW Leadership Training Program (P.E.L.),

3.4 research, leadership and development activities of the CAW,

3.5 programs and activities of the GDLS-C/CAW Training Review Committee,

3.6 the Social Justice Fund,

3.7 the Retiree Fund,

the Dependent Scholarship Fund and then only if needed. It may also be used to fund jointly agreed to initiatives as determined by the President, National Union CAW and the Director of Human Resources and Administration. At any point in time, the Special Canadian Contingency Fund Balance shall be equal to the cumulative accrual calculated in Section 2 above, less the cumulative utilization calculated in this Section 3. The cumulative accrual and utilization shall include balances carried forward from prior Agreements.

4.0 Funding for the above mentioned plans, programs and activities will be determined in accordance with Appendix "C" of the 2013 Agreement.

5.0 The parties agree that in the event the Special Canadian Contingency Fund balance is insufficient to provide funding for the above mentioned plans, programs and activities as required in Appendix "C" of the 2013 Agreement, the amount of required funding in excess of the Special Canadian Contingency Fund balance will be recovered as an offset against future Special Canadian Contingency Fund accruals.

6.0 As of the end of the 2013 Agreement period, the parties would negotiate the usage of any accrual then remaining in the Special Canadian Contingency Fund.

Approved by both parties: _____

Yours truly,

Heather Wade

Director, International Human Resources & Administration

APPENDIX "C"

FUNDING - OTHER INITIATIVES, LEGAL SERVICES, CHILD CARE, RESEARCH, LEADERSHIP AND DEVELOPMENT, P.E.L., GDLS-C/CAW TRAINING REVIEW COMMITTEE, SOCIAL JUSTICE FUND, RETIREE FUND, SKILLED TRADES FUND, DEPENDENT SCHOLARSHIP FUND

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

During current negotiations the parties discussed the funding of certain activities and Plans including the funding of the CAW-GDLS-C Legal Services Plan, (Exhibit "F" Supplemental Agreement). The parties agreed that their representatives on the Legal Services Plan Committee will continue to ensure sound financial administration of the Plan and will support administrative practices which contain or reduce the costs of providing services under the Plan.

The parties agreed that regular funding provided by the funds available in the SCCF for the CAW-GDLS-C Legal Services Plan will be at fourteen (\$0.14) cents per hour worked.

The parties further agreed that for any month that an accrued shortfall exists and regular funding to the Legal Services Plan is insufficient to pay benefits, any shortfall amount will be deducted and provided from the "2013 Special Canadian Contingency Fund"

Approved by both parties: _____

described in Appendix "B" of the 2013 Agreement, to the extent monies are available.

In addition, funding for mutually agreed child care activities will be seven (\$0.07) cents per hour worked, from available funds of the Special Canadian Contingency Fund, in accordance with Document No. 4 of the 2013 Agreement.

During the 2013 negotiations the Company agreed to provide financial support for the following additional programs and activities by using available funds from the Special Canadian Contingency Fund, as indicated:

- 1.0** Health and Safety, Environment, Leadership Training and Research activities in an amount up to five (\$0.05) cents per hour worked during the term of the 2013 Agreement;
- 2.0** the CAW Leadership Training Program (P.E.L.) in the amount of up to seven (\$0.07) cents per hour worked, in accordance with Document 9 of the 2013 Agreement;
- 3.0** the GDLS-C/CAW Training Review Committee up to a maximum amount of \$550,000.00 (representing the value of up to 24 hours training per active employee as of the effective date of this Agreement) in accordance with Document 20 of the 2013 Agreement;
- 4.0** the Social Justice Fund in an amount up to six (\$0.06) cents per hour worked in accordance with Document 40 of the 2013 Agreement;
- 5.0** the Retiree Fund in an amount up to three (\$0.03) cents per hour worked in accordance with Document 58 of the 2013 Agreement;
- 6.0** the Dependent Scholarship Fund in the amount of \$1,500.00 per year to eligible dependent children of active and retired employees enrolled in an accredited Canadian University or Community College; and,

In addition, the parties agreed, pursuant to the terms of Document No. 14 of the Agreement, specified payments in a particular plant closing situation will be deducted from the Special Canadian Contingency (SCC) Fund.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "D"

EXPEDITED ARBITRATION PROCEDURE

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

During the current negotiations, the parties agreed to establish an Expedited Arbitration Procedure designed to provide an expeditious way of submitting certain grievances to arbitration. This Expedited Arbitration Procedure will be reviewed annually and can be terminated by either party thirty (30) days after written notification to the other party.

Representatives of the National Union CAW and Labour Relations Staff will select by mutual agreement a panel of Arbitrators satisfactory to the parties. The Local Union and Management shall each be responsible for one half of the expenses of and the fee payable to the Arbitrator.

Approved by both parties: _____

Either party may terminate the services of an Arbitrator by giving written notification to the Arbitrator and to the other party.

The following guidelines will be applicable in establishing the Expedited Arbitration Procedure:

- 1.0** within ten (10) working days after a grievance is referred to arbitration, as provided for in Paragraph 27.0 of the Agreement, the National Union CAW representative will notify the Labour Relations Staff of its intention to submit the grievance to expedited arbitration.
- 2.0** as soon as a grievance is submitted to expedited arbitration, the parties will designate an Arbitrator from the panel previously agreed upon by the parties. The Arbitrator will be designated pursuant to a regular rotation system and will be promptly notified. The Arbitrator will arrange a time and date for the hearing to be held at a location designated by mutual agreement of the parties within thirty (30) days after the Arbitrator's selection. If the Arbitrator is not available to conduct the hearing within thirty (30) days, the parties will notify other Arbitrators of the panel and arrange a time and a date for a hearing with the first available Arbitrator.

The hearings will be conducted in accordance with the following guidelines:

- 2.1** The hearing will be informal.
 - 2.2** No briefs will be filed or transcripts made.
 - 2.3** The parties will make every effort to narrow the issues through stipulations of facts and issues no later than ten (10) days before the hearing.
 - 2.4** The Arbitrator shall not be bound by the precedents established in prior decisions of the regular Arbitrator, or any other Arbitrators, and such precedents will not be relied upon by the parties at the hearing. The Arbitrator will be bound by the procedures and provisions established under the terms of the Agreement. Decisions issued by any of the Arbitrators under this appendix will not be cited by either the Company or the Union in any arbitration proceedings.
 - 2.5** If the parties conclude at the hearing that the issues involved are of such complexity or significance as to require further consideration, the case shall be removed from the Expedited Arbitration Procedure and processed in the usual manner in accordance with the regular procedure.
- 3.0** The format of the hearing will be as follows:

Approved by both parties: _____

- 3.1** introductory remarks by the Company and Union setting forth their respective positions.
- 3.2** presentation of testimony by witnesses; direct and cross-examination on issues in dispute only.
- 3.3** questions of witnesses by the Arbitrator.
- 3.4** short summation by the parties.

In each case, the Arbitrator shall issue a decision, in writing, within ten (10) days after conclusion of the hearing. The decision shall be based on the record developed and presented by the parties at the hearing and shall include a brief explanation of the basis for his conclusion. The decision shall be final and binding upon both parties as provided in Paragraph 26.0 of the Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "E"

HARASSMENT PROCEDURE AND ASSOCIATED TRAINING

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

During the current negotiations, the parties discussed the prominence of Human Rights issues in the workplace. The parties have committed to implementing a Harassment Procedure for the benefit of all General Dynamics Land Systems – Canada employees. In addition, the parties agreed to outline the Harassment Procedure within the context of this Appendix. These two elements are fundamentally supportive of each other and to the foundation of a progressive workplace at General Dynamics Land Systems – Canada .

General Dynamics Land Systems – Canada and the Canadian Auto Workers Union are committed to the concept of equal opportunity in the workplace and both parties have devoted considerable energy to promoting this principle. Moreover, providing fair and equitable treatment for all employees is best achieved in an environment where all individuals interact with mutual respect for each others' rights. Since GDLS-C's workforce is composed of men and women with diverse backgrounds, fostering such an environment can be best supported by providing information and education to all employees regarding human rights in the workplace, including the rights and obligations of individuals as well as the Company's.

WORKPLACE HARASSMENT

Approved by both parties: _____

General Dynamics Land Systems – Canada and the CAW are committed to providing a harassment free workplace. Harassment is defined as a “course of vexatious comment or conduct that is known or ought reasonably be known to be unwelcome”, that denies individual dignity and respect on the basis of prohibited grounds such as: gender, disability, race, colour, sex, sexual orientation, record of offences, marital status or other prohibited grounds. At General Dynamics Land Systems – Canada all employees are expected to treat others with courtesy and consideration and to discourage harassment.

The workplace is defined as any Company facility and includes areas such as offices, shop floors, restrooms, cafeterias, lockers, conference rooms, and parking lots. In addition, it also includes all Company sponsored activities at non-Company locations that are attended by employees in the course of their employment.

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

- unwelcome remarks, jokes, innuendoes, gestures, or taunting about a person’s body, disability, attire or gender, racial or ethnic background, colour, place of birth, sexual orientation, citizenship, or ancestry.
- practical jokes, pushing, shoving, etc., which cause awkwardness or embarrassment.
- posting or circulation of offensive photos or visual materials.
- refusal to work or converse with an employee because of their racial background or gender.
- unwanted physical conduct such as touching, patting, pinching, etc.
- unwelcome invitations or requests.
- condescension or paternalism which undermines self respect.
- backlash or retaliation for the lodging of a complaint or participation in an investigation.

HARASSMENT IS NOT

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

FILING A COMPLAINT

If an employee believes that they have been harassed and/or discriminated against on the basis of any prohibited ground of discrimination, there are specific actions that may be taken to put a stop to it. First, request a stop of the unwanted _behaviours. Inform the individual that is doing the harassing or the discriminating against you that the _behaviour is unwanted and unwelcome. It is advisable

Approved by both parties: _____

to document the events, complete with times, dates, location, witnesses, and details.

However, it is also understood that some victims of discrimination or harassment are reluctant to confront their harasser or they may fear reprisals from the harasser, lack of support from their work group, or disbelief by their supervisor or others. The incident should be brought to the attention of your Supervisor and/or Committeeperson, or Employment Equity Representative.

INVESTIGATION

Upon receipt of the complaint, the Supervisor/ Committeeperson, or Employment Equity representative contacted will immediately inform their Union or Company counterpart and together they will then interview the employee and advise the employee if the complaint can be resolved immediately or if the complaint should be reduced to writing on the Human Rights Complaint form or processed through another procedure. Properly completed copies of this form will be forwarded to the Human Resources and Administration Director and the Plant Chairperson.

The Plant Chairperson and the Human Resources and Administration Director will then determine if the complaint requires further investigation and if so the CAW Employment Equity representative and a Management representative will conduct the investigation. In the event of a complaint involving sexual harassment the investigative team, if requested, will be comprised of at least one woman.

A formal investigation of the complaint will then begin. It may include interviewing the alleged harasser, witnesses, and other persons named in the complaint. Any related documents may also be reviewed.

RESOLUTION

The joint investigators will then complete the a summary report on the findings of the investigation and a copy of the summary report will be forwarded to the International Human Resources and Administration Director and the Plant Chairperson who will make a determination on appropriate resolution. The International Human Resources and Administration Director and the Plant Chairperson will attempt to resolve within ten (10) days and ensure the resolution is fair and consistent with the intent of General Dynamics Land Systems – Canada and National CAW policy regarding discrimination and harassment in the workplace.

At the conclusion of this step, the complaint, if unresolved, will be considered as a grievance for the purposes of the Grievance Procedure and will be inserted into the 4th step of the Grievance Procedure for resolution. In the event that the complaint is not resolved by the parties at the fourth step of the grievance procedure it may be appealed to arbitration in accordance with the provisions of the Agreement. The parties agree that this procedure is an alternative complaint procedure and as such complaints should not

Approved by both parties: _____

be pursued through both the Grievance Procedure and the Human Rights Complaints Procedure.

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

RIGHT TO REFUSE

A bargaining unit employee alleging harassment in the workplace is encouraged to use the above procedure to resolve a complaint. However, it is agreed, in principle, that in serious cases or when the safety of an employee is being threatened, it may be necessary for that employee to leave the job in accordance with the established guidelines.

This procedure in no way precludes the complainant's right to seek action under the applicable Human Rights Law. However, both the CAW and General Dynamics Land Systems – Canada urge employees to use the internal mechanisms as outlined above before seeking alternative recourse.

Any liability which may arise by reason of the implementation of a mutually acceptable resolution of a complaint shall be shared equally by the CAW and General Dynamics Land Systems – Canada. Where there is a mutually acceptable resolution, the CAW agrees that grievances which may be filed as a result of discipline assumed against an individual alleged to have engaged in harassment or discrimination will not be filed or pursued without concurrence of the National Union CAW and written confirmation of such concurrence to the Director of Human Resources and Administration.

The parties discussed the importance for Union representatives and Management employees to have a complete understanding of the agreed to revisions in the Internal Human Rights Procedure including the "Right to Refuse" provision.

The parties agreed that it will be necessary to communicate to the workforce the agreed to changes in the Internal Human Rights Procedure. The parties agreed to communicate this information through local Union Newsletters, bulletin board notices and a Company letter to all employees.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "F"

**CONSULTATION PROCEDURE
GENERAL DYNAMICS LAND SYSTEMS - CANADA**

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

Regular Conferences to discuss workplace issues shall be arranged between the Shop Committee, Plant Management and the Labour Relations Department on an as required basis, but not less than once every two months. An agenda shall be set by mutual agreement between the parties one week in advance of such conferences.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "G"

NOTIFICATION TO CAW PLANT VACATION SHUTDOWN

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the Company agreed to schedule the two (2) week designated plant vacation shutdown period for the calendar years 2013, 2014 and 2015 to commence respectively July 29, 2013, July 28, 2014, July 27, 2015.

If unusual circumstances arise, the Company and Union agree to meet and discuss possible changes to the two week shutdown that would be mutually agreed upon by December 1 of the previous year.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "H"

**ADMINISTRATIVE GUIDELINES FOR SCHEDULED PAID
ABSENCES (SPA)**

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

During the current negotiations the parties agreed to the following guidelines for the administration of the Scheduled Paid Absence (SPA) week.

- 1.0** SPA weeks will be scheduled two per calendar year. These weeks will be observed during the annual plant shutdown.
- 2.0** An employee who is temporarily or permanently laid off or who works the shutdown when their SPA weeks are scheduled will have the eighty (80) hours of SPA (or portion worked) converted to vacation allowance, and will thereafter be treated in accordance with the provisions of Section XIV of the Agreement.
- 3.0** Employees receiving S&A benefits during a SPA week shall be paid SPA and disqualified from S&A benefits consistent with the principles contained in Paragraph 87 of the Agreement.
 - 3.1** The parties have agreed that the Company will monitor situations of employees receiving Workers' Safety and Insurance Board benefits during their SPA weeks. Employees receiving Workers' Safety and Insurance Board benefits during a SPA week shall be disqualified from SPA entitlement consistent with the principles contained in Paragraph 91 of the Agreement, unless otherwise agreed to by the parties.
- 4.0** The parties are mindful of and do not desire to impact the efficiency of the operations which must be protected at all times. Accordingly, in the event that there is significant employee movement coupled with scheduled SPA time that would adversely impact the operations, the Plant Human Resources and Administration Director and the Chairperson of the Shop Committee will reschedule the designated SPA weeks in order to protect the efficiency of operations and quality.

Approved by both parties: _____

5.0 Recognizing the differences in organizational and employee's needs, the parties have agreed that they may make alternate arrangements with respect to the administration of SPA.

6.0 If an employee is requested to work and opts to do so during their SPA week, they will be entitled to available overtime during the week and will be paid for the hours worked.

7.0 Employees who are off on their SPA will not be eligible to work overtime hours during the week, including the weekend in which their SPA week is scheduled.

8.0 The application of the SPA provisions with respect to an eligible employee who retires is as follows:

8.1 if an employee retires prior to the commencement of a SPA year, the employee will not be eligible for the eighty (80) hour SPA payment.

8.2 if an employee retires during the SPA year such employee shall be compensated for the eighty (80) hour SPA week in addition to the Hours of Vacation Pay and Paid Absence Allowance Credit earned by the employee as of the date of that employee's retirement.

Yours truly,

Heather Wade
Director,International Human Resources & Administration

Approved by both parties: _____

APPENDIX "I" Attachment A

**ADMINISTRATIVE GUIDELINES FOR SCHEDULED PAID
ABSENCES (SPA) FOR ALL SKILLED TRADES AND NON-
SKILLED MAINTENANCE.**

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

During the current negotiations the parties agreed to the following guidelines for the administration of the mandatory Scheduled Paid Absence (SPA) week for skilled and non- skilled maintenance.

- 1.0** An Employee will become eligible for SPA as outlined in Appendix "H"
- 2.0** SPA weeks will be scheduled for the calendar years 2013, 2014 and 2015 as follows:
 - 2.1** employees will pick SPA weeks as per past practice (in November for next calendar year)
 - 2.2** employees can pick any two weeks by seniority if available.
 - 2.3** excluded from SPA scheduling shall be any pay period containing three (3) or more Christmas Holidays and the two weeks at shutdown.
 - 2.4** recognizing the differences in organizational and employee's needs, the parties have agreed that they may make alternate arrangements with respect to the administration of SPA.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "J"

JOB SECURITY AND WORK OWNERSHIP- SKILLED TRADES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the Company and the Union again focused on the impact of contracting decisions and their impact on individual workers, their families and their communities. The Company and the Union have regularly addressed Skilled Trades concerns over income and job security. Recognizing that employment levels will fluctuate with changes in the marketplace, the parties have negotiated language to provide workers and their families with a measure of income security unparalleled in Canadian history. Further, recognizing that longer term employment levels will be affected by in-plant changes in technology and in-plant organization of work, the parties negotiated the Job Security and Work Ownership agreement during this set of negotiations.

Within this context, the Company reconfirms the understandings reached during these negotiations regarding Skilled Trades concerns over work ownership.

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

More specifically:

- 1.0 Planning** - Plant management shall meet semi-annually to review with CAW Skilled Trades representatives projected work loads regarding the installation, construction, maintenance, repair, service, and warranty work of existing or new equipment, facilities, and the fabrication of tools, dies, jigs, patterns and fixtures.
- 2.0 Information** - Advance notice of outside contract activities will be provided, in situations other than emergencies, at

Approved by both parties: _____

least 10 days in advance to permit meaningful discussion and a careful analysis of the Company's workforce capabilities in connection with the subject work. This written notice will provide the Union with all available information on the nature of the work, including plans and the number of trades persons required to perform the work.

3.0 Layoff Recall - When Skilled Trades employees are on layoff in a classification, the nature of which they customarily perform, and consideration is being given to outside contracting said work, General Dynamics Land Systems – Canada trades employees will be given first priority for the work, before letting the contract provided that they can perform the available work.

4.0 Full Utilization - It is the policy of the Company to fully utilize its own employees in maintenance skilled trades classifications in the performance of maintenance and construction work. Consistent with local scheduling practices, when such work is required to be performed, skilled trades employees will be given first priority to do such work provided they are capable of performing such work.

This language supercedes other sections of the Agreement that would be in conflict with this Appendix. The parties agree this commitment should serve to alleviate the real sense of insecurity prevalent among workers in today's business setting. With this new sense of security, the parties believe skilled tradespersons may apply themselves to pursuits that are in the best interest of themselves, the Company, the Union, and their communities.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

ATTACHMENT A – APPENDIX “J”

JOB SECURITY AND WORK OWNERSHIP- SKILLED TRADES

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed a number of issues pertaining to the application of the principles of Appendix “J”.

The parties reconfirmed that the concept of work ownership under Appendix “J” is specific to work our Skilled Trades classifications performed in a specific operation in a community at the point in time the language was negotiated in 1996. The parties have used the term “customarily performed” to define this work. Therefore, if certain types of work had been outsourced or contracted out the majority of time prior to 1996 negotiations, that work should not be considered customarily performed and therefore would not fall under the provisions of the Appendix. The principal of work ownership applies to any new work assigned to our Skilled Trades employees subsequent to 1996 and such work (unless otherwise excluded) would be considered as falling within the obligations of the work ownership provisions.

Planning

The parties acknowledged that assigning Skilled Trades employees, when available, with vendors during installation and servicing of equipment under warranty (on work customarily performed by GDLS-C Skilled Trades) provides the opportunity for our employees to develop knowledge and skills necessary to keep such equipment operating effectively after the expiration of the warranty period. The parties agreed that during the first six (6) months to a maximum of two (2) years after the equipment has been released for regular

Approved by both parties: _____

production, the vendor or its agent will perform warranty work accompanied by an equal number of Skilled Trades employees, if available, for training purposes. In the event that the vendor requires access on equipment to perform warranty work, General Dynamics Land Systems - Canada Skilled Trades employees will be assigned to provide access to the vendor (e.g. stripping, reinstallation of equipment etc.). It is understood that no additional obligation is implied to bring employees in on overtime or from other shifts. After such six (6) month period, Skilled Trades employees will perform the work on the equipment. The parties agree that this process would not apply to warranty work that was already being performed by GDLS-C Skilled Trades employees prior to the effective date of the 1999 Agreement. This agreement is not intended to replace existing local practices.

Information

It is understood that advance notification, in situations other than emergencies, must be given ten (10) calendar days prior to the commencement of the outside contracting activities. The parties agreed to jointly develop a training program which will be provided to those individuals responsible for outside contracting activities.

Local parties may agree upon the method of delivery of the training.

Layoff and Recall

The Company acknowledges that there is an obligation to give first priority to laid off Skilled Trades employees prior to outside contracting customarily performed work provided the employee is capable of performing such work.

It is further understood that if an unforeseen event occurs that would result in the layoff of Skilled Trades employees, the Company will ensure that outside contractors of like trades, performing work customarily performed by General Dynamics Land Systems - Canada Skilled Trades, are not retained within the plant beyond fourteen (14) calendar days after the commencement of such layoff. The parties agreed that contractors may be retained on work that is critical to the completion of a major model or new product allocation launch. If circumstances dictate the retention of contractors, the Local Union will be advised as far in advance as possible with the aim of retaining Skilled Trades employees.

Full Utilization

It is understood that when it becomes necessary to perform work that is customarily performed by Skilled Trades employees such employees will be given first priority, consistent with local scheduling practices, prior to outside contractors being utilized on weekends and holidays.

The term "consistent with local scheduling practices" defines the parameters around full utilization.. There is no obligation to provide the provisions of full utilization beyond the normally accepted

Approved by both parties: _____

overtime group unless specified in the Local Agreement. It is understood that Management must exhaust its obligations of full utilization consistent with its "local scheduling practice" before work that General Dynamics Land Systems - Canada Skilled Trades employees customarily perform is contracted out.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

APPENDIX "L"

SPECIAL PAYMENT

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

Each employee who has attained at least one year of seniority as of the Special Payment eligibility date and who has worked the minimum hours in the Special Payment eligibility year shall become entitled to a seventeen hundred dollar (\$1200.00) Special Payment in that year.

The Special Payment eligibility date in each plant shall be June 30th.

The expression "minimum hours" wherever used in this Appendix shall mean a total of 1000 hours in the Vacation pay eligibility year as defined in Paragraph 108.0. For the purpose only of calculating minimum hours worked, hours spent in connection with related training under Paragraph 140.0, hours paid for holidays not worked, jury duty and bereavement leave, shall be considered as hours worked.

Employees on the active roll of the Company as of the third Monday in July in 2013, 2014, 2015 will receive a Special Payment of seventeen hundred dollars (\$1200.00) included in their pay for the pay ending dates identified above. Employees who are not on the active roll of the Company as of the above dates but who are subsequently reinstated to the active roll during the current Special Payment eligibility year will be paid the Special Payment at the end of the Special Payment eligibility year.

Where an employee has failed to work the minimum hours in the Vacation pay eligibility year, the employee shall be entitled to the Special Payment for that year to which the employee would have been entitled if such employee had worked the minimum hours for that year, reduced by five (5) percent for each fifty (50) hours (or fraction thereof) by which the employee has failed to work the minimum hours for that year.

Each employee who is discharged and who on the Special Payment eligibility date immediately preceding the discharge had one or more years' seniority, shall receive in lieu of the Special Payment to which the employee might be otherwise entitled under the provisions of this appendix:

Approved by both parties: _____

Special Payment if any to which the employee may have become entitled under the provisions of this Appendix as of the Special Payment eligibility date immediately preceding the date of discharge and which has not been paid to the employee prior to the date of discharge.

Each employee who has broken seniority at a Company location other than as a result of discharge and who on the Special Payment eligibility date immediately preceding the date of such cessation had one or more year's seniority, shall receive Special Payment equal to:

- 1.0** Special Payment to which the employee may have become entitled under the provision of this Appendix as of the Special Payment eligibility date immediately preceding the date of such cessation of employment; and
- 2.0** an amount equal to the Special Payment to which the employee would have become entitled under the provisions of this Appendix had such employee remained in the employment of such Company location until the Special Payment eligibility date next following cessation of employment.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

**COMPANY STATEMENTS
AND DOCUMENTS**

The following statements and documents which were furnished to the CAW are effective with the effective date of the Agreement and are not part of the Agreement but have been included in this booklet for information purposes.

(See Index in the Front of the Agreement Book)

Approved by both parties: _____

Doc. No. 1

EMPLOYMENT EQUITY

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations, the parties reaffirmed the policy of the Company and the Union as outlined in Paragraph 3.1 of the Agreement, that the provisions of the Agreement be applied to all employees without regard to race, colour, creed, age, gender, sex, sexual orientation, national origin, disability or other prohibited grounds as set forth in applicable Human Rights Law.

Additionally, the Company reaffirmed its policy, as outlined in Document 74, Non-discrimination in Employment, to extend opportunities to all qualified applicants and employees on a non-discriminatory basis for employment and advancement within the Company.

While recognizing that it is the right of Management to hire, assign, and promote the most qualified candidates subject to the terms and conditions of the Collective Agreement, the parties agreed to undertake certain joint activities to further implement these nondiscriminatory policies.

Accordingly, a Local Employment Equity Committee will be established at GDLS-C and will be comprised of no more than two Union Representatives, to be designated by the Union in the following manner:

At least one member of the Local Employment Equity Committee in the facility will be designated from among the women who are actively employed in the bargaining unit covering that location. The other will be designated from the bargaining unit while attempting to encourage participation of designated group members.

A comparable number of Management representatives have also been appointed. These Local Employment Equity Committees shall meet at least monthly and have the task of assessing each location's needs to further enhance the policy of equal opportunity for all and of developing plans to address the mutual goal of encouraging interested parties to seek and qualify for employment and advancement within General Dynamics Land Systems - Canada. Attention is to be devoted to women, visible minorities, Aboriginal peoples, and persons with disabilities.

The Union Employment Equity Committee representatives at each location will be provided with suitable office facilities and the

Approved by both parties: _____

necessary equipment and office materials required to perform their assigned responsibilities.

To assure basic consistency, the local Committee shall develop and present to Management, a proposal for their initiatives annually. Subject to the approval of this plan, all local Committee activities shall be developed within the framework of the following guidelines:

1.0 Community Outreach

- 1.1 Members of the Employment Equity Committee should visit community schools to meet with placement counsellors and students to discuss the types of jobs available in General Dynamics Land Systems - Canada and the procedure for submitting an application. Leaflets and video presentations may be developed for use by schools in their education programs.
- 1.2 Employment Equity Committees should establish and maintain a liaison with local organizations representing designated groups.

2.0 Training for current employees

To further the advancement of employees into technical skilled positions, the Local Committees will take the following actions:

- 2.1 a communications program is to be developed by the Local Committees with the purpose of encouraging designated group members to apply for higher paying technical positions.
- 2.2 each Local Committee should assess the types of jobs for which training would be appropriate and make recommendations to the local parties.
- 2.3 training programs will be developed under the guidance of the Local Committees to provide the necessary technical training to employees. Local Apprenticeship Committees may identify pre-apprentice training program requirements. Local Employment Equity committees may provide input to the Local Apprenticeship Committees regarding affirmative initiatives to improve representation of designated groups in the Apprenticeship Program.
- 2.4 each Local Employment Equity Committee will develop and implement an orientation module including, but not to, topics such as anti-harassment, employment equity, and Appendix "E", to be incorporated into the new hire/student orientation program.

Approved by both parties: _____

3.0 Communications

Local Committees would develop overall communications programs utilizing various GDLS-C media, local Union newspapers, and other specific communication formats which could convey the message to employees and the community that there are opportunities for all qualified members of society within General Dynamics Land Systems - Canada.

4.0 Employment Equity Plan

In addition, the Local Committees may play a role in the development and implementation of the joint Employment Equity Plan. This role could include information gathering, barrier identification, the development of goals and timetables, and other elements of the plan that require local input.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Attachment to Document 1

QUARTERLY EMPLOYMENT EQUITY COMMITTEE MEETINGS

During the current negotiations the parties reviewed the format and content of the quarterly Employment Equity meetings.

As a result of this review the parties agreed that the Employment Equity Committee will, commencing with the first scheduled meeting following the effective date of the Agreement, develop a long term plan that encompasses the following elements:

- training requirements for the current Employment Equity representatives
- a template for the Local Employment Equity Committees to utilize in developing their local equity plans
- agenda items and training segments for the meetings involving the Local Employment Equity Committees (twice yearly)
- plans for plant visits to review local initiatives and progress

For the meetings which include the Local Employment Equity Committees the Company will be responsible for wages, transportation and lodging expenses. The Union will be responsible for per diem expenses.

Approved by both parties: _____

Doc. No. 2

**CAW NATIONAL EMPLOYMENT EQUITY
COORDINATOR**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties agreed that the position of CAW National Employment Equity Coordinator will be established. This Coordinator will be appointed by the President, National CAW.

The Coordinator's role will be to promote a planned, informed and consistent approach to employment equity on behalf of the CAW throughout the Company and act as a member of the Employment Equity Committee detailed in Document 1 attached to the Agreement.

Specifically the Coordinator will work closely with the Employment Equity Committee to help develop and implement the joint Employment Equity Plan at General Dynamics Land Systems - Canada. The Coordinator will also conduct community outreach and other activities to promote employment equity on behalf of the Employment Equity Committee.

The Coordinator will work closely with the Local Employment Equity Committees and make recommendations to assist the committees in promoting equity in the workplace. This may involve advice with respect to community outreach initiatives, assisting with local work to develop and implement the joint Employment Equity Plan, coordinating education and communications efforts, including Bill 79, assisting with anti-harassment efforts and/or with the resolution of difficult complaints.

Workplace Management will cooperate in this regard and may meet with the Coordinator and the Local Employment Equity Committee to discuss recommendations. The Coordinator may visit all plants and offices, and access will be provided upon reasonable notice.

Approved by both parties: _____

The parties agree that when the Coordinator is selected, discussions will take place to establish where such coordinator will be located.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 3

VIOLENCE AGAINST WOMEN

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed the concern that women sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. The parties agree that when there is adequate verification from a recognized professional (i.e. doctor, lawyer, professional counsellor), a woman who is in an abusive or violent personal situation will not be subjected to discipline without giving full consideration to the facts in the case of each individual and the circumstances surrounding the incident otherwise supportive of discipline. This statement of intent is subject to a standard of good faith on the part of the Company, the Union and affected employees, and will not be utilized by the Union or employees to subvert the application of otherwise appropriate disciplinary measures.

During these negotiations, the Union requested a minute of silence be observed in memory of women who have died due to acts of violence. The moment of silence will be observed each year on December 6, at 11:00 a.m. Should December 6 fall on a non-production day, the moment of silence will be observed on a day mutually agreed upon by the local Union and plant Management, or when Management determines the observance will have the least impact on plant operations. Flags will be flown at half staff to mark this occasion.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 4

STATEMENT ON CHILD CARE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations the parties reaffirmed their mutual commitment to this concern and have agreed to meet and continue discussions relating to child care issues following current negotiations.

As a means of financing possible solutions, and as referenced in Appendix "C", arrangements may be made to utilize up to seven (\$.07) cents per hour worked from the Special Canadian Contingency Fund, if sufficient funds are available.

The parties further agreed that the specific child care related uses of such funds will be mutually agreed upon by the Company and the Union and shall be:

- to provide a subsidy of twelve (\$12.00) dollars per full day for dependent children age 0 through 6 attending a child care facility that is - licensed under the Day Nurseries Act, and - registered as a non-profit or co-operative. Eligibility for this subsidy will end for dependent children after August 31 of the year in which age 6 is attained.
- to provide a subsidy of six (\$6.00) dollars per half day for dependent children age 0 through 6 attending such facilities as set forth above. Eligibility for this subsidy will end for dependent children after August 31 of the year in which age 6 is attained.
- to provide a subsidy to a maximum of six (\$6.00) dollars per day for dependent children ages 6 up to and including age 10 who do not qualify for the half day or full day subsidy for the use of: licensed not-for-profit before school, after school, or both before and after school care.

Approved by both parties: _____

- to apply the benefit subsidy equally to all licensed, non-profit childcare centres and services, including in-home care.
- capped at an annual maximum of two thousand four hundred (\$2400.00) dollars per year, per eligible child.

Administration of the benefit will be performed by a carrier agreed to by the parties. The carrier shall pay the applicable benefit directly to the child care provider. The company shall in no event pay more than 50% of the daily cost of child care.

The National Union CAW will work with existing licensed non-profit child care centres and services in an effort to extend their service to CAW members who work extended hours to cover shift work. During the life of this Agreement, up to one hundred and fifty thousand (\$150,000) dollars may be used from the Child Care Fund for such purpose provided that such amount shall not be used for bricks and mortar expansion or new construction.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 5

EMPLOYEE COUNSELLING PROGRAM

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

There is common recognition between the parties to provide a support system for employees with personal problems that might adversely impact their work performance, health and well-being. The employee assistance program has provided its effectiveness for providing treatment and counseling opportunities for employees suffering from emotional, medical, family or financial difficulties, among other which can be addressed through professional guidance and counseling.

The parties have agreed to undertake a joint program to provide counselling assistance through an Employee Assistance Program (EAP) funded by the company. . The EAP program is intended to assist employees in resolving personal problems. The EAP provider will deliver short term programs design to address the employee's problems. The parties may establish a joint referral agent committee consisting of an equal amount of elected bargaining unit members and equal amount of management appointed employees. The referral agents will be responsible for referring the employee to the appropriate professional community resource or the EAP. For the purpose of the EAP only active employees and their dependents as defined in the Supplemental Agreement, Health Care Group Life and Disability Insurance Program, Exhibit B, shall be covered. , Employees on the sickness and accident benefit program (S&A), employees covered by the Workers' Safety Insurance Board (W.S.I.B.), and employees receiving supplemental unemployment benefits (SUB). Employees in need of counselling assistance may be referred, on a voluntary basis, to the Union referral agent. Referrals

Approved by both parties: _____

may be made by Supervisors/Team Lead, Union representatives, or by direct contact between the employee and the referral agent.

The bargaining unit Referral Agent will only provide assistance to bargaining unit employees.

To assure basic consistency, all local programs shall be developed within the framework of the following guidelines:

- 1.0** a training program will be developed for Supervisors/Team Lead and committee persons to assist them to identify and refer employees to Referral Agent.
- 2.0** community resources should be surveyed by members of the Referral Agent Committee to determine the availability of appropriate treatment facilities and the timeliness and cost of available treatment. Where facilities are unavailable, or where there are lengthy delays for appointments, the joint Referral Agent Committee should work within the community to upgrade the level of services and improve the timeliness of treatment.
- 3.0** accurate statistics should be maintained to periodically measure the effectiveness of the program and make mutually satisfactory adjustments in the mechanics of the program. It is understood that records must be maintained in a confidential manner in the interest of each employee's privacy.
- 4.0** involvement in the program is voluntary on the part of the employee.
- 5.0** there may be a need for occasional specialized professional services in some circumstances. The joint Referral Agent committee should examine the needs of the work force in this regard and make recommendations to Management regarding such special services.
- 6.0** the bargaining unit referral agent should participate in National Union CAW training programs that will provide professional development on identifying social issues effecting bargaining unit members.

It is recognized that employees with personal problems often are unavailable for work. An essential by-product of employee assistance is to enable the employee to remain at work or to return employees to work who are often absent.

As a result of discussions between the parties, it was agreed that Referral Agent will be provided with suitable office facilities and the necessary equipment and office materials required to perform their assigned responsibilities. Approval of requests for equipment and materials will continue to be the responsibility of Management, who

Approved by both parties: _____

in consultation with the local Referral Agent(s), will assess any submitted requests and their applicability to the individual needs of the location.

The parties also discussed job related expenses, and agreed that such expenses, submitted on a General Dynamics Land Systems - Canada Employee Expense Report, will be reviewed and approved in accordance with the Company policies and procedures applying to employee travel and business related expenses. Bargaining Unit Referral Agents, upon prior approval by a designated Management representative, will be reimbursed for reasonable expenses incurred in the performance of their assigned responsibilities under the program, providing acceptable documentation supporting such expenses is submitted. The Referral Agent will submit paperwork to request the use of a company pool car. The Company also stated that the applicable mileage rate, used when claiming mileage for the use of a personal vehicle during regular working hours, recognizes the cost of fuel, vehicle wear and automobile liability insurance.

Furthermore, the parties agreed that Joint Referral Committee will meet quarterly. As part of the quarterly meeting the EAP provider will conduct a professional development session for the Joint Referral Agent Committee.

If assistance is required by the Joint Referral Committee in the development of the program, or if there are problems which arise concerning implementation, such matters should be directed to Manager of Industrial Relations and the National CAW.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 6

GDLS-C-CAW TRAINING REVIEW COMMITTEE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the Company and the Union indicated their mutual interests in advancing the learning of employees through education and training. The parties agreed that employee training has positive effects on product quality and competitiveness and should provide opportunities for employees to participate in decisions relating to manufacturing processes and practices.

The parties indicated that many aspects of employee education and training require the cooperation and commitment of both the Company and the Union.

Accordingly the parties have agreed that the WSA Steering Team will be responsible for the following:

- review current training programs.
- discuss and recommend training programs to enhance employee involvement and team skills.
- encourage participation in joint training initiatives

In addition the WSA Steering Team will be responsible for the development and implementation of programs supported by the Training Fund.

The Parties acknowledged that some programs, previously established, will continue during the term of the Collective Agreement. In addition to these programs, the parties identified the following for review by the WSA Steering Team:

- Union Awareness
- Industry Overview
- Building Respectful Workplaces
- Women And Technology
- Health And Well Being
- Community and Government Awareness

Approved by both parties: _____

- Pre-retirement Planning
- Building Respectful Workplaces for Union Leadership
- Lean Manufacturing

The WSA Steering Team may conduct other activities that will support employees in the advancement of their learning.

Trainers:

Instructor techniques, delivery methods, and the training hours for each program will all be factors in determining the number of trainers that will be required. These determinations are an appropriate subject for the WSA Steering Team. Trainers will be jointly reviewed and assigned by the CAW chairperson and the Company. While on a training assignment, trainers will continue to be compensated at their regular hourly wage rate, including COLA.

Due to the variation in training schedules, program content, duration and application to various segments of the workforce, it is anticipated that all training assignments will be on a part-time basis. There may, however, be circumstances when the utilization of a full-time trainer may be considered.

Training Schedules:

The ability to commit to and execute training schedules can be influenced by a number of factors, which were examined in detail during our discussions. Both parties agreed that mutually satisfactory solutions will be essential to the long-term success of this program. In the event that such issues cannot be resolved, they may be referred to the WSA Steering Team.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 7

LEARNING SKILLS PROGRAM

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the value of providing support and assistance to employees who wish to improve their ability in reading, writing and mathematics.

As a result of these discussions, the parties agreed that the WSA Steering Team will review existing programs available from educational institutions, government agencies, the CAW and other organizations with expertise in providing instruction in these subject areas. The purpose of this review will be for the Committee to recommend existing courses that could provide employees the opportunity to improve their ability in reading, writing, and mathematics. In addition, the Committee will investigate and recommend existing programs that provide employees the opportunity for learning French or English as a second language.

In the event the desired programs are not available for employees at a particular plant location, the Committee will seek the involvement of appropriate outside organizations to establish these programs. The Committee will also explore the availability of government funding to finance the administration and delivery costs of learning skills programs.

Furthermore, the Committee will develop means to inform employees of the existence of learning skills programs and encourage their participation by using appropriate means of communications.

It is also understood between the parties that the Learning Skills Program will be a voluntary program, available for employees to attend during their non-working hours.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 8

TUITION ASSISTANCE PROGRAM

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Company offers and administers a tuition assistance program under which employees will, under such terms and conditions as the Company may from time to time establish, receive a tuition assistance not to exceed \$2000 for the calendar year (\$3,250 for the calendar year for approved courses taken at an accredited college or university or taken as a web based on-line program from an accredited college or university) upon submission of tuition receipts of an approved job-related course at an approved educational or training institution during non-working hours while on the active roll(s) of the Company. Any assistance paid to an eligible employee will relate to the calendar year of completion of the approved courses. Upon completion of the course, the employee must provide proof of satisfactory completion. If an employee fails to provide proof of satisfactory completion, they must reimburse the Company.

The following programs are considered job-related and will be approved when the needs cannot be met within the Company:

- 1.0** courses which will improve the employee's skill on the employee's present job. This includes courses designed to update employees in the technology of their trade or occupation.
- 2.0** courses which relate to the next job in the logical development of an employee's career.
- 3.0** courses which will prepare an employee for openings that are expected to occur in the future and for which a sufficient number of qualified employees are not available.
- 4.0** courses taken to complete the requirements for an elementary school certificate or high school diploma.
- 5.0** any literacy courses or courses in fundamental reading and mathematics. These include courses usually designed to teach sixth grade competency in reading, writing and numerical skills.

Approved by both parties: _____

6.0 any required or pertinent elective courses taken in a degree-seeking program in a field related to the employee's job or appropriate to the employee's career in General Dynamics Land Systems - Canada.

In addition to the above, a seniority employee who is indefinitely laid off may utilize the Tuition Assistance Program for the purpose of vocational training to qualify for any available or potential employment opportunities. This expanded tuition assistance eligibility shall not exceed \$2000 (\$3,250 for courses taken at an accredited college or university) and the employee must apply for such assistance within twenty-four (24) months from the effective date of layoff.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Attachment to Doc. No. 8

**A TUITION ASSISTANCE PLAN FOR GENERAL DYNAMICS
LAND SYSTEMS - CANADA HOURLY-RATE EMPLOYEES**

General Dynamics Land Systems - Canada, as a part of its continuing effort to encourage employee development, established a Tuition Assistance Plan for its hourly-rate employees in 1964. The purpose of the Plan is to provide financial assistance to an eligible employee who desires to further personal training and education through spare-time, job related or basic education courses. This Plan was changed in 1968 and has been revised again through the joint efforts of General Dynamics Land Systems - Canada and the Union.

Eligibility

It is recognized that certain eligibility provisions must be established to provide for fair and equitable administration of the Plan. Therefore, an employee to be eligible to participate in the Plan and receive a tuition assistance payment must have seniority during the entire period of a course of study and be in active service at the beginning of the course for which tuition assistance is to be paid except for employees on a leave of absence for a defined term, such as but not to leaves granted under the provisions of Paragraphs 64.0, 64.1 and 65.0 or as otherwise specified in the letter to which this attachment is appended concerning a seniority employee indefinitely laid off. Employees not considered eligible for this program are: probationary employees, students dividing their time between studies in a recognized educational institution and work in a Company plant or office, and employees on educational leaves of absence, or for public office.

Further, an employee must obtain Company approval prior to undertaking a course for refund. In order to receive a refund, the employee will provide tuition receipts. Upon completion of the course, the employee must provide proof of satisfactory completion (i.e., a passing grade or other satisfactory evidence of completion).

Tuition Assistance

An eligible employee will receive reimbursement of the full amount of the tuition and compulsory fees for an approved course or courses up to a maximum of \$2000 during the calendar year (\$3,250 for the calendar year for approved courses taken at an accredited college or university or taken as a web based on-line program from an accredited college or university). Such costs for approved courses will be refunded under the Plan upon submission of tuition receipts and satisfactory completion of each course, term or semester. If an employee is not in active service at such time, payment will be made provided the employee has seniority recall rights. Application of the applicable maximum amount of eligibility will relate to the calendar year of completion of the approved course or courses and not to the calendar year in which the refund is approved.

Although the Plan reimburses an employee for tuition, compulsory fees and up to \$200 for the purchase of books, no reimbursement

Approved by both parties: _____

will be made for the cost of transportation or any other expenses. Participants whose tuition is covered by benefits resulting from government aid, or scholarship aid will be eligible for a refund only for that portion of the tuition and compulsory fees not covered by such benefits.

Courses

Courses to be approved under the Plan will include those related to maintaining and improving the employee's skill in performing the employee's job or contributing to such employee's general development within the Company. The following programs are considered job-related and will be approved when the needs cannot be met within the Company:

Courses which will improve the employee's skill on such employee's present job. This includes courses designed to update employees in the technology of their trade or occupation.

Courses which relate to the next job in the logical development of an employee's career.

Courses which will prepare an employee for openings that are expected to occur in the future and for which a sufficient number of qualified employees are not available.

Courses taken to complete the requirements for a grammar school certificate or high school diploma.

Any literacy courses or courses in fundamental reading and mathematics. These include courses usually designed to teach sixth grade competency in reading, writing and numerical skills.

Any required or pertinent elective courses taken in a degree-seeking program in a field related to the employee's job or appropriate to the employee's career in General Dynamics Land Systems - Canada.

Courses of instruction in approved educational or training institutions directed toward qualifying an employee as an apprentice in the skilled trades.

Correspondence Courses

The Tuition Assistance Plan is intended to cover courses taken at approved local institutions, and correspondence courses are not included under its general provisions. Under exceptional circumstances, correspondence courses offered by well-recognized institutions may be approved but only if comparable instruction is not available locally.

Institutions

Courses approved for tuition assistance will be to those institutions listed in the current directory of the Association of Universities and Colleges ; any recognized secondary school; and such other local institutions approved by Management which provide equivalent instructions.

Time Required for School Attendance and Study

Approved by both parties: _____

Employees studying under the Tuition Assistance Plan will be expected to complete the requirements of school attendance and homework assignments in hours outside their scheduled hours of work. It is not expected that such employees will receive special consideration in job assignments or work schedules by reasons of participation in this program. However, inability to complete a course once undertaken, because of job requirements, may be considered warranting tuition assistance.

Administration

The Company shall be responsible for the interpretation and general administration of the Plan. An employee having a question regarding interpretation or administration may take it up with the employee's supervisor or the designated personnel representative in such employee's plant or operation. No such question, however, shall be subject to the arbitration procedure of union agreements. Although a standard GDLS-C application form is available, local procedures may be established to cover approvals required and other details of administration.

Approved by both parties: _____

Doc. No. 9

CAW LEADERSHIP TRAINING PROGRAM

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations the parties have discussed the labour education program developed by the Union for the purpose of upgrading the skills which employees utilize in all aspects of trade union functions and the matter of Company financial support of this program. This program, currently known as the CAW Leadership Training Program (P.E.L. Trust), has received contributions from the Company since March of 1980.

In recognition, therefore, of the contributions this program can make to the improvement of the Union/Management relationship and toward more effective administration of the Collective Agreement, the Company agrees as hereinafter set forth to making a grant to the CAW Leadership Training Program (P.E.L. Trust), herein called the "P.E.L. Trust".

The tax deductibility of past Company contributions to the P.E.L. Trust was confirmed in a favorable Income Tax ruling from the Canada Revenue Agency dated May 20, 1981. Provided that Company contributions to the P.E.L. Trust, as set forth below, shall continue to be tax deductible, pursuant to the said Tax Ruling, the Company will make quarterly contributions to the P.E.L. Trust, equal to seven cents (\$0.07) for each hour worked in the preceding thirteen (13) week period. Such quarterly contributions will be made available from the Special Canadian Contingency Fund pursuant to the provisions of the Memorandum of Understanding covering Special Canadian Contingency Fund. The contributions will be payable on the following dates:

Hours Worked From	Hours Worked To	Payment Date
<u>01/01/10</u>	<u>03/28/10</u>	<u>04/30/10</u>
<u>03/29/10</u>	<u>06/27/10</u>	<u>07/31/10</u>
<u>06/28/10</u>	<u>09/26/10</u>	<u>10/31/10</u>
<u>09/27/10</u>	<u>12/29/10</u>	<u>01/31/11</u>
<u>12/30/10</u>	<u>03/27/11</u>	<u>04/30/11</u>
<u>03/28/11</u>	<u>06/26/11</u>	<u>07/31/11</u>
<u>06/27/11</u>	<u>09/25/11</u>	<u>10/31/11</u>
<u>09/26/11</u>	<u>12/25/11</u>	<u>01/31/12</u>
<u>12/26/11</u>	<u>03/25/12</u>	<u>04/30/12</u>

Approved by both parties: _____

<u>03/26/12</u>	<u>06/24/12</u>	<u>07/31/12</u>
<u>06/25/12</u>	<u>09/30/12</u>	<u>10/31/12</u>
<u>10/01/12</u>	<u>12/30/12</u>	<u>01/31/13</u>

The Union will co-operate fully in providing the Company with all documents regarding The CAW Leadership Training Program (P.E.L. Trust) as it may require in order to maintain the aforementioned Income Tax Ruling.

It is understood and agreed that the portion of the P.E.L. Trust Fund represented by the Company's contributions will be used solely and exclusively to provide paid educational leaves and related benefits for employees of the Company who attend sessions of the labour education program as described by the Union during these negotiations. Annually the Union will provide the Company with an audited statement prepared by an independent public accounting firm certifying that all expenditures made from the P.E.L. Trust Fund were made in accordance with the intent and purposes of the Trust Deed dated July 3, 1979, establishing the P.E.L. Trust, and this letter.

An educational leave of absence for participation in the Union's Leadership Training Program will be granted by the Company in accordance with the provisions of the Agreement to seniority employees designated by the President National Union CAW on four (4) weeks' advance written notice to the Director of Human Resources and Administration for the Company specifying the employee's name and dates of requested absence, provided no such absence will result in any loss of efficiency or disruption of operations at the Company's plants.

Employees granted such leaves will be excused from work without pay for up to twenty (20) days of class time, plus travel time where necessary, said leaves of absence to be intermittent over a twelve (12) month period from the first day of leave during the term of the current Agreement.

Yours truly,

Heather Wade
 Director, International Human Resources & Administration

Approved by both parties: _____

Doc. 10

COLA - CALCULATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 22, 2010

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

This letter is to confirm certain agreements reached by General Dynamics Land Systems - Canada and the National Union CAW, regarding the calculation of the Consumer Price Index and the Cost of Living Allowance adjustment pursuant to this Agreement.

It was agreed that beginning with the month of February, 2010, the monthly Consumer Price Index shall be calculated using the Consumer Price Index (2002=100) for February, 2010, published (in March, 2010) by Statistics Canada. The adjustment in the Cost of Living Allowance effective June 2010, will be established pursuant to the table set forth in Paragraph 98.0 and constructed on the basis of a one (\$0.01) cent adjustment in the Cost of Living Allowance for each .037 change in the Average Index.

In calculating the three-month average Index in accordance with Paragraph 98.0 of the new Agreement, the three-month average Index shall be rounded to the nearest 0.1 Index point using the Engineering Method of Rounding as described in the attachment to this letter.

In applying the provisions of Paragraph 99.0 of the new Agreement, the Company shall prepare a notification letter to the Union setting forth the appropriate Consumer Price Indexes for each of the three months calculated in accordance with the provisions of this Letter of Understanding. This notification letter will be prepared and sent to the Union after publication of the appropriate Consumer Price Indexes for the third month used for each adjustment period in accordance with Paragraph 98.0 of the new Agreement.

If the Union claims that the Company's calculations in any particular instance were not made in accordance with the terms of this Letter of Understanding, it may refer the matter to Step Four, Paragraph 24.4, of the Grievance Procedure set forth in the new Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Attachment

ENGINEERING METHOD OF ROUNDING

The following rules of rounding shall apply:

1. if the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.
2. if the leftmost of the digits discarded is greater than 5, or is 5 followed by digits not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits, 130.557 becomes 130.6.
3. if the leftmost of the digits discarded is 5, followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

Approved by both parties: _____

Doc. No. 11

CLASSIFICATION REVIEW COMMITTEE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties agreed to establish a Classification Review Committee to review classification disputes. The committee will be comprised of a representative of the Company's Labour Relations staff, and a representative of the National Union staff.

The parties discussed the application of this document and agreed that a procedure be set in place to assist in the review of classification disputes.

The parties further agreed it would be beneficial to focus the dispute through a joint stipulation of facts at the third step of the Grievance Procedure.

The case record will contain:

- 1.0** the job description and associated wage rate as of the effective date of the Agreement, under which the grievance was submitted.
- 2.0** any additions, deletions or alterations to the job functions since the effective date of the Agreement.
- 3.0** in the case of a new classification dispute as described in Paragraph 93 of the Agreement in addition to the above, the case record should include a chronology of events listing meeting dates, attendees, the temporary rate and classification established, and classifications which were deemed as unsuitable for the inclusion of the work in question.
- 4.0** any other background facts which would be germane to the instant case.

Once the case record described above is assembled, the subject grievance should proceed through the Grievance Procedure and if discussions at the appeal step of the Grievance Procedure fail to resolve the dispute, such grievance will be referred to the Classification Review Committee.

Approved by both parties: _____

Should the Classification Review Committee be unable to satisfactorily resolve a grievance referred to it, such grievance will re-enter the Grievance Procedure in accordance with Paragraph 26.0 of the Agreement.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 12

MEMORANDUM OF UNDERSTANDING

**REGARDING THE ACQUISITION OF THE LONDON
DEFENSE OPERATIONS
ENTERED INTO THE 9th DAY OF JUNE, 2003**

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty,

General Dynamics Land Systems – Canada
London, Ontario. Hereinafter referred to as “GDLS- C” or “the
Company” and: National Automobile, Aerospace, Transportation
and General Workers Union of Canada
(CAW-Canada and its Local 27) Hereinafter referred to as the
“Union”

General Dynamics Land Systems – Canada and the CAW also being
referred to jointly in this Memorandum of Understanding as the
“parties”.

Whereas: This Memorandum confirms the discussions between
the Company and the Union regarding the acquisition of the
London Defense operation.

THEREFORE: While the parties recognized that the acquisition
was made from General Motors (hereinafter referred to as “GM” or
the “Seller”) as an ongoing business, there was concern regarding
the impact of the acquisition on the affected hourly employees.
Therefore, this memorandum outlines the resolution to issues
regarding the transfer of employment of the hourly employees of
the business from the Seller to the General Dynamics Land
Systems - Canada.

Transition Date and Successorship

Employees who are employed at the GDLS - Canada facility as of
October 1, 2003, will become employees of GDLS – C (hereinafter
referred to as a “Transferred Employee”). Affected employees who
have unbroken seniority and who are on layoff or leave of absence
as of October 1, 2003, will be employed by the Company upon
expiration of their layoff or leave. For these employees, October 1,
2003 shall be deemed to be their actual date of employment with
the Company.

All affected employees whose employment is transferred to GDLS-
C shall retain the protection provided under the GM-CAW and
Supplemental Agreements, as the Company shall assume the

Approved by both parties: _____

2002 GM-CAW and Supplemental Agreements, including Exhibits A through D, and Exhibits F and G and Local Agreements as amended by this Memorandum of Understanding. The Income Security Fund Maximum Company Liability, defined under Article VIII, (19) of Exhibit C-1 shall be pro-rated under the Company's plan, based on the portion that the number of employees employed by the Company compared to the sum of all Seller's employees as of October 1, 2003. The sum of the Seller's employees, for purposes of this calculation, shall include the employees employed by the Company.

The Company will be a successor employer of the Transferred Employees. The employment of the Transferred Employees with the Seller will be terminated on October 1, 2003 for all purposes under the Collective Agreement, the Labour Relations Act, and the Employment Standards Act or otherwise.

Pensions

The Company shall assume the 1999 General Dynamics Land Systems - Canada Canadian Hourly-Rate Employees Pension Plan (the "GM Pension Plan"), and as a result, the following items were clarified by the parties for affected employees who at the time of the sale were vested under the GM Pension Plan:

- the GM Pension Plan and Company's Pension Plan ("the Plans") will recognize credited service granted under the other Pension Plan for "eligibility" purposes. These provisions will be applicable for periods of re-employment by the seller as provided for in this Memorandum, but will not extend to additional credited service provisions granted under either Plan.
- pension benefits received from the Plans will be on a pro-rata share, based on a percentage of the number of years of credited service accrued under the GM Pension Plan or Company's Pension Plan divided by the total years of credited service under both Plans as of the date of retirement, death or termination from the Company or Seller. Provided, however, that if the employee is entitled to a supplementary pension and/or a special allowance benefit, from more than one plan, based on the total "eligible credited service", then the supplementary pension and/or the special allowance benefit will be co-ordinated between the GM Pension Plan and the Company's Pension Plan. These benefits will be paid from each respective plan, on a prorated basis (e.g. an employee retires with 35 years of credited service, where the first 25 years were earned from the GM Pension Plan and the next 10 years from the Company's Pension Plan - a benefit based on 30 years would be prorated and paid from the GM Pension Plan based on 25/35ths and from the GDLS - C's Pension Plan based on 10/35ths).
- if the Seller grants the employee a benefit under Article I, Section 2(b) of the Seller's Pension Plan, such retirement eligibility will not be recognized by the Company, unless the Company

Approved by both parties: _____

concur that the employee met the eligibility requirements of such a mutually satisfactory offer as specified in the GDLS-C Pension Plan. If the Company does not concur, but the employee is eligible for a voluntary retirement from the GM Pension Plan at the time, the Company will entitle the employee to benefits under the appropriate voluntary retirement provisions on a pro-rata share basis.

- if the Seller grants the employee a benefit under Article I, Section 3 of the Plan, retirement eligibility shall only be recognized by the Company if satisfactory medical evidence is submitted to the Company that substantiates such eligibility. If the Company does not concur, but the employee is eligible for a voluntary retirement from the Pension Plan at the time, the Company will entitle the employee to benefits under the appropriate voluntary retirement provisions on a pro-rata share basis.
- in any event, there shall be no duplication in the granting of credited service under the Plans.
- at date of retirement, death or termination, benefits payable from the Company shall be based upon the provisions of the GDLS-C Pension Plan in effect on that date.
- if any employee retires under the Plans and is subsequently re-employed by either the Company or the Seller on a regular, contract or other basis, then payments being made to such employee by the Plans shall be suspended until such employment ceases and the employee again retires.
- in addition, the Seller agrees to assume the responsibility of Group Life Insurance and Health Care coverages upon retirement for any employee who was eligible to retire voluntarily under the provisions of Article I, section 2(a) (excluding Section 2(a)(4)) of the GM Pension Plan as of February 28, 2003 and who at retirement is in receipt of a pension benefit from the Seller. Such responsibility will be limited to the extent other GM pensioners receive coverage. The parties understand that in determining the amount of Basic Life Insurance and Continuing Life Insurance in retirement for such employees, the employee's base hourly rate in effect on retirement and the credited service accumulated while employed at Seller and GDLS-C will be recognized under the GM group Life and Disability Insurance Program.

General Provisions

The Company's obligations to the Transferred Employees following the transfer of employment shall be limited to those agreed upon in this Memorandum of Understanding. The Union agrees that the

Approved by both parties: _____

Company and the seller are not related employers. The Union and its Locals, on their own behalf and on behalf of their members agree not to commence or support any application for a determination pursuant to S.1(4) of the Ontario Labour Relations Act or any provision under Section 12 of the Employment Standards Act or any similar provision. The Union and its Locals on their own behalf and on behalf of their members agree not to take any steps in furtherance of such an application or determination.

All provisions stated in this Memorandum are applicable only to those employees of the Company who were affected by the acquisition. Any new individuals employed by the Company or the Seller on or after February 28, 2003 shall have no such rights under this Memorandum of Understanding.

The parties agree that if unusual circumstances occur that were not contemplated at the time this Memorandum was agreed upon, the parties remain willing to discuss these circumstances in an effort to resolve any concerns.

The parties agree that this understanding is restricted in its application to the acquisition of the London Defense operation. It is entered into as a result of the attendant circumstances and does not establish a precedent for future bargaining.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 13

**JOB COUNSELLING AND PLACEMENT ASSISTANCE
PROGRAM - EMPLOYEES PERMANENTLY LAID OFF AS A
RESULT OF PLANT CLOSING**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During these negotiations the parties discussed the job counselling and job placement assistance needs of employees permanently laid off as a result of a Plant Closing or where the parties determine the indefinite layoff appears to be permanent. These discussions resulted in the parties acknowledging their mutual responsibilities to assist such employees in their efforts to secure suitable alternate employment. Accordingly, it was agreed that in those instances, if any, where employees are permanently laid off as a result of a Plant Closing or where the parties determine the indefinite layoff appears to be permanent the parties will jointly develop, in co-operation with applicable Federal and, or, Provincial agencies, an Adjustment Committee designed to help them secure alternate employment.

The parties agreed that the following provisions are applicable to an Adjustment Committee established hereunder:

- 1.0** one Adjustment Committee will be established for each plant city in which a Plant Closing has been announced;
- 2.0** the number of Adjustment Committee members will be determined by mutual agreement between the local parties subject to the approval of the National Union CAW Office and the Labour Relations Staff. Management members on the Adjustment Committee will be appointed by the Human Resources and Administration Director and Union members will be appointed by the Local Chairperson of the Shop Committee. In addition, one alternate Union representative will be appointed by the Chairperson of the Shop Committee. Such alternate will function on the Adjustment Committee in the event that one of the Union appointed representatives quit the Adjustment Committee;
- 3.0** each Adjustment Committee will be responsible to seek financial assistance from the Federal and applicable Provincial Government agencies.

Approved by both parties: _____

- 4.0** each Adjustment Committee will provide a needs assessment program for employees who are scheduled to be permanently laid off as a result of Plant Closing. The needs assessment program will be paid for by the Company and will take place on Company time. Employees going through the needs assessment process will receive up to one (1) hour of assessment time. Each Adjustment Committee will decide the appropriate method to deliver the needs assessment program at their location.
- 5.0** members of the Adjustment Committee, including the alternate Union representatives will be provided with a three (3) day training program on Adjustment Committee activities. The above described training will be conducted on Company time and will be paid for by the Company. The Human Resources and Administration Director and the Chairperson of the Shop Committee will select the appropriate training program and decide the best method to deliver the training while giving consideration to factors such as maintaining the efficiency of operations.
- 6.0** union appointed members of the Adjustment Committees will, with twenty-four (24) hours advance notice to supervision, be authorized to leave their work to attend Adjustment Committee meetings and perform other Adjustment Committee activities, as determined by the Adjustment Committee.
- 7.0** an Action Centre will be established for each Adjustment Committee and the equipment necessary to operate such Action Centre will be provided by the Company after review with the Human Resources and Administration Director of each location.
- 8.0** a full time Union Coordinator will be appointed by the Union from within the bargaining unit and such coordinator will execute the mandates assigned by the Adjustment Committee. The Union Coordinator will be responsible for the Action Center and may be assisted by the other Union appointed representatives if deemed necessary by the Adjustment Committee. The Union coordinator will be paid from the Adjustment Committee budget. The respective Adjustment Committee will also be responsible to determine the need for secretarial support for the Action Centre.
- 9.0** tuition costs for employees taking basic upgrading courses such as English, Mathematics, Computer Awareness and Blueprint Reading will be paid in accordance with the provisions of Document #8 and the Letter attached to Document #8. Employees attending training as a result of Adjustment Committee activities will attend such training during their non-working hours,

Approved by both parties: _____

- 10.0** near the time of plant closure, employees will be offered eight (8) hours of counselling/training. The scheduling of this counselling/training program will be subject to the approval of the Human Resources and Administration Director and Chairperson of the Shop Committee.
- 11.0** in addition to the above, each Adjustment Committee may decide to implement initiatives to enhance job opportunities for those permanently laid off employees.
- 12.0** the Adjustment Committees are required to review their respective adjustment activities in accordance with the terms and conditions of the applicable Industrial Adjustment Service Agreement.
- 13.0** problems associated with the administration of this letter will be reviewed between the Human Resources and Administration Director and the Chairperson of the Shop Committee for resolution.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 14

PLANT CLOSINGS AND VOLUME REDUCTIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed certain events such as plant closings and volume reductions.

The parties agree that each event is a unique event, based on the particular demographics and circumstances at the location at that time.

During previous plant closings, the parties have agreed to innovative ways of dealing with the situation. It was determined that for future events the parties would continue to consider these options, as well as other alternatives to determine the most appropriate manner to deal with the particular situation.

For volume reductions, where the parties determine that the situation appears to be permanent, the parties will discuss alternatives to mitigate the impact of any layoffs. The resolution for these situations may include incentives such as lump sum payments, retirement enhancements and other non-cash incentives.

Each situation will be mutually discussed and agreed to by the parties at the time of the event.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 15

JOB SECURITY & WORK OWNERSHIP

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

Over the years, the Company and the Union have regularly addressed worker concerns over income and job security. Recognizing that employment levels will fluctuate with changes in the marketplace, the parties have negotiated programs to provide workers and their families with a measure of income security unparalleled in Canadian industry. Further, recognizing that longer term employment levels will be affected by in-plant changes in technology and the in-plant organization of work, the parties have negotiated programs to encourage attrition and thereby prevent or limit potential layoffs.

During the 1990 round of bargaining, a milestone agreement on Job and Income Protection was reached by the Company and the Union, which was intended to limit and prevent layoffs. The agreement established a workable procedure to deal with the extensive structural change in evidence in the industry at that time, and, which clearly has continued to date.

During current negotiations the Company and the Union again focused on the impact of outsourcing decisions and their impact on individual workers, their families and their communities.

Of critical importance to the Union during these negotiations was the concept of "work ownership", defined as protection against the outsourcing of work which has been performed on a historical basis in a quality and efficient manner at reasonable cost. From a Union perspective, work ownership was described as a principle intended to be consistent with on-going changes in the workplace. A particular concern discussed at length by the parties was the potential impact of changes involving modular production. The Company indicated that changes in technology and organization of work would continue to be required to assure the Company can be competitive and retain its position as one of the industry leaders in Canada. The Company agreed, however, that if modular production plans were implemented during the term of this Agreement, they would be reviewed with the Union and that associated changes in the workplace would be accomplished in a manner consistent with the work ownership and community employment level provisions of the Agreement.

Approved by both parties: _____

In addition, the parties discussed concerns about the impact various forms of corporate restructuring, e.g. business units or joint ventures, might have on employees. The Company confirmed that although various alternatives have been reviewed, there are presently no plans for changing the business structure of Union represented operations. Further, the Company agreed that any such change that is decided on and implemented during the life of this Agreement would be accomplished in a manner consistent with the work ownership and community employment levels provisions of this Agreement.

In keeping with the work ownership concept, the Company advised the Union that it will not outsource any major operations during the life of the Agreement except as specifically agreed during these 2013 negotiations. In addition, the Company commits there will be no reduction in community¹ employment levels as a result of outsourcing during the term of this agreement.

The parties agree this commitment should serve to alleviate the real sense of insecurity prevalent among workers in today's business setting. With this new sense of security, the parties believe employees may apply themselves to pursuits that are in the best interest of themselves, the Company, the Union and their communities.

In this regard, plans for each operation were reviewed by the Company with the Union.

During these discussions, the Company and the Union discussed outsourcing plans previously announced during the term of the 1996 Agreement that have not yet impacted the bargaining unit. In the interest of improving the communication to and the involvement of the Union under those circumstances when Management is considering the implementation of restructuring actions that would result in permanent job loss, the Company agreed to meet at least semi-annually during the term of this Agreement with representatives of the National Union CAW to review the state of the Company's operations and future product programs. The first such review shall occur within 90 days following the effective date of this Agreement.

The parties agree that this business review and the contemplated meeting should serve to enhance the Union's understanding of the business conditions of the Company and the employment security of our employees.

During the 2013 negotiations, the parties discussed at length the Union's concerns regarding clarification of certain aspects of the Job Security and Work Ownership Agreement.

The Company indicated that although implementation of this provision during the term of the 1996 Agreement had not resulted in

¹ For the purposes of this agreement, "community" is defined London Plant.

Approved by both parties: _____

significant problems or issues, it nonetheless understood the Union's concern and interest in further clarification of how the provision would be applied. In that regard, the Company agreed to:

- meet semi-annually or more frequently if needed to review how the term "major operations" is being interpreted and/or applied in each of the operations, recognizing there will be differences in what is considered a "major operation" in the various types of plants covered by the Agreement. The attachment provides a list of examples of "major operations" for various categories of jobs covered by the Agreement.
- provide advance notice of outsourcing decisions to the affected local union along with plans to replace the work.
- provide a semi-annual report to each local and to the National Union CAW showing the changes to the employment level in each of the communities and listing outsourcing actions as well as added or replacement work for affected facilities.
- discuss during the semi-annual meetings referenced above any unique job security and work ownership issues affecting skilled trades and parts distribution centres.

The parties agree disputes relating to the application, alleged violation or interpretation of Document 15 or the Attachments to Document 15 may be subject to the grievance procedure under the Agreement.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

ATTACHMENT TO DOCUMENT 15

EXAMPLES OF MAJOR OPERATIONS

Assembly

Instrument Panels
Doors
Bumpers
Seats
Engine Dress-Up
Chassis
Body Shop
Paint Shop
Interior Trim

Engine:

Cylinder Blocks
Cylinder Heads
Crankshafts
Camshafts
Connecting Rods
Engine Assembly and Dress-Up

Welding

Hull Welding

Indirect/Support Operations:

Plant Services, Including Janitorial
Maintenance
General Stores
Material Handling
Industrial Vehicle Repair
Transportation

Approved by both parties: _____

ATTACHMENT TO DOCUMENT 15

WORK OWNERSHIP – MODULARITY

During the recently concluded negotiations, the parties discussed work ownership as it would apply to the concept of modularity. It was agreed that modularity did not change the rules of work ownership.

By way of example, if work is currently being performed by GDLS-C-CAW employees and it subsequently becomes included in a “module”, this element of work or portion of the module is subject to work ownership requirements. On the other hand, work not currently being performed by GDLS-C-CAW employees which may be a part of the same module is not, and does not become by association, subject to work ownership except as may otherwise be agreed to by the parties.

Approved by both parties: _____

Doc. No. 16

EMPLOYEE INVOLVEMENT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The parties entered into discussions regarding the merits of engaging in joint Union-Management activities. These discussions resulted in the parties acknowledging that joint activities can be of substantial benefit to employees, the Union and the Company. Accordingly, the parties agreed to use their best effort to encourage employees to participate in mutually selected joint activities.

The success of joint activities requires that the parties engaged in such activities have total belief in the value of the activities and a commitment to make the process work. Accordingly, the parties to the Agreement acknowledge that participation in joint activities could not be mandated.

The following guidelines are recommended:

- 1.0** the parties will be provided with pertinent business data on a regular and timely basis.
- 2.0** the parties will be provided with training and development experiences that will enable them to discuss problems in a participative and cooperative manner.
- 3.0** joint Union-Management activities should be mutually selected and identified.
- 4.0** the open give and take of discussions which are fundamental to joint Union-Management activities should not prejudice either party in their collective bargaining relationship.
- 5.0** communications to employees regarding joint activities shall be mutually agreed upon.
- 6.0** the parties shall respect the integrity and responsibilities of each organization. Each party should be free to exercise its rights and responsibilities. There should be a common recognition that successful joint activities are the result of both parties applying the strengths of their respective organizations for mutually selected objectives regardless of what other differences there may be.

The key element of our strategy is the commitment of GDLS-C and the CAW to provide the necessary environment to promote a team based organization and the personal growth and development of our

Approved by both parties: _____

employees. The commitment made is enduring and fundamental to our workforce. The increased skills acquired through an Employee Involvement Process will enable our employees to form highly efficient teams for the continued production of high quality, state-of-the-art armoured vehicles and components. Given these conditions, it is agreed:

7.0 A Flexible Work Plan will be implemented

The parties devoted much time during negotiations discussing concerns of proposed work system changes, and the contractual implications of such changes that may be proposed as a result of the Employee Involvement Process.

It is the intent of this letter to give Plant Management and the Union broad discretion in this ongoing and fluid process to address both current and future recommendations from teams of all levels.

The Corporation and the Union were in accord that without a method to address such recommendations it would seriously diminish the parties' intent to be more competitive and ensure future job security.

It is therefore, understood that by supporting the Employee Involvement Process, which is intended to increase employee engagement and input into the day-to-day operations of the business, neither party will be abrogating or compromising their respective responsibilities, commitments or obligations under the Collective Agreement; therefore any changes to the Collective Agreement:

7.1 Will not be effective unless agreed to by Human Resources and the Union;

7.2 May, when appropriate, require ratification;

8.0 A Pay for Skills and Knowledge Compensation Plan will be implemented

Employees may be eligible for pay premiums based on a combination of the proficiency of technical skills relating to their current assignment and acceptable performance of specified team and business skills.

Team members may earn the agreed-upon premiums in addition to their base rate by continuing to demonstrate their improvement in proficiencies for each category.

A Pay for Skills and Knowledge Committee may be established by the Joint Steering Team to develop a process for determining applicable criteria

Approved by both parties: _____

An employee who does not wish to qualify for the premiums will not be required to do so. However, such employee will be responsible to train other employees and, when appropriate, be temporarily reassigned to permit another employee to qualify.

9.0 A Share Plan will be implemented

A Share Plan will be jointly developed and implemented that will allow all employees to receive equal quarterly payments. These requirements should take into account an employee's attendance and time on the active role during the performance period.

This incentive-based Share Plan will be determined consistent with the goals and objectives of the GDLS-C P&D operating plan as determined by Senior Management. The Share Plan requirements, which take into account quality, safety, schedule, and cost performance reflecting the principle of continuous improvement, will be regularly communicated to all employees. The Steering Team will be responsible for the implementation and communication of the plan. This team may authorize a joint sub-committee to assist them in this responsibility.

10.0 Conclusion – Overall Intent

The parties agree that the efforts of the Joint Steering Team are focused on continuing the Employee Involvement Process with the intent of implementing the above plans within a reasonable time and within the scope of the Whole Systems Architecture Process. This Letter of Understanding will remain in full force for the full term of the Collective Bargaining Agreement.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 17

JOB SECURITY IN CANADIAN EMPLOYMENT LEVELS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During discussions of job security issues in these negotiations, the Union indicated one of its concerns was the potential adverse effect on Canadian employment of job security provisions recently negotiated by General Dynamics Land Systems with the UAW.

While there are a number of factors which influence business conditions which, in turn, can affect employment levels, the job security program in the United States does not require an adjustment in Canadian employment levels to fulfill the conditions of the program.

If business conditions make it necessary to reduce unit volumes at a General Dynamics Land Systems - Canada location, the parties will meet to discuss the circumstances before final decisions are made which would affect employment levels.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 18

TRANSFER OF OPERATIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations there have been discussions between the parties regarding the transfer of operations and employees affected by the opening of new plants.

This will confirm our verbal commitment that during the term of the current Agreement any new plants opened by the Company in Canada to produce products similar to those now being produced at the plant in which the Union is currently the bargaining representative of the production and maintenance employees will involve a "transfer of major operations" (as historically applied by the parties) from an existing CAW-represented plant to the new plant.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 19

OVERTIME POLICIES INTER-ORGANIZATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

TO: All Staff Heads

Our agreements with labour unions have long recognized that the nature of our business requires overtime operations at times. Reflecting the Company's view that excessive overtime is undesirable from the standpoint of both the employee and the Company, this letter sets forth the policies that govern overtime operations in this Company.

Employees who are required to work overtime should be given as much advance notice as is practicable so that they can make any personal arrangements that may be necessary.

When less than a full complement of employees is needed, it is usually practicable for the Supervisor to excuse employees who do not wish to work and confine the overtime assignments to those employees who do wish to work. In situations where there are sufficient employees available who wish to work overtime and who are capable of doing the overtime work assignments, employees who do not wish to work overtime are to be excused from doing so, insofar as practicable.

An individual employee's personal problems in connection with working overtime should be given careful consideration and the employee's individual needs should be recognized.

The individual employee's request to be excused from an overtime work assignment, when made a reasonable period of time in advance, should receive every possible consideration. When the employee's request is granted the employee will be notified as far in advance as possible so that the employee can make personal plans accordingly. Thereafter, any cancellation or change in the arrangements to excuse the employee will only be made with such employee's consent.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 20

TRAINING FUND - WSA STEERING TEAM

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties focused on the importance of training and the role played by the WSA Steering Team. In reaffirming its commitment to training, the parties agreed to establish a Training Fund as a means of funding the development and implementation of employee skills and training activities. The Fund will come under the direction of the WSA Steering Team.

In this regard it was agreed the Company will make available up to a maximum of \$550,000,00 (representing the value of up to 24 hours training per active employee as of the effective date of this Agreement) for use by the WSA Steering Team over the term of this Collective Agreement to fund the development and implementation of training programs. All monies will be recovered from the Special Contingency Fund.

The Fund will provide for training program development costs, trainers (including wages, benefits, and other expenses incurred with the development and implementation of training programs), program material costs, employee travel costs, ongoing administrative costs and labour costs associated with employees attending approved training.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 21

**RETENTION OF UNION BENEFIT PLAN REPRESENTATIVES
DURING TEMPORARY LAYOFF PERIODS FOR MODEL
CHANGE, INVENTORY, MATERIAL SHORTAGES, MACHINE
BREAKDOWN, ETC.**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During these negotiations the Union discussed potential problems that may result from Union Benefit Plan representatives being temporarily laid off for extended periods of time pursuant to Paragraph 59.0 while a substantial number of employees they represent remain at work.

In response to the Union's concern the Company agrees that Union Benefit Plan representatives would be retained at work on work they are capable of doing during periods of temporary layoff if fifty percent (50%) or more of the employees they represent are scheduled to work. Union Substance Abuse Program Committee Member(s) would also be treated in a similar fashion.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 22

GRIEVANCE PROCEDURE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the Company and the Union discussed at length problems encountered in the administration of the Grievance Procedure. The parties reaffirmed their mutual determination that the purpose of the Agreement as stated in Paragraph 1.0 is "to provide orderly collective bargaining procedures between the Company and the Union, to secure prompt and equitable disposition of grievances and to prevent interruptions of work and interferences with the efficient operation of the Company's business."

As a result of our discussions both parties recognize that a number of practices had evolved regarding grievance administration that have, in some cases, reduced the effectiveness of the Grievance Procedure from the perspective of both parties. In order to address the problems that have been created by the practices referred to above, the parties re-emphasized the need to ensure that the fundamental elements of the grievance procedure were followed. Among these fundamental elements is:

- the need for discussion between an employee and supervisor regarding the nature of the employee's grievance. Such discussion can contribute to an informed decision regarding potential resolutions to the employee's complaint prior to the formal filing of a grievance
- full disclosure of pertinent information early in the process enhances opportunities for both parties to determine the appropriateness of the grievance
- a commitment by both parties not to delay or hold a grievance at any step of the Grievance Procedure is an important component of the grievance process as it serves the interest of the employee, Union and Company to ensure that grievances are handled in an expeditious manner. The current language provides Management with the right, after a lapse of a reasonable period of time on grievances being held, to initiate

Approved by both parties: _____

answers to grievances in order to prevent them from being delayed at any step of the procedure. The Chairperson will be advised of such situations prior to the initiation of such answers.

Furthermore, the mutual interests of the parties are best served when the proper representatives of the parties at each step of the Grievance Procedure are granted authority to resolve grievances. Such authority is not diminished, however, if either party finds it necessary to engage in further investigation or consultation prior to making proposals for grievance resolution.

The parties agreed that the contents of this letter would be reviewed with their respective representatives responsible for the administration of the Grievance Procedure.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 23

**SPECIAL PROCEDURE - SUPERVISORS/TEAM LEAD
WORKING, UNJUSTIFIABLE GRIEVANCES**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the reaffirmed the intent of the informal procedure adopted as a result of negotiations regarding Paragraph 164.0 grievances. This letter essentially stated in part:

In the course of current negotiations, the parties have discussed the Union's charge that at the General Dynamics Land Systems - Canada plant certain Supervisors/Team Lead have repeatedly worked in violation of Paragraph 164.0 of the Agreement. These discussions have also dealt with General Dynamics Land Systems - Canada's charge that certain CAW committeepersons have repeatedly filed unjustifiable grievances charging violation of Paragraph 164.0.

The parties are in agreement that the situations complained of have created problems for both parties to the Agreement and must not be permitted to continue.

It was agreed between the parties that complaints in this area will be handled under the provisions of Paragraph 1.1 of the Agreement. For the purposes of this procedure only, prior to being referred from the plant, the problem will be discussed between the Chairperson of the Shop Committee, the National Union CAW Representative, and the Plant Manager and Human Resources and Administration Director.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 24

**RELIEVING EMPLOYEE FOR COMMITTEEPERSON
DISCUSSION**

STATEMENT OF POLICY

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

A Committeeperson, after reporting to the Supervisor in accordance with applicable provisions of the Agreement, will conduct any discussion with an employee at the employee's work station. However, the circumstances existing at the time must be taken into consideration. If an employee is working on a moving conveyor and the discussion would interfere with the employee's maintaining the required schedule or in cases where noise or safety make it unreasonable to talk at the employee's work station, the Supervisor will designate a place where they may talk. Where necessary in such cases, relief for the employee will be provided without undue delay.

There will be occasions due to production difficulties brought about by absenteeism or other emergencies when it will not be possible to promptly relieve the employee. Cooperation of all concerned is required at such times and the employee and/or the employee's Committeeperson should be advised of the reason for delay in providing relief for the purpose of the employee talking to the Committeeperson.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 25

DISCIPLINARY INTERVIEW

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations, the parties discussed the Union's contention that an excessive number of Management representatives are present during some disciplinary interviews. The Union recognized that there are times when more than the customary number of Management representatives may be required because of their knowledge of the matter under discussion. The Union stated, however, that their concern was directed at other Management representatives who attended interviews solely as witnesses to the interview itself.

As a result of these discussions, the Company advised the Union that as a matter of policy, Management personnel beyond those referred to above would not attend such interviews solely for the purpose of serving as potential witnesses to the interview itself. Additionally, should Management representatives in excess of the customary number be present in the interview, the zone committeeperson may request, during that period of time, the presence of the shop committeeperson for the area. In the event that the shop committeeperson for the area is absent, another member of the shop committee present in the plant may be present in the interview provided the request would not result in undue delay of the disciplinary interview.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 26

**EFFECT OF PROVINCIAL LEGISLATION ON RIGHT TO STRIKE
OVER CERTAIN ISSUES**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

General Dynamics Land Systems - Canada agrees that, in the event the law in Ontario prohibiting strikes and lockouts should change to permit employees to conduct a lawful strike during the term of the current Agreement certain provisions of this Agreement would be modified to the extent necessary to meet the enabling provisions of the law. In any event the right to strike shall not be expanded beyond the provisions and understandings set forth in Attachment A.

In the event the law in Ontario is changed:

Section VIII, Paragraph 33.0 of the Agreement would be replaced with the provisions of Alternate Paragraph 33.0 set out in Attachment A; Section VIII, Paragraph 24.8 would be replaced with the provisions of Alternate Paragraphs 24.8 and 24.9; Section V, Paragraph 5.0 of the Agreement would be replaced with the provisions of Alternate Paragraphs 5.0 through 5.3.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

ATTACHMENT A

SECTION VIII

All differences between the parties arising from the interpretation, application, administration or alleged violation of this Agreement, including any questions as to whether a matter is arbitrable, shall be arbitrable, except: 1) as provided in Paragraph 24.8 and 2) any dispute arising under Paragraphs 165.0 No other differences except those specifically set forth above are arbitrable.

Approved by both parties: _____

Doc. No. 27

IMPARTIAL MEDICAL OPINIONS - PARAGRAPH 31.0 AND 31.1

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed various aspects of the application of Paragraph 31.0 and 31.1 of the Agreement.

The parties affirmed their mutual intention to promptly deal with requests for impartial medical opinions in accordance with the procedures outlined below:

Grievances filed in accordance with the principles established in Paragraph 31.0, when presented by the Union directly to Management at Step Three of the Grievance Procedure, will be discussed at a special Third Step meeting and will be governed by the time limits outlined in Paragraph 23.0 and 23.1 of the Agreement. If the written decision of Management from the Step Three meeting as provided pursuant to Paragraph 23.1 is not satisfactory, the Chairperson of the Shop Committee, or the Chairperson's designated representative, will make a request in writing to Management to refer the employee for an impartial medical opinion as soon as possible following receipt of Management's Third Step disposition. Unless mutually agreed otherwise, such written request must be provided to Management within thirty (30) days following receipt by the Union of Management's Third Step disposition. Thereafter, the parties will promptly prepare a Memorandum of Understanding for the purpose of instructing the physician or clinic with respect to the medical decision required. Unless otherwise mutually agreed, this Memorandum will be prepared and signed by the parties within ten (10) days following receipt of the Chairperson's or the designated representative's request for an impartial medical opinion.

Such Memorandum shall include sufficient detail of the job duties required and any other pertinent information concerning the dispute as may be necessary for the impartial medical opinion.

Requests for impartial medical opinions pursuant to Paragraph 31.0 of the Agreement may be made by either party as outlined below. Requests pursuant to Paragraph 31.1.1 and 31.1.2 may be made both in the case where a grievance has been filed relative to the medical dispute and also in cases where no grievance has been filed. Such requests, when initiated by the Union, shall be made in

Approved by both parties: _____

writing by the Chairperson of the Shop Committee, or the Chairperson's designated representative, to the Plant Human Resources and Administration Director, or the Human Resources and Administration Director's designated representative. Such requests, when initiated by the Company, shall be made in writing by the Plant Human Resources and Administration Director, or the Human Resources and Administration Director's designated representative, to the Chairperson of the Shop Committee, or the Chairperson's designated representative. Whether initiated by the Union or the Company, the parties may, by mutual agreement, agree to refer the employee for an impartial medical opinion, in which case a Memorandum of Understanding will be prepared and signed by the parties for the purpose of instructing the physician or clinic with respect to the medical decision required.

Such Memorandum shall include sufficient detail of the job duties required and any other pertinent information concerning the dispute as may be necessary for the impartial medical opinion.

Requests for impartial medical opinions pursuant to Paragraph 31.1.3 may be initiated as outlined above when any grievance at the Third Step of the Grievance Procedure is involved.

When such grievances specified in Paragraph 31.1.3 have proceeded beyond Step Three of the Grievance Procedure, the representative of the National Union CAW specified in Paragraph 24.3 of the Agreement, or a member of the Labour Relations staff, may initiate written request for an impartial medical opinion. In these circumstances, if there is mutual agreement for an impartial medical opinion, the Chairperson of the Shop Committee and the Plant Human Resources and Administration Director, or their designated representatives, will be requested to prepare and sign a Memorandum of Understanding for the purpose of instructing the physician or clinic with respect to the medical decision required.

Such Memorandum shall include sufficient detail of the job duties required and any other pertinent information concerning the dispute as may be necessary for the impartial medical opinion.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 28

PROMOTIONS - BURDEN OF PROOF

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, there were extended discussions concerning the application of Paragraph 57 to promotion cases. The Union specifically cited an arbitration decision CP-3, the Sutherland decision, as being contrary to the intent of Paragraph 57. The parties further discussed ground rules for the future handling of promotion cases.

In this regard, Management stated that the Sutherland case, CP-3, would not be cited in the future as a basis for determining the burden of proof in a promotion case.

Management stated further that in the event a senior employee files a grievance claiming that a junior employee was improperly promoted to a job, the grievant's claim should be supported by appropriate data as to the pertinent seniority dates, and information to support the claim that the grievant's merit and ability are approximately equal to that of the employee promoted. At that point in the proceedings, the burden of proof shifts to Management to show that the junior employee possessed significantly higher qualifications over and above the qualifications of the grievant related to the specific job to which the promotion was made.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 29

EMPLOYEE RESIGNATIONS

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations the parties discussed situations involving employees who resign from the Company on impulse and while suffering from emotional stress, anger, or frustration. The parties further considered appropriate avenues of recourse when such employees subsequently regret their decision to quit and request consideration with respect to reinstatement with full seniority.

It was agreed by the parties that requests for reinstatement under such circumstances, if made within three (3) days of the original resignation, will receive due consideration. Such consideration will take into account all attendant circumstances and will apply only in cases where the employee has not engaged in misconduct or failed in employment obligations which might otherwise have resulted in the breaking of seniority pursuant to any subsection of Paragraph 48 of the Agreement.

It was agreed by the parties that the employee concerned should meet with the Plant Human Resources and Administration Director and the Chairperson of the Shop Committee and outline reasons why reinstatement should occur.

Provided there is mutual agreement between the Human Resources and Administration Director and the Chairperson and provided the conditions outlined in this document have been met, favourable consideration will be given to reinstating the employee with full seniority but with no financial liability to the Company for any period of time subsequent to the employee's resignation and prior to the employee's return to work.

It is mutually recognized that the procedures outlined in this document are established without prejudice to either party in the application of any terms of the Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 30

APPLICATION OF PARAGRAPH 48.5 OF THE AGREEMENT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations the parties discussed the application of Paragraph 48.5 of the Agreement. The Union contended that there had been occasions when the Company had broken the seniority of employees pursuant to Paragraph 48.5 when, in fact, the employee was able to establish that satisfactory evidence of illness, which should have served to extend the employee's originally granted sick leave, was available to Management. The Union further stated that such instances caused stress on affected employees and created an unnecessary workload for Union representatives.

The Company, on the other hand, noted that in some instances employees who could establish satisfactory evidence of illness pursuant to Paragraph 69.0 of the Agreement, had failed to forward this evidence of illness to the Company in a timely manner, thus resulting in the issuance of the Paragraph 48.5 notice.

In response to the Union's concerns, the Company commits to notify Management that the breaking of an employee's seniority pursuant to Paragraph 48.5 while the Company is in possession of satisfactory evidence of illness constitutes improper administration of the Agreement. Accordingly, Management will be instructed to verify whether or not satisfactory evidence of illness has been received prior to breaking an employee's seniority pursuant to Paragraph 48.5. The Company further stated that Plant Human Resources and Administration Director has been instructed to post a notice in the plant advising employees of their responsibility to provide continuing satisfactory evidence of illness in a timely fashion for the duration of any sick leave.

In addition, the Company reaffirmed that, as a matter of policy, it would continue the procedure whereby, in instances where information on the anticipated return to work date of an employee was submitted directly to Management by the employee's attending physician, an employee on sick leave of absence would be provided written notification of the most current anticipated return to work date designated by the employee's attending physician.

In establishing such procedures it is mutually recognized that adherence or non adherence to the procedures outlined in this

Approved by both parties: _____

document will be without prejudice to either party in the application of any terms of the Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 31

BREAKING OF SENIORITY - SICK LEAVES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations the parties discussed situations where employees failed to return to work as required by the Agreement following sick leave, resulting in their seniority being broken pursuant to Paragraph 48.5 of the Agreement.

The parties agreed that in such situations the Chairperson of the Shop Committee will be notified that the employee's seniority has been broken.

This notification will be mailed to the Chairperson at the same time that the Company breaks the seniority of the employee in question. Management will make every effort to implement this procedure as outlined above. However, in establishing this procedure it is mutually recognized that adherence or non-adherence to the procedure outlined in this document will be without prejudice to either party in the application of any terms of the Agreement and will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 32

SUBSTANCE ABUSE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Company and the Union express their joint determination to deal cooperatively and constructively with the problem of substance abuse among GDLS-C workers represented by the Union.

Alcoholism and drug dependency is recognized by medical, public health authorities, the Company and the Union as a disease. Excessive use of alcohol or other drugs by workers impairs their ability to function, contributes to increased absenteeism and tardiness and the violation of Shop Rules. This in turn disrupts work schedules with consequent dissatisfaction among the majority of workers who are sincerely trying to do conscientious jobs. The combination of factors is recognized as having a potentially damaging effect on plant efficiency and endangers the job security of the workers.

The causes of alcoholism and drug dependency are not well understood and cures are difficult. Nonetheless, the Company and the Union believe that constructive measures are possible to deal with the problem which is a major cause of family breakdown and is related to personal breakdown and violence in the community.

1.0 OBJECTIVE

The objective of this joint effort is to help employees who become afflicted with alcoholism or drug dependency. Joint effort by the Company and the Union is designed to establish a system for early identification of these problems in an employee, referral of the employee for proper treatment, and concerned follow-up.

The Company and the Union acknowledge that neither Management nor the Local Union working alone can always provide the level of motivation required by the alcoholic or drug dependent employee. As a result, mutual cooperation is imperative in encouraging the employee to seek treatment, as needed, to respond successfully to treatment, and to maintain a resolve to avoid alcohol or drugs following treatment.

Approved by both parties: _____

The parties agree to monitor the program to identify any deficiencies of the program and to evaluate the effectiveness of the recovery program on the lifestyle, attendance and work performance of the employees.

2.0 ELIGIBILITY

The Company shall make arrangements to provide coverage for the payment of any daily charge levied on an employee, the employee's dependents, a retired employee or their spouse or eligible dependents as defined the Supplemental Agreement, Health Care, Group Life and Disability Insurance Program, Exhibit B, who is under treatment for substance abuse in a residential substance abuse treatment facility which has been approved by the Plant Medical department. Benefits will be provided under such coverage only for the employee, the employee's dependents, or retired employee who are actively involved in the GDLS-C-CAW Substance Abuse Program and are admitted to a treatment facility on the recommendation of the Plant Medical Center.

The payment of such benefits will be contingent upon the employee's, the employee's dependents or retired employee's successful completion of required treatment.

For the purposes of definition, an employee's dependents as referred to above, shall be those dependent children and spouse specified in Exhibit "B", Insurance Program, identified and referred to in Paragraph 171.0 of the Agreement

3.0 GUIDELINES FOR ADMINISTRATION

The Company and the Union will engage in a cooperative effort and function administratively in consulting with and seeking the cooperation of Management and Local Union personnel. In this regard it is important to:

- 3.1** Generate a climate at the plant level which will eliminate the effects of the social stigma associated with alcoholism, and drug dependency, which acts as a barrier to constructive action;
- 3.2** Encourage the Management and the Local Union at all levels to exercise their best efforts toward the objective of early identification and motivation of the employee to seek treatment and rehabilitation;
- 3.3** Assure confidentiality in working with the employee including the need for privacy during employee contacts

Approved by both parties: _____

and interviews, and maintaining confidential personal medical records;

- 3.4 Assure the employee of a sympathetic understanding of the problem; and
- 3.5 Assist in developing educational and informational materials, such as brochures, internal media and pay statement messages, for use at the plant level. These may be supplemented by materials which either the Company or the Union may wish to issue separately.

4.0 COMPANY AND UNION ACKNOWLEDGEMENTS

The Company and the Union acknowledge that:

- 5.1 nothing in this statement is to be interpreted as constituting any waiver of Management's responsibility to maintain discipline or the right to invoke disciplinary measure in the case of misconduct which may result from or be associated with the use of alcohol or drugs, the Union may exercise its right to process grievances concerning such matters in accordance with the GDLS-C-CAW Agreement;
- 4.2 during or following treatment the alcoholic employee should not expect any special privileges or exemption from standard personnel practices; and
- 4.3 when a leave of absence is necessary so that an employee may undergo medical treatment for alcoholism or drug dependence in or from an appropriate facility in accordance with this program, and when the employee has voluntarily entered into such treatment and the employee's seniority has not already been broken, the employee will be granted a sick leave of absence and will be eligible for benefits in accordance with the GDLS-C Insurance Program as negotiated with the Union.
- 4.4 some governments have introduced mandatory drug and alcohol testing laws for specific job functions and these laws recognize concerns regarding the adverse effects of substance abuse on families, the workplace and the general public. The parties acknowledged that additional legislation may be introduced as the public gains a broader understanding of the costs and dangers associated with substance abuse. Prior to the introduction of such legislation in Canada, the Company will not introduce drug testing into the workplace.

Approved by both parties: _____

5.0 LOCAL SUBSTANCE ABUSE COMMITTEE

The Company and the Union may respectively designate one representative of Management and one representative of the Local Union to work cooperatively outside the Grievance Procedure on these problems. Among the responsibilities of the Local Committee will be to:

- 5.1** survey community resources to determine the availability of appropriate treatment facilities and the cost of treatment. Where facilities are inadequate or unavailable, undertake efforts to improve the situation.
- 5.2** develop ways whereby the disease is identified in its early stages, and whereby the employee is encouraged and assisted to obtain treatment without delay. It is recognized that the employee can be dealt with most effectively on a cooperative Management-Union basis.
- 5.3** help the employee understand that the employee may consult on a confidential basis with the Plant Medical department, or an outside qualified facility or agency, concerning the problem without fear of disciplinary action based on such discussion.
- 5.4** arrange for the Local Insurance Program Administrator or the Local Union Insurance Representative to be available to explain to the employee and others who may be involved the extent to which recommended treatment qualifies for payment under the GDLS-C Insurance Program.

6.0 REPRESENTATION

- 6.1** The Local Union Member of the Substance Abuse Committee will be selected by the National Union CAW based on experience, training and qualifications.
- 6.2** The parties understand that the local Union member of the Substance Abuse Committee will be under the supervision of the Medical Department when excused from the job pursuant to this understanding. Procedures will be established so that the services of the Union member shall be requested through, and approved by, the Medical Department and to ensure assistance is provided even where it is complicated by multi-shift operations, large plant populations or geographically separated units.
- 6.3** In plants employing six-hundred (600) or more the parties agree that the local Union member of the

Approved by both parties: _____

Substance Abuse Committee may be excused from the job with pay during the regular straight hours of such local Union members shift for the time needed to participate in legitimate in-plant activities. Furthermore, the Union Substance Abuse Representatives will, upon prior approval by a designated Management representative, be permitted to leave work during regular working hours without loss of pay to assist General Dynamics Land Systems - Canada employees who require their services.

- 6.4** The matter of time-off the job without loss of pay in units less than six-hundred (600) employees will be the subject of discussion by the parties taking into consideration the availability of qualified Medical Department personnel.
- 6.5** Union Substance Abuse Representatives will be compensated for approved mileage expenses incurred during regular hours at the Company rate of reimbursement applicable to business travel. They will, upon prior approval of a designated Management representative, also be reimbursed for reasonable expenses incurred in the performance of their responsibilities under the Program.
- 6.6** Facilities will be provided to enable the Substance Abuse Representatives to conduct counselling and consulting sessions in private.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 33

MEDICAL CLEARANCE TO RETURN TO WORK

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed various concerns associated with the Medical Clearance to Return to Work Procedure. Current policy requires hourly employees to report to General Dynamics Land Systems - Canada medical facilities for clearance before returning to work after compensable and non-compensable disability leaves of certain durations. Current procedures also specify that such clearance is to be obtained during the hours as posted locally, and generally during the shift prior to the shift of the employee's intended return to work.

The parties have discussed issues concerning these procedures during both the and Local bargaining discussions. In response to the Union, the Company is prepared to undertake a review of current policy and procedures, with the intent of addressing cited Union concerns wherever feasible. In this regard, specific attention will be placed on hours of operation of the medical centres, the duration of absence requiring Medical Centre clearance, and the necessity of the plant physician clearing all employees to return to work.

In establishing such a review, it is mutually recognized that revising or changing any of the above procedures will be without prejudice to either party in the application of any terms of the Agreement and will not be cited or relied upon by any employee or the Union as a basis for any claim.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 34

**MEDICALLY RESTRICTED EMPLOYEES -
PARAGRAPH 62.0**

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations, the Union expressed its concern that the Company sometimes applies the provisions of Paragraph 58.0 of the Agreement in a manner that may deprive medically restricted employees of job placement opportunities.

In response to the Union's concern, the Company reconfirmed its policy to provide employment opportunities for physically restricted employees on an equitable basis. In this regard, the Company stated that it will make every reasonable effort for accommodations for physically restricted employees. This may require making appropriate modifications to job assignments, taking into consideration the needs of the business and the necessity to provide work assignments which add appropriate value to the Company's operations. These modifications will be considered in a manner consistent with such factors as:

- the employee's medical restrictions
- the safety of the restricted employee and others
- any required redistribution of work and the resulting impact on other employees
- the necessity to maintain efficiency of operations

It is understood that any problems arising from the administration of this document may be the subject of discussions between the parties.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 35

EMPLOYEE SENT HOME BEFORE END OF SHIFT

STATEMENT OF POLICY

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

In a situation where the Company "sends home" an employee prior to the employee's regular shift quitting time and requests the employee to return at a later time on the same day, it will not be mandatory for the employee to return if the employee advises the Company that the employee does not elect to return as requested. This does not apply in situations where an employee is required to come in early on such employee's next regular shift following the shift on which the employee was sent home early, nor in situations where the Company, in accordance with the Collective Agreement, changes the established regular starting time of an employee's shift.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

SKILLED TRADES

March 25, 2013

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Approved by both parties: _____

Doc. No. 36

SKILLED TRADES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

I Apprentice Training

**(a) MEMORANDUM OF UNDERSTANDING
- APPRENTICE TRAINING**

Entered into this Twenty-fifth day of March 2013 between General Dynamics Land Systems - Canada and the National Union CAW

WHEREAS, the GDLS-C-CAW Skilled Trades Committee is responsible for reviewing and revising the apprentice training schedules when necessary, and

WHEREAS, changes in technology have impacted the work content of certain skilled trades classifications in some plants, and

WHEREAS, the parties desire that apprentices be properly trained for the work performed by journeymen/journeywomen in the skilled trades classifications in the plant, and

WHEREAS, the parties recognize that shop training schedules are solely training guides,

NOW THEREFORE, the parties agree as follows:

1. The standard apprentice training schedules as identified by the parties will be revised in accordance with this Memorandum.
2. The revisions will be applicable only to the training of apprentices on recognized bargaining unit work performed by journeymen/journeywomen in the skilled trades classification in the plant where the training schedule is being used.
3. The amount and type of training will be in keeping with the training schedules and consistent with the work normally and regularly performed by the journeymen/journeywomen in the classification in the plant where the training schedule is being used. Appropriate training will be provided to perform work that is defined as "programming" if such "programming" is a recognized job function in the skilled trades classification in that plant.

Approved by both parties: _____

4. The revisions are not in any way an agreement to reassign non-bargaining unit functions and/or work to the bargaining unit nor are they to be cited as a basis to resolve disputes concerning such matters or change any recognized lines of demarcation practices or settlements

5. The parties agreed to a Basic Safety Training Guide covering all approved GDLS-C-CAW Apprentice Training schedules except design classifications. The 80 hours of safety instruction provided for will be incorporated into the shop or related training schedules or a combination of both.

The total shop training shall remain 7,328 hours and the total related training shall remain 672 hours. The portion of the 80 hours to be provided as shop training shall be subtracted from existing "Optional Hours". The portion of the 80 hours to be provided as related training shall be subtracted from "Unassigned" related training hours.

When the method of providing this safety training has been jointly established locally, it shall be reviewed by the Local Apprentice Committee and the Local Joint Committee on Health and Safety and a copy of each revised schedule shall be forwarded to the GDLS-C-CAW Skilled Trades Committee for approval. The schedules revised in accordance with this agreement will be adopted for those apprentices presently in the training program to the extent that they can be integrated into such revised programs without interfering with the progress of the apprentice.

6. It was recognized by the parties that it would be advantageous to permit the local parties to get the facilities and methods for safety training for apprentices in place and gain an appropriate amount of experience before implementing additional safety training for other skilled trades employees. Accordingly, it was decided that after a period of satisfactory experience this matter would be reviewed by the GDLS-C-CAW Skilled Trades Committee six months after the revised apprentice training schedules have been approved and as soon as practical thereafter the safety training of forty (40) hours for other skilled trades employees will be developed and implemented.

7. The parties agree furthermore, that a GDLS-C-CAW Standard Apprentice Plan booklet will be developed which will include the shop and related training schedules, the selection procedure and other general information pertinent to the Apprentice Program.

(b) REGISTRATION OF APPRENTICES AND LENGTH OF APPRENTICE PROGRAM

The parties discussed Union concerns regarding the need to increase the length of the apprentice program for certain trades. The Union cited additional training required by advances in technology and other factors as well as the relationship of the GDLS-C-CAW

Approved by both parties: _____

Apprentice training schedule to those established by provincial governing bodies.

The parties agreed that the GDLS-C-CAW Skilled Trades Committee would review the concerns raised during negotiations, including the steps necessary to register apprentices in the electrical trade as Electrician: Construction/Maintenance or other trades as may be affected.

(c) SENIORITY FOR GRADUATING APPRENTICES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

The parties reaffirmed the interpretation and application of Paragraph 132 of the Agreement to graduating apprentices, as follows:

An apprentice shall upon graduation, be immediately credited with Skilled Trades date of entry seniority in the classification to which the employee has been apprenticed, in accordance with Paragraph 132 of the Agreement. Upon being credited with Skilled Trades date of entry seniority, the graduating apprentice would then exercise his/her seniority against the lowest seniority employee in the Skilled Trades classification.

(d) DATE OF ENTRY STATUS - NEW APPRENTICES

The parties discussed situations where the placement of a selected inplant apprentice applicant in the Apprentice Program is delayed. The Union emphasized that problems resulted when such a delay occurs due to (1) jury duty, (2) bereavement, (3) approved vacation time off, (4) a sick leave of absence under the provisions of Paragraph 74 of the Agreement or (5) short term necessity to train a replacement for the person who has been selected.

The Company agreed that if an opening occurs in the Apprentice Program and the employee selected to fill the opening is delayed for one of the reasons specified above and the delay is for not more than twenty-one (21) calendar days, that employee's date of entry for seniority purposes shall be the date the employee would have originally been placed in the program.

(e) TUITION REFUND – APPRENTICES

Subject to the conditions of the Tuition Refund Program, the Company's Tuition Refund Program is applicable to courses of instruction in approved educational or training institutions directed towards qualifying an employee as an apprentice in the skilled trades. In this connection the Company will cooperate and work with such education and training institutions in the development of courses directed toward qualifying an employee as an apprentice in the skilled trades.

Approved by both parties: _____

(f) APPRENTICE LAYOFFS

The parties discussed problems that had been encountered during a Skilled Trades layoff which resulted in the removal of all apprentices from the program.

The Company stated that in the event a permanent reduction in force affected the Skilled Trades workforce at any of the plants covered by the current Agreement, Management would not lay off the total apprentice workforce during such reduction and would endeavour to maintain the continuity of the apprentice program.

**(g) APPRENTICE AND JOURNEYMAN/JOURNEYWOMAN
RETRAINING OPPORTUNITIES**

The Union expressed its desire in ensuring that the Company have an adequate number of apprentices to be able to renew its Skilled Trades workforce and maintain its ability to operate competitively and productively. The Company expressed its desire to ensure that the skills of its trades workforce are maintained or refreshed where appropriate. The Company also explained areas where due to past restructuring and other factors its Skilled Trades workforce levels would need adjustment in order to ensure the Company's competitiveness.

The Union and the Company exchanged demographic and skill set information which lead to the Union's demand for enhancing the current apprentice and retraining program.

The parties acknowledged that forecasted business needs as well as projected attrition would determine the apprentice and retraining opportunities.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

ATTACHMENT – PARAGRAPH (g)

ADMINISTRATION OF APPRENTICE AND JOURNEYMAN/JOURNEYWOMAN RETRAINING OPPORTUNITIES

During the current negotiations, the parties agreed that as the need arises, job opportunities would be filled at each location in the following manner.

1. Recall laid off apprentices to their applicable classification.
2. Retrain laid off journeyman/journeywoman.
3. Offer apprentice openings to qualified applicants who hold seniority rights at the location.
4. Offer preferential hire opportunities to applicants
5. Fill apprentice opportunities through new hire.

The parties agreed that if an immediate need arises for a journeyman/journeywoman at any location, the Company would utilize the provisions of Document 14 – Preferential Hire.

The Skilled Trades Committee will develop selection guidelines subsequent to negotiations.

II NEW TECHNOLOGY – SKILLED TRADES

(a) NEW TECHNOLOGY - SKILLED TRADES

The parties discussed concerns regarding the introduction of new technology in the plants and its impact on the Skilled Trades workforce. Recognition was given to the role of the Skilled Trades workforce and their contributions to the competitiveness of the Company. Recognition was also given to the need for a cooperative attitude toward technological progress on the part of all parties ensuring the Company's growth and its ability to compete effectively.

The Company understands the Union's legitimate concern that ongoing changes in technology may alter, modify, or otherwise change the job content and responsibilities of Skilled Trades employees at plant locations. The Company is interested in affording maximum opportunities for Skilled Trades employees to progress with advancing technology and, as a result, the Company shall make available appropriate specialized training programs so that Skilled Trades employees, including apprentices, will be capable of performing the new or changed work.

It is understood such programs will not preclude the establishment of short-term local training programs required to address individual or unique requirements. It is further agreed these actions do not limit, or in any way reduce, the authority or responsibility of either the Committee on Technological Progress or the local Joint Apprenticeship Committees.

Approved by both parties: _____

Finally, the parties agreed that a cooperative attitude towards continued technological progress would be enhanced through the establishment of a regular communication forum that encourages open and meaningful dialogue between the parties. Accordingly, the Company agrees that matters concerning advancing technology and its implication for the Skilled Trades workforce are appropriate subject matter for the semi-annual review meetings held in accordance with the provisions of Section 1 (Planning) of Appendix "R".

It was also agreed that there may be matters concerning technological developments that have implications beyond a single plant facility and/or location. As such, it would be appropriate for these matters to be reviewed at a GDLS-C-CAW Skilled Trades Committee meeting. In this regard, the Union Chairperson of the Skilled Trades Committee will play a key role in identifying those local technological developments to be included on the GDLS-C-CAW Skilled Trades Committee meeting agenda.

Upon prior notification to Labour Relations, the GDLS-C CAW Skilled Trades Coordinator may participate in the Skilled Trades Committee meeting in a facilitator role.

The parties agree that a difference between them relating to the application, alleged violation or interpretation of the above provisions may be subject to the grievance procedure under the Agreement.

III MISCELLANEOUS

(a) DEDUCTIONS - SKILLED TRADES

The Company will deduct, once each year from the regular wages of CAW represented Skilled Trades classification employees, an amount equal to one-half hour of the regular hourly rate including cost of living allowance in effect at the time the deduction is made from such employees. Such once per year deduction for skilled trades shall be remitted to the designated financial officer of the Local Union at the same time as the regular union dues are remitted pursuant to Section VI of the Agreement.

Skilled Trades dues will be deducted from the last payroll period ending in January of each year from all Skilled Trades employees on roll as of January 1st of that year. This deduction will only be made after any and all other claims and the regular dues deduction have been satisfied.

This deduction is in addition to the regular dues deduction set forth in Section VI of the Agreement.

In the event that there are insufficient net earnings in the above-mentioned pay period to cover the deduction, the Company

Approved by both parties: _____

shall make the deduction from the first subsequent pay period in the calendar year during which the employee has sufficient net earnings. The Company shall have no responsibility for the collection of such dues if the employee has insufficient net earnings during the remainder of the calendar year.

The Union agrees to indemnify and save the Company harmless in the event that an employee shall make any claims against the Company as a result of this deduction from the employee's wages pursuant to the terms of this Memorandum.

(b) SKILLED TRADES - ONGOING DISCUSSIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

The parties discussed at length situations where Skilled Trades employees were laid off due to fluctuations in production schedules and work, which affected laid off employees were capable of performing, had been subcontracted to non-General Dynamics Land Systems - Canada sources.

The parties also devoted considerable time discussing the realities of the competitive environment and the need to maximize uptime of equipment and productive capacity of machines and facilities in order to attain schedule. The parties acknowledged that in order to achieve this maximization ongoing skilled trades utilization must continually be assessed.

The parties recognized that the maximization of uptime would ultimately improve our competitive position and enhance the long term security of our operations and employees.

In these discussions the parties agreed that the appropriate forum for ongoing discussion of these issues is at each location. Accordingly, the parties agreed that within sixty (60) days of the effective date of this Agreement a committee will be established at each location.

The parties recognized the benefits that can be achieved by having ongoing dialogue and that this process can be used to address concerns and discuss ideas consistent with the intent of this Document.

The parties agreed that issues subject to local discussion may include:

- utilizing laid off skilled trades employees to perform work that is normally subcontracted;
- incidental work practices and access rights;
- extended warranties on Company purchased equipment;
- effective utilization of skilled trades employees;
- advanced notice of contracting out work in the tooling area.

(c) SKILLED TRADES TRAINING

The parties discussed the importance of the role of the skilled trades workforce in the operation of the Company's plants, and their

Approved by both parties: _____

contribution to the competitiveness of the organization as a whole. They further recognized that the technology in use in the Company's plants is in a state of ongoing change and that this change process requires various training programs at the national and local levels to maintain the skills of skilled trades employees.

To support the above, the parties agreed that the GDLS-C-CAW Skilled Trades Committee described in Paragraph 117 would have ongoing responsibility for the review of major skilled trades training needs, including facilities and resources, and for the recommendation of appropriate training programs to the GDLS-C-CAW Training Review Committee. This does not preclude the establishment of various short-term local training programs required to address individual or unique requirements.

(d) SKILLED TRADES - TOOL REPLACEMENT

The parties discussed the problems encountered by some skilled trades employees in obtaining replacements for tools which are broken, lost, stolen or damaged in the course of their work assignment.

As a result of these discussions Management stated that:

1. Skilled trades employees have historically provided their own tools of the trade and this practice will continue,
2. Skilled trades employees have traditionally taken pride in maintaining their tools and equipment in good condition, recognizing that such tools are subject to normal wear, however,
3. Management will, upon the recommendation of their immediate supervisor, repair or replace skilled trades employees' personal tools which are broken, lost, stolen or damaged in the course of their work assignment, provided that damaged or broken tools are presented to the supervisor.

It is understood that these provisions will not apply if:

1. the tool guarantee covers the loss, or
2. the loss or damage is not reported as soon as possible.

(e) SKILLED TRADES LICENSES

The Company agreed to pay for, upon receipt of verification of payment, the annual fee for special licenses required by the Company which are over and above the basic trade license.

As well, the parties discussed legislated technical standards such as those of the Technical Standards & Safety Authority and how such standards affect Skilled Trades employees. The Union expressed particular concern, that as existing standards change, and new

Approved by both parties: _____

legislation is introduced, Skilled Trades employees may be excluded from customarily performed work due to insufficient training and/or lack of certification. To alleviate this concern, the Company assured the Union that it will fulfill its' obligations to both existing and future legislation, and its Skilled Trades workforce as detailed in the Collective Agreement.

Additionally, the parties agreed that it would be appropriate for the Skilled Trades Committee to periodically discuss legislated certification, training and licensing requirements and the impact of these on plant efficiencies, productivity, and the Skilled Trades workforce.

(f) SUPPLEMENTAL HELP

Concerning Paragraphs 149.0 and 150 of the Agreement the Union objected to the manner in which the Company utilized employees designated as Supplemental Help to the Skilled Trades classifications.

The Company stated that Supplemental Help will be used to assist qualified journeymen/journeywomen and their retention will be subject to the provisions of Paragraph 150 of the Agreement.

As a result of our discussions on this subject, the Union was assured that employees will neither be selected nor retained as Supplemental Help in any trade while there are available qualified journeymen/journeywomen in the particular trade who meet all of the Company's normal employment standards.

The Company is prepared to discuss with the appropriate Skilled Trades representative, any problems resulting from employees being retained in the Supplemental Help status for too long a period. In any event a quarterly review should be made by the parties.

However, in the event the appropriate Skilled Trades representative requests a meeting with Management regarding the aforementioned utilization of Supplemental Help, such meeting will be held forthwith.

The Company will use its normal employment methods for making known its needs for journeymen/journeywomen. The Company further stated that, in any long term shortage of journeymen/journeywomen, the Company will utilize the Apprentice Program to augment its needs.

(g) LEAVES OF ABSENCE – RELIEF PROGRAM EFFORTS

The Company confirmed to the Union that applications for leaves of absence by Skilled Trades employees to participate in International or Canadian relief programs/agencies will be considered under the provisions of Paragraph 64 of the Agreement.

(h) PREVENTIVE AND PREDICTIVE MAINTENANCE

Approved by both parties: _____

The parties discussed programs related to plant preventive and predictive maintenance. As part of these discussions, it was recognized that Skilled Trades employees are actively participating in the Company's planned maintenance program.

Approved by both parties: _____

Doc. No. 37

STATEMENT ON TECHNOLOGICAL PROGRESS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 252, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During negotiations the National Automobile, Aerospace, Transportation and General Workers Union (CAW Canada) and its Local No. 27 respectively referred to in this Agreement as "Local Union" said "National Union CAW" and said "Local Unions" also referred jointly in this Agreement as "Union", has claimed that certain work which is performed inplant, where the Union is the certified bargaining representative of certain employees has been improperly assigned to non-represented employees of General Dynamics Land Systems - Canada.

Certification of the Union by a Labour Relations Board as the Collective bargaining representative does not constitute an award of work. Such certification is only a determination that a majority of the employees in an appropriate unit have selected a particular union as their representative for purposes of collective bargaining. Such a determination by the Board does not fix the duties of work tasks of such employees nor does it determine job content; it is, however, based on a unit that is found appropriate because, among other things, it includes classifications of employees who, generally speaking, have a community of interest and perform related work functions.

In successive Agreements the parties have recognized that continuing improvement in the standard of living of the employees covered thereby depends upon technological progress, better tools, methods, processes and equipment as well as a cooperative attitude on the part of all parties in such progress.

The Company is mindful of the Union's concern regarding the scope and work content of job classifications of employees in the bargaining unit and how such may be affected by advancing technology. Accordingly, a GDLS-C-CAW Committee on Technological Progress, comprised of two representatives of the Union CAW and two representatives of the Company, will be established. The Committee will meet monthly unless otherwise mutually agreed, or, within a reasonable period of time following the request of either the Company or Union members of the Committee, and will discuss the development of new technology at the Company

Approved by both parties: _____

level and its impact upon the scope of the bargaining unit. The Committee will also discuss other matters concerning advancing technology that may be referred to it by the Local New Technology Committee as well as claims of erosion of the bargaining unit.

Since the first Agreement of July 6, 1953, many necessary changes in methods and processes have had an impact upon the scope and work content of job classifications of both represented and non-represented employees.

Advancing technology has created, and will continue to create, new and more complex problems bearing upon the work content of job classifications of employees represented by the Union.

It is not the Company's policy to assign to non-represented employees work which comes within the scope and content of that normally assigned to represented employees at a particular plant location. The Company recognizes that a mere novelty or the sophistication of new technology alone is not grounds for withdrawing work from represented employees. Similarly, the Company does not believe that the perimeters of the bargaining unit at a particular plant location should be expanded by the inclusion of employees in job classifications, the work content of which is inappropriate to the unit.

It is recognized that advances in technology may alter, modify or otherwise change the job responsibilities of represented employees at plant locations and that a change in the means, method or process of performing a work function including the introduction of computers or other new or advanced technology will not serve to shift the work function from represented to non-represented employees.

In view of the Company's interest in affording maximum opportunity for employees to progress with advancing technology, the Company shall make available short-range, specialized training programs for those employees who have the qualifications to perform the new or changed work, where such programs are reasonable and practicable. Therefore, in the event the work performed by employees covered by the Agreement is altered as the result of technological changes so that additional short-range training may be required, the Company is willing to train such employees where practicable to enable them to perform such work.

What follows sets forth a means of resolving disputes concerning the particular problems occasioned by advancing technology. A Local New Technology Committee will be established at each plant location covered by the Agreement within thirty (30) days following the effective date of this Agreement. This Committee will consist of up to four (4) Union representatives, selected from among the members of the Shop Committee. The number of Union representatives on the Committee will in any event be by the size of the Shop Committee at plant locations with fewer than four (4) members of the Shop Committee. The Union membership of this

Approved by both parties: _____

Committee will include the Chairperson of the Shop Committee and a Shop Committee member who normally represents Skilled Trades employees at that location. Management will designate a comparable number of members of Management as members of the Local New Technology Committee at each location.

Where the initial introduction of a new or advanced technology at a plant location may cause a shift of work from represented to non-represented employees, affect the job responsibilities of represented employees or otherwise impact the scope of the bargaining unit, the Local New Technology Committee will meet and discuss the matter. Such discussion will take place as far in advance of implementation of such a technological change as is practicable.

The Local New Technology Committee will at that time discuss the extent to which such technological changes may affect the work performed by represented employees at the plant location involved. The Union members of the Local New Technology Committee and the National Union CAW will be provided a written description of the technology involved, the equipment being introduced, its intended use and the anticipated installation date(s). Comments by the Union members of the Local New Technology Committee concerning the information provided will be carefully evaluated by the Management members of the Committee in accordance with the Company's policy relative to the assignment of work which comes within the scope and content of that normally assigned to represented employees at the plant location.

The Local New Technology Committee members will be provided a list of the number of employees, by classification, thirty (30) days after the effective date of the Agreement which will be updated periodically.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

ATTACHMENT A

STATEMENT ON TECHNOLOGICAL PROGRESS

During these negotiations, the Union stated that additional explanation was needed to clarify circumstances under which notices should be provided as set forth in the Statement on Technological Progress. Accordingly, the parties agreed upon the following examples of situations where notification should be given:

- 1.0** the first introduction of a technology as compared to previously existing plant technology.
- 2.0** introduction of a new, more advanced generation of existing technology having a significantly different impact on the bargaining unit.
- 3.0** introduction of a new application of existing technology which has a significantly different impact on the bargaining unit.

The parties also highlighted that the Agreement provides for the presentation of the notices to take place as far in advance of implementation of the technological change as is practicable. This is not only to enable the Local and New Technology Committees to discuss the impact such introduction of technology has on the bargaining unit, but also to discuss timely implementation of employee training to prepare them to perform their appropriate functions.

Approved by both parties: _____

Doc. No. 38

PROCESS FOR REVIEW OF NEW TECHNOLOGY

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

As described in Document 37, when the introduction of "a new or advanced technology at a plant location may":

- 1.0** cause a shift of work from represented to non-represented employees,
- 2.0** affect the job responsibilities of represented employees, or
- 3.0** otherwise impact the scope of the bargaining unit, the Local New Technology Committee will meet and discuss the matter.

At meetings of these Local New Technology Committee, Company representatives will be present so that the details can be provided regarding the extent to which the technological change under discussion "may affect the work performed by represented employees at the plant location". Further, at such meetings the following will be provided:

- A.** a written description of the technology being contemplated,
- B.** a written description of the equipment being introduced,
- C.** the intended use of the equipment, and
- D.** the anticipated installation date(s) of the equipment.

It was further agreed that any work assignments which were implemented during the 1984 Agreement and, which are still under protest, will be forwarded to the committee on Technological Progress for review as required by Document 37.

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 39

RECREATIONAL FITNESS PROGRAM

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the important contribution that physical fitness programs can make, both to the employee's personal well-being and to performance on the job.

The Company, therefore, agrees with the Union to study recreational fitness options. This study will commence immediately following negotiations.

The analysis will be directed at a variety of programs which could include those currently available in the plant, plant-city communities, those which might reasonably be developed in-plant, or any combination of such programs.

It is further understood that any in-plant options must preserve the efficiency of operations and that employee participation in such in-plant activities be outside of the specific hours of the employee's shift.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 40

SOCIAL JUSTICE FUND

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed the continuation of the Social Justice Fund for the purpose of providing financial assistance to such entities as food banks, registered Canadian charities, and international relief measures to assist the innocent victims of droughts, famines and other dislocations.

In recognition of the Union's objective to continue the Social Justice Fund and subject to the conditions set forth in the following points (1) to (5), the Company will make quarterly contributions to the said fund equal to six (\$0.06) cents per hour worked in the preceding thirteen (13) week period. The quarterly contribution will be made available from the Special Contingency Fund. The contribution will be payable on the following dates:

Hours Worked From	Hours Worked To	Payment Date
<u>01/01/10</u>	<u>03/28/10</u>	<u>04/30/10</u>
<u>03/29/10</u>	<u>06/27/10</u>	<u>07/31/10</u>
<u>06/28/10</u>	<u>09/26/10</u>	<u>10/31/10</u>
<u>09/27/10</u>	<u>12/29/10</u>	<u>01/31/11</u>
<u>12/30/10</u>	<u>03/27/11</u>	<u>04/30/11</u>
<u>03/28/11</u>	<u>06/26/11</u>	<u>07/31/11</u>
<u>06/27/11</u>	<u>09/25/11</u>	<u>10/31/11</u>
<u>09/26/11</u>	<u>12/25/11</u>	<u>01/31/12</u>
<u>12/26/11</u>	<u>03/25/12</u>	<u>04/30/12</u>
<u>03/26/12</u>	<u>06/24/12</u>	<u>07/31/12</u>
<u>06/25/12</u>	<u>09/30/12</u>	<u>10/31/12</u>
<u>10/01/12</u>	<u>12/30/12</u>	<u>01/31/13</u>

The following conditions are applicable:

- 1.0** The Union operates the fund as a non-profit corporation under the Canada Corporations Act, and ensures that all necessary steps are taken to maintain the corporation in

Approved by both parties: _____

proper legal standing and that all requirements of the Act are met;

- 2.0** The Union operates the non-profit corporation as a registered charity under the Income Tax Act and maintains the registration in good standing;
- 3.0** The Union obtains and maintains a favourable Income Tax Ruling from the Canada Revenue Agency that all contributions which the Company makes to the non-profit corporation are tax deductible.
- 4.0** The objects, by-laws and resolutions of this non-profit corporation should limit it to making the following types of financial contributions:
 - 4.1** contributions to other Canadian nonpartisan charities that are registered under the Income Tax Act,
 - 4.2** contributions to nonpartisan international relief efforts that are considered reasonable and which do not hinder the non-profit corporation's ability to maintain its status as a registered charity, in good standing under the Income Tax Act.
 - 4.3** contributions to any Canadian or international nonpartisan relief efforts to which other Canadian registered charities, registered under the Income Tax Act, are also making financial contributions.
 - 4.4** contributions to any non-governmental and nonpartisan development group recognized by the C.I.D.A. and registered as a charity under the Income Tax Act.
- 5.0** The Union provides the Company with the annual audited financial statements and summaries of each year's donations made by the nonprofit corporation.

It is agreed by the parties that the Company will pay each subsequent quarterly contribution as set forth above, as long as the requirements of points 1.0 to 5.0 above continue to be met.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 41

MEMORANDUM OF UNDERSTANDING REGARDING ATTENDANCE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During these negotiations the parties discussed problems associated with absenteeism and agreed that high levels of absenteeism are harmful to the success of the business in terms of cost, quality and efficiency. In addition, unnecessary and unanticipated absences by a minority of employees create undue hardship on the majority of employees who attend work on a regular basis.

The parties recognize that the Company must accept sole responsibility for dealing with many aspects of the absenteeism problem. However, there are other aspects of the problem which could be addressed more effectively through jointly recommended initiatives. Such initiatives could include recommendations involving:

- ergonomics,
- rehabilitation of employees on long term disability leave, or other personal medical conditions, and assistance in their return to productive employment,
- location of suitable work for medically restricted employees.

Accordingly, the parties agreed to establish a Committee for Attendance Improvement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 42

ALTERNATIVE WORK SCHEDULES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the 1987 negotiations, the parties discussed at length the advantages of an alternative work schedule which would accommodate the needs of our employees and at the same time recognize the Company's need to maintain quality, efficiency and capacity utilization (including the right to schedule weekend overtime).

In meeting these objectives it was further recognized that such a work schedule, while maintaining current compensation levels, must not represent an increase in cost to the Company.

Relative to the establishment of alternative work schedules the parties recognize that various provisions of the Agreement may, subject to the approval of the Labour Relations Staff and the National Union CAW, require modification and/or waiver. Should the parties agree to such modifications, the Company and the National Union CAW will monitor the implementation of the work schedules to ensure they are consistent with the objectives stated above.

During the current negotiations, the parties further discussed the advantages of alternative work schedules. Accordingly, the parties recognize that alternative work schedules could be a strategy to increase capacity utilization and a factor contributing to the enhancement of employee job security.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 43

TRAVEL TIME CONSIDERED AS HOURS WORKED WHEN TRAVELLING ON COMPANY BUSINESS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed employees travelling on company business and appropriate compensation for such travel times.

Definitions:

- 1.0 Geographic Area: any work location within 80 km of another work location is considered to be within the same geographic area.
- 2.0 Travel Time is defined as time spent travelling to and from:
 - 2.1 one work location to another work location,
 - 2.2 an employee's home and another work location provided such location is in another geographic area,
 - 2.3 a work location and a public terminal,
 - 2.4 an employee's home and a public terminal, and,
 - 2.5 one public terminal and another

Travel Time considered as hours worked:

- 3.0 Time spent by an employee travelling on Company business during the employee's normal work hours during the work week (Monday through Friday) and the same hours on Saturday, Sunday or a holiday will be considered as hours worked regardless of the mode of transportation (ie. driving, riding as a passenger in a car or travelling on public transportation). Normal meal time is deducted from travel time.
 - 3.1 Time spent by an employee travelling on Company business outside normal work hours is considered as

Approved by both parties: _____

hours worked, except normal meal time, only under the following conditions:

- 3.1.1** The employee is requested by Management, to drive.
- 3.1.1** The employee has requested and received permission to drive a car in lieu of public transportation. Only the time spent driving which is equal to the amount of hours the employee would have travelled and been paid for on prescribed public transportation will be considered as hours worked, even though the employee may spend a greater number of hours driving.
- 3.1.3** Time spent by an employee travelling outside the geographic area on a one (1) day assignment (employee does not stay overnight) will be considered as hours worked, regardless of the mode of transportation used.
- 3.1.4** Time spent travelling to a public terminal or another point of departure will be considered as hours worked only if the home plant and public terminal or point of departure are not in the same geographic area.
- 3.1.5** Travel time considered as hours worked is compensated at the appropriate rate (ie. straight time, time and one-half or double time). Shift premium and cost-of-living allowance are added if applicable.

Travel Time Not Considered as Hours Worked

- 4.0** Normal travel time from home to work location will not be considered hours worked.
- 5.0** Time spent by an employee travelling on Company business outside normal working hours is not considered as hours worked under the following conditions:
 - 5.1** The employee travels by public transportation or as a passenger in a car on other than a one (1) day assignment.
 - 5.2** The employee drives to another plant or office or from home to a public terminal or to another point of departure if their plant or office is within the same geographic area.
 - 5.3** The employee requests and receives permission to drive a car in lieu of using public transportation. Time spent by

Approved by both parties: _____

the employee driving which exceeds the hours the employee would have travelled and been paid for on public transportation will not be considered as hours worked, even though the employee may spend a greater number of hours driving.

- 6.0** During normal working hours, time spent away from home while not actually travelling on Company business or actually working is not to be considered as hours worked if the employee is completely relieved from performing work for a definite specified time even though such non-working hours occur during normal work hours on any calendar day of the week.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 44

BEREAVEMENT PAY ELIGIBILITY - APPLICATION OF 163.0

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the application of Paragraph 163.0 of the Agreement relative to the situation of a common-law spouse as it would impact the definition of immediate family for purposes of eligibility for bereavement pay and also situations when the funeral of an immediate family member is unusually delayed.

In response to the Union's concern, the Company stated that a common-law spouse would be considered a spouse for purposes of the application of Paragraph 163.0 provided that the employee had been co-habiting and residing publicly with the common-law spouse for one year as of the time the death occurred and was shown as the employee's spouse on Company Benefit Plan records. In the event the employee has not declared a spouse within any of the benefit records, the Company may require additional verification of the common-law relationship.

In response to the Union's concern regarding situations where multiple deaths occur on the same day in a seniority employee's immediate family, as defined in Paragraph 163.0, the employee, upon request, will be excused for any of the first six (6) normally scheduled working days (including scheduled Saturdays (exclusive of overtime premium) but excluding non-scheduled Saturdays, Sundays and holidays) within the ten (10) working day period immediately following the date of deaths provided the absence is related to the family member's death and appropriate documentation regarding the death is submitted to the Company.

Furthermore, the parties discussed the situation where an otherwise eligible employee who, by reason of a scheduled vacation leave of absence requires bereavement leave on a day other than one of the first three (3) or four (4) normally scheduled working days, whichever is applicable. Such employee will be excused from work and be eligible for pay for any three (3) or four (4) normally scheduled working days, whichever is applicable, within the ten (10) working day period immediately following the death of a member of the

Approved by both parties: _____

employee's immediate family as defined, provided the absence is related to the family member's death.

Further, the Company also advised the Union that when the funeral of an immediate family member is unusually delayed, the employee excused from work under Paragraph 163.0 may receive bereavement pay for up to three (3) or four (4) normally scheduled working days of absence, whichever is applicable, immediately preceding or immediately following the date of the funeral provided the employee attends the funeral even if one or more successive days in question occur after the tenth day following the date of death.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 45

TUITION ASSISTANCE PLAN FOR DEPENDENT CHILDREN

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Company offers and administers a tuition assistance plan for dependent children under which eligible active and retired employees will, under such terms and conditions as the Company may from time to time establish, receive an amount of up to \$1,500 per eligible child per calendar year in tuition assistance. This amount is to be applied toward tuition cost and compulsory fees charged at accredited post secondary institutions. The Plan does not cover non-tuition costs such as books, computers, supplies or other miscellaneous fees.

Applications must be submitted by March 31 of the year following the calendar year in which class(es) began. Eligible employees may claim only for expenses not covered by any other financial aid (i.e. scholarship, grant, etc.).

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 46

PREGNANCY LEAVE OF ABSENCE - VACATIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties agreed that an employee absent from work as a result of a pregnancy leave of absence shall receive credit towards pay periods worked, for up to a maximum of seventeen (17) weeks, toward the accumulation of the minimum hours pursuant to Paragraph 108 of the VACATION PAY ALLOWANCES (Section XIV) of the Agreement. In order for such employee to receive credit toward pay periods worked while on a pregnancy leave of absence they must have otherwise been scheduled to work during the period of such pregnancy leave, have worked during at least one (1) pay period in such employee's eligibility year and otherwise be eligible for vacation pay and paid absence allowance.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 47

HOLIDAY PAY AND DISCIPLINARY LAYOFFS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations, the parties discussed the situation where the duration of an impending disciplinary layoff would encompass or about a specified holiday or Scheduled Paid Absence.

The Company advised the Union that, the loss of holiday or Scheduled Paid Absence pay will not be included as part of the disciplinary penalty assessed.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 48

COMPENSABLE INJURY – VACATIONS, SPA and PAA

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties agreed that an employee disabled from working by compensable injury or legal occupational disease shall receive credit toward pay periods worked under the VACATION PAY ALLOWANCES (Section XIV) of the Agreement for pay periods the employee would otherwise have been scheduled to work during the period of compensable disability, provided the employee has worked during at least one (1) pay period in such employee's eligibility year and is otherwise eligible for vacation pay, SPA and PAA.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 49

**MEMORANDUM OF UNDERSTANDING - NIGHT SHIFT PREMIUM
FOR CHRISTMAS HOLIDAY PERIOD**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The calculation of night shift premium which will be paid to eligible employees who receive payment for holidays falling in the full week of the Christmas Holiday Periods as specified in Paragraph 86.0 of the Agreement, will be made as follows:

For purposes of determining night shift premium for each of the Christmas Holiday Periods occurring during the term of the Agreement, the Company will calculate each employee's gross night shift premium for the fifty pay periods immediately following the preceding Christmas Holiday Period and the balance of each employee's gross earnings for the same pay periods. The gross earnings figure will include straight time base pay, overtime premium pay, cost of living allowance and holiday pay.

The Company will then compute the percentage of gross night shift premium pay to gross earnings by dividing the gross earnings figure for the same pay periods into the gross night shift premium figure for the same pay periods. The percentage night shift premium figure so arrived at for each eligible employee will be used to calculate the amount of night shift premium pay that will be included in payment for holidays falling within the full week of the Christmas Holiday Period in the corresponding year.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 50

PLANT VACATION SHUTDOWN AND HOLIDAYS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed circumstances when a holiday specified in Paragraph 86.0 of the Agreement may fall during a plant vacation shutdown.

The parties agreed that when a specified holiday falls within a plant vacation shutdown period, employees who would have been on holiday except for the fact they are on vacation, will be paid at the employee's straight time rate of eight (8.0) hours for the holiday and will be credited an additional eight (8.0) hours of non-compensated Paid Absence Allowance (P.A.A.) in lieu of the holiday. These additional hours will be added to such employees' current P.A.A. credit, and will thereafter be treated in accordance with the provisions of Section XIV of the Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 51

USE OF VACATION TIME, SPA and PAA

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the desirability of providing employees with time off equal to the vacation pay, SPA and PAA they are entitled to under the provisions of Section XIV of the Agreement.

The parties agreed to continue discussions during the term of this agreement on methods of implementing the principle of full utilization of vacation, SPA and PAA in a manner consistent with the Company's desire to minimize operational complexity and administrative burden. The parties further agreed that changes are required to the current vacation pay provisions (Section XIV of the Agreement) prior to implementing the above stated principle.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 52

**ACCUMULATED CREDIT PROBATIONARY EMPLOYEE -
PARAGRAPH 87 OF AGREEMENT**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the recent contract negotiations, the parties affirmed their understanding that unless a probationary employee is at work on the 90th (ninetieth) day of the employee's accumulated credited period, such employee must work another day within the probationary period to acquire seniority. However, if the 90th (ninetieth) day of the employee's accumulated credited period falls on a holiday, the employee will be considered as having seniority as of the holiday for purposes of holiday pay eligibility.

Yours truly

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 53

**MEMORANDUM OF UNDERSTANDING -
NIGHT SHIFT PREMIUM ON VACATION PAY, SPA AND UNUSED
PAA CREDIT**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the pay periods, the Company will calculate each employee's gross shift premium pay for those periods and the balance of each employee's gross earnings for those periods. The gross earnings figure will include straight time base pay, overtime premium pay, cost-of-living allowance and holiday pay.

The Company will then compute the percentage of gross shift premium pay to gross earnings by dividing the gross earnings figure for the specified fifty-two pay periods into the gross shift premium figure for the same fifty-two pay periods. The percentage shift premium figure so arrived at for each employee will be used to calculate the amount of shift premium pay that will be included in each employee's unused pay allowance and unused paid absence allowance credit, payable in the corresponding year, computed in accordance with the provisions of Paragraph 110 of the GDLS-C-CAW Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 54

BEREAVEMENT LEAVE, JURY DUTY AND HOLIDAYS

PARAGRAPH 87.2 OF THE AGREEMENT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During recent contract negotiations pertaining to Paragraph 87.2 of the Agreement, the Company stated that in the event an employee does not work during the week in which two or more Holidays fall and the employee's absence is due to the combination of Bereavement Leave or Jury Duty and the observation of the Holidays, such employee will be considered to have worked during the week for the purposes of Paragraph 87.2.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 55

**JURY DUTY - SECOND AND THIRD SHIFT
EMPLOYEES**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations, the Union raised the problem encountered by certain second and third shift employees who are called for and perform jury duty. The Union pointed out that such second and third shift employees would prefer to be excused from work on the shift prior to the day on which jury service begins rather than the shift following the last day of jury service. The application of this Document as it pertains to second shifts relates only to shifts which commence on or after 4:00 P.M.

In line with the above, Management agreed that where such employee's wishes are made known to the Supervisor in advance, the employee will be excused the shift prior to rather than the shift after jury service. It is understood that this will not result in any increase in the total time away from the job or the total amount of jury duty pay otherwise available to such employee.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 56

LEAVE OF ABSENCE CANCELLATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the Union cited the instance wherein an employee has applied for a leave of absence and has written approval by Management, which leave was to be effective some time in the future. However, prior to the leave becoming effective, the employee elects not to go on leave.

Management assured the Union that in such an instance the employee would be allowed to cancel the leave of absence in order to remain at work provided the cancellation request is received by Management at least seven (7) working days in advance of the leave.

In addition, any employee on leave may be allowed to return to work, seniority permitting, before the expiration of the leave, providing notice is received by Management as far in advance as possible.

Yours truly

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 57

**CLC CONVENTION DELEGATES AND LEADERSHIP TRAINING
COURSE ATTENDEES - HOLIDAY PAY**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During current negotiations the parties discussed issues related to leaves of absence granted to employees for the purpose of attending Canadian Labour Congress conventions as official CAW delegates or for the purpose of attending the CAW Leadership Training Program courses.

The Company assured the Union that any such employee would not be disqualified for holiday pay eligibility purposes with respect to the holidays specified in Paragraph 86 of the Agreement, provided that the employee works the last scheduled workday prior to the approved leave of absence and the first scheduled workday after the leave of absence.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 58

RETIREE FUND

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the creation of a Retiree Fund to support Union initiatives directed to retirees.

The Company agreed to accrue \$0.03 cents per hour worked for the Retiree Fund during the term of this Collective Agreement.

This funding will be made available from the Special Contingency Fund.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

MEMORANDUM OF UNDERSTANDING HEALTH AND SAFETY

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Approved by both parties: _____

MEMORANDUM OF UNDERSTANDING

HEALTH & SAFETY

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the Company and the Union discussed concerns for the health and safety of employees in the workplace. This letter reaffirms previous discussions and commitments as contained in prior Agreement documents and letters and also includes discussions and commitments made by the parties during previous negotiations. Pursuant to the discussions during such negotiations it was agreed to consolidate the highlights of those health and safety discussions and commitments into a single comprehensive letter for the purpose of clearly setting forth the parties joint commitments to health and safety principles.

The Company reaffirms its dedication to the intent of these discussions and commitments and will re-advise its management of their responsibilities.

The Company recognizes its obligation to provide a safe and healthful working environment for employees. The Union recognizes its obligation to cooperate in maintaining and improving a safe and healthful working environment. The parties agree to use their best efforts jointly to achieve these objectives.

No provision herein will restrict the right of the Chairperson of the Shop Committee or Zone Committeepersons to perform their functions under the terms of the Agreement and locally negotiated agreements.

During the current negotiations the parties discussed a range of activities that could be approached cooperatively to enhance the achievement of the parties' mutual objective of providing a safe and healthy work environment. In particular, the parties recognized that a joint initiative is necessary to improve the safety of the workplace, since work-related injuries may cause physical and economic hardship for the employee and have economic and operational implications for the Company.

Approved by both parties: _____

The Company agrees to provide:

1.0 Industrial Hygiene testing equipment

The company will provide equipment and training for air contamination, air flow including smoke tubes, and heat stress, noise equipment for use by the representatives of the local JHSC.

1.1 Resources

The company will provide the following resources to the Local CAW Health and Safety Committee members: A camera to take photographs of matters which relate to Health and Safety in the plant. Such photographs shall be for the confidential use of the Local Committee only and shall not be reproduced, published and distributed in any way. The Company will provide a computer, complete with appropriate software, and a printer to be used by the Plant Union Health and Safety Representative's). Training on the use of the computer will be provided as soon as possible after the equipment is in place. The computer is Company property and as such will be subject to the Company audit procedure. Recognizing the cost impact involved, a computer will be installed as it becomes available.

Upon request, the Union member of the Local Joint Health and Safety Committee will be provided with a copy of video tape which relates to health and safety matters in the plant.

Such video tapes shall remain the property of the Company and shall be for the confidential internal use of the Local and shall not be reproduced, published or distributed in any way

1.2 CCOHS Information

The Company agrees to subscribe to the Canadian Centre for Occupation Health and Safety Website and to provide access to this subscription to the JHSC.

1.3 Personal protective equipment and external appliances

The company will provide the necessary or required personal protective equipment, devices and clothing at

Approved by both parties: _____

no cost to employees. The Company will supply appliances (i.e. wrist, elbow, knee braces) when prescribed by either the company doctor or employee's physician and approved by the Company doctor.

The company agrees to the first \$150.00 for safety shoes, per employee, per year.

The company will provide prescription safety glasses to employees who require corrective lenses, at no cost to the employee. This policy includes coverage for bi-focal, tri-focal lenses and shade 3 for employees working outdoors. This will include a selection of wire framed safety glasses.

1.4 Medical facilities

The company agrees to provide on site medical facility for services which may include, surveillance programs related to designated substance as per the OSHA, pre hire medicals, first aid, occupational injuries and any other program that may require surveillance.

1.5 Plant surveys

The company agrees to arrange for plant surveys by the Company's Industrial Health and Safety Staff at the request of the JHSC's.

1.6 Minute of silence

Each year on April 28 at 11:00 a.m., a minute of silence will be observed in memory of those persons who have died in industrial accidents. The one minute of silence will be observed without loss of production. The Local Shop Committee will meet with plant management and recommend methods of accomplishing this memorial in an appropriate manner. In addition, the CAW National Health and Safety Coordinator may make recommendations to the Joint Health and Safety Committee on proactive initiatives that the Company and the Union may take to promote the day of observance and health and safety awareness, such as flying a flag at half-mast or disseminating promotional written material.

1.7 Safety measures for new or relocated equipment

Priority will be given by management to install in a timely fashion occupational health and safety measures for new or relocated equipment. Management encourages

Approved by both parties: _____

the JHSC to participate the Change Management Process for those major process, equipment and lay-out changes as well as the Pre Start Health and Safety Reviews for machinery and equipment. During these review processes, management representatives will give consideration to comments from JHSC, when the health and safety of employees may be affected.

1.8 Infectious and communicable diseases

The company will develop a Pandemic Plan which outlines the procedures for notification, communication and education regarding infectious communicable diseases.

1.9 Working Alone

The Local Joint Health and Safety Committee to consider when developing their plant specific working alone policies.

1.10 Internal Combustion Engine Powered Vehicles

The company agrees to use, where practicable electrically powered vehicles within the plant. When the use of electrically powered vehicle is not practical or available they internal combustion engine vehicles will be equipped with scrubbers.

2.0 Training

The Company will provide training for members of such Local Committees, and appropriate education and training in health and safety for all employees.

2.1 Union members of the Joint Health and Safety Committees

The Company will provide training for the union members of the Joint Health and Safety Committees. The union members will receive adequate and necessary training including certification training Part 1 & 2, without incurring personal expense, to develop skills required to perform the Health and Safety functions effectively.

2.2 Committee Person Safety Training

Approved by both parties: _____

The parties agreed that the Health and Safety Committee at the request of the committee will develop a twenty-four (24) hour health and safety related training program for Union representatives. The training may be conducted during the term of the Agreement and may be in increments of up to eight (8) hours.

2.3 Occupational Health and Safety Training - Employees

Industrial training and safety awareness will be provided to all union employees based on their job hazards and requirements. New hires will receive new hire orientation which includes familiarization of the OHSA. The company agrees to provide (40) hour health and safety training program to skilled trades employees.

2.4 C.P.R. and First Aid Training

The company will provide once in the lifetime of the contact a C.P.R. and first aid training program for union employees. In addition, due to the nature of the work performed by electricians, the Company agrees to provide CPR training and pay for lost wages for electricians on a voluntary basis. It is understood that the names of personnel who take this training will be posted in the medical department or first aid centre and other appropriate locations and these employees will be expected to perform rescue operations including CPR in the event of an emergency.

3.0 CAW National Health and Safety Coordinator

The Company agrees to provide access, upon reasonable notice, to all Company plants and locations to National Union CAW Health and Safety Representatives. Upon request, reports on such surveys will be provided to the Company.

4.0 Local Joint Health and Safety Committees

4.1 Formation and certification

The JHSC will consist of two (2) Certified Representatives appointed by the Company and two (2) Certified Representatives appointed by the local union. One of which must be the CAW Health and Safety Representative the second member of the committee will be the alternate Health and Safety Representative.

Approved by both parties: _____

4.2 Meetings and Procedures

The JHSC will meet at least once per month and operate as per the JHSC Committee Procedure any changes to this procedure must be approved by the JHSC.

5.0 CAW Joint Health and Safety Committee Member

5.1 Scheduling, pay, overtime and transfer rights

A Health and Safety Representative, who is elected by the Union shall have only the duties and functions as set forth in this Memorandum. A Health and Safety Representative or the alternate when replacing the designated Health and Safety Representative shall be subject to the provisions of the following paragraphs of the Agreement: Paragraphs 7, 10.0, 10.2, 12, 59.4, and 68.0.

During periods of overtime, temporary layoffs, model changes or plant rearrangements when sixty-five (65) or more are working in the Health and Safety Representatives area the health and safety representative shall be scheduled for coverage. In determining the number of employees on the Health and Safety Representatives shift, outside contractors and vendors who are working in the Health and Safety representation area will be included.

5.2 Replacement during absence

In the event that a Local Union Health and Safety Representative is absent for one day or more, and has provided Management with advance notification of such absence, the alternate Health and Safety Representative shall replace the absent representative. This regular replacement shall work the same shift as the Local Union Health and Safety Representative and may be activated while the Local Union Health and Safety Representative is out of the plant engaged in Management approved joint training activities of one full shift duration or longer.

6.0 Industrial Hygiene

(

Approved by both parties: _____

6.1 Toxic use control

The Company supports the principle of toxic use reduction through its policy and program. Materials and processes shall be formulated to eliminate wherever feasible, constituents that are considered potentially hazardous or that could possibly harm the environment or health of the customer or employee, or adversely affect the occupational safety of an employee. The Company assured the Union that it will continue to require that suppliers, as well as Company personnel, conform to the restriction, and in some cases the prohibition, of certain substances from parts, materials, equipment, machinery, and/or tooling supplied to the Company or for use in its products.

6.2 Testing results

The EHS Department will issue communications with the results of all industrial hygiene tests taken to those areas directly affected by the test.

6.3 New equipment noise levels

The Company will continue its present purchasing specification of equipment in which the sound emissions shall not exceed 80dBA average sound level (L(avg)) at a distance of one (1) meter from the perimeter of the machine or at any operator's position, where practicable. Plant personnel will make every effort to insure that any equipment built in house will also adhere to the 80dBA requirement where practicable.

7.0 Ergonomic Reviews

The JHSC will review the ergonomics program, results of completed ergonomic studies as well as implementation of ergonomic recommendations, accident investigation, job task analysis, and other recommendations to local management to reduce injuries or illnesses through the application of Ergonomics. The JHSC will receive at least once in the life of this contract ergonomics training as deemed appropriate by the JHSC.

8.0 Environmental and Wellness Committee

The company will maintain a joint committee to review, implement and environmental and wellness initiatives. This committee will meet regularly at a mutually agreeable time

Approved by both parties: _____

and place to review and discuss issues involving the environment, recycling, energy conservation and wellness programs which pertain to employees. The team will receive and discuss appropriate issues referred to them by the employees or the Company, Develop and issue educational materials to employees and their families concerning the environment and wellness.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 60

MILITARY RESERVE TRAINING

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the various practices that exist concerning the granting of time off for employees to attend required Canadian Military Reserve training (up to four weeks per year). These practices ranged from using a personal leave of absence to the use of vacation time in order for the affected employee to attend such training.

Having considered the issue, the Company is prepared to grant employees in the Canadian Military Reserve a leave of absence in order to attend training required for such employee to maintain their standing in the reserves. Upon making application for such a leave, employees will be required to provide documentation satisfactory to the Company concerning the nature and duration of such reserve training.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 61

**FAILURE TO WORK FORTY HOURS AS A CONSEQUENCE OF
SEVERE WEATHER CONDITIONS OR RIOTS - SUB PLAN**

INTER-ORGANIZATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

SUBJECT: Failure to Work Forty Hours as a Consequence of Severe Weather Conditions or Riots - Canadian Supplemental Unemployment Benefit Plan and the Canadian Automatic Short Week Benefit Plan

In general, the following determinations under the Canadian Supplemental Unemployment Benefit Plan and the Canadian Automatic Short Week Benefit Plan (hereinafter referred to as the Plans) apply with respect to a plant shutdown in an area in which severe weather conditions or an actual or threatened riot have occurred:

- 1.0** with respect to a day for which the plant gives notification by public announcement or otherwise of a shutdown, a Regular Benefit or an Automatic Short Week Benefit (hereinafter referred to as Benefits) whichever is applicable, shall be paid as provided under the Plan to an otherwise eligible laid off employee.
- 2.0** with respect to a day during which the plant attempts to operate but is forced to shut down because of the absenteeism of employees and a majority of the employees scheduled to report for work on the shift have reported to work prior to the shutdown, a Benefit shall be paid to an otherwise eligible employee who reported for work but was sent home when the plant suspended operations; provided, however, that if the amount of such Benefit payable plus the pay for hours worked on such day equals less than the equivalent of 4 hours' pay, the employee shall be paid 4 hours' pay by the Company for such day (including the employee's pay for any hours worked) in lieu of such Benefit, as provided below. In calculating the Benefit credit should be taken as Available Hours for any period between the starting time of the employee's regular shift and the time such employee reported for work.

Approved by both parties: _____

- 2.1** an employee who reports for work during the first 4 hours of the employee's regular shift on a day the plant has attempted to operate and subsequently shuts down, shall receive a Benefit for any hours not worked or made available during the period between the time the employee reported for work and the end of the employee's regular shift; provided, however, that if the amount of such Benefit payable plus the pay for any hours worked on such day equals less than the equivalent of 4 hours' pay, the employee shall be paid 4 hours' pay by the Company for such day (including the employee's pay for any hours worked) in lieu of such Benefit.

With respect to an otherwise eligible employee who reports for work during the last 4 hours of the employee's regular shift, a Benefit shall be payable for any hours not worked or made available during the period between the time the employee reported for work and the end of the employee's regular shift and the minimum 4 hours' pay provisions shall not apply.

- 2.2** in addition to the provisions of 2.1 above, if overtime hours occur during the week in which the only day(s) of layoff is a day on which the plant attempted to operate but subsequently shut down due to employee absenteeism, the Benefit for an otherwise eligible employee shall be calculated with respect to the week. The Benefit amount, if any, plus the pay for any hours worked on such day(s) shall be measured against the minimum 4 hours' pay provision, if applicable, for such day(s).

However, if overtime hours occur during a week having 2 or more days of layoff, including at least one such day on which the plant attempted to operate but subsequently shut down due to employee absenteeism, the overtime hours may only be applied to reduce hours of layoff on days other than such days on which the plant attempted to operate. Consequently, a separate Benefit shall be calculated for each such day on which the plant attempted to operate, and the amount of such Benefit, if any, plus the pay for any hours worked on such day shall be measured against the minimum 4 hours' pay provision, if applicable. If a Benefit is payable for such day, it shall be included and paid with any Benefit otherwise payable for the remainder of the week; provided, however, that the sum of such Benefits cannot exceed the Benefit, if any, that would otherwise be payable under the Plan for the week.

- 2.3** a Benefit shall not be paid to an employee for a day when the plant was attempting to operate if such employee failed to report for work at any time during such day. The total number of hours of the employee's

Approved by both parties: _____

regular shift for such day (8 hours in most cases) will be included as hours made available but not worked in the calculation of any Benefit otherwise payable for the week.

3.0 With respect to a day during which the plant attempts to operate but is forced to shutdown because of the absenteeism of employees and a majority of the employees scheduled to report for work on the shift have not reported to work prior to the shutdown, the facts and circumstances of the local situation will be reviewed with the Compensation Benefits-Policy Department and a determination shall be made by the Compensation Benefits-Policy Department with respect to any additional SUBenefit eligibility beyond the eligibility provided under item 2. above. Where no additional SUBenefit eligibility is authorized, the provisions and procedures under item 2. above will be followed. If additional SUBenefit eligibility is authorized, the following will apply.

3.1 Employees who report to work any time during their shift shall have all hours worked or paid for such day disregarded in calculating Compensated or Available Hours for the week and shall be deemed to be on qualified layoff for the shift.

3.2 Employees who did not report for work at any time during their shift shall be deemed to have been on qualified layoff for all of the day in calculating any SUBenefit otherwise payable for the Week.

The minimum 4-hour's pay provisions shall apply to all employees who report to work during the first four hours of their shift.

The foregoing Plan determinations with respect to a day when the plant attempts to operate during severe weather conditions or during an actual or threatened riot apply only in situations where the plant is subsequently forced to shut down because of employee absenteeism. If the plant shuts down early or employees are sent home for any reasons other than employee absenteeism, eligible employees should be paid Benefits with respect to any period of qualified layoff to which they may be entitled under the Plan and the minimum 4 hours' pay provisions shall not be applicable.

4.0 With respect to a day during which the plant operates in an area in which severe weather conditions or an actual or threatened riot have occurred and the majority of employees scheduled to report for work on the shift do not report to work at any time during their shift, the facts and circumstances of the local situation will be reviewed with the Human Resources and Administration Department and a determination shall be made by the Human Resources and Administration Department with respect to any SUBenefit

Approved by both parties: _____

eligibility for any employee for such day. If the determination does not authorize any SUB-benefits then no SUB-benefit eligibility will be determined under the provisions of this letter. If a determination is made to authorize SUB-benefit eligibility for the shift, such eligibility and SUB-benefit calculation shall be made in accordance with item 3. above.

In determining whether a plant shall attempt to operate during such severe weather conditions or during a riot occurring in the plant area, consideration should be given to the severity of the condition, actions of other employers in the area, and instructions, advice or proclamations issued by local or other authorities.

During the 1968 negotiations, it was understood by the parties that the Union's agreement with the Company determinations under the Plans to be followed with respect to a plant shutdown in an area in which severe weather conditions or an actual or threatened riot have occurred, as set forth in this Miscellaneous Agreement, will in no way jeopardize or limit an employee's right of appeal under the Plans to any such Company determinations.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 62

RRSP AND SAVINGS PLAN

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the negotiations the parties discussed the importance of employees saving and the tax advantage of employees contributing to a Registered Retirement Savings Plan (RRSP) through payroll deduction. In an effort to assist employees, the Company has set up a Group RRSP and Savings Plan.

A seniority employee is eligible to participate and accumulate savings under a Group Registered Retirement Savings Plan & Savings Plan (the "Plan"). The Plan would offer the following:

- a RRSP with a Spousal RRSP option
- a Savings Plan
- Locked-in-Retirement Account (LIRA) Plan

The general administration of the Plan shall be vested exclusively in the Company.

In lieu of receipt of regular weekly earnings to which an employee is entitled, such employee may elect, by providing appropriate direction to the Administrator, to have the Company contribute to the Plan. Contribution must be in whole dollars and may not be at a rate of less than \$10.00 per week. Such contributions shall be allocated to the employee's account and shall be vested immediately. The employee's compensation shall be reduced by the full amount of such contribution.

The employee may elect by providing appropriate direction to the Administrator to change the amount of such contributions or to have such contributions suspended.

In addition to the contributions as provided for above an employee may direct certain lump sum payments into their plan, such as the Special Payment under Appendix "L" of the Agreement.

Employees may transfer funds from other personal RRSP's or Locked-in funds from other Registered Pension Plan(s) into the Plan.

Contributions made to an RRSP and /or Spousal RRSP are made on a before-tax basis. The Company will adjust an employee's income tax deductions for pre-tax RRSP contributions according to the

Approved by both parties: _____

schedule(s) prescribed by Revenue Canada. Contributions made to the Savings Plan are made on an after –tax basis and tax(es) are not adjusted for these contributions.

Amounts contributed to the program on behalf of the employee shall be invested in the following investment options, in increments of whole percents, as may be elected by the employee

1. Other Mutual Funds as designated by the Company.

An employee's initial investment election shall remain in effect until changed by the employee.

An employee may, by giving appropriate direction to the Administrator, transfer assets being held in such employee's account from one investment option to another investment option.

An employee who retires from the Company may keep all existing savings in the Plan to the extent that the applicable legislation permits. No further contributions will be allowed.

Employees are solely responsible for the selection of their investment options. The company and/or its agents are not empowered to advise employees as to the manner in which the investments should be made. The fact that an option is available for investment under the Plan should not be construed by the employee as a recommendation by the Company for investment in that option.

The Company and /or its agents are not responsible for tracking individual employee RRSP contribution limits. It is the employee's responsibility to ensure adherence to Revenue Canada RRSP Contribution Limits.

The RRSP and Spousal RRSP shall be administered according to the Income Tax Act (Canada) including such items but not to the foreign property limit.

The company will pay the administration fees for the Plan for employees and retirees.

Upon termination of employment, except retirement, an employee must withdraw their assets from the Plan.

In the case of a withdrawal, or upon receipt of a settlement at termination of employment, an employee may receive the current cash value of their stock fund(s) or transfer the current value to another financial institution.

An employee may, from time to time, on a form prescribed by the Company and filed with the Administrator, designate a person as a Beneficiary to receive the benefits which may be payable under the Plan upon the employee's death. The designation may be altered or revoked from time to time in writing, and is subject to any law

Approved by both parties: _____

governing the designation of beneficiaries which may cause a court order or domestic agreement to be applicable to the employee.

Upon an employee's death, if the surviving spouse is the beneficiary, the surviving spouse may assume the employee's account with the same Plan rights. If the beneficiary is anyone, other than the surviving spouse, assets must be withdrawn from the Plan.

No right or interest of an employee under this Plan is capable, either in whole or in part, of surrender or assignment except by devolution by death or mental incompetence.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 63

WORKING CONDITIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed the process of resolving working conditions matters in a timely fashion. It was recognized that there is a need to develop an ongoing mechanism to consider Union recommendations about facility improvements and plant working conditions. The formalization of procedures to include Union recommendations about facilities and working conditions matters in Management's planning process can strengthen and improve the current method of resolving such matters on a regular basis.

Accordingly, Management advised the Union that periodic plant meetings will be established to provide the Union with an opportunity to propose facility and equipment improvements for Management's consideration. When agreement is reached at the plant level between Plant Management and the designated Union representatives, recommendations for approval of such projects by higher Management will be made through the appropriate channels.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 64

TEMPORARY ABSENCE PROGRAM

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed the application of the Temporary Absence work release program when approved by the Ministry of Correctional Services. The Company agreed that it would participate in such a program in a timely fashion when approved by the Ministry of Correctional Services provided that:

- 1.0** the employees seniority had not already been broken.
- 2.0** the nature of the misconduct which had resulted in jail sentence had not already impacted the employer - employee relationship.
- 3.0** the Company had no plans to either suspend or discharge the employee for absence from work or other shop rule violation occurring apart from the issue for which the Ministry approached the Company.

Any problems which may arise in connection with this letter will be reviewed for resolution between National Union CAW and Labour Relations Representatives.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 65

JOB RESPONSIBILITIES OF LEAD HANDS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The function and the job responsibilities of Lead Hands, Leaders, Tool Setters, Journeymen/ Journeywomen and Group Leaders vary with the type of work and area in which they are engaged. Their duties do not include the responsibility of supervision in the disciplining or reprimanding of employees including tempo of performance. In the event of failure or refusal to follow the direction of a Lead Hand, Leaders, Tool Setter, Journeyman/Journeywoman or Group Leader, the direction will be repeated by a member of Management.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 66

SUPPLIER RELATIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Company expects its suppliers to have responsible labour relations, treat their employees in a fair and equitable manner, and avoid conduct which violates federal or provincial labour and employment laws.

In order to further these guidelines, the Company will take appropriate steps to insure the communication of the following principles to its existing and/or new suppliers and will, when specific concerns are raised by the Union, reinforce these principles with the individual suppliers. These principles include:

- the importance the Company places on its relationship with the Union and the positive value of that relationship.
- the Company does not encourage suppliers to resist organizing efforts by their employees.
- the considerations involved in awarding contracts to suppliers, including cost, quality, delivery capability, technology, and responsible labour relations.
- the expectation that suppliers treat employees in a fair and equitable manner, including respecting their right to decide whether or not to join a union in an atmosphere free of intimidation, interference, or risk of reprisal.
- the expectation that suppliers avoid conduct or communication which violates federal or provincial labour and employment laws and respect the Company's relationship with its Union partners.
- the practice by which certain suppliers recognize the Union as bargaining agent for employees when the Union signs up more than 50% of the employees in a particular operation, which is currently non-represented, there is no other trade union seeking to represent the employees, and the employee signatures are verified by an independent third party. (In those instances, the appropriate labour legislation will govern the bargaining process in the same way as if certification had been granted by the labour board.)

Approved by both parties: _____

- that General Dynamics Land Systems - Canada does not withdraw contracts from its suppliers merely on the basis that their employees have chosen to join a labour union.

The Company agrees to send each new supplier a letter informing them of the preceding principles, including the importance the Company places on its relationship with the Union and the positive value of that relationship, within sixty (60) days of the effective date of a new supplier contract. A copy of this letter will be provided to the Union.

Management also informed the Union that if specific concerns should arise with any current GDLS-C supplier in the context of this document, management will reinforce these principles with the individual supplier through either direct contact, letter, or both.

The Company believes that the above process will improve overall labour relations within the broader business community. The parties believe this environment will positively contribute to the Company's success and its ability to compete in the global marketplace.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 67

SUPPLIERS WORKING IN THE PLANTS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the recently completed negotiations the Union raised concerns over outside parts and components suppliers working in General Dynamics Land Systems - Canada' plants.

The Company assured the Union that it had no intent of eroding work normally performed by bargaining unit employees by assigning it on a regular basis to outside parts and components suppliers.

The Company explained however there may be a need to occasionally have vendors perform rework upon their supplied components.

In this vein, the Company pointed out that its suppliers have an obligation to supply the Company and its customers with world class parts and components. Under ideal conditions these parts and components would arrive at plants on time in the right quantity with first time quality. From time to time, however, our suppliers do not meet this obligation. As a result there may be occasions when the Company requires their suppliers to support the plant in meeting its commitment to quality. Accordingly, suppliers may be called upon to assist the plant by repairing, reworking or training General Dynamics Land Systems - Canada employees in the proper repair or rework of their, the suppliers, parts and components.

Further, the Company reiterated that quality is of paramount importance to its long term viability and the continued employment of its employees and the Union's membership.

It is the Company's intent to minimize the amount of work done by suppliers in its plant and restrict work to situations which assist the plant in ensuring product quality.

In any event, such situations are not intended to disadvantage any member of the bargaining unit, and the Company advised the Union that under normal and ordinary circumstances, non-corporate supplier employees would only be allowed to perform continuing rework and/or sorting operations within our facilities for up to a maximum of three (3) consecutive working days to correct a specific problem. After such time, the rework for that specific problem would

Approved by both parties: _____

be assigned either to plant employees or the nonconforming material will be returned to the supplier for rework. This agreement would not be in effect for a maximum of six (6) weeks following the introduction of any new part.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 68

SMOKING CESSATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the ongoing need to provide employees assistance in the form of smoking cessation programs in order to transition towards a smokefree workplace.

To this end the Company agrees that during the term of the current Agreement, Management will continue to periodically offer in plant smoking cessation programs offered by the Canadian Lung Association, the Canadian Cancer Society, the Ontario Heart and Stroke Foundation or Smoke Enders. Employees will be able to participate in such programs on their own time and at their own expense; however employees who successfully complete the program will be eligible for reimbursement under the terms of the Tuition Refund Program.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 69

APPLICATION OF PARAGRAPH 48.6 OF THE AGREEMENT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the course of the current negotiations, the Union raised problems associated with accumulation of seniority for the full period of legal temporary disability under Paragraph 70.0 of the Agreement.

In response to concerns raised by the Union, the Company indicated that with the effective date of this Agreement and for the purpose of seniority only, the date that the employee's period of legal temporary disability ceases under Paragraph 70.0 of the Agreement will be the date used to calculate the commencement of the period of continuing disability under Paragraph 69.0 of the Agreement instead of the date the employee's sick leave started.

It is mutually recognized that the new method of calculation outlined in this Document will become applicable as of the effective date of this Agreement. Claims originating prior to such date will continue to be determined in accordance with the previous method. As a result, this new method will not be cited or relied upon by an employee, the Union, or Management as a basis for any claim originating prior to the effective date of this Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 70

WOMEN'S ADVOCATES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

As a result of discussions during the current negotiations, the parties recognize that female employees may sometimes need to discuss with another woman matters such as violence or abuse at home or workplace harassment. They may also need to find out about specialized resources in the community such as counsellors or women's shelters to assist them in dealing with these and other issues.

For this reason the parties agree to recognize that the role of women's advocate in the workplace will be served by the CAW female member of the Local Employment Equity Committees, in addition to her other duties relating to employment equity. The trained female employment equity representative will meet with female members as required, discuss problems with them and refer them to the appropriate community agency when necessary.

The Company agrees to establish a confidential phone line that female employees can use to contact the female employment equity representatives. As well, the company will provide access to a private office so that confidentiality can be maintained when a female employee is meeting with a female employment equity representative.

The Local Employment Equity Committees will develop appropriate communications to inform female employees about the advocacy role that the female employment equity committee members play.

The Women's Advocates will participate in an annual training program. The three-day training program includes travel. The Company will be responsible for wages, transportation and lodging expenses. The Union will be responsible for per diem expenses.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 71

EMPLOYMENT STANDARDS ACTS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The union expressed the concern that the provincial Government has and would amend the Employment Standards Act and/or Regulations in a manner adverse to the interests of the Union and of the bargaining unit employees of the Company. It was agreed that the parties shall meet within thirty (30) days after the introduction of a Bill amending the ESA to the legislature to discuss the proposed Bill. The parties agree that the Union and/or the bargaining unit employees of the Company shall not be disadvantaged in any way by any amendments to the ESA or Regulations there under made by the provincial Government. It is agreed that for example, if any part of the Agreement or past practice of the parties provides a greater right, benefit, term or condition of employment than the amendment to a particular employment standard (such as an amendment to the 8 x 48 hours of work rule), then the Agreement or past practice shall prevail and apply. The parties agree that a difference between them relating to the application, alleged violation or interpretation of the above provisions may be subject to the grievance procedure under the Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 72

SAME SEX SPOUSES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the Union has expressed to the Company its desire to include spouses of the same sex in the Company's contractual provisions where permitted by law. A same sex spouse is a person who has been residing with the employee in a conjugal relationship, for a continuous period of at least one year, and has been publicly represented by the employee as the employee's spouse.

As a result of these discussions, the Company agreed to include same sex spouses for the purpose of applying the provisions of Paragraph 163 of the Collective Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 73

PLANT CLOSING/SALE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Agreement, until March 25, 2016, the Company will notify the Union in advance of any intent by the company to close or sell the plant in whole or in part, covered by this Agreement. At this time discussions will take place with respect to legislated and contractual requirements of the Company in regards to provisions for all employees.

It is understood that conditions may arise that are beyond the control of the Company, e.g., act of God, catastrophic circumstances, or significant economic decline concerning the subject. Should these conditions occur, the Company will discuss such condition with the National Union.

An alleged violation of this document could form the basis for the Chairperson of the Shop Committee to file a policy grievance at Step Three of the Grievance Procedure in accordance with Paragraph 19.0 of the Agreement.

In the event that the grievance is not settled between the parties, it will be treated in accordance with additional steps of the grievance procedure including arbitration if necessary.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No.74

NEW HIRES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties have agreed to the following provisions with respect to New Hires:

NONDISCRIMINATION IN EMPLOYMENT

The following is the text of the written and published policy of the Company concerning nondiscrimination in employment:

The policy of the Company is to extend these opportunities to qualified applicants and employees on a non-discriminatory basis and without regard to an individual's age, race, colour, gender, creed, national origin, disability, sexual orientation or other such factors as set forth in applicable Human Rights Law.

Hiring and employment practices and procedures implementing this policy are the responsibilities of the Company. Likewise, the responsibility for decisions as to who is to be hired, or who is best qualified for particular employment, rests with the Company. However, these practices, procedures, and decisions are to be, at all times, in conformity with the Company's policy of non-discrimination.

ORIENTATION PROGRAM

The parties have recognized that a properly developed and conducted orientation procedure designed to create an awareness of the dynamics of the labour-management relationship, and their effort to build a community of interest in resolving labour-management problems through orderly procedures might serve the best interests of the employees, the CAW and General Dynamics Land Systems - Canada.

The particular content of a plant's orientation program would be developed and implemented as agreed to by the local parties. Some subjects might most appropriately be presented by a Management representative, some by a Union representative, and others by both Management and Union representatives. In addition, the parties agree that during the joint orientation the Union participant will be provided opportunity to explain the value of Union membership and to encourage new employees to sign CAW application cards.

Approved by both parties: _____

The orientation program would not be subject to the Grievance Procedure and could be terminated at the plant by either the Union or the Company, in the event that the program at the plant was not being carried on in a manner consistent with the purpose and intent of the program as established by the parties. The joint orientation program would be to those subjects agreed to by the Company and the Union. The establishment of such a program would not limit any other communication by Management with its employees or by the Union with its members.

HIRING RATES PARAGRAPH 92.1 OF AGREEMENT

The parties recognize that Local Agreement wage rules regulating wage rate changes are many and varied and many have been reinstated during these negotiations. The parties agree that Paragraph 91.2 of the Agreement is not intended to change any of the provisions or applications of Local Wage rules. However, when such rules are applied to employees who have not attained the maximum base rate of the job classification and who are covered by Paragraph 91.2 of the new Agreement, the appropriate rate in Paragraph 91.2 of the new Agreement will apply.

An employee, who has received the hire rate and rate progression set forth in Paragraph 91.2 of the new Agreement and who, at the expiration of one thousand and ninety five (1095) days of employment, is assigned or continues to be assigned to a job classification that has an extended training period, but has not completed the required time in such classification to receive the maximum base rate, will continue at the current rate or the rate specified in the local wage agreement for time worked in such classification, whichever is higher. Thereafter, such employee will receive a rate in accordance with the provisions of the local wage agreement.

For the purpose of determining the respective rates specified in Paragraph 91.2 of the new Agreement, the Engineering Method of Rounding as attached to Document No. 10 of the Agreement shall apply.

PARAGRAPH 21.0 OF THE AGREEMENT – PROBATIONARY EMPLOYEES

The parties reaffirmed the interpretation of Paragraph 21.0 of the Agreement as follows:

The provisions of Paragraph 21.0 of the current Agreement will be applicable to probationary employees who are released or discharged or to employees hired with unbroken seniority from any other Company plant who are released or discharged. This provision,

Approved by both parties: _____

of course, is not applicable to any employee laid off due to fluctuations in employment requirements.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 75

UNION DUES DEDUCTIONS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties have agreed to the following provisions with respect to Union Dues deductions:

Weekly Dues Deductions

All payroll periods ending in a calendar month will constitute the weekly dues deduction periods subject to the following provisions;

- weekly deductions shall be twenty-five percent (25%) of the monthly membership dues. Such weekly deductions shall be made in the first four pay periods of the month. In the event that there is a fifth pay period in a month such week shall be used to cover deductions for any arrears.
- in the event that an employee is absent from work during one or more weeks during the month but does work during such month, arrears will be calculated and deducted in the last week of the month or the fifth week whichever comes last. In the event that arrears are still owing at the end of the month such arrears will be carried over to the next month.
- in the event that an employee does not work any hours during a month, there will not be any arrears carried over for that particular month. However, arrears from previous months continue to carry over until year-end at which time they will be Deleted from the payroll system.
- in the event that an employee is on layoff at the start of a month a deduction equal to one hours pay (hourly rate + COLA) will be made the first week. Arrears will be established in the event that the employee returns to work in such month.
- any problems arising from the application of this section will be reviewed for resolution between representatives from the National Union CAW and the Labour Relations staff.

Deductions – Skilled Trades

The Company will deduct, once each year from the regular wages of CAW represented Skilled Trades classification employees, an amount equal to one-half hour of the regular hourly rate including cost of living allowance in effect at the time the deduction is made

Approved by both parties: _____

from such employees. Such deduction shall be remitted to the designated financial officer of the Local Union at the same time as the regular union dues are remitted pursuant to Section VI of the Agreement.

Skilled Trades dues will be deducted from the last payroll period ending in January of each year from all Skilled Trades employees on roll as of January 1st of that year. This deduction will only be made after any and all other claims and the regular dues deduction have been satisfied.

This deduction is in addition to the regular dues deduction set forth in Section VI of the Agreement.

In the event that there are insufficient net earnings in the above-mentioned pay period to cover the deduction, the Company shall make the deduction from the first subsequent pay period in the calendar year during which the employee has sufficient net earnings. The Company shall have no responsibility for the collection of such dues if the employee has insufficient net earnings during the remainder of the calendar year.

Deductions – Part-Time Employees

This will confirm the understanding reached between General Dynamics Land Systems - Canada and the Union during the current Negotiations that a temporary part-time employee will be subject to a weekly dues deduction of fifty (50) percent of the dues assessment of a fulltime employee.

Such deduction shall be made pursuant to section 2.0 of this Document and will only be made after any and all other claims have been satisfied.

Such deductions for temporary employees shall be remitted to the designated Financial Officer of the Local Union at the same time as the regular union dues are remitted pursuant to Section VI of the Agreement.

Deductions Retirees

During the current negotiations the parties discussed the deduction of monthly dues from the pension earnings of retirees. As a result of these discussions the Company informed the Union that when benefit representatives are meeting with employees for the completion of retirement forms such employees will be presented with a form supplied by the CAW authorizing the Company to make monthly deductions from the pension earnings of retirees.

Indemnity Clause – Deduction of Union Dues

(A) The Union shall indemnify and hold harmless the Company for any sums paid by the Company to any person or persons:

(i) as a result of any final order or judgment of any court or administrative agency in favour of such person or persons, or

(ii) with the consent of the Union, when the claim for said sum arises out of action taken by the Company in accordance with the

Approved by both parties: _____

provisions of Section VI of the Agreement between General Dynamics Land Systems - Canada and the Union entered into today, or in reliance on any list, notice or assignment furnished by the Union to the Company under any of such provisions, or by the Company or Trustee of the Canadian Supplemental Unemployment Benefit Plan Fund in connection with the deduction of Union dues from Regular Benefits.

(B) The Union agrees to indemnify and save the Company harmless in the event that an employee shall make any claim against the Company as a result of the application of any section of this Document.

Listings – Dues and Status Changes During the Month

The Company agrees to provide the following information to the Financial Secretaries pursuant to Section VI and 55.3 of the Agreement:

1. A monthly cumulative dues deductions listing for each calendar year, showing both employees for whom dues were deducted and those for whom no dues were deducted.
2. A notation on the remittance to the Financial Secretaries, pursuant to Paragraph 6.5 of those employees who had dues deducted as a result of a backpay settlement.
3. Job code lists and explanation sheets.
4. Weekly listings of employees who worked on a per diem basis during the preceding week.
5. Information relative to employees who, during the preceding month:
 - (a) became new hires into the bargaining unit,
 - (b) were part time employees,
 - (c) were transferred in and out of the bargaining unit,
 - (d) were placed on a permanent layoff status,
 - (e) have had an address change,
 - (f) died,
 - (g) retired, and
 - (h) retirees who died.

The Company advised the Union that it was prepared to transfer on computer software the information required by the Financial Secretaries pursuant to Section VI and 55.3 of the Agreement. The Local Union will be responsible for providing computer software compatible with the Company's computer records system, for the transfer of information.

The Company advised the Union that modifications to or purchase of computer equipment will be the responsibility of the Local Union. The parties also agreed that each Local Union will notify Management no later than six (6) months from the effective date of this Agreement if such Local Union elects to either receive the information as specified

Approved by both parties: _____

in Section VI and 55.3 of the Agreement by computer software or by paper copy.

Any problems arising from the transfer of information to the Local Unions will be reviewed for resolution between representatives from the National Union CAW and representatives from Labour Staff of General Dynamics Land Systems - Canada.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 76**RETIREMENT ALLOWANCE**

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the Union requested the Company to recognize employees who retire by providing them a retirement allowance. The parties agreed that for the term of the 2013 Agreement, employees who retire under the Normal Retirement or Early Retirement provisions of the Pension Plan, excluding Article 1, Section 2 (a) (4), will receive a \$25,000 lump sum payment following their retirement. It is understood between the parties that employees receiving a \$25,000 retirement allowance are not entitled to receive any other retirement allowance and conversely, employees receiving any other retirement allowance are not entitled to receive the \$25,000 retirement allowance.

The retirement allowance payments made to employees in accordance with this letter will be charged against the Income Security Fund Maximum Company Liability established under Article VIII, (19) of Exhibit C-1.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 77

**TEMPORARY LAYOFFS - VACATION AND SPECIAL PAYMENT
ELIGIBILITY**

GENERAL DYNAMICS LAND SYSTEMS – CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations the parties discussed the impact of temporary layoffs (a short term layoff of a defined period where an employee has an expected date of recall) on an employee's ability to work the "minimum hours" during the vacation eligibility year. Accordingly, the parties have agreed that, during the current agreement, employees will receive credit for pay periods while on temporary layoff toward the accumulation of the minimum hours pursuant to Paragraph 108.0 of the Agreement. In order for an employee to receive credit for pay periods while on temporary layoff they must otherwise meet the eligibility requirements under the provisions of the Vacation Pay Allowances (Section XIV) and Appendix "L" of the Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No.78

SKILLED TRADES TRAINING FUND

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties discussed the creation a Skilled Trades Training Fund to support Union initiatives directed to Skilled Trades employees.

The Company agreed to make available \$60,000 for the Skilled Trades Training Fund during the term of this Collective Agreement.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 79

SHORT TERM REDUCTIONS – INVERSE SENIORITY

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations Management and the Shop Committee arrived at the following understanding:

In the event of short term layoffs as the result of inventory, plant re-arrangements or material shortage or a transitional gap between programs, it may be desirable to make any necessary layoffs invoking the principles of inverse seniority, notwithstanding the provisions of Paragraph 52 of the Seniority Agreement.

If the parties should agree to invoke the principle of inverse seniority, the following guidelines to properly carry it out would be applicable:

- (1) Layoffs would be by individual departments and by overtime equalization groups and by shifts.
- (2) Employees with at least one (1) year's seniority in the individual departments would be required to apply during a specified period of time and in writing on forms supplied by the Company to remain at work during the aforementioned types of layoffs in accordance with their seniority rights.
- (3) In the event there are insufficient applicants for the work to be performed, Management shall assign employees to such work commencing with those employees in the seniority groups and in the work affected who have the least seniority provided such employees have at least one (1) year's seniority, were at work at the time the layoff commenced, and are capable of performing the work.
- (4) It is understood that Management shall have no liability for back-pay awards as the result of invoking the principle of inverse seniority.
- (5) When employees are recalled from such layoffs they will be recalled in seniority order with the employees having the most seniority being recalled first.

Approved by both parties: _____

(6) It is understood by the parties that in the event inverse seniority is applied it will be done so under the provisions of Paragraph 52 of the Seniority Agreement.

(7) It is understood that the provisions of the "Commitment to Workforce Stabilization Initiatives" unpublished letter do not apply when inverse seniority layoffs are offered, regardless of whether or not the target reduction is achieved through inverse layoffs, for periods for less than one year.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 80

SKILLED TRADES SENIORITY

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Union and the Company have had considerable discussion pertaining to the slippage of seniority, pursuant to Paragraph 44.1 of the Agreement for Skilled Tradesmen/ Tradeswomen working on jobs related to their specific trade (in a non-supervisory capacity).

Commencing with the effective date of the 1987 Agreement such Skilled Trades employees will no longer lose bargaining unit seniority for the work performed as defined above.

NOTE: Any disputes in this regard will be resolved between the Skilled Trades Committeeperson and Labour Relations.

Yours truly,

Heather Wade
Director,International Human Resources & Administration

Approved by both parties: _____

Doc. No. 81

FOUR HOUR RULE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current Negotiations, the parties discussed the application of a four (4) hour rule where an employee is required to work in more than one classification including the employee's own.

Both parties agreed that where practical the employee would perform in the employee's own classification a minimum of four (4) hours during the eight (8) hour shift, the balance of time to be assigned to other classifications of work as required.

As a matter of sound business, it may be necessary to work the employee less than four (4) hours in the employee's own classification and the balance of eight (8) hours in another classification. However, the Company agrees that such assignments are a proper matter for discussion with the Union.

Seniority will be one of the factors considered in these discussions.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 82

SHIFT HOURS - CHRISTMAS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations Management and the Union agreed that the subject of shift hours during the week prior to Christmas holiday period is a proper matter for discussion between the parties. This subject may be raised by either party at least thirty (30) days in advance of the Christmas holiday period.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 83

TEST MINOR REPAIRS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Parties agreed the job elements of the test code would include minor repairs. The present procedure of sending units to test with all operations complete will still apply and be adhered to as it is not intended to have testers install shortages.

Testers will be allowed to remove and replace minor deficient components when replacements are delivered to the test areas, as well as correct minor situations (for example wires on wrong terminals, tightening of pipe and tubing joints, etc.). They will also ensure that anything removed for test purposes is properly replaced prior to returning to production.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 84

PAY STATEMENT ERRORS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the course of the 2013 Negotiations, the Union expressed concerns regarding employees who, through no fault of their own, incur a shortage of hours on their pay statement and are then required to wait one week to receive the balance of the monies owed to them.

The Company agreed that it will do a special pay run when through a company administered error, an employee is short 4 hours pay or more. In the event an employee is short 4 hours or more, yet has overtime pay included which exceeds a total of 40 hours pay, the Company will make the employee whole for the following payday.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 85

JOINT COMMITTEE FOR PEOPLE MOVEMENT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

The Parties acknowledge that the Joint Committee For People Movement shall take into consideration the provisions of the Agreement whenever people movements are reviewed. If during meetings of the Joint Committee For People Movement, there are issues involving implementation to the provisions of the Agreement related to people movements, these issues will be referred for discussion purposes to the Shop Committee.

Accordingly, the Parties have agreed to establish the "Joint Committee For People Movement" who will meet weekly to perform the following duties:

1. administrate the transferring of employees in accordance with applicable provisions of the Agreement.
2. ensure fair and consistent application of people movement provisions through the centralized application procedure.
3. plan for anticipated fluctuations in workforce requirements.

It is the intent of the Parties to foster a relationship which fairly balances the desires of employees and the requirement to maintain efficiency of operation.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Approved by both parties: _____

Doc. No. 86

SKILLED TRADES – JOB CONTINUATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

Job continuation by Skilled Trades has been discussed by the Parties and it is recognized that it is quite often necessary for a particular Tradesperson to continue on with the work they started. Problems have arisen when such job continuation involves overtime work, particularly when a Tradesperson is required to finish a job on other than their normal shift. The Maintenance and Tool Room Departments will continue to monitor this type of situation and whenever it is practical to do so, they will give consideration to the utilization of employees who would normally perform work on that shift.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 87

REST PERIODS – WASH UP EXTENDED SHIFTS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

Employees whose shifts are scheduled to work two (2) or more hours of overtime will receive a ten-minute Rest Period prior to starting to work overtime. A five-minute wash up period will be granted at the conclusion of the overtime assignment. The break period would begin at the start of the normal end of shift wash up period.

Employees who are scheduled to work a ten (10) or more hour shift and are required to report two (2) hours prior to their normal shift start will receive an additional ten-minute break prior to the start of their normal shift.

This rest period is given conditional upon the time allowance being strictly adhered to.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 88

JOINT COMMITTEES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During 2013 Negotiations, the Parties agreed to continue with certain activities wherein C.A.W. involvement had proven beneficial. These activities include:

Joint Training Committee
Job Placement Committee
Joint Committee for People Movement
Recycling Committee
Action Centres
Joint Health and Safety Committee
(Plus Safety Awareness, Manufacturing Technical Safety,
Noise, and Hazardous Materials)

Based on the premise that further C.A.W. involvement can be helpful to employee interests, the Parties agreed to develop additional involvement in the following areas:

Food Services

Recreation

Housekeeping
Wellness
Sickness and Accident Visitation

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 89

PARAGRAPH 157 – OVERTIME RECORDS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the course of the 2013 Negotiations, the parties had lengthy discussions on the Union's concerns related to our Rules for the Administration of Paragraph 157 of the Agreement. The Union brought to Management's attention that some Supervisors/Team Lead were not fulfilling their obligation to maintain accurate and up-to-date overtime records. In addition, the Union stated that in some departments there was a wide disparity of overtime hours between employees within the same overtime group which represented a continuing problem.

The parties agreed that all Supervisors/Team Lead of hourly employees have responsibility to follow the guidelines outlined in "Rules for Administration of Paragraph 157 of the Agreement Concerning Equalization of Overtime Work" found in the Agreement. Management stated that pursuant to Paragraph 157 employees working within an overtime group should receive a fair share of overtime hours within their group over a reasonable period of time. The time necessary to equitably distribute the hours might vary depending on the amount of overtime available and the size of the group.

It is Management's intent that overtime be fairly distributed within a group.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 90

REDUCTIONS IN FORCE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During 2013 Negotiations, the Parties discussed at length the application of Agreement provisions concerning reductions in force and the resulting reassignments that occur, including those that involve employees who undertake assignments that require quite different skills. While the Parties recognize that Management has a continuing responsibility to provide training to the workforce, it is also recognized that situations can occur wherein individual accommodation may be made to avoid reassignments that could have an adverse impact on an employee or on the business. Management and Union representatives will discuss those issues on a timely basis in an effort to resolve potential problems.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 91

OVERTIME SPREADS ACROSS SHIFTS

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

As a result of the 2013 negotiations, the union expressed concern about the overtime spreads across shifts within departments. The parties agreed to use the weekly Union/Management meeting as a forum to discuss these overtime spreads. Management will commit to review these spreads both by group and shift, and will provide explanation or correction for such.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 92

OVERTIME – ABSENT EMPLOYEES

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

Employee Accountability when absent If an employee is absent from work due to a contractual or non-contractual absence and wishes to be considered for weekend/holiday overtime in his/her department, it is the employee's responsibility to contact the supervisor or Area Manager/Sr. Team Lead to indicate availability for weekend overtime. The employee shall call within the first 4 hours of the employee's shift prior to the overtime, in order to be eligible.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 93

SKILLED TRADES – FULL UTILIZATION

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

This memorandum serves as a clarification of existing rules and definitions of full utilization as it pertains to the skilled trade's workforce in 2010 Collective Agreement at the General Dynamics Land Systems – Canada.

Management and the Union will have meaningful discussions at least 10 calendar days prior to the commencement of the outside contracting activities as per the information section under Appendix J For Full Utilization for work customarily performed the following will apply:

- the Skilled Trades employees who customarily perform the work will have the opportunity to work eight (8) hours per day, seven (7) days per week.
- the practice as it pertains to tool room employees and template makers will continue as four (4) tens (10's)

Approved by both parties: _____

- during Monday to Friday work span and eight (8) hours Saturday.
- for Full Utilization on project work that we cannot perform due to time restraints or manpower requirements the following will apply when the contractors have to work weekends:
 - the Skilled Trades employees will be offered until we have equal number of trades people by classification as the contractor, by the day, and equal number of hours.

For Full Utilization on project of a minimum of one week, between Monday and Friday and it has been mutually agreed to at the information meeting that our trades cannot perform the work due to time restraints or manpower requirements, then this will not invoke full utilization.

All the Skilled Trades will be fully utilized during any plant shutdown, prior to contractors coming into the plant.

It is of mutual interest that the parties work to create a harmonious work environment and minimize any disruptions due to outside contracting.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Doc. No. 94

Approved by both parties: _____

FIVE MINUTE CLOCK OUT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the 2010 negotiations, Management and the Union discussed the inability to clock out within their 5 minute wash-up period at the conclusion of their 5, 6, or 7 hour work day. Management has agreed to extend the clock out capability with the 5 minute wash-up throughout the entire scheduled shift. However, both Management and the Union agree that the current timekeeping system does not have this capability.

Upon implementation of the new timekeeping system, the opportunity for an employee to clock out during his or her 5 minute wash-up after completing 5, 6, or 7 hours of work will be possible and allowed.

The change will take effect when the new timekeeping system is implemented.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 95

WELD TEST

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

Throughout the 2013 negotiations, it was discussed at length between the Union and Management the union's concern with the content and the yearly requirement for our welders' recertification. Management will commit to a cross functional committee made up of: the weld lab, the quality department, the weld department, HR & A, and the union, to analyze the content and process of the yearly weld recertification.

This committee will;

- 1) review all customer contractual requirements;
- 2) develop a data collection system to ensure we are able to identify operators that are generating non-conformances
- 3) define control limits and steps when these non-conformances are identified
- 4) review current process used to flag eye sight issues for our welders
- 5) pilot and establish robustness of the control plan that is developed Management will present results 6 months after completion of negotiations. Both management and the union will continue to focus on ensuring quality during the evaluation of the weld recertification process.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 96

MAINTENANCE PAINTER

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the 2013 negotiations, Management and the Union discussed that the current volume for the Maintenance Painter (RGSZ) fluctuates and is not consistent. Since the retirement of the employee in the RGSZ code, future needs will be filled on a supplemental basis.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 97

FORK TRUCK MAINTENANCE

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the 2013 negotiations, Management and Union had discussions on the new fork truck lease agreement that will be implemented in 2013. Due to the nature of this new lease agreement, the full time use of the Industrial Truck Repair employee (RPSZ) is no longer required. As a result, non-industrial truck repair (IE: farm wagons) will become the responsibility of Machine Repair Machinist (RWSZ). Any other in-house activities (IE: snorkel, orange tag sign-off, small yard vehicle minor repairs) previously performed by the RPSZ code will be filled on a supplemental basis. No fork truck repairs will be performed on site by the lease holder.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Doc. No. 98

Approved by both parties: _____

PAINT TOUCH UP

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current Contract Negotiations, Management and the Union discussed elements of the operation that in there nature have a negative impact on our Hours per Unit. The parties agreed that assemblers for the purpose of paint touch up may touch up minor non-conformances. This will be limited to bolts and washers that have been scratched during the assemblers de-slag operation in vehicle presentation. As further operations are identified that in there nature have a negative impact on Hours per Unit, the parties agreed to discuss opportunities for resolution.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 99

MAINTENANCE WEEKEND SHIFT

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the 2013 negotiations, Management and the Union discussed that if a weekend shift is required, the current MOU will be used as a starting point template for discussions. Workers that were previously employed on the weekend shift will be considered first if an agreement for a weekend shift can be reached.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 100

REDUCTION - RECALL

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the 2013 negotiations, employees, who during a reduction have displaced employees with less seniority in another classification, will be required to return to their previously held code during a recall. Management will exercise seniority by asking high and forcing low during this process. This process will begin once the parties have come to an agreement on a new process for the yearly weld re-certification.

Yours truly,

Heather Wade
Director, International Human Resources & Administration

Approved by both parties: _____

Doc. No. 101

SUPPLEMENTAL WORKFORCE EMPLOYEE (SWE)

GENERAL DYNAMICS LAND SYSTEMS - CANADA

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. Unit 66

Dear Mr. McLarty:

During the current negotiations, the parties agreed that during temporary peaks in our business that management could utilize supplemental workforce employees (SWE). Management and the Union will sit down to discuss and mutually agree on the staffing requirement, time line and departmental structure required during these peaks in our business.

Provisions Specific to SWE's:

- a) SWE's shall be hired and paid at rate as referenced in paragraph 92.1
- b) while employed, SWE's will be entitled to overtime opportunities on a "last to be asked" basis by shift in the department during the week and by whole departments on the weekends.
- c) Management will assign a shift to a SWE employee regardless of their time spent in the company, after seniority employees have exercised their rights for steady off shift.
- d) SWE's will be retained for the duration of the requirement to which they are assigned and will be terminated at the conclusion of their assignment. At the conclusion of their

Approved by both parties: _____

assignment, SWE's will not have the ability to displace other SWE's, irrespective of hiring date.

- e) a SWE shall not accumulate time toward the fulfillment of the ninety (90) day probationary period nor acquire seniority as per Paragraph (52) of the Agreement. In the event a SWE subsequently becomes a regular full-time employee, such employee shall be considered a new employee and shall receive no credit for any purpose for time which the employee was employed as a SWE unless mutually agreed.
- f) the Company may discharge or terminate the employment of a SWE at any time, however, such employee may only file a grievance protesting their discharge or termination if their allegation is on the basis of a prohibited ground of discrimination as set forth in applicable Human Rights Law.
- g) in the event that the Company is in a position to engage new hires as regular employees, they will place primary reliance on individuals with satisfactory experience as a SWE to satisfy these requirements. It is recognized however that situations could exist where it is deemed appropriate to engage new hires who have not previously functioned as a SWE.
- h) SWE's are entitled to vacation pay under existing law at the time such vacation pay is payable.
- i) SWE's will be provided with \$3,750.00 life insurance coverage and \$1,875.00 extra accident insurance coverage. The Company will pay the premiums for coverage for any month in which the SWE receives pay from the Company for any time during such month. Such coverage begins on the first day of the first calendar month next following the month in which employment commences and ceases on the last day worked where employment terminates.

SWE's will also be eligible for the health care coverage provided under Article II, Sections 7, 8, and 9 of the General Dynamics Land Systems - Canada Canadian Health Care Insurance Program for Hourly-Rate Employees but not Dental Expense, Vision Expense, Hearing Aid Expense, or Nursing Home Expense benefits or other benefits as provided under the Insurance Program. It is understood that there will be no duplication of benefits because of coverage's provided under the Insurance Program. The Company will provide applicable coverage for the following months' health care benefits set forth above for each SWE while the SWE is at work. A SWE is considered "at work" in any month for which the SWE receives pay for any time worked during such month. Such coverage begins on the first day of the

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fourth calendar month next following the month in which employment commences. Coverage ceases at the end of the month in which employment terminates.

A SWE shall not be covered by the Canadian Supplemental Unemployment Benefit Plan (SUB), the Canadian Separation Payment Plan, the Canadian Automatic Short Work Week Benefit Plan (SWW), the Pension Plan, the Canadian Legal Services Plan, the Income Maintenance Benefit Plan (IMP) or the Voluntary Termination of Employment Plan (VTEP). Coverage under the Health Care Insurance Program and Group Life and Disability Insurance Plan are to those coverage's specified.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Doc. No. 102

LICENSE FEES FOR RESTRICTED TRADES

General Dynamics Land Systems-Canada

March 25, 2013

Mr. C. McLarty

Chairperson, Shop Committee

Local 27 , C.A.W. UNIT 66

Dear Mr. McLarty

During the 2013 negotiations, the Company and the Union had discussions on the requirement for restricted trades to pay an annual fee to the Ontario College of Trades. The parties agreed that the annual renewal fee for restricted trades, to include Test and Repair (YHAZ), will be reimbursed in the following manner:

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- The employee will have to provide the Company with a receipt from the governing body showing membership paid in full.
- The employee will be reimbursed through the Company payroll system.
- The cost of the licenses will be recovered from the Special Canadian Contingency Fund.

Yours truly

Heather Wade
Director, International Human Resources & Administration

Doc. No. 103

UNION DAYS

General Dynamics Land Systems-Canada

March 25, 2013

Mr. C. McLarty
Chairperson, Shop Committee
Local 27, C.A.W. UNIT 66

Dear Mr. McLarty

During the 2013 negotiations, the Company and the Union agreed that employees on active employment roll will receive eight hours of time off with pay on Monday, December 23, 2013 and Friday, January 2, 2015. Sixteen (16) hours of training, per employee, will be offset from the Special Canadian Contingency Fund (SCCF) CAW

Approved by both parties: _____

Training Fund. Payment is separate and apart from Holiday Pay and payment rules associated with Holidays do not apply. If any employees work on either of these two days, the parties will meet and discuss any concerns or issues that arise.

Yours truly,

Heather Wade

Director, International Human Resources & Administration

Approved by both parties: _____