



Collective Agreement
between
Orenda Aerospace Corporation
and
International Association of Machinists
and Aerospace Workers
District Lodge 78, I.A.M.A.W.
Technical Associates
Lodge 1922, I.A.M.A.W.

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ARTICLE 1.00 PURPOSE

1.01 The purpose of this Collective Agreement is to establish the salaries, hours of work and other working conditions of employees covered by this Agreement and to establish the procedure for final settlement without stoppage of work, on application of either party, of differences concerning the interpretation or violation of any of the provisions of this Agreement. To secure harmonious and productive labour relations, the parties agree to promote good faith and honest dealing with respect to all matters covered by this Agreement.

ARTICLE 2.00 RECOGNITION

2.01 The Company recognizes the Lodge as the exclusive bargaining agent for the employees covered by this Agreement.

2.02 (a) The Company recognizes the Union as the sole and exclusive bargaining agent for all weekly salaried employees of Orenda Aerospace Corporation, located in the Regional Municipality of Peel, Ontario, whose classifications are listed in the Schedule II of this agreement. The Company agrees to consultation with the Union on any new job descriptions that the Union feels fall within the bargaining unit for the purpose of describing the scope and key responsibilities of the classification before designating it to a non-bargaining unit position.

The Company and Union also agree that Letter of Understanding No. 3 describing bargaining unit positions historically included, which is attached hereto, forms part of Article 2.02.

(b) A non-bargaining unit employee shall not perform work covered by the classifications listed in Schedule II of this Collective Agreement to the extent that it would affect the job security of an employee covered by this Collective Agreement. For work assignments in excess of one (1) day, the Company will discuss with the Office Committee Chairman, prior to the work being performed, for the purpose of establishing the level of skill and ability required to perform said work, the duration of the assignment, and any other issues considered by the Union to be relevant to the discussion.

(c) Should the Company, during the life of this Agreement, decide to move its Plant located at 3160 Derry Rd. East, Mississauga, Ontario to a location in Ontario within a 200 kilometer radius of the existing location, the Company agrees to negotiate with the Union at least ninety (90) days prior to such move for the purpose of determining the conditions of Transfer of Operations Agreement to provide:

- (i) The right of existing employees to transfer with the jobs they normally perform;
- (ii) Protection of the seniority rights of existing employees upon such transfer;
- (iii) Extension of the Collective Agreement to cover the new location.

(d) The Office Committee Chair and President of the Lodge shall be allowed to meet with all new employees, upon the completion of their probationary period during business hours for the purpose of orientation to the I.A.M. The meeting will be scheduled at a time agreed to by the Chair and the employee's supervisor.

(e) The Company agrees that work currently performed by Bargaining Unit employees will not be sub-contracted out except where in the Company's opinion it would be economically advisable to do so. The parties will discuss the plant's general operations and certain business developments, including product and manufacturing plans as it might affect the size (increase or decrease) of the workforce. With respect to any outsourcing of core business bargaining unit work, the Company will discuss its intention with the Local Union Committee before any such work is outsourced. The Company will explain its reasons for its tentative decision to outsource the work by supplying all relevant information such as costs and rationale available to the plant and will give the Local Union Committee an opportunity to suggest ways in which the work may otherwise be performed in-house. The Company will give due consideration to the suggestions of the Local Union before making its final decision. The parties will address other matters both parties agree are appropriate for discussion. It is understood these meetings will not replace the collective bargaining process, nor, interfere with the parties Grievance Procedure. The final decision on any sub-contracting is at the sole discretion of the company.

2.03 A temporary employee is one hired for unforeseen circumstances, maternity/parental leaves, vacation or illness relief, or temporary requirements such as skill shortages, special projects etc. and employed in a as outlined elsewhere in this agreement.

Temporary employees may be employed for up to 120 days worked in a year after which they shall be released from employment or reclassified as seniority employees. A temporary employee shall not acquire seniority nor shall s/he have any of his/her days worked counted towards the accumulation of seniority until the expiration of 120 working days. If retained in employment after 120 days worked, his/her seniority date will be the first day worked.

A temporary employee may only file a grievance and pursue same to arbitration with respect to the issue of non-payment of wages or any holiday or vacation pay to which s/he feels that s/he is entitled. Notwithstanding any other provisions of the Collective Agreement, temporary employees shall have no rights to benefits, except those provided by Statute, prior to the completion of the 120 days worked.

Release of a temporary employee shall be at the sole discretion of the Company without the application of cause.

Temporary employees shall pay Union dues on the same basis as regular employees.

The utilization of temporary employees shall not cause the lay-off or prevent the recall of an employee employed in the same classification as the temporary employee. In the event of a lay-off in a particular classification, temporary employees shall be laid off first prior to any seniority employee. The Company may only employ six (6) temporary employees when the bargaining unit has less than one hundred (100) employees and for each twenty (20) employees thereafter the Company may hire one (1) additional temporary employee.

ARTICLE 3.00 RIGHTS OF MANAGEMENT

3.01 The Lodge acknowledges that it is the exclusive function of the Company:

(a) to determine the policy of the Company and to manage and direct its operations;

(b) to maintain order, discipline and efficiency, and

(c) to hire, classify, transfer, promote, demote, discipline, lay-off and dismiss employees, provided that a claim that an employee with seniority has been so dealt with without reasonable cause may be the subject of a grievance, which shall be settled as hereinafter provided.

3.02 The Company agrees that its exclusive functions provided by this Agreement shall be exercised in a manner consistent with all provisions of this Agreement.

ARTICLE 4.00 UNION DUES AND UNION MEMBERSHIP

4.01 As a condition of employment of every employee under this Agreement, the Company shall deduct the amount of monthly Union Dues from his/her salary semi-monthly and shall remit the same to the Lodge on or before noon on the last banking day of the month during which the deductions are made.

4.02 The Company shall deduct from the salary of an employee any initiation or re-instatement fee due from him to the Lodge and shall remit the same to the Lodge on or before noon on the last banking day of the month during which the deductions are made.

4.03 As a condition of employment, every employee covered by this Agreement who is or shall become a member of the Lodge shall remain a member during the life of this Agreement.

4.04 (a) Union dues shall not be deducted from any employee receiving provincial or federal government benefits such as WSIB or EI. The Union will determine if union dues will be collected from employees receiving weekly indemnity.

(b) The Company agrees to deduct delinquent dues upon receipt of a list from the Union Office. In the case of an employee being off work on Leave of Absence when dues should be deducted, said dues shall be deducted commencing with the first full pay on return to work, and each week thereafter until paid up.

(c) The Secretary-Treasurer of the Lodge shall notify the company of a member's delinquent dues and provide written authorization from the member. This shall be done in accordance with the I.A.M.A.W. Constitution and the Local Lodge By-Laws.

ARTICLE 5.00 STRIKES AND LOCKOUTS

5.01 Whereas this Agreement provides for the just settlement of differences concerning the interpretation or violation of any of the provisions of this Agreement and binds the parties hereto to accept and abide by the decision of an Arbitrator should they fail to settle any dispute by negotiations.

5.02 It is therefore promised and agreed by the parties hereto that during the life of this Agreement or while negotiations for its amendment or renewal are in progress there shall be no strike, slowdown, stoppage of work, or other interference with the operations of the Company by the employees hereby covered or any lockout by the Company.

ARTICLE 6.00 NO DISCRIMINATION

6.01 The Lodge and its officials and members shall not use coercion or intimidation or discriminatory action in obtaining new members or in persuading any employee of the Company to participate in Lodge activities; and solicitations of membership shall not be carried out during working hours.

6.02 No employee shall be discriminated against by the Company because of membership or activity in the Lodge, so long as such activities are not carried out during working hours, except as specifically permitted by this Agreement.

ARTICLE 7.00 LODGE REPRESENTATION

7.01 The Lodge shall name an Office Committee of not more than two (2) members who shall be employees covered by this Agreement and who shall be Zone Representatives pursuant to Section 7.04 hereof. Prior to each meeting pursuant to Section 7.02 hereof, the Lodge shall name one special member who shall be an employee covered by this Agreement, and who shall be a Zone Representative pursuant to Section 7.04 hereof, and who shall serve as an Office Committee member only at a meeting for which he has been so named, except that such special member shall not be so named and shall not serve as an Office Committee member, if the Zone Representative for the Zone in which the matter under discussion is localized is a 'regular' member of the Office Committee.

7.02 Matters pertaining to the interpretation, application or administration of this Agreement shall be discussed and adjusted by the Company and the Office Committee, who shall meet at least once each month during working hours with a prepared agenda of matters to be discussed and adjusted. Only Office Committee members, the President of the Lodge and a District Lodge 78 Business Representative, shall be present at any such meeting unless the Company shall otherwise agree, except that an International Officer of the International Association of Machinists and Aerospace Workers may be present if either party so requests.

7.03 An Office Committee Member, the President, the Vice-President, the Recording Secretary and the Secretary Treasurer of the Lodge, shall not be required to work on a shift other than the day shift except with his consent.

7.04 Zone Representatives - The Lodge may designate and the Company shall recognize Zone Representatives for each of the two (2) Zones as agreed by the parties hereto to be reasonable and proper and such agreement shall be concluded prior to the allocation of Zones for each forthcoming year.

The Company shall be kept informed of the name of each Zone Representative and Zone for which the Lodge has designated him.

7.05 A Zone Representative shall be permitted the necessary time during working hours without loss of pay to perform the functions provided by Article 8.00 hereof for the settlement of a complaint or

grievance within his Zone; he shall not leave his work except as provided by the said Article 8.00 and only after having informed his supervisor as to the nature of his business.

7.06 A Zone Representative shall be permitted access to any part of the Zone for which he is designated (except to such Plant areas to which his access is not permissible for reasons of secrecy or security) to deal with complaints and grievances as provided by Article 8.00 hereof, but only after having explained the nature of his business to the supervisor or foreman of any work area within his Zone to which he desires access.

7.07 Zone Representatives shall exercise the privileges herein provided in such manner as to promote good order and discipline and with the least possible interference with the regular duties of their employment.

7.08 Safety Committee - The Lodge shall name one (1) Safety Committee member who is an employee covered by this Agreement.

7.09 Negotiating Committee - The Negotiating Committee for the Lodge (for the purposes of Article 36.00 hereof) shall not exceed three (3) members who shall be employees of the Company under this Agreement and who shall be actively at work.

ARTICLE 8.00 GRIEVANCE PROCEDURE

8.01 The parties hereto desire that every complaint shall be dealt with, as it justly deserves as quickly as possible, and that adjustment of every justified complaint shall be promptly made.

8.02 An employee who has a complaint shall discuss it with his supervisor either alone or accompanied by his Zone Representative with a view to prompt and fair adjustment.

8.03 An employee who believes that his classification is not appropriate to the work which is normally and regularly assigned to him, may seek a change in his classification and shall present his request to his supervisor in writing on the appropriate form and shall receive acknowledgment of receipt on a copy of the same. If the supervisor and Human Resources Department grant the request, the change of classification shall be effective from the start of the next pay period thereafter.

8.04 During the discussion of a grievance if it is mutually agreed that witnesses would aid in settling the grievance, they may be requested to attend.

8.05 Grievance Procedure – Step No. 1 - Should an employee not receive satisfaction from his supervisor in regard to a complaint made as provided in Section 8.02 hereof, or within three (3) working days of a request for change of classification made as provided in Section 8.03 hereof, he may state his grievance in writing in quadruplicate on the appropriate form and his Zone Representative shall present it to the employee's immediate supervisor with such explanation and discussion as may be necessary for proper understanding of the matter. Within two (2) days thereafter or within such longer period as may be agreed, the supervisor shall return one (1) copy of the form to the Zone Representative with his decision in writing stated thereon.

8.06 Grievance Procedure – Step No. 2 - Should the employee not receive satisfaction in Step No. 1, the said written grievance may be presented by the Zone Representative to the appropriate supervisor in next higher authority, with such further explanation or discussion as may be necessary, provided that it shall be presented within three (3) working days thereafter or within such longer period as may be agreed the said supervisor shall state his decision in writing on each copy of the form and return the same to the Zone Representative. The grievor shall have the right to be present.

8.07 Grievance Procedure – Step No. 3 - Should the employee not receive satisfaction in Step No. 2, he may refer the grievance to the Office Committee. It shall be the duty of the Office Committee to seek a just settlement of the grievance; to this end the Zone Representative and the Chairman of the Office Committee or the President of the Lodge, shall, during working hours and without loss of pay, take such time and shall have access to any such plant areas where work is being performed by employees covered by this Agreement, (except to plant areas to which their access is not permissible for reasons of secrecy or security) as may be reasonably necessary for the proper investigation of the grievance, provided that they shall properly inform all foremen and supervisors concerned as to the nature of their business.

8.08 Should the Office Committee consider that a just settlement has not been found, it shall present the grievance in writing to the fully authorized representative of the Company within ten (10) working days from the date of the decision provided for by Step No. 2 or within such longer period as may be agreed.

8.09 Within ten (10) working days after he has received the grievance or within such longer period as may be agreed by the Company and the Office Committee, the Company's representative shall meet the Office Committee to adjust the grievance. An

International Officer of the International Association of Machinists and Aerospace Workers shall be present should either party so request.

8.10 Within ten (10) working days after such discussion or such further time as may be mutually agreed to be necessary by the Company and the Office Committee, the Company's representative shall present the Company's final decision in writing to the Lodge.

8.11 Settlements Relating to Classifications - Any change in an employee's classification made in settlement of a grievance shall take effect at the beginning of the next pay period following the date on which the grievance was presented in Step No. 1 as provided by Section 8.05 hereof unless some other date shall be agreed to in this settlement.

8.12 Any matter discussed by the Company and the Office Committee pursuant to Section 7.02 hereof which is not adjusted to the satisfaction of both parties and any dispute over the settlement of a grievance at the third step may be required by either party to be submitted to arbitration provided that it shall be deemed to be settled or abandoned if within ten (10) working days after a final decision has been announced neither party shall have given written notice of intent to submit the matter to arbitration.

ARTICLE 9.00 ARBITRATION

9.01 Any matter or question arising from the interpretation, application, administration, or an alleged violation of this Agreement, including the question of whether a matter is arbitrable, may be submitted to arbitration by the parties hereto as herein provided.

9.02 No matter shall be submitted to arbitration by the parties hereto unless and until they shall have attempted to arrive at a settlement by the means provided by Article 7.00 and 8.00 hereof.

9.03 Within fifteen (15) working days after notice of intent to arbitrate has been given as provided by Section 8.12 hereof, the Company and the Lodge shall attempt to agree to a single arbitrator.

If the parties fail to reach agreement within a time limit of fifteen (15) days or within such longer period as they may agree upon, either one or both may ask the Minister of Labour for the Province of Ontario to appoint an Arbitrator.

9.04 The Arbitrator shall not make any decision inconsistent with the provisions of this Agreement nor shall he alter, modify or amend any part of this Agreement.

9.05 The proceedings of the Arbitrator shall be expedited by the parties hereto.

9.06 The decision of the Arbitrator shall be final and binding upon the parties hereto and upon any employee concerned in or affected by the said decision.

9.07 Each of the parties hereto shall bear one-half (1/2) of the expenses of the Arbitrator.

ARTICLE 10.00 PROBATION

10.01 An employee shall be a probationary employee for the first three (3) months of employment by the Company during which period the Company may assess whether an employee is suitable to be retained, and if so, where in the Company's operations he may best be employed.

10.02 Absence with or without leave shall not be included in the said three (3) months probationary period.

10.03 In respect of a probationary employee no act of the Company in exercise of the functions provided in Article 3.00 hereof shall be subject to grievance or arbitration.

10.04 Any person re-employed by the Company after having separated from its employment shall, when re-employed, again be a probationary employee as herein provided. For the purpose of this Section 10.04, a laid-off employee, who retains seniority as provided by Article 12.00 hereof, or an employee on leave of absence as provided by Article 14.00 hereof shall not be deemed to have separated from employment by the Company and shall not again be a probationary employee should he return to work.

10.05 An employee with seniority under the Collective Agreement between the Company and Lodge 717 Turbo, hereinafter called the Hourly Agreement, placed at work under this Agreement shall not be considered as a probationary employee for the purposes of this Article, and 11.07(e).

10.06 Probationary employees hired after December 5th, 2008 shall not be entitled to or covered by any of the benefits referred to in Articles 21.00, 25.00, 26.00 or 31.00 and Appendices 1, 4, 5 or 7, except as required by law. Upon successful completion of the probationary period, such employee shall commence to receive all benefits entitled to an employee with seniority under this agreement, except as set out in Section 34.02 of this agreement.

ARTICLE 11.00 SENIORITY

11.01 On completion of his probationary employment an employee of the Company shall have three (3) months seniority and thereafter shall accrue seniority as provided herein. For employees hired on the same day, their layoff and recall rights shall be established by the lowest last three digits of the employee's Social Insurance Number. For the purpose of this Article the employee with the lowest three digits will be given preference. Where the last three digits are the same, the fourth from the last digit will apply.

11.02 Seniority - Subject to any provision of this Agreement affecting the same, an employee's seniority shall be according to the length of his continuous weekly-salaried employment by the Company, plus all seniority he last held in this bargaining unit while still an employee of Orenda Aerospace Corporation, or its predecessors, if his employment by the Company continued therefrom without a break.

11.03 Loss of Seniority - An employee shall lose all seniority: should he be granted leave of absence for more than thirty (30) days, except as otherwise provided by Article 14.00 hereof, or

- should he be absent for five (5) consecutive working days, without reporting to the Company and without reasonable explanation, or
- should he voluntarily quit his employment, or
- should he be dismissed for just cause, or
- should he fail to respond to recall pursuant to Section 12.10 and 12.11 hereof, or
- should he not return to work within four and one-half (4-1/2) year or less as provided by Sub-Section 12.08 (a) hereof, or
- after six (6) months in the position of first line/level supervisor pursuant to Sub-Section 11.05(b) hereof, or
- upon his retirement.

11.04 Restoration of Seniority - By agreement of the parties hereto lost seniority may be restored in whole or in part to any employee.

11.05 (a) Subject to Sub-Sections 11.05 (b) and 11.05 (c) hereof, seniority held as at September 1st, 1968, shall be retained by an employee who heretofore was transferred to salaried employment not covered by this Agreement and to a salaried position which is not higher than a first line/level supervisory position and there shall not be any further accrual of seniority by that employee, so long as he remains in the said salaried employment; any employee who hereafter is transferred to salaried employment not covered by this Agreement and to a salaried position which is not higher than the supervisory rank

equivalent to that of first line/level supervisor, shall retain the seniority held at the time of such transfer and there shall not be any further accrual of seniority by that employee, so long as he remains in the said salaried employment. Each of the said employees shall have seniority rights pertaining to the occupational group containing the classification of employees who perform the work in which he was last employed under this Agreement and may exercise his seniority if he is again placed at work under this Agreement within a six (6) month period or after which he shall have lost or shall lose all seniority, except those employees classified as Group Leaders.

(b) The provisions of Sub-Section 11.05 (a) hereof, shall apply to an employee who heretofore or hereafter was or is placed at work specifically as a first line/level supervisor, for a continuous period of six (6) months from the date he was or is thus placed at work and after which period of six (6) months he shall have lost or shall lose all seniority.

11.06 If an employee with seniority under this Agreement, other than an employee covered by Section 11.05 hereof, is placed at work as an employee not covered by this Agreement he/she shall retain seniority rights under this Agreement which rights may be exercised only if he/she exercises the rights contained in Article 11.07(e) herein during the first three (3) months following placement or for a period not exceeding six (6) months from the date of placement if displaced as the result of Lay-off. Thereafter, his/her seniority shall convey no rights under this agreement.

11.07 If an employee with seniority under the Collective Agreement between the Company and Lodge 717 Turbo, hereinafter called the Hourly Agreement, hereafter is placed at work under this Agreement, he shall have seniority under this Agreement as hereby provided, namely:

(a) Seniority shall accrue from the date the employee is placed at work under this agreement.

(b) An employee placed at work as provided by Section 11.06 of this agreement shall not be subject to displacement by an employee whose seniority pertains to Lodge 717 Turbo nor shall he/she be subject to any provisions of this agreement respecting probationary employees.

(c) In the event of lay-off during the six (6) month period commencing with the date of the transfer, the provisions of Article 11.06 herein shall apply.

(d) On the day following the completion of six (6) months of continuous service under this Agreement, the seniority he last held

under the Hourly Agreement, plus any previous seniority under this Agreement shall be added pursuant to Sub-Section 11.07 (a) so that he shall have seniority equal to all of his seniority accrued under the Hourly Agreement and under this Agreement and any previous seniority under this Agreement.

(e) At any time within three (3) months after placement, the supervisor accepting the employee may advise the Personnel Officer that he deems the said employee unsuitable; or within the same three-month period the said employee may request to be returned to his former place.

11.08 Transfer of Seniority - Should an employee be transferred from a classification in one occupational group to a classification in a different occupational group, his seniority shall continue to pertain to his old occupational group for a period of three (3) months after which, if the transfer remains in effect, his seniority shall pertain to his new occupational group, except that an employee transferred under the provisions of Section 12.06 hereof shall, within three (3) months of his transfer, elect to transfer his seniority to his new occupational group or to let it remain in the occupational group from which he was transferred.

11.09 Accrual of Seniority Under Lay-Off

(a) An employee who has been laid-off shall continue to accrue seniority except as otherwise provided by Sections 12.08 and 12.11 hereof.

(b) In the event of lay-off of an employee with seniority under this Agreement not having picked up seniority in accordance with Paragraph 11.07 (d) herein, his recall period shall be calculated as if his seniority had been transferred from the Hourly Agreement on the date of his lay-off, but he shall not be recalled prior to the recall of another employee also on lay-off holding more natural seniority within his occupational group.

11.10 Seniority Lists - The Company shall provide the Lodge with an electronic updated seniority list every six (6) months and shall show only populated classifications and occupational groups.

ARTICLE 12.00 LAY-OFF AND RECALL

12.01 An employee's seniority shall pertain only to the occupational group which contains the classification in which he is classified and the Occupational Groups which the parties hereto have agreed upon for this purpose, are as listed in Schedule II (b) annexed to this Agreement and as from time to time amended by agreement of the parties hereto.

12.02 Layoff shall be done by Occupational Group with the senior most employees retained within each classification in the Occupational Group. As well, a senior employee will be retained in preference to a more junior employee in the same Group, so long as the junior employee occupies the same or a lower job level.

12.03 No employee with seniority shall be separated from employment by lay-off without being given opportunity to claim any job held by a probationary employee in any classification in a job level not higher than the job level of his own classification provided s/he is competent to do the work.

12.04 An employee with seniority newly placed in a vacancy or displacing a probationary employee, may thereafter within two (2) months of the displacement be displaced, but only in favour of another employee if he is competent to do the work, in the same or higher job level and with greater seniority pertaining to the same occupational group as that to which the newly-placed employee's seniority pertains.

12.05 An employee reclassified pursuant to Section 12.03 or Section 12.04 hereof shall be paid the job rate for his new classification or his rate before reclassification, whichever is the lower, except that in no event shall he be paid less than the minimum rate for his new classification; if paid less than the said job rate his rate shall be progressively increased pursuant to Article 29.00 hereof.

12.06 In the event of lay-off, the President and members of the Office Committee shall be retained in employment so long as work is available which they are qualified to perform, and they shall have "top seniority" in their respective occupational groups.

Eligibility for 'top seniority' shall commence on the date when an employee takes office following his election to one of the aforementioned positions.

12.07 The Company will notify the Lodge as soon as possible prior to any lay-off; no employee with seniority shall be separated from employment by lay-off without at least one (1) weeks notice, and no employee who has five (5) years service or more shall be separated from employment by lay-off without at least two (2) weeks notice.

12.08 An employee who has been separated from employment by lay-off shall be listed according to seniority and under the highest job level he has attained in his occupational group during his continuous employment with the Company, provided that a displacement from such job level was due only to the effect of lay-off. He shall be listed for a period of time equal to his seniority at the date of lay-off, but not exceeding four and one-half (4-1/2) years after the date on which he

was laid-off, and if he is not recalled to work during the said period his name shall then be removed from the list and the Lodge shall be so advised.

12.09 Should a vacancy occur in an occupational group, seniority in the group at the time the vacancy occurs shall determine the laid-off employee to be recalled thereto, provided that the laid-off employee shall not be recalled to a classification of a higher job level than the job level under which he is listed for purposes of recall, except as herein provided. Every laid-off employee having seniority in an occupational group and who is listed under a job level the same as, or higher than the vacancy carries, shall be recalled before any other laid-off employee with seniority in the group is placed in the vacancy. Every other laid-off employee having seniority in the occupational group, but who is listed under a job level lower than the vacancy carries, shall be recalled in order of job level under which he is listed, before any other person is transferred into or hired into it.

12.10 Recall - Recall shall be by registered mail to the address last filed by the employee with the Personnel & Industrial Relations Department of the Company or by personal interview by the Personnel Officer. The Lodge shall receive a copy of each letter of recall and notification of each recall made by personal interview. Previous employees with seniority shall keep the Personnel & Industrial Relations department informed of any change of address by registered mail.

12.11 If within five (5) working days after the date of mailing notice of recall, an employee shall have failed to notify the Company that they intend to return to work or if within ten (10) working days of the same date an employee shall have failed to return to work or to have provided a satisfactory reason that they are unable to return because of an illness or other sufficient cause, they shall lose all seniority and their name shall be removed from the seniority list, except as is otherwise provided by sub-section 12.12 (b) hereof, and further provided that under extenuating circumstances seniority lost pursuant to this section 12.11 may be restored as provided by Section 11.04 hereof.

12.12 (a) Any employee with seniority who is affected by lay-off may elect to be separated from employment by lay-off rather than accept employment in another classification within the occupational group to which he is entitled by reason of his seniority. Any employee who so elects shall be separated from employment by lay-off and shall thereafter have recall rights only to the classification from which he was so separated, notwithstanding the provisions of Section 12.09 hereof.

(b) Any previous employee with seniority who is laid-off may elect to remain laid-off rather than accept recall to employment in a classification within the occupational group to which he is entitled by reasons of his seniority, other than in the classification from which he was separated from employment by lay-off and other than in a classification to which he is entitled to re-promotion. Any previous employee who declines recall to a higher classification than that previously held, shall remain laid off and shall thereafter have recall rights only to classifications with levels no higher than the classification from which he was so separated, notwithstanding the provisions of Section 12.09 hereof, and, any previous employee who declines recall to a classification to the same or lower level shall remain laid off and shall thereafter have recall rights only to the classification from which he was so separated, notwithstanding the provisions of Section 12.09 hereof.

(c) **Re-promotion** - Any employee with seniority, who is downgraded due solely to the effect of lay-off from one classification to another classification in the same occupational group and who has continuously held seniority in that same occupational group since his downgrading, shall be entitled in order of seniority as work is available, to re-promotion to the classification from which he was downgraded, before any other person is placed at work in that classification, except as otherwise provided for previous employees with limited recall rights pursuant to Sub-Section 12.12 (d) hereof. Any employee who declines a re-promotion shall again be entitled to re-promotion only if he is subsequently downgraded due solely to the effect of another lay-off and then only to the classification from which he is subsequently downgraded.

(d) **Limited Recall** - When work is available in the classification from which he was separated from employment by lay-off, any previous employee with seniority who is laid-off pursuant to Sub-Section 12.12 (a) hereof or pursuant to Sub-Section 12.12 (b) hereof, shall be entitled to recall in order of seniority, only after all more senior previous employees listed under the same or higher job levels pursuant to Sub-Section 12.08 hereof, have been recalled pursuant to Section 12.09 hereof and only after all more senior employees have been given the opportunity to exercise any rights to re-promotion to that classification pursuant to Sub-Section 12.12 (c) hereof.

12.13 (a) Lay-off Credits and Payments - Subject to the terms and conditions of the lay-off Credit Plan attached hereto as Appendix 1:

- (i) effective January 1, 2006, every employee with seniority who is separated from employment by lay-off pursuant to this Article 12.00, shall be credited with \$120.00 for each completed three (3) months of continuous employment by the Company up to a maximum of \$3,120.00 and;
- (ii) against which he may claim, subject to the provisions of the said Appendix 1, payment of (January 1, 2006, \$120.00) (January 1, 2007, \$130.00) (January 1, 2008, \$140.00) for each week he received Employment Insurance benefit while thus separated until the said credit is exhausted so long as he has not lost seniority pursuant to Article 11.03 hereof. The Company will make payment pursuant hereto and pursuant to the said Appendix 1, in respect to any claim for a payment of (January 1, 2006, \$120.00) (January 1, 2007, \$130.00) (January 1, 2008, \$140.00) per week, on evidence of receipt by the laid-off employee of Employment Insurance benefit, if presented within two (2) weeks of receipt of such benefit.
- (iii) the vested interest of an employee covered by this agreement shall be limited to the receipt of payments for covered periods of unemployment in accordance with 12.13 (a) (ii) herein and the maximum benefit shall be as proscribed by Employment and Immigration Canada Regulations.
- (iv) effective January 1, 2007 every employee with seniority who is separated from employment by lay-off pursuant to Article 12:00, shall be credited with \$130.00 for each completed three (3) months of continuous employment by the Company up to a total maximum credits of \$3,380.
- (v) effective January 1, 2008 every employee with seniority who is separated from employment by lay-off pursuant to Article 12:00, shall be credited with \$140.00 for each completed three (3) months of continuous employment by the Company up to a total maximum credits of \$3,640.

(b) **Definitions** - For the purpose of this Article:

- (i) 'employment' means and includes circumstances during which an employee accrues seniority pursuant to this Agreement except accrual of seniority during lay-off.
- (ii) 'completed three (3) months of continuous employment' includes such employment before and after a period of lay-off or a period during which seniority is not lost but is not accrued.

(c) **Recall and Further Lay-off** - Should an employee return to work on recall pursuant to Article 12.00 hereof or be otherwise re-employed by the Company, any remaining balance of credit established pursuant to Sub-Section 12.13 (a) hereof shall be cancelled. If subsequently he is again separated from employment by lay-off, an amount equal to the said cancelled balance shall immediately be credited to him and further credits accrued subsequent to his return to work shall be added thereto pursuant to paragraph (i) of Sub-Section 12.13 (a) hereof up to a total maximum credit of \$2860.00; and effective January 1, 2006 up to a total maximum credit of \$3120.00 and effective January 1, 2007, up to a total maximum credit of \$3380.00 and effective January 1, 2008, up to a total maximum credit of \$3640.00.

(d) **Termination of Credit Where There is No Recall** - Any credit or unused balance of credit established for an employee pursuant to this Section 12.13 shall be cancelled if he has not returned to work within four and one half (4-1/2) years or less as provided by Sub-Section 12.08 hereof, or at any time that he otherwise loses seniority pursuant to Section 11.03 hereof.

(e) **Proviso** - The provisions of this Section 12.13 are conditional upon allowance by the tax authorities under Canadian or Provincial law of any and all cost to the Company pursuant hereto, failing which this Section 12.13 shall be null and void.

ARTICLE 13.00(A) DISMISSAL

13.01 With reasonable promptitude the Lodge shall be notified prior to any dismissal or involuntary termination of employment and, at request from the Lodge, the Company shall furnish the reason for same. The employee shall be advised in these circumstances that he/she may request Union representation.

13.02 Any employee with more than three (3) months service who feels that he has been unjustly dismissed may present a grievance and the same shall be dealt with as provided by Sections 8.08 and 8.09

hereof, provided that the right to grievance shall be deemed to be waived if no grievance has been presented within five (5) working days after separation.

13.03 Failing settlement by the said grievance procedure, a grievance regarding dismissal may be submitted to arbitration as provided by Article 9.00 hereof, and the arbitrator shall make such settlement as he deems just.

ARTICLE 13.00(B) WARNINGS AND SUSPENSIONS

With reasonable promptitude, the Lodge shall be notified prior to any disciplinary action being given and, at the request from the Lodge, the Company shall furnish the reason for same. The employee shall be advised in these circumstances that he/she may request Union representation.

Without prejudice to the rights reserved in Section 3.01 hereof, the Company agrees to the following time limits for warnings and suspensions with the proviso; there are no subsequent related or unrelated warnings or acts of discipline which will automatically extend the time limits from the date of the most recent warning.

(a) Each occurrence of an employee receiving an oral warning will remain in his personnel record for a period of not more than three (3) months and six (6) months for a written warning.

(b) Suspensions will remain in the employee's personnel record for a period of not more than twelve (12) months provided the employee does not have a further suspension within that twelve (12) month period. A subsequent suspension during the twelve (12) month period will extend the time the suspension is on the employees personnel file an additional twelve (12) months beyond the unexpired months remaining on the previous suspension.

ARTICLE 14.00 LEAVE OF ABSENCE

14.01 Leave of absence without pay granted by the Company for a period of thirty (30) calendar days or less shall be without loss of seniority and with accrual of seniority.

14.02 The Company shall inform the Lodge of leave of absence without pay granted by the Company for more than thirty (30) calendar days. Such leave of absence shall occasion loss of all seniority except as otherwise agreed between the Company and the Lodge.

14.03 On request from the Lodge, the Company shall consider the granting of a leave of absence without pay to officers of the Lodge or

their delegates for the transaction of Union business provided that such leave of absence shall not exceed three (3) calendar days in any calendar month for any such employee. Leave shall not be granted where to do so would interfere with the normal functioning of the Company's business.

(a) Upon proper notification from the Lodge, the Company shall grant leave of absence to members of the Negotiating Committee for such periods that shall be mutually agreed upon during the two (2) calendar months that immediately precede negotiations and until such time as a new contract is signed. The Lodge shall undertake to request leave of absence for regular Negotiation Committee meetings forty-eight (48) hours in advance and the Company shall undertake to advise the Lodge promptly of any unforeseeable circumstances causing postponement of a scheduled meeting.

(b) Leave of absence not exceeding two (2) weeks at any one time may be granted such officers or delegates for the purpose of attending Trade Union conferences and/or Training.

14.04 (a) Upon production of proof satisfactory to the Company, an employee running for political office, Municipal, Provincial or Federal, shall be granted a leave of absence without pay for a period not to exceed six (6) weeks prior to the date of the election, without the loss of seniority and with accrual of seniority.

(b) On request from the Union the Company shall grant leave of absence without pay to an employee elected or appointed by the Lodge for the purpose of his/her temporary or full-time employment with the International Association of Machinists and Aerospace Workers, provided that the number of employees who at any time shall be granted such leave shall not exceed two (2) at any given time. Seniority and entitlements pursuant to Section 12.13 hereof, shall continue to accrue during such leave of absence. Benefits provided to employees under Article 26.00 for a period not to exceed six (6) months shall be extended to employees granted Leave of Absence in accordance with Section 14.04 herein, unless such benefits are provided by the Union.

If an employee elected to full-time employment with the International Association of Machinists and Aerospace Workers returns to the bargaining unit, they shall be returned consistent with their seniority and service entitlements to the classification and department in which they were employed at the time of their election, or to a job classification embracing comparable job duties to that which they held prior to their leave of absence, providing such return does not result in a layoff or bumping of an employee holding greater seniority. An

employee elected to full-time employment with the International Association of Machinists and Aerospace Workers may terminate their leave of absence at any time during such leave and return to work upon eight (8) weeks written notification to the Company.

The Union will examine the issues relating to repetitive requests for temporary Union leave of absence for employees of small departments or employees requiring Union leave on short notice, and commits its best efforts to minimize any disruption that these events may cause the Company.

14.05 Jury Duty and Crown Witnesses

Employees required to serve on Jury Duty and employees required to serve as witnesses for the Crown shall be paid the differences between the straight time rate they would have earned and the amount they received for Jury Duty or for witness fees as the case may be.

14.06 Pregnancy and Parental Leave

The Company shall provide unpaid pregnancy leave in accordance with the current Employment Standards Act. Should the employee fail to return to work when the leave has ended, said employee shall be deemed to have resigned unless an extension has been mutually agreed upon in writing by the employee and the Company.

ARTICLE 15.00 TRANSFERS

15.01 Should an employee wish to transfer from one classification or department, to another classification or department, s/he shall present his/her request in writing, on a form supplied by the Human Resources Department. A copy of the application for transfer will be given to the applicant and the Union.

15.02 In the event of a vacancy, the Company will advise the employees concerned by placing notification on Bulletin Boards for a period of three working days.

15.03 An employee may submit up to four (4) requests in any twelve (12) month period. A maximum of two (2) requests may be for positions with the occupational group where his/her job classification resides and two (2) may be for positions outside his/her occupational group.

15.04 Transfers will be based on qualifications and ability to perform the work. When qualifications and ability are relatively equal, seniority shall prevail. Determination of qualifications and ability shall be made by the Company and may be subject to the Grievance procedure.

15.05 At any time within three (3) months after a transfer, the supervisor accepting the employee on transfer may advise the Personnel Officer that he deems the said employee unsuitable; or within the same three-month period the said employee may request to be returned to his former place. The Personnel Officer shall then return the said employee to his former place or shall arrange a new transfer for him.

15.06 (a) As soon as the vacancy is filled, the Company will advise employees concerned by placing notification on Bulletin Boards of the name of the successful applicant for the job posting.

(b) If the vacancy is not filled within nine (9) months, the vacancy will be reposted. Applicants who were interviewed for the previous posting and determined to be lacking in skills, experience or suitability may resubmit a transfer application provided they supply evidence that they have attained the skills, experience or suitability for the vacancy since the original interview.

ARTICLE 16.00 PROMOTIONS

16.01 Without prejudice to the right reserved in Article 3.00 hereof, the Company shall take seniority into consideration when making promotions and where, in the Company's opinion, essential qualifications are equal, seniority shall be the determining factor.

ARTICLE 17.00 POSTING NOTICES

17.01 The Lodge may post notices approved by the Company at specified places on the Company's premises.

ARTICLE 18.00 HOURS OF WORK

18.01 The standard hours of work and shift arrangement shall be as provided hereby; any hours of work or shift arrangement not hereby provided shall be as agreed by the parties hereto.

18.02 (a) The standard daily hours of work on either the day shift or the afternoon shift shall be herein referred to as 'staff hours', or eight (8) hours. The work week shall normally be five (5) days each week from Monday to Friday inclusive.

(b) The standard daily hours of work on each of three (3) alternating shifts, shall be eight (8) hours not including a lunch period. The work week shall normally be five (5) days each week from Monday to Friday inclusive; the standard workweek shall accordingly be forty (40) hours.

(c) Two (2) alternating shifts, the first of eight (8) hours, not including a lunch period, worked five (5) days each week from Monday to Friday inclusive, the second of ten (10) hours not including a lunch period worked four (4) days each week Monday to Thursday inclusive (4:15 p.m. to 2:45 a.m.).

Note: Holiday observed on Friday - 30 hours worked Monday, Tuesday and Wednesday. Holidays observed on a Monday - 30 hours worked Tuesday, Wednesday and Thursday.

18.03 (a) Where there are two (2) shifts they shall alternate every two (2) weeks. Employees working on the afternoon shift shall be paid the shift premium provided by Section 23.01 hereof for a second shift.

(b) Where there are three (3) shifts they shall alternate every two (2) weeks. Employees working on the night shift shall be paid the shift premium provided by Section 23.01 hereof for a third shift.

18.04 Starting and stopping times shall be as provided hereunder:

STARTING AND STOPPING TIMES

	DAYS	
	START	QUIT
Staff Hours	7:45 a.m.	4:15 p.m.
	NIGHTS	
	START	QUIT
Reference: Sub-Section 18.02(a) & 18.03(a).....	4:15 p.m.	12:45 a.m.
Reference: Sub-Section 18.02(c).....	4:15 p.m.	2:45 a.m.

THREE-SHIFT ARRANGEMENT

	DAYS	
	START	QUIT
Reference: Sub-Section 18.02(b).....	7:45 p.m.	3:45 a.m.
Days.....	3:45 p.m.	11:45 a.m.
Nights.....	11:45 p.m.	7:45 a.m.

* Monday's night shift will start at 11.45 p.m. on Sunday and similarly each day of the week, Monday to Friday.

18.05 DELETED.

18.06 Any change from one standard hour or shift arrangement to another shall be after discussion with the Lodge and with reasonable notice to the employees affected.

18.07 The Company shall consult with the Lodge before changing starting and stopping times.

18.08 If recommended by the Company Doctor or deemed necessary by the Company Nurse, a rest period will be permitted for employees covered under this agreement.

18.09 At the discretion of the Company, deduction may be made from an employee's salary for time lost by unpunctual attendance.

18.10 Company shall recognize two 10 minute break periods each day to be taken at a time specified by the Company.

18.11 At its discretion, the Company may change starting and stopping times by not more than one hour from the normal times provided by Section 18.04 hereof provided that the duration of any shift shall not be other than that provided by Section 18.02 hereof and further provided that at least one (1) week in advance of any such change the Company shall notify the Union and the employees affected.

ARTICLE 19.00 OVERTIME

19.01 Deleted.

19.02 For authorized overtime following his regular daily hours of eight (8) hours per day. An employee shall be paid by the hour at one and one-half (1-1/2) the hourly equivalent of weekly salary for four (4) hours of overtime or less and at twice the said hourly equivalent after four (4) hours until there is a break of at least eight (8) consecutive hours.

Authorized absence with pay shall be regarded as time worked, but time lost due to lateness or other absence shall not be so regarded in computing overtime.

19.03 Authorized work on Saturdays shall be paid for by the hour at one and one-half (1-1/2) times the hourly equivalent of the rate of weekly salary for the eight (8) hours, and at double time thereafter until there is a break of at least eight (8) hours. Authorized work on Sundays and on the Holidays observed by the Company provided by Article 21.00 hereof, shall be paid for by the hour at double time the hourly equivalent of weekly salary.

19.04 An employee who is authorized to work on Saturday, Sunday or a Holiday, or who is called in to work overtime shall receive a minimum of four (4) hours pay at the appropriate rate as provided by this Article 19.00.

19.05 Overtime will be paid for all hours worked in excess of the normal forty (40) hour workweek. For the purpose of payroll calculation, overtime hours will be adjusted at the ratio of one (1) hour

of overtime pay for one (1) hour of regular pay or part thereof, for all regular hours not worked within the same payroll reporting period. All overtime hours worked at the rate of one and one-half (1-1/2) times the hourly equivalent of weekly salary will be adjusted prior to any adjustment of overtime hours worked at the rate of two (2) times the hourly equivalent of weekly salary within the same payroll reporting period.

19.06 Employees shall be afforded the opportunity to make up any shortfall in regular hours below the normal forty (40) hour workweek subject to the provisions of Letter of Understanding No. 2, prior to any such overtime adjustments.

19.07 The Company agrees to administer, whenever possible, fair and equitable distribution of overtime within the specific cell or department where the overtime is required.

ARTICLE 21.00 HOLIDAYS

The following shall be Holidays with Pay:

Holidays falling on a Saturday or Sunday and floating holidays not designated as statutory holidays will be observed on days mutually agreed to by Lodge 717T, Lodge 1922 and the Company.

	2008	2009	2010	2011	2012
New Year's Day	N/A	Thurs. Jan. 1 Fri. Jan. 2	Fri. Jan. 1	Mon. Jan. 3	Mon. Jan. 2
Family Day	N/A	N/A	N/A	Mon. Feb. 21	Mon. Feb. 20
Good Friday	N/A	Fri. April 10	Fri. April 2	Fri. Apr. 22	Fri. Apr. 6
Victoria Day	N/A	Mon. May 18	Mon. May 24	Mon. May 23	Mon. May 21
Canada Day	N/A	Fri. July 3	Fri. July 2	Fri. July 1	Mon. July 2
Civic Holiday	N/A	Mon. Aug. 3	Mon. Aug. 2	Mon. Aug. 1	Mon. Aug. 6
Labour Day		Mon. Sept. 7	Mon. Sept. 6	Mon. Sept. 5	Mon. Sept. 3
Thanksgiving		Mon. Oct. 12	Mon. Oct. 11	Mon. Oct. 10	Mon. Oct. 8
Christmas	Wed. Dec. 24	Thurs. Dec. 24	Fri. Dec. 24	Fri. Dec. 23	Mon. Dec. 24
	Thurs. Dec. 25	Fri. Dec. 25	Mon. Dec. 27	Mon. Dec. 26	Tues. Dec. 25
	Fri. Dec. 26	Mon. Dec. 28	Tues. Dec. 28	Tues. Dec. 27	Wed. Dec. 26
	Mon. Dec. 29	Tues. Dec. 29	Wed. Dec. 29	Wed. Dec. 28	Thurs. Dec. 27
	Tues. Dec. 30	Wed. Dec. 30	Thurs. Dec. 30	Thurs. Dec. 29	Fri. Dec. 28
	Wed. Dec. 31	Thurs. Dec. 31	Fri. Dec. 31	Fri. Dec. 30	Mon. Dec. 31

arrangements, the allowance shall be increased by two (2) days in accordance with the conditions of Article 23.02 (a) herein.

(c) In the event of a bereavement for a spouse the employee shall be allowed five (5) working days off with pay.

(d) A claim for bereavement allowance must be presented within two (2) weeks of return to work following the bereavement.

23.03 Safety Shoes - The wearing of safety footwear that meets CSA approval shall be mandatory and a condition of employment when attending the shop floor areas. The Company will contribute \$90.00 per year to be paid in January each year, for the purchase of CSA safety footwear.

23.04 The working conditions and other arrangements in respect of employees working for the Company at places other than the Company's Plant in Mississauga necessitating their living away from home and/or significantly affecting their normal travel arrangements shall be mutually agreed by the parties hereto.

Employees required to travel on Company business shall, while travelling to and from their temporary place of duty, be paid their regular rates of straight time up to a maximum of sixteen (16) hours in any twenty-four (24) hour period for time spent in travelling. Such time spent while travelling shall not be taken into consideration when computing overtime.

23.05 Group Leaders

A Group Leader shall be paid the rate of \$15.00 per day for all days worked. For the purpose of computing overtime the hourly rate of \$1.90 per hour will be used. Job descriptions for each newly designated Group Leader shall be agreed upon pursuant to Article 30.00.

ARTICLE 24.00 PAYMENT OF SALARY

24.01 Salaries of employees shall be paid every seven (7) days. All employees will be paid via direct deposit. The statement of total earnings and deductions for the pay period will be an electronic statement commencing January 1st 2009.

ARTICLE 25.00 ANNUAL VACATION

25.01 Vacation premiums will be reduced by (1.5) one and one half days for each calendar year until said premiums have been reduced to zero.

(a) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company or its predecessors for thirty-two (32) years or more shall receive six (6)

weeks vacation with pay equal to (2009 32.5 days pay, 2010 31 days pay, 2011 30 days pay), at the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th.

(b) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company or its predecessors for thirty (30) years or more, shall receive five (5) weeks vacation, with pay equal to (2009 32.5 days pay, 2010 31 days pay, 2011 29.5 days pay, 2012 28 days pay, 2013 26.5 days pay, 2014 25 days pay), at the highest rate of regular salary he received during the immediate preceding six (6) months, January 1st to June 30th.

(c) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company or its predecessors for twenty-five (25) years or more shall receive five (5) weeks vacation with pay equal to (2009 29.5 days pay, 2010 28 days pay, 2011 26.5 days pay, 2012 25 days pay), at the highest rate of regular salary he received during the immediate preceding six (6) months, January 1st to June 30th.

(d) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company and its predecessors for twenty (20) years or more shall receive five (5) weeks vacation with pay equal to (2009 28.5 days pay, 2010 27 days pay, 2011 25.5 days pay, 2012 25 days pay), at the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th.

(e) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company and its predecessors for fifteen (15) years or more shall receive four (4) weeks vacation with pay equal to (2009 20.75 days pay, 2010 20 days pay), at the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th.

(f) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company and its predecessors for ten (10) years or more shall receive four (4) weeks vacation with pay equal to (2009 20 days pay) at the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th.

(g) An employee who at June 30th is a salaried employee and who has been in the continuous employ of the Company and its predecessors for five (5) years or more shall receive three (3) weeks vacation with pay equal to (2009 15.75 days pay, 2010 15 days pay), at

the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th.

(h) An employee who at June 30th is a salaried employee in the employ of the Company and who has been in continuous employ of the Company and its predecessors as such for three (3) years or more, but with less than five (5) years continuous service, shall be given three (3) weeks vacation with pay equal to (2009 15 days pay) at the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th.

(i) An employee who at June 30th is a salaried employee in the employ of the Company and who has been in continuous employ of the Company and its predecessors as such for one (1) year or more, but with less than three (3) years continuous service, shall be given two (2) weeks vacation with ten (10) days pay at the highest rate of regular salary he received during the immediately preceding six (6) months, January 1st to June 30th, or four per cent (4%) of earnings calculated in accordance with Ontario Statutes, whichever shall be the greater.

25.02 Employees who at June 30th are salaried employees in the employ of the Company, and who have been in the employ of the Company and its predecessors as such for less than one (1) year, shall be given for each full calendar month of employment one (1) days vacation with pay, but not exceeding two (2) work weeks.

25.03 An employee who is in the employ of the Company at June 30th with less than three (3) years service, and has been transferred during the preceding year from the salaried staff to the hourly rate or from the hourly rate to the salaried staff shall receive as vacation pay for the period in which he was on the salaried staff four percent (4%) of his total earnings in that period.

25.04 If the Plant is shut down for holiday purposes, salaried employees may be subject to lay-off for the duration of the shutdown. This lay-off shall be without remuneration other than vacation pay as provided by this Article 25.00.

Vacation entitlement in excess of the plant shutdown period shall be scheduled by mutual agreement within the vacation year but the Company under exceptional circumstances shall have the right to request an employee who is entitled to four (4) weeks vacation or more to forego one (1) week of vacation and be paid their regular salary in lieu thereof or to request an employee to take one such week of vacation at a time mutually agreeable to the employee and the Company.

25.05 Any employee whose service with the Company terminates, shall receive in lieu of vacation pay, vacation credits to the amount of four percent (4%) of his total earnings in the current period; or six percent (6%) if he is entitled to three (3) weeks vacation subject to Sub-Section 25.01 (h) hereof; or six and one-half percent (6-1/2%) if he is entitled to three (3) weeks vacation pursuant to Sub-Section 25.01 (g); or seven and three quarters percent (7-3/4%) if he is entitled to four (4) weeks vacation pursuant to Sub-Section 25.01 (f) hereof; or eight and one-half percent (8-1/2%) if he is entitled to four (4) weeks vacation pursuant to Sub-Section 25.01 (e) hereof; or eleven and one-half percent (11 1/2%) if he is entitled to five (5) weeks vacation pursuant to Sub-Section 25.01 (d) hereof; or twelve percent (12%) if he is entitled to five (5) weeks vacation pursuant to Sub-Section 25.01 (c) hereof; or thirteen percent (13%) if he is entitled to five (5) or six (6) weeks vacation pursuant to Sub-Section 25.01 (a) and (b) hereof.

25.06 The Company shall announce its vacation program not later than May 15th each year. Vacation blocks of less than one (1) week may be taken at a time mutually agreed upon by the employee and the Company. Vacation cannot be borrowed from a subsequent years' entitlement unless mutually agreed.

25.07 Annual Vacation entitlements will be administered as follows:

1. Vacation entitlements earned as of June 30, shall be taken over the succeeding twelve (12) month period.
2. Vacation will normally be taken in blocks of weekly periods.
3. Vacation pay will be paid by direct deposit for the pay period in which the vacation is taken. All vacation time shall be scheduled.
4. Vacation pay earned over and above earned vacation days will be prorated for blocks of vacation taken.

ARTICLE 26.00 GROUP INSURANCE

26.01 (a) The Company will provide and bear the entire cost of:

- (i) Life Insurance (Appendix 5)
- (ii) Accidental Death & Disability Insurance (Appendix 4 - Section IV).
- (iii) Weekly Indemnity for Non-Occupational accidents and sickness (Appendix 4 - Section III and VIII).
- (iv) Long Term Disability Insurance (Appendix 7).

(v) Hospital and Nursing Expense Insurance (Appendix 4 - Section VI).

(vi) Drug expenses (Appendix 4 - Section VII).

(vii) Employee Assistance Program "EAP" (effective January 1, 2009)

(b) The Company agrees to bear the entire cost of the basic coverage provided by the Ontario Health Insurance Plan (OHIP) or the Employers Health Tax.

In the event that either OHIP or the Employers Health Tax is discontinued and not replaced by another equivalent government sponsored plan the Company agrees to continue to contribute a premium amount equivalent to the OHIP premium or tax at the time of discontinuance to an appropriate Health and Welfare Plan.

26.02 Group Insurance coverage for an employee and their eligible dependents shall commence as soon as they have completed the probationary period as set out in Article 10.00. Group Insurance coverage for an employee and their eligible dependents shall terminate on the last day of the calendar month during which they last earned salary, except that insurance coverage for an employee:

(a) who is laid off pursuant to Article 12.00 hereof, shall terminate immediately after thirty-one (31) calendar days have lapsed from the date of their separation from employment by lay-off or from the last day for which they were paid in lieu of notice by lay-off, or

(b) in the event of their death, shall terminate immediately after thirty-one (31) calendar days have elapsed from the date of their death.

26.03 The Life Insurance benefits, payable to bargaining unit employees upon their death are as defined in Appendix 5.

26.04 DENTAL CARE COVERED EXPENSES

The Company will provide and bear the cost of benefits in accordance with the Great West Life Standard Dental Policy. The provisions provided under Blue Cross #2 will still be in effect. Dental care includes 100% of the charges for reasonable treatment up to the amounts shown in your plan's Dental Schedule. Employees are advised to obtain a predetermination from their Dentist prior to commencing any work involving Endodontic or Periodontic treatment.

Dental Schedule refers to the Ontario Dental Association (ODA) Fee Guide.

January 1, 2009 - 2008 ODA Fee Guide
January 1, 2010 - 2009 ODA Fee Guide
January 1, 2011 - 2010 ODA Fee Guide
January 1, 2012 - 2011 ODA Fee Guide
January 1, 2013 - 2012 ODA Fee Guide
January 1, 2014 - 2013 ODA Fee Guide

REASONABLE TREATMENT

Treatment is considered reasonable if it is:

- 1) recognized by the Canadian Dental Association
- 2) proven to be effective
- 3) performed by a dentist or under a dentist's supervision, or performed by a denturist and;
- 4) of a form, frequency, and duration essential to management of the person and dental health

The following procedures or treatments are applicable to bargaining unit employees:

BASIC COVERAGE:

Maximum of \$2,500.00 yearly per eligible family member for minor and major dental care as per the plan text. Orthodontic Coverage is a separate BENEFIT from Basic Coverage.

Effective January 1, 2003, maximum cap of \$1,000.00 yearly, for eligible family members and employees with less than two (2) years employment with the Company.

MAJOR DENTAL: 50% - 50% (of eligible expense) on major dental (crowns and caps).

Endodontic Services: 100% coverage on root canal.

DIAGNOSTIC SERVICES

Examinations including:

- Limited oral examinations once every nine months.
- One complete oral examination every three years.
- Oral pathology, periodontal, surgical, prothodontic and endodontic examinations.
- Panoramic x-rays, and intra-oral x-rays every three years limited to one complete series of intra-oral x-rays and 15 films of intra-oral x-rays.
- Extra-oral and slalography x-rays
- Tests and Laboratory reports including microbiological, historical, cytological, and pulp vitality tests.

PREVENTATIVE SERVICES

The following Preventative Services are covered:

- Prophylaxis (cleaning) scaling, limited to a maximum combined with periodontal root planing of six (6) time units every nine months.
- Topical application of fluoride once every nine months.
- Pit and tissue sealants on bicuspid and permanent molars every five years.
- Space maintainers for missing central and lateral teeth.
- Appliances for control of harmful habits.
- Finishing restorations, interproximal diskling and recontouring of teeth.

MINOR RESTORATIVE SERVICES

- Caries, trauma and pain control.
- Amalgam and tooth-coloured fillings. Replacement fillings are covered only if the existing filling is at least two years old, or the existing filling was not covered under this plan.
- Retentive pins and prefabricated posts for fillings.
- Prefabricated crowns for primary teeth.

ENDODONTIC SERVICES

Endodontists specialize in root canal treatment and other procedures involving the tooth pulp. Root canal treatment involves removing the pulp and cleaning, sterilizing, filling and sealing the root canals. Your coverage for endodontic service include:

- Treatment of pulp chamber.
- Root canal therapy for permanent teeth, limited to one course of treatment per tooth. Repeat treatment is covered only if the original therapy fails after the first eighteen months.
- Apexification and periapical services.

PERIODONTIC SERVICES

Periodontists specialize in the diagnosis, treatment and prevention of gum disease, the placement of implants and the treatment of certain jaw problems, most notably temporo-mandibular joint disorders. Coverage for periodontic services include:

- Scaling and root planing limited to a combined maximum of six (6) time units every nine months.
- Periodontal surgery.
- Occlusal adjustments and equilibration limited to a combined maximum of 4 time units a year.

No benefits will be paid for:

- Desensitization
- Topical application of antimicrobial agents
- Sub-gingival periodontal irrigation
- Charges for post surgical treatment
- Periodontal re-evaluations

DENTURE MAINTENANCE

- Denture relines for dentures at least 6 months old, once every three years.
- The 6-month restriction is waived if a separate charge is made for relines in connection with immediate dentures.
- Denture re-bases for dentures at least 2 years old, once every three years.
- Resilient liner in relined or re-based dentures after the three month post insertion care period has elapsed, once every three years.

ORAL SURGERY

- Extractions, minor alveoplasty, gingivoplasty and stomatoplasty.
- Treatment of fractures and maxillofacial deformities.
- Surgical incisions and excisions.

No benefits will be paid for:

- Implantology
- Surgical movement of teeth
- Services performed to remodel or re-contour tissues other than those listed above. Services for re-modeling and re-contouring oral tissues are covered under major coverage.
- Alveoloplasty or gingivoplasty performed in conjunction with extractions.
- Hypnosis or acupuncture.

ADJUNCTIVE SERVICE

- Minor remedies for relief of dental pain when provided on an emergency basis.
- Therapeutic injections.
- Anesthesia required in relation to covered services. The provision of general anesthetic facilities, equipment, and supplies is covered only when a separate anesthetist is required.
- No benefits will be paid for hypnosis or acupuncture.

ORTHODONTIC COVERAGE

Effective upon ratification orthodontics are covered for children 6 to 18 years of age when treatment starts. Age limit is extended to 22 years

old for children in school. This benefit requires an election by the employee.

Diagnostic Services

- **Diagnostic Services**

The following diagnostic services are covered:

- 1) orthodontic examinations
- 2) cephalometric radiographs
- 3) hand and wrist radiographs
- 4) orthodontic diagnostic casts

- **Treatment**

Fixed and removable appliances for orthodontic treatment are covered. This includes related charges for observations, adjustments, repairs, alterations, removal, and retention.

- **Benefit Maximum**

The maximum amount payable for orthodontics is \$1,500.00 in a person's lifetime.

- **Limitations**

No benefits will be paid for expenses covered under another group plan's extension of benefits.

- **Costs**

50% of rate paid by Company

50% of rate paid by employee

January 1, 2003 rate is \$5.49/month for family (Rate reviewed annually)

26.05 Prosthetic Appliance and Durable Medical Equipment Plan and Hearing Aid Expense Benefit Plan. The Company will provide and bear the cost of premiums to cover a Prosthetic Appliance and Durable Medical Equipment Plan and a Hearing Aid Expense Benefit Plan (Blue Cross or alternative insurer).

Coverage for benefits provided in 26.04 and 26.05 herein shall commence on the first day of the calendar month following completion of one months service or the first day of the calendar month following recall, and shall cease on the last day of the month in which an employee's service terminates.

26.06 In the event that Provincial Legislation amends negotiated coverage(s), the Company and the Union agree the specific item(s) be subject to immediate negotiation for the specific purpose of determining equitable distribution of premiums, should premiums be embodied into tax structure, and in the event mutual agreement is not arrived at, either party may apply for arbitration as provided for in the Collective Agreement.

26.07 Services of an acupuncturist, physiotherapist, chiropractor or massage therapist up to a maximum of \$300.00 for each practitioner in any calendar year.

26.08 VISION CARE

- Towards the purchase of Eyeglasses or Contact Lenses (every 24 months)
 - January 1, 2009 \$150.00 to \$170.00
 - January 1, 2010 \$170.00 to \$190.00
 - January 1, 2011 \$190.00 to \$210.00
 - January 1, 2012 \$210.00 to \$230.00
 - January 1, 2013 \$230.00 to \$250.00
- Towards one eye examination (max. \$90.00 every 24 months).

NOTE:

- Children between the ages of 6-15 years old will be entitled to the above vision-care benefit(s) every 12 months.
- Prior to the age of 6 (six) and after the child's 15th (fifteenth) birthday they will be entitled to regular vision-care benefit.

Cost sharing of 50% between Company and Employee - January 1, 2009, rates - Single \$1.25/month - Family \$3.50/month.

January 1, 2010 - Single \$1.38/month - Family \$3.85/month.

January 1, 2011 - Single \$1.51/month - Family \$4.24/month.

January 1, 2012 - Single \$1.66/month - Family \$4.66/month.

January 1, 2013 - Single \$1.83/month - Family \$5.12/month.

January 1, 2014 - Single \$2.01/month - Family \$5.64/month.

Please Note: No benefits will be paid under this plan for treatment by a paramedical practitioner for which the provincial medical plan of your home province covers a portion of the charge until after the provincial health plan has paid out its maximum benefit.

ARTICLE 27.00 CLASSIFICATION OF EMPLOYEES

27.01 Every employee covered by this Agreement shall be classified under a Job Title and Job Description appropriate to the occupation in which he is normally and regularly employed. The classification in which employees may be classified are those listed by Job Title and Salary Group in Schedule II (a) or (c) annexed hereto and as from time to time amended as this Agreement provides or otherwise by agreement of the parties hereto.

ARTICLE 28.00 SALARY GROUPS, SALARY RATES AND RANGES

28.01 Each classification in which employees may be classified pursuant to Article 27.00 hereof, shall be placed in one (1) of twelve

(12) Salary Groups, herein also referred to as Job Levels, for which the range of rates of weekly salary and the job rate for the standard week of forty (40) hours provided by Article 18.00 hereof, shall be as follows:

Job Level	Current Rate	Dec. 6/08 0.50%	June 6/09 0.50%	Dec. 5/09 0.75%	June 5/10 0.75%	Dec. 4/10 0.75%
1	\$720.50	\$724.10	\$727.72	\$733.18	\$738.68	\$744.22
2	\$753.22	\$756.99	\$760.77	\$766.48	\$772.23	\$778.02
3	\$806.74	\$810.77	\$814.83	\$820.94	\$827.10	\$833.30
4	\$837.24	\$841.43	\$845.63	\$851.98	\$858.37	\$864.80
5	\$858.97	\$863.26	\$867.58	\$874.09	\$880.64	\$887.25
6	\$904.20	\$908.72	\$913.26	\$920.11	\$927.01	\$933.97
7	\$952.54	\$957.30	\$962.09	\$969.30	\$976.57	\$983.90
8	\$982.07	\$986.98	\$991.92	\$999.35	\$1,006.85	\$1,014.40
9	\$1,015.14	\$1,020.22	\$1,025.32	\$1,033.01	\$1,040.75	\$1,048.56
10	\$1,062.48	\$1,067.79	\$1,073.13	\$1,081.18	\$1,089.29	\$1,097.46
11	\$1,120.53	\$1,126.13	\$1,131.76	\$1,140.25	\$1,148.80	\$1,157.42
12	\$1,142.22	\$1,147.93	\$1,153.67	\$1,162.32	\$1,171.04	\$1,179.82

Job Level	June 4/11 0.75%	Dec. 3/11 0.75%	June 9/12 0.75%	Dec. 8/12 1.00%	June 8/13 1.00%	Dec. 7/13 1.00%	June 7/14 1.00%
1	\$749.80	\$755.43	\$761.09	\$768.70	\$776.39	\$784.15	\$791.99
2	\$783.85	\$789.73	\$795.65	\$803.61	\$811.65	\$819.76	\$827.96
3	\$839.55	\$845.85	\$852.19	\$860.71	\$869.32	\$878.01	\$886.79
4	\$871.29	\$877.82	\$884.41	\$893.25	\$902.18	\$911.21	\$920.32
5	\$893.90	\$900.61	\$907.36	\$916.44	\$925.60	\$934.86	\$944.20
6	\$940.97	\$948.03	\$955.14	\$964.69	\$974.34	\$984.08	\$993.92
7	\$991.28	\$998.71	\$1,006.20	\$1,016.27	\$1,026.43	\$1,036.69	\$1,047.06
8	\$1,022.01	\$1,029.67	\$1,037.40	\$1,047.77	\$1,058.25	\$1,068.83	\$1,079.52
9	\$1,056.42	\$1,064.35	\$1,072.33	\$1,083.05	\$1,093.88	\$1,104.82	\$1,115.87
10	\$1,105.69	\$1,113.98	\$1,122.34	\$1,133.56	\$1,144.90	\$1,156.34	\$1,167.91
11	\$1,166.10	\$1,174.85	\$1,183.66	\$1,195.49	\$1,207.45	\$1,219.52	\$1,231.72
12	\$1,188.67	\$1,197.59	\$1,206.57	\$1,218.63	\$1,230.82	\$1,243.13	\$1,255.56

Note: When applying the salary increases shown above; the increase may vary by (+ or - \$0.01) because of the rounding computation used in the Human Resources Information System.

28.02 Deleted.

ARTICLE 29.00 APPLICATION OF RATES

29.01 Notwithstanding the provisions of this Article 29.00, a probationary employee, transferred employee or a reclassified employee may be paid up to the maximum salary for their classification. Should the Company not be able to attract sufficient qualified candidates at the entry level rate as set out in this Article, due regard shall be given to an employee's experience, qualifications and ability and when determining their starting rate.

29.02 Deleted.

29.03 Notwithstanding Article 28.00, and the provisions of Article 30.00 and Section 29.01 herein, the wage of a probationary, transferred or reclassified employee hired after the date of ratification will be determined in accordance with the following progression:

Wage for the first 6 months working in the classification - 70% of the maximum rate for the Job Level

- After 6 months working in the classification - 75% of the maximum rate for the Job Level
- After 12 months working in the classification - 77% of the maximum rate for the Job Level
- After 18 months working in the classification - 79% of the maximum rate for the Job Level
- After 24 months working in the classification - 83% of the maximum rate for the Job Level
- After 30 months working in the classification - 87% of the maximum rate for the Job Level
- After 36 months working in the classification - 93% of the maximum rate for the Job Level
- After 42 months working in the classification - 100% of the maximum rate for the Job Level

29.04 The two (2) employees identified during the 2008 negotiations will receive the highest pay rate for their classification upon ratification of this collective agreement.

ARTICLE 30.00 REVISIONS AND NEW CLASSIFICATIONS

30.01 To provide for the introduction of new work or where there has been substantial change in the work assignments of an existing classification, the Company may revise an existing job description or create a new classification under a new Job title and Job Description

and place it in an appropriate Job Level, and shall notify the Lodge accordingly. It shall be open to the Lodge by written notice to the Company to dispute that there is new work, or that there is a substantial change. As well, the Lodge may assert in writing that the new or changed work could have been assigned under the terms of an existing job description or that the new or revised classification should be placed in a different job level. Pending settlement of any disagreement relating thereto, the Company may classify or continue to classify employees under the existing classification or the new or revised classification, as the case may be. A new or revised Job Title, Job Description and Job Level shall be deemed to be agreed if the Lodge has not signified its disagreement in writing within fifteen (15) working days after notification to the Lodge of the first classification of an employee thereunder.

30.02 If the Office Committee and the Company have not agreed within fifteen (15) working days after the Lodge has served notice pursuant to Section 30.01 hereof the Lodge shall have the right to notify the Company of its intent to refer the matter to an Arbitrator, which shall have power, upon representation of the parties, to decide the matters hereinafter enumerated:

(a) whether there has been substantial change, or new work introduced,

(b) which, if any, of the classifications referred to the Arbitrator are reasonably appropriate to the work in question.

(c) in which job level a new or revised classification which is reasonably appropriate to the work should be placed, on the basis of the relationship the disputed work bears to the work of other classifications listed in Schedule II (a) annexed hereto.

30.03 In considering matters arising under Sub-Section 30.02 (b), the Arbitrator shall have regard to the following definition:

"A reasonably appropriate classification is one involving a degree of difficulty consistent with the work in question and which requires the same kind of experience for the satisfactory performance of the work."

30.04 The written decision of the Arbitrator shall be binding upon the parties and upon all persons affected, for the life of the Collective Agreement.

30.05 The salary group in which a classification is placed pursuant to Article 28.00 hereof, shall not be lower after revision pursuant to this Article 30.00 than it was before revision.

30.06 By reason solely of the application of this Article 30.00 no employee's salary rate shall be reduced nor shall he be placed in a lower-rated classification.

30.07 Any change in salary resulting from any agreement or decision arrived at under the provisions of this Article 30.00 shall be effective from the date of written notice given by either party pursuant to Section 30.01 hereof.

ARTICLE 31.00 COST-OF-LIVING BONUS

Effective December 3, 2005 through to and including December 3, 2006

- ◆ Cost-of-living bonus is frozen
- ◆ Accrual stops

Effective December 4, 2006

- ◆ Cost-of-living bonus is re-instated
- ◆ Accrual starts

Note: All future cost-of-living bonus payments for the life of this agreement will be re-directed by the Company for each employee covered by this Collective Agreement as employer contributions to the I.A.M. Pension Fund, and shall be additional to the amount stated in Article 34.02(a)(i). The Company shall post the total accrued I.A.M. Pension Fund contribution rate quarterly.

Effective December 6, 2008 COLA to be frozen for duration of the Agreement.

31.01 (a) With effect from the Saturday following publication of Consumer Price Indices for Canada published by Statistics Canada in the month of December 2006, every employee shall be paid a cost-of-living bonus at the rate of \$.08 per day for each full .0747 points (1992 = 100) by which the said Index (or the precise equivalent thereof) exceeds the Consumer Price Indices published in the month of December 2006, and which shall be paid in March 2007.

(b) Review of the cost-of-living bonus established in December 2006 shall be made on a quarterly basis from March 2007 to December 2008, inclusive, and any adjustment, which may be either upward or downward shall be made effective quarterly on the Saturday following publication of the Consumer Price Indices for Canada by Statistics Canada at the rate of \$.08 per day for each full .0747 points (1992 = 100) changes in the Index.

(c) Entitlement shall be as follows: The cost-of-living bonus established in December 2006 shall be paid in March 2007 and quarterly thereafter, with a final adjustment in December 2008.

ARTICLE 32.00 SUPPLEMENTS AND SCHEDULES

32.01 Annexed to and part of this Agreement are the following:

- APPENDIX 1 LAY-OFF CREDIT PLAN
- APPENDIX 2 GLOSSARY OF TERMS
- APPENDIX 3 ADDICTION
- APPENDIX 4 GROUP INSURANCE
- APPENDIX 5 LIFE INSURANCE
- APPENDIX 6 TECHNOLOGICAL CHANGE
- APPENDIX 7 LONG TERM DISABILITY INSURANCE
- APPENDIX 8 COORDINATION OF BENEFITS
- APPENDIX 9 EMPLOYEE ACCOMMODATION
- APPENDIX 10 JOINT EDUCATION AND TRAINING COMMITTEE
- SCHEDULE II (a) SCHEDULE OF CLASSIFICATIONS
(b) SCHEDULE OF OCCUPATIONAL GROUPS
(c) SCHEDULE OF HISTORICAL UNPOPULATED CLASSIFICATION
- SCHEDULE III TEMPORARY ASSIGNMENT PROGRAM
- SCHEDULE IV SPECIAL LAY-OFF & RECALL
- SCHEDULE V FLEXIBLE WORKING HOURS

LETTERS OF UNDERSTANDING:

- #1 REVISIONS AND NEW CLASSIFICATIONS
- #2 MAKING UP OF LOST TIME
- #3 SCHEDULE OF HISTORICAL UNPOPULATED CLASSIFICATIONS
- #4 NEW SECOND SHIFT
- #5 PURCHASING AGENT

LETTERS OF INTENT:

- #1 - VOLUNTARY EXIT PLAN
- #2 - JOB CLASSIFICATIONS

ARTICLE 33.00 RETIREMENT

33.01 Any employee covered by this Agreement who voluntarily elects to retire will do so, by submitting a letter of resignation to both the Human Resources department and the Office Committee Chair no less than 30 days prior to their retirement date.

ARTICLE 34.00 RETIREMENT BENEFIT

34.01 A paid up Life Insurance Policy in the amount of \$1,500.00 shall be issued to an employee retiring and having reached age (sixty) 60 and having completed twenty (20) years of service.

34.02 I.A.M. Labour-Management Pension Fund (Canada)

(a) Commencing with the 3rd day of January 1981, and for the duration of this Collective Agreement, the Company agrees to make payments to the I.A.M. Labour-Management Pension Fund (Canada) for each employee performing work in a job classification covered by this Collective Agreement as follows:

(i) For each day or portion thereof, for which an employee receives pay, effective Saturday, November 29, 2008. \$32.16 per day and effective Saturday, December 7th, 2013 \$32.50 per day (maximum 5 days per week).

(ii) For the purpose of Article 34.00, each day or portion thereof paid for, as well as days of paid vacation, paid holidays and other days for which pay is received by the employee, in accordance with the Collective Agreement, shall be counted as days for which contributions are payable.

(iii) Contributions for a new, temporary, probationary, part-time and full-time employee are payable from the first day of employment. New employees will be entitled to pension after one year of active service

(iv) Effective January 1, 1992, for employees who are on weekly indemnity for part of a year, the Company will contribute to the above named Pension Fund the shortfall of Company contributions up to a yearly maximum of 1800 hours.

(b) The Company and Union further agree to the following:

(i) The payments to the Pension Fund shall be made to the I.A.M. Labour-Management Pension Fund (Canada) which was established in Canada under the Trust Agreement dated February 1, 1970 and has been signed by the Company and the Union.

(ii) The Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of the Pension Benefits Standards Act and the Income Tax Act so as to enable the Company at all times to treat contributions to Pension Fund as a deduction for Federal Income Tax purposes.

(iii) All contributions shall be made at such time and in such manner as the Trustees require; and the Trustees shall have the authority to have an Independent Certified Public Accountant audit the payroll and wage records of the company for the purpose of determining the accuracy of contributions to the Pension Fund.

(iv) If the Company shall fail to make its contributions to the Pension Fund by the twentieth (20th) day of the following month

and such default shall continue for thirty (30) working days, the Company shall be liable for all expenses incurred in enforcing payment of the contribution, including reasonable attorney's fees and arbitration fees, in addition to interest in an amount equal to one per cent (1%) of the unpaid contribution for each full calendar month the contribution remains unpaid.

(c) The parties further acknowledge that no other agreement between the Company and the Union regarding pensions or retirement is in effect or will be effective during the period covered by the said Collective Agreement without the written consent of the I.A.M. Labour-Management Pension Fund (Canada). Copies of any renewal or extension agreements will be promptly furnished to the Pension Fund Office, and if not consistent with this Agreement, can be used by the Trustees as the basis for termination of participation of the Company.

(d) This obligation to contribute covers the plant located at 3160 Derry Road, East, Mississauga, Ontario L4T 1A9.

ARTICLE 35.00 GENDER

35.01 Except in those Articles where gender is specific, reference to the male gender shall be interpreted to include the female gender.

ARTICLE 36.00 RENEWAL, AMENDMENT AND TERMINATION

36.01 This Agreement shall be in effect from December 6, 2008 to December 6, 2014 and thereafter shall continue from year to year after that date unless either party gives notice in writing to the other, of its intention to terminate the Agreement or to enter into negotiations for the purpose of amending the Agreement within a period of not less than sixty (60) days and not more than ninety (90) days prior to December 6, 2014, or any subsequent anniversary of that date.

36.02 If notice of intention to amend is given by either party in writing pursuant to the provisions of Section 36.01 hereof, negotiations in accordance with the provisions of Section 36.03 hereof, shall commence not later than ten (10) days after the date of such written notice and if such negotiations do not result in agreement prior to the date of termination of this Agreement, then this Agreement shall terminate, subject always to the right of the parties to extend the period of negotiations by mutual agreement.

36.03 If notice of intention to amend or terminate this Agreement is given pursuant to the provisions herein contained, negotiations with respect thereto shall be conducted with the Company by a Negotiating Committee for the Lodge pursuant to Section 7.09 of this Agreement.

APPENDIX 1

LAY-OFF CREDIT PLAN

(Reference Sub-Section 12.13 (a))

To Collective Agreement & Effective November 6th, 1976 & Subsequent Amendments

The Company shall retain a common fund for the lay-off Credit Plan which common fund shall be governed by a Trust Agreement.

The Fund, as it existed on November 6th, 1976, represents the full extent of the Company's liabilities in respect of the lay-off Credit Plan. Should the Fund at any time become deficient and if at the end of any week should the monies in the Fund not be sufficient to pay the claims outstanding at the end of the week, the claims shall be reduced pro-rata and the reduced benefits shall be the Company's full and only liability.

Statements reflecting the state of the Fund shall be issued each quarter after the statement for the period ending September 30th, 1968.

In the event that the Fund exceeds the previously agreed Level of the Fund (twenty-five per cent (25%) of Accrued Benefits) the Company shall be free to charge the cost of lay-off Benefits or Benefits other than those under the lay-off Credit Plan for employees under this Agreement, provided these other benefits are permitted by the Tax Department as a charge against the Fund. Furthermore, additional charges shall not be permitted to reduce the Fund below the level of the Fund (twenty-five per cent (25%) of Accrued Benefits).

"Accrued Benefits" means the total dollar credits earned and to which active and laid-off employees are eligible under the Plan.

APPENDIX 2

GLOSSARY OF TERMS USED IN JOB DESCRIPTIONS

(a) Words, terms and phrases must consistently bear the same meaning every time they are used in, or in reference to Job Descriptions. A Glossary of agreed definitions accompanies and is part of this Statement of Policy. Words not defined in the Glossary bear their means as in common usage, and in disputed meanings, Webster's New Collegiate Dictionary shall govern.

(b) Words, etc., for which special definitions are provided in the Glossary must never be used in any other sense.

(c) Revisions and additions to the Glossary will be mutually agreed both as to content and application.

ADAPTS – means to utilize for other purposes than originally intended.

AS REQUIRED – means performance of work operations if and when such are necessary as long as they are within the level of difficulty described.

ASSISTS (or HELPS) – means to help or aid other employees in the performance of certain work but not to exceed the level of difficulty set forth in the job description as per his classification. The assisting worker is not expected to work wholly independently, but rather co-operatively and, further, is entitled to and should receive the guidance and instruction considered usual and normal under such circumstances.

CAPACITY – as used with regard to the operation of machine tools and fabrication machines, means the full utilization of the particular category of tools and equipment specified in accordance with custom and current operating and maintenance practices throughout the plant. It is recognized that the above will not necessarily include every machining or fabrication operation for which any particular type of equipment was designed by the machine tool or fabrication machine manufacturer.

CHECK, CONTINUITY – means to check electrical circuits for the flow of electrical current or to check hydraulic or other pressure lines for flow and absence of leaks. Continuity checks are made without ships' power and are accomplished by means of visual check or standard techniques.

CHECK, FUNCTIONAL – means to determine or ascertain whether a unit of or portion of a system performs the function for which it is intended and whether rework or alteration is required.

CHECK, OPERATIONAL – means making a complete final check of an entire completed independent system or a major unit thereof to determine if it is operating properly. Examples include a complete electrical system, hydraulic system, surface control system or the engine controls. It implies as necessary a thorough knowledge of the shop theory involved.

CHECK, VISUAL – means detecting with the naked eye, or with such aids as mirrors, obvious defects and imperfections; its use implies sufficient knowledge and familiarity on the part of the worker to make the required identification. Such check would uncover incomplete assembly (missing parts or operations), visible surface cracks, badly driven rivets and similar conditions.

FOLLOW THROUGH MACHINING OPERATIONS – means the worker specifies the necessary machining operations on first-off parts and checks to see that they are being carried out correctly.

HAND TOOLS – includes those portable tools used by hand by the workman in the normal performance of duties and tasks of the occupation in which he works.

HOLDING FIXTURES – refers to tooling designed to hold the work so that machining, installations, assembly or layout operations are facilitated.

IMPROVISE – means to contrive or make use of makeshift tooling and/or methods to meet immediate needs or requirements.

INCIDENTAL TO THE WORK – means directly related to and essential to the assigned work but not involving a higher level of difficulty than is determined by the job description.

MAY – when used as the first word of a sentence or phrase means that the function is performed by some of the personnel holding the classification or that the function is occasionally performed.

PRODUCTION OR SHOP AIDS – are devices initiated and made by the worker to facilitate work operations, increase production or reduce elements of fatigue or strain. Such devices are usually simple but ingenious in nature.

RUNNING MAINTENANCE – means minor repairs and adjustments, which do not involve stripping the machine or shutting down for a long period; such as adjustment of points and clutches, replacement of belts, hoses, etc.

WHEN REQUIRED – means that the work operation, function or job duty is usually and normally performed after or as a direct result of an order or request from recognized supervisory personnel and/or means that it is required infrequently or when exceptional circumstances exist.

ORAL INSTRUCTIONS – means job direction given by the spoken word as distinct from written direction.

APPENDIX 3

ADDICTION

Both parties to this Agreement recognize addiction to a chemical as a treatable illness and do therefore agree to co-operate to the fullest extent of their ability to direct and counsel afflicted individuals towards a successful treatment and rehabilitation program.

APPENDIX 4

GROUP INSURANCE

TERMS AND CONDITIONS OF THE GROUP COVERAGE

Section I – ELIGIBILITY OF EMPLOYEES

Employees covered by this Collective Agreement are eligible after completion of the probationary period as defined in Article 10.00.

An employee whose service and insurance terminate by reason of lay-off, leave of absence, or separation from employment for any cause but who retains or has restored to him his seniority rights shall be eligible again for insurance hereunder upon the date of his return to work.

An employee who's service and insurance terminate for any reason other than

- (a) illness, or
- (b) injury, or
- (c) separation from employment which does not result in loss of seniority rights, and who is re-employed shall, upon such re-employment be deemed to be a new employee.

Section II – COMMENCEMENT OF INSURANCE

An employee shall be insured from the date he becomes eligible, provided that an employee who is not actually at work on the date his insurance would otherwise commence shall not be insured in respect of himself or his dependents until he actually returns to work.

An employee who has no dependents on the date he first becomes insured under this policy shall become insured for the benefits for dependents provided in Sections V, VI and VII on the date he acquires his first such dependent. It is specifically provided, however, that if the date on which the insurance in respect of an individual dependent would otherwise commence comes within a period during which the dependent is receiving regular medical treatment, such insurance shall not commence until the day following the termination of such period.

Section III – WEEKLY INDEMNITY INSURANCE FOR EMPLOYEES

A. Accident

If bodily injury not hereinafter excepted, resulting solely from an accident sustained by an employee while insured shall from the date of accident, directly and independently of all other causes, wholly and continuously disable the employee and prevent him from performing any and every duty pertaining to his occupation or employment, the

Company will pay during the continuance of such disability a Weekly Indemnity in the amount of and for the period as set out in the Schedule of Benefits.

For each working day of any such period of disability for which Weekly Indemnity is payable and which is less than a full week, the Company will pay a one-fifth part of the amount of such Weekly Indemnity.

It is hereby provided that the word "week" as used herein shall mean a period of 5 working days.

An employee shall not be insured for and no Weekly Indemnity shall be payable for any disability:

- (1) resulting from injury sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit;
- (2) for which the employee is not treated by a legally qualified physician;
- (3) resulting from intentionally self-inflicted injury, while sane or insane;
- (4) resulting from injury caused or contributed to by or resulting from war or any act incident thereto or engaging in a riot.

Successive periods of disability, unless separated by an interval of 7 calendar days or more of active employment, shall for the purposes of this insurance, be considered as one period of disability unless the employee shall have completely recovered from the injury causing the prior disability before commencement of the later disability or unless the later disability is due to causes wholly different from those of the prior disability.

B. Illness

If mental or physical illness not hereinafter excepted, directly and independently of all other causes, shall wholly and continuously disable the employee and prevent him from performing any and every duty pertaining to his occupation or employment, and if the disability begins while the employee is insured, the Company will pay during the continuance of such disability a Weekly Indemnity in the amount of and for the period as set out in the Schedule of Benefits.

It is provided, however, that notwithstanding anything to the contrary expressed or implied herein, Weekly Indemnity shall be payable upon receipt of written confirmation from the employee's doctor for time off

work for tests or examinations due to a debilitating condition, but shall not be payable for any routine visits or examinations.

For each working day of any such period of disability for which Weekly Indemnity is payable and which is less than a full week, the Company will pay a one-fifth part of the amount of such Weekly Indemnity.

It is hereby provided that the word "week" as used herein shall mean a period of 5 working days.

An employee shall not be insured for and no Weekly Indemnity shall be payable for any disability:

- (1) for which the employee is entitled to indemnity in accordance with the provisions of any workers compensation or similar law;
- (2) for any period during which the employee is not treated by a legally qualified physician;
- (3) resulting from illness caused or contributed to by or resulting from war or any act incident thereto or engaging in a riot.

It is further provided that no benefit shall be payable

(a) in respect of an employee entitled to pregnancy leave of absence in accordance with the Employment Standards Act, Ontario and Regulations thereunder or any provincial statute similar to said Employment Standards Act, Ontario.

(i) during any period of pregnancy leave requested by the employee or during any period the employer may require the employee to commence pregnancy leave in accordance with the pregnancy leave provisions of the applicable provincial statute in force at the time, or

(ii) during any period the employee could be placed on pregnancy leave of absence in accordance with the pregnancy leave provisions of the applicable provincial statute in force at the time.

(b) in respect of an employee not entitled to pregnancy leave of absence in accordance with the Employment Standards Act Ontario and Regulations thereunder or any provincial statute similar to said Employment Standards Act, Ontario.

(i) during any period the employee is on pregnancy leave of absence as defined herein, or

(ii) during any period the employee could be placed on such pregnancy leave by the Employer.

For the purposes of this provision, pregnancy leave of absence is defined as that period of time

(a) which commences

(1) on the date of leave of absence from work, or

(2) eleven weeks before the week in which confinement is expected, whichever is later,

and

(b) which terminates

(1) six weeks after the week of delivery, or

(2) seventeen weeks after the first week for which maternity benefits are claimed and payable under Section 30 of the Employment Insurance Act of Canada, whichever is later.

It is further provided that no benefits shall be payable during any period of pregnancy leave of absence which is greater than the period provided for under (a) or (b) above if an employee is entitled to and has applied for such greater period of pregnancy leave of absence under any term of any contract of employment, oral or written, expressed or implied, which prevails over (a) or (b) above.

Payment shall not be made under both subsection A. and subsection B. in respect of any day of disability.

Successive periods of disability, unless separated by an interval of 7 calendar days or more of active employment shall, for the purposes of this insurance, be considered as one period of disability unless the employee shall have completely recovered from the illness causing the prior disability before commencement of the later disability or unless the later disability is due to causes wholly different from those of the prior disability.

Section IV – ACCIDENTAL DEATH, DISMEMBERMENT AND LOSS OF SIGHT INSURANCE FOR EMPLOYEES

If bodily injury effected solely through external, violent and accidental means shall be sustained by an employee while the employee is insured and shall result directly and independently of all other causes, within ninety-one days after the date of the accident, in any one of the losses set forth below, the Company will pay the amount set forth opposite such loss, but only one of the amounts, the largest so specified, will be paid for all injuries resulting from any one accident.

For Loss of

Life	The Principal Sum		
Both Hands or Both Feet or Sight of Both Eyes	"	"	"
One Hand and One Foot	"	"	"
One Hand and Sight of One Eye	"	"	"
One Foot and Sight of One Eye	"	"	"
One Hand or One Foot	50% of Principal Sum		
Sight of One Eye	"	"	"
Effective upon ratification \$30,000			

Loss shall mean, with regard to hands and feet, dismemberment by severance through or above the wrist or ankle joints; with regard to eyes, entire and irrecoverable loss of sight beyond remedy by surgical or other means.

A benefit payable under this Section IV shall be in addition to any other benefits which may be payable under the policy. No indemnity shall be payable if the death or injury of the employee results directly or indirectly from or was in any manner or degree associated with or occasioned by

- (1) suicide whether sane or insane;
- (2) the voluntary taking, administration or inhalation, of fumes, gas or poison while the employee is actually at work for the Employer;
- (3) the taking, administration or inhalation, voluntarily or otherwise of fumes, gas or poison, at any time other than while the employee is actually at work for the Employer;
- (4) committing, attempting or provoking an assault or criminal offence;
- (5) ptomaine or bacterial infection (except pyogenic infections which shall occur with and through an accidental cut or wound);
- (6) war or any act incident thereto;
- (7) engaging in a riot or insurrection;
- (8) any form of disease or illness or physical or mental infirmity, or predisposition to any of them;

injury or death of the employee occurring under any such circumstances being risks not assumed or insured against under this Section IV.

Section V – HOSPITAL EXPENSE INSURANCE FOR EMPLOYEES AND DEPENDENTS

A. Illness or Injury

If an employee or dependent of an employee shall, while the employee is insured, be confined in a hospital as a bed-patient for treatment and not primarily for medical investigation or diagnosis only, and if the employee shall incur expense in respect of such confinement, the Company will pay, subject to the proviso below, benefits equal to the actual charges made by the hospital for bed, board and routine nursing services as regularly provided by such hospital, but the Company will in no event make payment in respect of that part of any charge for bed, board and routine nursing services which exceeds:

- (i) in the case of a hospital which is located in the Province of Ontario, the hospital's rate for semi-private accommodation if confinement is in a semi-private room or the hospital's rate for standard ward accommodation if confinement is in a standard ward, or the hospital's average rate for semi-private accommodation if confinement is in a private room.
- (ii) in the case of a hospital which is not located in the Province of Ontario, the average per diem payment which the Company would have made had similar services been rendered by hospitals in the Province of Ontario.

In addition to any of the foregoing, the Company will pay the actual expense to the employee, up to but not exceeding \$60.00 effective upon ratification, in respect of any one period of disability, for use of a licensed ambulance to and from the hospital. The Company will also pay the actual expense to the employee, up to but not exceeding \$25.00 in respect of any one period of disability, for supporting documentation supplied by a licensed physician, for the purpose of validating such disability.

It is hereby specifically provided, however, that no payment shall be made for expenses incurred in respect of any day after the fifty-first day of any confinement resulting from tuberculosis, mental disorders, nervous disorders or chronic diseases or any combination of them regardless of the number of periods of confinement or the number of days in each period of confinement.

An employee shall not be insured under this Section V and no amount shall be payable for:

- (i) rest cures, blood or blood plasma;

- (ii) professional services of any physician, surgeon, dentist, anesthetist, special nurse, nor the board of these, or the services of blood donors;
- (iii) hospitalization or payment therefor in respect of any injury, illness or condition which entitles the employees or dependent concerned to compensation or care or treatment in respect thereof under any worker's compensation act, or under any legislation relating to compensation for injuries or diseases arising in the course of employment or applicable to persons who have served in the armed forces, or to classes of persons given similar special protection;
- (iv) dental extractions and other dental procedures;
- (v) hospital confinement for cosmetic purposes;
- (vi) hospital confinement which is not recommended and approved by a physician or surgeon, or hospital confinement beyond the number of days during which the attending physician or surgeon is of the opinion that hospitalization of the character provided in such hospital is necessary;
- (vii) any day of hospital confinement of an employee after the date of termination of the employee's insurance under this policy, or any day of confinement of a dependent after the date of termination of the employee's insurance in respect of dependents under the policy;
- (viii) hospital confinement for which there would have been no cost to the employee or dependent except for the existence of insurance against such cost.

For the purpose of this subsection A, the term illness shall be deemed to include pregnancy or illness due in whole or in part to pregnancy.

B. Hospital Out-Patient Benefits

If an employee or dependent of an employee shall while the employee is insured, receive hospital out-patient services or treatment, the Company will pay the charges by the hospital for such services or supplies excluding any charges made for drugs.

Section VI – NURSING EXPENSE INSURANCE FOR EMPLOYEES AND DEPENDENT

If an employee or dependent shall require continuous exclusive attendance recommended and approved by a physician of a registered

graduate nurse who is not a member of the employee's immediate family, the Company will pay 80% of the actual expense incurred by such employee for the fees of such nurse up to but not exceeding \$5,000.00 per calendar year.

It is to be understood that the benefits provided in this Section VI are payable in lieu of all hospital expense benefits provided under Section V hereof and that no benefits shall be payable under this Section VI for any period of disability in respect of which benefits are payable under Section V hereof.

An employee shall not be insured under this Section VI for and no amount shall be payable for:

- (1) any period of disability resulting from injury sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit.
- (2) any period of disability resulting from illness for which the dependent is entitled to indemnity in accordance with the provisions of any workers' compensation or similar law.
- (3) any period of disability resulting from intentionally self-inflicted injury, while sane or insane.
- (4) any period of disability caused or contributed to by or resulting from war or any act incident thereto or engaging in a riot.
- (5) any day of nursing attendance of an employee after the date of termination of the employee's insurance under the policy, or any day of nursing attendance of a dependent after the date of termination of the employee's insurance in respect of dependents under the policy.

For the purposes of this Section VI, the term disability shall be deemed to include pregnancy or disability due in whole or in part to pregnancy.

Section VII – DRUG EXPENSE INSURANCE FOR EMPLOYEES AND DEPENDENTS

If an employee incurs expense for reasonable charges for necessary drugs

- (i) while insured in respect of the person or persons for whom the expense is incurred, and
- (ii) as a result of illness or injury
- (iii) when submitted within 15 months from date of purchase
- (iv) Insulin Injectors 100% of Cost to maximum of \$125.00
Glucometers 50% of Cost to maximum of \$125.00
- (v) Erectile dysfunction drugs to be covered to maximum of \$300.00 per year

Supplies for the above as required.

Purchase of Injectors and Glucometers shall be approved upon the written recommendation of a Medical Specialist only.

The Company shall pay in respect of all such expense incurred for all insured members of his/her family subject to a deductible of \$ 0.35 for each prescription. Payment will be made by the insurer directly to the dispensing pharmacy.

Pharmacy dispensing fees for prescription drugs will increase by \$0.50 per year for the life of the agreement effective Jan 1, 2009 as follows:

- 2009 Dispensing Fee Cap of \$8.00 for each prescription
- 2010 Dispensing Fee Cap of \$8.50 for each prescription
- 2011 Dispensing Fee Cap of \$9.00 for each prescription
- 2012 Dispensing Fee Cap of \$9.50 for each prescription
- 2013 Dispensing Fee Cap of \$10.00 for each prescription
- 2014 Dispensing Fee Cap of \$10.50 for each prescription

Employees are advised to discuss dispensing fees with the pharmacist prior to submitting the script.

In this section "drugs" means drugs which are:

- (1) dispensed by a licensed pharmacist on the written prescription of a physician or dispensed by a physician who operates a dispensary coincident with his medical practice, and
- (2) obtainable only on the written prescription of a physician.

An employee shall not be insured under this Section VII for and no benefits shall be payable for drugs in respect of any injury, illness or condition which entitled the employee or dependent concerned to compensation or care or treatment in respect thereof under any workers' compensation act, or under any legislation relating to compensation for injuries or diseases arising in the course of employment or applicable to persons who have served in the armed forces, or to classes of persons given similar special protection.

Section VIII – SPECIAL PROVISION

The amount of each benefit payable under the policy, shall be reduced by the value of any service provided in respect of such benefit under a government Health, Hospitalization or Medical plan in which the employee or dependent participates or is eligible to participate.

Schedule of Benefits - Weekly Indemnity Benefits for Employees

Effective upon ratification – Maximum E.I. level of benefit for 2005 plus \$30.00.

Effective January 1, 2006 – Maximum E.I. level of benefit for 2006 plus \$30.00.

Effective January 1, 2007 – Maximum E.I. level of benefit for 2007 plus \$30.00.

Effective January 1, 2008 – Maximum E.I. level of benefit for 2008 plus \$30.00.

The sum of \$30.00 per week shall be added to the E.I. level of benefits for all weeks an employee receives Weekly Indemnity and for all weeks an employee receives E.I. benefit related to illness or injury for a maximum of 15 weeks, subject to the approval of the E.I. Commission.

30 weeks Weekly Indemnity

15 weeks E.I.

22 weeks Weekly Indemnity

193 weeks L.T.D.

All amendments shall be applicable to employees on the effective dates stated herein.

Section IX – BENEFICIARY

An employee may in his application for insurance hereunder designate a beneficiary or beneficiaries. The interest of any legally designated beneficiary who shall die during the lifetime of such employee, shall in the absence of any statutory provisions as to the disposition thereof at maturity and if there be no other legally designated beneficiary thereof, vest in the employee insured. If there be no beneficiary designated at the time when any insurance shall be payable as a result of the death of the employee, then such insurance shall be payable to the executor or administrator of the employee insured.

Section X – TERMINATION OF INSURANCE

The insurance of an employee shall terminate automatically on the date of termination of the policy, or if his service terminates prior to such date:

(a) for any reason other than lay-off, death or absence due to injury or illness, on the last day of the calendar month coinciding with or next after the date of termination of his service, or

(b) by reason of lay-off or death on the 31st day following the date of termination of service.

Section XI – DEFINITIONS

Wherever used in this policy:

- (a) "dependent" means:
 - (1) the employee's spouse;
 - (2) any unmarried child;
 - (i) under 21 years of age, and;
 - (ii) of any employee who is 21 years of age or over and who is a registered student in full-time attendance at a university or similar institution of learning, who is chiefly dependent upon the employee for support and maintenance, and for whom the employee is entitled to an exemption for income tax purposes;
 - (3) any unmarried child 21 years of age or over who is incapable of self-sustaining employment by reason of mental retardation or physical handicap, and;
 - (i) who was insured under this policy on the day immediately preceding his 21st birthday, and;
 - (ii) who is chiefly dependent upon the employee for support and maintenance;

but excludes any person who is insured under this policy as an employee.

The term "spouse" means

- (i) the person named as beneficiary in the employee's application for insurance if the relationship of such beneficiary to the employee has been indicated as "spouse", whether such person is the employee's legal spouse or his common-law spouse, or
- (ii) in the absence of such beneficiary designation, the person lawfully married to the employee, or
- (iii) in the absence of both (i) and (ii) above, a person of the opposite sex whose relationship is common-law spouse.

The term "common-law spouse" means a person who resides with the employee in a common-law relationship which shall be defined as a relationship wherein two persons of the opposite sex cohabit as if husband and wife and whereby there is a mutual agreement between such persons that said relationship is a permanent relationship, exclusive of all other such relationships.

The term "child" means:

- (i) any child of the employee and/or the employee's spouse, including any step-child, adopted child or foster child,
- (ii) any natural child of an unmarried minor female dependent of an employee, and
- (iii) any other child who resides with the employee and in respect of whom the employee stands in the position of a parent.

(b) "hospital" means a public institution operated pursuant to law for the care and treatment of sick and injured persons, with

- (i) at least one doctor in residence or on call on a 24-hour basis;
- (ii) at least 3 registered nurses on duty on a 24-hour basis;
- (iii) at least 10 hospital beds available in and intended for persons requiring hospitalization for a continuous period of at least 24 hours;
- (iv) facilities for diagnosis, major surgery and regular and special dietary service.

(c) "physician" means only a legally qualified Doctor of Medicine.

(d) "service" means active and full-time employment during which the employee earned salary or wages.

GENERAL PROVISIONS

1. Written notice of injury or of sickness upon which claim may be based must be given to the Company within twenty days of the date of the commencement of the first loss for which benefits arising out of each such injury or sickness may be claimed. In event of death immediate notice thereof must be given to the Company.

2. The Company upon receipt of the notice required by these provisions will furnish to the claimant such forms as are usually furnished by it for filing proof of loss. If such forms are not so furnished within fifteen days after the Company receives such notice, the claimant shall be deemed to have complied with the requirements of these provisions as to proof of loss upon submitting within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, character and extent of the loss for which claim is made.

3. Affirmative proof of loss of time on account of disability for which claim is made must be furnished to the Company within ninety days

after the termination of the period for which the claim is made. Affirmative proof of any other loss on which claim may be based must be furnished to the Company not later than ninety days after the date of such loss.

4. The Company shall have the right and opportunity to examine the person whose injury or sickness is the basis of claim when and so often as it may reasonably require during pendency of claim hereunder, and also the right and opportunity to make an autopsy in case of death where it is not forbidden by law.

5. Upon request of the insured employee and subject to due proof of loss the accrued weekly indemnity or hospital confinement benefits will be paid each week during any period for which the Company is liable and any balance remaining unpaid at the termination of such period will be paid immediately upon receipt of proof satisfactory to the Company. All other benefits provided in this policy will be paid immediately after receipt of proof satisfactory to the Company.

6. Indemnity for loss of life will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed herein and effective at the time of payment.

7. Consent of an employee's beneficiary shall not be requisite to any change in the policy.

This Appendix 4 is a summary of the principal features of the Group Insurance Plan, but the group policy is the governing document. In the event of any variation between the information in this Appendix 4 and the provisions of the policy, the latter will prevail.

LIFE INSURANCE

TERMS & CONDITIONS

Effective Date

The amount of insurance is effective from the date indicated below, provided the employee is actively at work on that date in accordance with Article 26.02 herein.

Amount of Insurance

Effective January 1, 2006 - \$33,000.

Effective January 1, 2007 - \$34,000.

Effective January 1, 2008 - \$35,000.

Optional Life Insurance is available to employees and their spouse upon making application to the insurer through Human Resources.

Termination of Insurance

The insurance shall remain in force until the end of the calendar month during which an employee's service terminates, or in the case of a lay-off, shall remain in force until 31 calendar days after the date of lay-off.

Changes in Amount

Changes in the amount of insurance are effective on the dates above, or in the case of extra insurance, upon notification from the insurer, provided the employee is actively at work on that date in accordance with Article 26.02 herein. In the event of a lay-off, changes in the amount of insurance are effective on the date the employee returns to work.

Change of Beneficiary

The right to change the beneficiary is reserved to the employee, provided there is no legal restriction to the contrary, but such change shall take effect only upon receipt of a written request by the Employer. Whenever a change of beneficiary is desired a completed Change of Beneficiary Form should be submitted to the Personnel & Industrial Relations Department in order that the change may be recorded. If the beneficiary named should predecease the employee another beneficiary should be named immediately. Any addition to the initial amount of insurance will be paid to the person to whom such initial amount is payable unless another beneficiary for the additional amount shall have been validly appointed.

Conversion Privilege

When the insurance on the life of any employee insured under the group policy terminates by reason of such employee leaving the service of the Employer for any reason whatsoever, the insurer shall, on the written request of such employee within thirty-one days after his leaving the service of the Employer, issue a policy upon the life of such employee on any form of life or endowment insurance (excluding term insurance) then issued by the insurer, but without a total and permanent disability benefit or a double indemnity accident benefit. Such policy shall be for the same amount of insurance as the employee was insured for under the group policy at the time of said termination of employment, and the rate of premium shall be the rate charged by the insurer according to the table of rates then in use applicable to the class of risk to which such employee belongs and the attained age of such employee. No medical examination shall be required.

The exercise of the Conversion Privilege shall be in lieu of all other benefits under the group policy and the converted policy shall be issued on receipt of an application on the insurer's form during the lifetime of the employee and while the group policy is in force.

Total and Permanent Disability Benefit

If due proof shall be furnished to the insurer that any employee insured under the group policy has while such insurance on such employee is in full force and effect, become wholly and permanently disabled by bodily injury or disease, and has been, is, and will be permanently, continuously and wholly prevented thereby from performing any work for compensation or profit, or from following any gainful occupation, the insurer will on receipt of such proof pay in full settlement of all obligations in connection with such employee under the group policy, the amount of insurance effective on his life at the date on which such disability commenced, in one sum or in installments, as the employer may elect. Payment to such employee or any person to whom the insurer may pay in the event of the death of such employee shall be a valid discharge of any amount payable on account of such total and permanent disability. No payment under this provision shall be made unless formal claim therefor shall be made while the group policy is in full force and effect not later than three months after the cessation of payment of premiums in respect of such employee.

Provided always that notwithstanding proof of disability may have been accepted by the insurer as satisfactory, the employee, if payment by installments shall have been elected, shall as often as required furnish satisfactory proof of the continuance of such disability. If the employee shall fail to furnish such proof, or if he shall so far recover as to be able

to engage in any gainful occupation then no further installments shall be paid but insurance on the life of such employee may be then revived under the group policy but shall be limited in amount to the value of the installments then remaining unpaid at three and one half percent interest.

Without prejudice to any other cause of disability, the entire and irrecoverable loss of the sight of both eyes, or the total and permanent loss of use of both hands, or of both feet, or of one hand and one foot, shall be considered as total and permanent disability within the meaning hereof.

The employee shall not be covered for total and permanent disability during any period for which he/she receives or is eligible to receive Weekly Indemnity benefits under the group insurance program, Appendix 4 herein.

The Total and Permanent Disability Benefit is alternative to and not in addition to the Death Benefit. Consequently if a claim shall have been admitted under the Disability Benefit, no payment shall be due on the subsequent death of the employee other than the value of any of the installments not yet paid.

This Appendix 5 is a summary of the principal features of the Life Insurance Plan, but the group policy is the governing document. In the event of any variation between the information in this Appendix 5 and the provisions of the policy, the latter will prevail.

APPENDIX 6

TECHNOLOGICAL CHANGE

In the event of introduction to the plant of equipment representing new technology, the Company will meet with the Union at least six (6) months in advance to discuss the following:

- (a) The effect upon the members of the bargaining unit.
- (b) The training and instruction of bargaining unit members necessary to perform the work.
- (c) The classifications necessary to cover the work required.

The Company shall provide the Union with full information regarding the proposed technological change.

Company decisions made pursuant to this Article shall be subject to the application of Article 30:00 herein.

APPENDIX 7

LONG TERM DISABILITY INSURANCE

Commencement and Duration of Benefits

First benefit is payable after 1) Weekly Indemnity and, 2) E.I. sickness and accident benefits have expired. An employee will continue to receive L.T.D. payments for as long as his/her disability continues, for a period not exceeding 193 weeks.

L.T.D. benefits will be paid for the first two years following commencement of payments, if an employee is unable to perform his/her regular work. After two years, L.T.D. benefits will continue as long as disability prevents an employee from performing any work for which he/she is or can become reasonably suited by education, training or experience, but not beyond an employee's 65th birthday or early retirement date should an employee exercise this option.

Amount of Monthly L.T.D. Benefit

The plan will provide a monthly benefit, before co-ordination with other income.

Effective January 1st, 2009 - \$2,200 per month.

L.T.D. Insurance payments will be reduced by any amount payable from - Workers Compensation or similar program - other employers (excluding 50% of earnings during the first 24 months of rehabilitative employment) - any other government or company sources. * It is further provided that total income from all sources including L.T.D. benefit under this plan and rehabilitative employment income cannot exceed an employee's pre-disability income.

Rehabilitation Feature

As an incentive to encourage an employee to return to gainful employment, prior to full recovery after a total disability, certain work may be performed without forfeiting benefits under this program. This plan allows an employee to receive increased income in connection with work performed in an approved rehabilitation program. The L.T.D. Insurance shall be coordinated with only 50% of the earnings received during the first 24 months of rehabilitative employment provided an employee's total income during a rehabilitative program does not exceed his/her pre-disability income.

Other Benefit Provisions and Limitations

To qualify for L.T.D. benefits, an employee need not be confined to

home, but must be under the continuous care and personal attendance of a physician (M.D.)*

This plan provides coverage for disability resulting from an accident or from sickness (except certain mental disorders). While the plan does cover absence from work due to psychosis (i.e. a serious mental disease or derangement) for which continuous treatment is received from a physician who is certified in psychiatry, it does not cover absence from work due to any other mental illness, such as psychoneurosis, emotional disorders, personality problems, behavioral disorders or anxiety reactions.*

*This plan does not provide benefits for disability resulting from pregnancy, intentionally self-inflicted injury, war or injury sustained while working for another employer or while committing or attempting to commit an assault or crime.

Successive Disabilities

Successive absences from work are considered to be in the same period of disability unless separated by 1) six months of active full-time work or 2) one full month of work and due to wholly different causes. Work performed under a rehabilitation program will not be considered in determining successive periods of disability.

Conversion Privilege

In the event of termination of employment, an employee may apply for an individual L.T.D. policy (one of the standard conversion policies offered by the insurer) without taking a medical examination. Application must be made within one month of the ex-employee commencing a new job and the new job must commence within six months of the date of his/her termination with the Company.

This Appendix 7 is a summary of the principal features of a plan which will be purchased from an insurer and which will be effective upon ratification and which will be applicable to all employees actively at work on that date and shall specifically include employees receiving Weekly Indemnity benefits under the existing coverage provided by the Weekly Indemnity clause of the group insurance program described in Appendix 8 herein.

This Appendix 7 is a summary of the principal features of the plan, but the group policy shall be the governing document. In the event of any variation between the information in this Appendix 7 and the provisions of the group policy, the latter will prevail.

CO-ORDINATION OF BENEFIT

Re: Weekly Indemnity, Long Term Disability and Life Insurance Programs.

(a) Commencement of disability (W.I. Benefits) prior to an employee's 60th birthday. Such employees will if the disability is prolonged, qualify for benefits in the following sequence: 30 Weeks W.I. 15 Weeks E.I. 22 Weeks W.I. 193 Weeks L.T.D.

If totally and permanently disabled at the end of this 5-year period, such employee would also qualify for T.D.B. benefits (Life Insurance Program).

Furthermore, during the 5-year period, the employee would be granted leave of absence and would therefore qualify for other Company paid benefits, i.e. O.H.I.P., Dental, Semi-Private coverage, Drugs, etc.

(b) Commencement of disability (W.I. Benefits) subsequent to an employees 60th birthday. If at the end of or during the combination period of W.I. Benefits/E.I. Benefit, an employee is pronounced by his medical authority as being Totally and Permanently Disabled, this employee shall make one of the following options which once made shall be irrevocable:

(i) At the expiry date of the W.I. Benefit, the employee waives rights to claim L.T.D. Benefits and will be supplied with appropriate documentation to apply for Permanent Disability Benefit (Life Insurance). Upon approval of such application by the insurance company, such employees employment shall be terminated and all other benefits shall terminate at the end of the month in which employment is terminated - Exception: A qualified employee may apply to have Company non-contributory pension benefit paid on the basis of early retirement with the amount of the benefit reduced in accordance with the terms and conditions of the plan. An application for early retirement pension benefits subsequent to termination of employment following approval of a claim for Total & Permanent Disability shall not be construed to be early retirement as defined in Article 34:00 paragraph (b).

(ii) At the expiry date of the W.I. benefit, the employee waives rights to the Total and Permanent Disability benefit (Life Insurance) and will then qualify for L.T.D. benefits during the duration of his/her disability and upon reaching retirement age shall be retired in the normal manner. During the period of disability an employee shall be granted leave of absence and shall qualify for benefits as described in Paragraph (a).

Prior to the completion of the waiver document, the employer and the Union shall jointly undertake to ensure that the employee is fully apprised of the condition that would apply following his/her decision.

Acceptance of benefits through the L.T.D. program shall not prevent an employee from making application for Disability Benefits, if qualified, from the I.A.M. Labour/Management Pension Plan.

WAIVER OF BENEFIT APPLICATION

I _____ have been advised by my attending physician, Dr. _____ on (date) _____ that I am Totally and Permanently Disabled, do hereby make application for the benefit indicated below:

(a) I hereby waive rights to L.T.D. benefits which would otherwise be payable following the payment of Weekly Indemnity benefits and shall submit an application for Total and Permanent Disability Benefits (Life Insurance) in lieu thereof.

Signed.....

Witness Date

(b) I hereby waive rights to Total & Permanent Disability benefits (Life Insurance) and submit a claim for Long Term Disability Benefits in lieu thereof.

Signed.....

Witness Date

I declare that I have been advised in detail of the benefits available to me as an employee of Orenda Aerospace Corporation and understand that the election made above is irrevocable.



APPENDIX 9

EMPLOYEE ACCOMMODATION

Where the Company is required to accommodate an employee's disability under the Ontario Human Rights Code or is participating in the rehabilitation of an employee returning to work from an absence covered by the Workers Compensation Act, the parties agree to cooperate to the best of their ability to facilitate such accommodation. The Company, notwithstanding any provisions of this Agreement, may adjust its working force to so accommodate. In such cases the following shall apply:

(a) the employee shall have an obligation to keep the Company and the Union informed at all times of the nature of their disability or injury, the treatment they are receiving and the expected prognosis for recovery.

(b) the employee shall cooperate with the Company and the Union in reporting for the modified work promptly and, in the event

that they are unable to perform the modified work, shall immediately provide the Company and the Union with a satisfactory medical report explaining the inability to perform the modified work and the nature of the employee's work restrictions.

(c) prior to any accommodation of an employee's disability or injury the Company shall provide the Union with the details of the accommodation and discuss all aspects of the accommodation with the Union if requested.

APPENDIX 10

JOINT EDUCATION AND TRAINING COMMITTEE

A Joint Education and Training Committee shall be established with equal numbers of representatives from both Management and the Bargaining Unit. The Committee shall be comprised of at least two (2) Union members, one (1) Union Co-chair and one (1) Company Co-chair. Additional people may be called on from time to time. The committee shall meet once yearly for the purpose of discussing the Company's annual training budget, and jointly examine ongoing and proposed training initiatives for the current fiscal year.

APPENDIX 11

HARASSMENT

The Union and the Company are committed to providing a workplace, which demonstrates a mutual respect for one another as employees and as individuals and will work within the framework of the Ontario Human Rights Code to do so. Harassment in any manner or form is prohibited.

Harassment is defined as engaging in a course of vexatious (distressing) comment or conduct that is known or ought reasonably to be known to be unwelcome. Conduct or comments of that nature, degrades or causes humiliation to a person. The conduct or comments must be in relation to one of the prohibited grounds of discrimination: race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status or handicap.

The Company and the Union are required under the Ontario Human Rights Code to investigate allegations of harassment on receipt of a complaint from employee(s) or member(s) governed by this Collective Agreement.

SCHEDULE II (a)

SCHEDULE OF CLASSIFICATIONS

(Reference - Section 27.01)

JOB TITLE	OCCUP. GROUP LEVEL	CODE NO.	JOB
Accounts Payable Representative	019	1431	06
Analyst, Service - Senior	023	1503	12
Analyst, Service `A'	023	0871	11
Assistant, Engineering	015	0560	09
Buyer, Senior (red circle incumbents)	004	1507	10
Buyer (red circle incumbents)	004	1149	08
Chemical Technician - Senior	014	1294	10
Clerk, Office Eq & Stationary Stores	001	1515	07
Clerk, Shipping & Receiving	002	0857	07
Clerk, Specifications	018	0544	07
Clerk, Technical Liaison	018	0882	07
Customs & Traffic Clerk `A'	004	0192	07
Customs & Traffic Clerk `B'	004	0190	06
Design, Draftsman/woman	007	1209	12
Designer, Tool	005	1177	12
Draftsman/Draftswoman `A'	007	1169	09
Electronic Instrumentation Mechanic	013	1369	11
Engineering Assistant	015	0560	09
Expediter `A'	004	1191	08
Graphics Designer	022	1520	10
Liaison Man, Engineering `A'	015	1408	11
Liaison Man, Eng. - Support Prod. Assy & Test	015	1514	12
Liaison Man, Technical `A'	004	1189	12
Manufacturing Eng. Process Planning Asst.	027	1522	08
Manufacturing Programmer `A'	005	1518	12
Manufacturing Programmer `A' Group Leader	005	1524	12+
Metallurgical Technician - Senior	008	1305	10
Metallurgical Technician `A'	008	1295	09
Operator, Multi-Colour Offset Press	003	1488	12
Operator, Photocomposition Senior	025	1521	08
Operator, Desktop Publisher	025	1487	07
Planner, Manufacturing Process `A'	005	0861	12

JOB TITLE	OCCUP. GROUP LEVEL	CODE NO.	JOB
Planner, Process `B'	005	0862	10
Planner, Quality Control	024	1472	12
Planner, Repair & Overhaul `A'	026	1517	12
Planner, Repair & Overhaul `B'	026	1519	10
Quality Assurance Audit, Senior	024	1523	11
Repair & Overhaul Cell Planner	026	1525	11
Senior Accts Payable & Matls Acct.	019	1495	09
Technical Writer `A' Senior	011	0485	11
Technician, Environmental Quality Systems	010	1526	10
Technician, Heat Treat	013	1368	11
Technician, Laboratory Senior Test	009	1512	10
Turbine Support Technician	012	1075	11
Word Processing Systems, Operator	025	1505	05

SCHEDULE II (b)

SCHEDULE OF OCCUPATIONAL GROUPS

(Reference - Section 12.01)

OCCUP GROUP	JOB TITLE	JOB LEVEL	CODE NO.
001	Clerk, Office Eq & Stationary Stores	07	1515
002	Clerk, Shipping & Receiving	07	0857
003	Operator, Multi-colour Offset Press	12	1488
004	Buyer, Senior (red circle incumbents)	10	1507
	Buyer (red circle incumbents)	08	1149
	Expediter `A'	08	1191
	Customs & Traffic Clerk `B'	06	0190
	Customs & Traffic Clerk `A'	07	0192
	Liaison Man, Technical `A'	12	1189
005	Designer, Tool	12	1177
	Manufacturing Programmer `A'	12	1518
	Manufacturing Programmer `A'		
	Group Leader	12+	1524
	Planner, Manufacturing Process `A'	12	0861
	Planner, Process `B'	10	0862
007	Design, Draftsman/woman	12	1209
	Draftsman/woman `A'	09	1169
008	Technician, Metallurgical - Senior	10	1305
	Technician, Metallurgical `A'	09	1295
009	Technician, Laboratory Senior Test	10	1512
010	Technician, Environmental Quality Systems	10	1526
011	Technical Writer `A' Senior	11	0485
012	Turbines, Support Technician	11	1075
013	Electronic Instrument Mechanic	11	1369
	Technician, Lab. Heat Treat	11	1368
014	Chemical Technician - Senior	10	1294
015	Engineering Assistant	09	0560
	Liaison Man, Eng. - Support Prod.		
	Assy & Test	12	1514
	Liaison Man, Engineering `A'	11	1408

OCCUP GROUP	JOB TITLE	JOB LEVEL	CODE NO.
018	Clerk, Specification	07	0544
	Clerk, Technical Liaison	07	0882
019	Senior Accts Payable & Matls Acct	09	1495
	Accounts Payable Representative	06	1431
022	Graphics Designer	10	1520
023	Analyst, Service - Senior	12	1503
	Analyst, Service `A'	11	0871
024	Planner, Quality Control	12	1472
	Quality Control Audit, Senior	11	1523
025	Operator, Photocomposition, Senior	08	1521
	Operator, Desktop Publisher	07	1487
	Word Processing Systems, Operator	05	1505
026	R&O Process Planner `A'	12	1517
	R&O Process Planner `B'	10	1519
	Repair & Overhaul Cell Planner	11	1525
027	Manufacturing Eng. Process Planning Asst.	08	1522

SCHEDULE III

TEMPORARY ASSIGNMENT PROGRAM

The Company at its discretion may assign duties under the Temporary Assignment Program to employees of the bargaining unit for periods of less than the scheduled shift without notifying the Union.

For the assignment of temporary duties, extending beyond the scheduled shift, the Company will notify the Office Committee Chairman or in his absence the President of the Lodge of the bargaining unit employee who is working out of their classification. The Company will advise the Union of the anticipated length of the temporary duty.

Bargaining unit employees may be assigned duties on a temporary basis up to a period of three months. Extension beyond the three months will require mutual consent between the Company and the Union.

Temporary assignment of employees outside of the bargaining unit required to perform work covered under this Collective Agreement for more than a scheduled shift shall be discussed with the Union prior to any such assignment being made by the Company, as set out in Sub-section 2.02(b) of this Collective Agreement.

If skill and ability permits, and without compromising on the employees' safety and quality of work, and training is practical, employees may be assigned on a temporary basis to a job classification at a higher job level and will be paid accordingly.

If the employee is assigned to a lower job level, the employee will retain his salary for the duration of the assignment.

SCHEDULE IV

SPECIAL LAYOFF & RECALL

Notwithstanding the provisions of Article 12.00, Lay-off and Recall, in the event of a lay-off which is known at the time to be a temporary period not to exceed 36 weeks, the parties may confer to arrange a lay-off on the basis of inverse seniority.

If the number of employees to be laid off on an inverse basis under such a special provision would adversely affect the efficiency of the department(s) concerned, Management may decline to effect such inverse lay-off.

SCHEDULE V

FLEXIBLE WORKING HOURS

Both parties agree that effective the date of ratification of this Agreement, where the Company deems it necessary and the affected employee and the Union agree, shift start and finish times may be adjusted to facilitate efficient operations. It is understood that the parties will monitor these situations/ projects in order to resolve any difficulties that may arise while considering the practical realities of both the employee and the Company. It is understood that either party may terminate an agreed to project with thirty (30) days written notice.

LETTERS OF UNDERSTANDING

The following letters of understanding, which were furnished to the International Association of Machinists & Aerospace Workers, contain undertakings and commitments on the part of the Company for the duration of this agreement unless changed by mutual agreement.



Letter No. 1

Pay Equity

The Company and the Union agree to review all job classifications over the life of the Collective Agreement to ensure that there is no violation of the criteria outlined in the Pay Equity Legislation.

The Union and the Company will select two representatives each for the purpose of conducting the review, utilizing the evaluation system presently being used.



Letter No. 2

**Making Up of Lost Time
(Herein Referred to as “Make Up Time”)**

At the 2005 negotiations, the Company and Union agreed to the following:

Past agreements allowing bargaining unit employees the opportunity to make up time lost due to scheduled medical appointments or unforeseen events of a personal nature are not well defined or documented.

Lost time as outlined above shall be rescheduled, Monday through Friday, either before or after the employees regularly scheduled shift at a ratio of one (1) hour of make up time for one (1) hour of lost time, upon mutual agreement by the employee affected and his or her department supervisor.

Rescheduled make up time must fall within the current weekly Kronos™ payroll reporting period during which the time loss occurred, and cannot be carried forward to subsequent weeks.

Make up time shall be limited to four (4) hours in any one day and eight (8) hours per week. The company shall endeavour to accommodate affected employees where work is available and skill and ability permits.”



Letter No. 3

Schedule II (c)

Schedule of Historical Unpopulated Classifications

At the 1999 negotiations, the Company and the Union agreed that certain positions (not currently populated) have historically fallen within the bargaining unit. Over the years however, these positions have been removed from Schedule II by the parties.

The purpose of this letter is to record the agreement that if the Company intends to repopulate any of the job classifications listed below, the Company agrees it will consult with the Union regarding job titles, job descriptions, and job levels.

It is also agreed that these positions and the employees filling them will fall within the scope of the bargaining unit.

The Company agrees it will not fill or post any new non-supervisory positions until it has consulted with the Union and established whether it is a bargaining or non-bargaining unit position.

The Company and the Union agree that all positions historically bargaining or non-bargaining unit will not be affected.

The historical bargaining unit positions are as listed below:

JOB TITLE & LEVEL	OCC. GROUP	CODE #
Administrative Planner – R & O (08)	027	1351
Analyst, Accounting (07)	019	1478
Analyst, Contracts & Termination Claims (07)	004	1326
Analyst, Cutting Tools (09)	016	1362
Analyst, Engineering Change-Material Procurement (07)	019	0867
Analyst, Packaging & Spare Parts (09)	016	1479
Analyst, Procedures (07)	019	1275
Analyst, Production Performance (08)	017	0855
Analyst, Service `B' (09)	023	0872
Analyst, Spares Packaging (07)	019	0467
Analyst, Spares Requirement (07)	019	0474
Analyst, Tool Room Materials Requirement (08)	019	1429
Architectural Project Designer (12)	006	1498
Archivist (06)	001	1424
Assembler, Copy (03)	024	0734
Assistant, Darkroom (03)	025	0176
Assistant, Engineering `A'	09	0845
Assistant, Engineering `B' (07)	018	0560
Assistant, Library (05)	001	0963
Associate, Engineering	11	0827
Attendant, Blueprint Crib (02)	001	0259
Buyer `B' (08)	004	1148
Cameraman, Process Plate Maker (07)	025	0585
Cameraman, Process Plate Maker (09)	022	1502
Checker, Designer (12)	007	1469
Clerk `A' (03)	001	1244
Clerk `B' (01)	001	0865
Clerk, Accounting, General (04)	019	0901
Clerk, Accounts Payable (06)	022	1431
Clerk, Accounts Receivable (05)	019	1489
Clerk, Bindery (02)	003	1049
Clerk, Bursting & Decollating (03)	003	1484
Clerk, Cashier (06)	019	1465
Clerk, Circulation (03)	001	1274
Clerk, Coding (04)	022	1129
Clerk, Coding Senior (06)	022	0465
Clerk, Contracts Liaison (08)	018	1383
Clerk, Contracts Liaison `B' (06)	018	1497
Clerk, Contracts Sales (06)	001	1509
Clerk, Control, Payroll (05)	019	1135
Clerk, Cost Accounting (06)	019	0902

JOB TITLE & LEVEL	OCC. GROUP	CODE #
Clerk, Customs Clearance (04)	004	0159
Clerk, Customs Drawback (06)	004	0426
Clerk, Data Processing (04)	023	1475
Clerk, File (03)	001	0900
Clerk, Laboratory (07)	021	1442
Clerk, Laboratory Stores `A' (06)	021	0550
Clerk, Laboratory Stores `B' (04)	021	1254
Clerk, Maintenance (06)	001	0389
Clerk, Maintenance Records (05)	001	0421
Clerk, Material Accounting (05)	019	0876
Clerk, Material Control (05)	016	0903
Clerk, Office Equipment (06)	001	0490
Clerk, Operator IBM (06)	023	0488
Clerk, Operator Switchboard (04)	008	1447
Clerk, Order Issue (05)	018	0007
Clerk, Payroll - Senior (06)	019	1486
Clerk, Process Planning (05)	001	1351
Clerk, Records, Engineering (05)	018	0877
Clerk, Records, Service (05)	016	0455
Clerk, Senior (05)	001	1126
Clerk, Stationary Stores Senior (06)	001	1428
Clerk, Tool Records (06)	001	1508
Clerk, Traffic (07)	004	0190
Clerk, Typist `A' (03)	002	1059
Clerk, Typist `B' (02)	002	0866
Commercial Arts Designer (12)	024	1496
Compiler, Capital Inventory `A' (08)	022	0756
Compiler, Capital Inventory `B' (05)	022	1184
Compiler, Capital Inventory `C' (03)	022	0781
Compiler, Test Data (05)	017	1419
Co-Ordinator, Engineering Change (09)	016	1402
Coordinator, Machine Tool (09)	019	1094
Coordinator, Procedures (10)	019	0604
Co-Ordinator, Production Control (09)	016	1471
Co-Ordinator, Spares Provisioning (09)	016	1458
Courier, Vehicle (04)	026	1492
Crew Chief (10)	010	1153
Crew Chief, Stationary Power Plant (10)	010	1449
Design, Draftsman/Women (12)	004	1209
Designer (11)	007	1403
Designer, Machine (12)	005	0884
Dispatcher, Vehicle (06)	001	0134

JOB TITLE & LEVEL	OCC. GROUP	CODE #
Draftsman, Design, Architectural `A' (10)	006	1089
Draftsman, Design, Architectural `B' (08)	006	1090
Draftsman, Design, Electrical `A' (10)	006	0362
Draftsman, Design, Electrical `B' (08)	006	1091
Draftsman, Design, Mechanical `A' (10)	006	1096
Draftsman, Design, Mechanical `B' (08)	006	1095
Draftsman `B' (05)	007	1097
Draftsman `C' (03)	007	0587
Draftsman, Design Tool (08)	005	1178
Draftsman, Layout (09)	007	0530
Electrical Project Designer (12)	006	1500
Estimator, Materials Cost (08)	019	1439
Estimator, Time Study (10)	017	1405
Expediter, Accounts Payable (05)	022	1141
Expediter `A' (08)	004	1191
Expediter `B' (07)	004	1192
Expediter `C' (06)	004	1193
Folder, Blueprints (01)	001	0789
Illustrator `A' (10)	024	0479
Illustrator `B' (08)	021	0478
Illustrator, Technical `A' (10)	021	0480
Illustrator, Technical `B' (08)	021	0476
Illustrator, Technical `C' (05)	024	0475
Layout Man, Copy Publications (08)	012	0460
Liaison Man, Engineering `B' (08)	018	1409
Liaison Man, Engineering Changes- Material Control (06)	019	0999
Liaison Man, Engineering Repair & Overhaul (11)	019	0414
Liaison Man, Engineering Test & Assembly (11)	018	0886
Liaison Man, Technical `B' (09)	004	1190
Liaison Man, Technical `C' (06)	004	0151
Mechanical Project Designer (12)	006	1499
Messenger (01)	001	1102
Methods Man, Quality Control (10)	024	1462
Observer, Time Study (06)	017	0825
Operator, Bindery `A' (08)	003	1493
Operator, Bindery `B' (03)	003	1490
Operator, Blueprint Machine Senior (04)	003	0077
Operator, Book Keeping Machine Senior (05)	022	1438
Operator, Book Keeping Machine (04)	022	1124
Operator, Book Keeping Machine Accounts Payable (04)	022	0443

JOB TITLE & LEVEL	OCC. GROUP	CODE #
Operator, Comptometer Material Inventory (04)	022	1132
Operator, Computer `B' (05)	023	1480
Operator, Computer `A' (07)	020	1461
Operator, Cutting Machine (02)	003	1452
Operator, IBM Card Programmed Calculator `A' (05)	023	0890
Operator, IBM Card Programmed Calculator `B' (04)	023	0889
Operator, Keypunch (04)	020	1476
Operator, Keypunch `B' (01)	023	1494
Operator, Keypunch Senior (04)	023	1477
Operator, Photocomposition Typeset (07)	025	1487
Operator, Reproduction Machine (03)	003	0079
Operator, Switchboard (03)	008	0375
Operator, Tabulating `A' (05)	023	0888
Operator, Tabulating `B' (03)	023	1108
Operator, Xerography Machine (03)	003	1282
Photographer `A' (07)	025	0174
Photographer `B' (05)	025	0175
Photographer, Publicity (09)	025	0172
Planner, Process `A' (12)	005	0861
Planner, Material Allocation (09)	005	0891
Planner, Process, Assembly (11)	026	0892
Planner, Salvage (09)	005	1459
Planner, Strip & Rebuild - Repair & Overhaul (10)	026	0436
Planner, Tool (11)	005	1363
Printer, Helper (03)	003	1491
Printer, Compositor (07)	003	1050
Printer, Off-Set `A' (06)	003	0893
Printer, Off- set `B' (03)	003	1122
Printer, Off-Set, Senior	003	1453
Process Planning Assistant (08)	001	1351
Programmer `A', Business Data (10)	023	1450
Programmer `B', Business Data (08)	023	1451
Quality Assurance Auditor (10)	024	0558
Radiographer (11)	011	0528
Receptionist/Switchboard Operator (4)	002	1510
Repair & Overhaul(11)	026	0436
Scheduler, Material (06)	016	1285
Scheduler, Production (07)	016	0863
Stenographer, Secretarial (04)	002	1058
Stenographer `A' (03)	002	0435
Stenographer `B' (02)	002	1061
Technical Writer `A' (10)	011	0484

JOB TITLE & LEVEL	OCC. GROUP	CODE #
Technical Writer `A' Senior (11)	011	0485
Technician, Engine Test `A' (08)	010	1154
Technician, Engine Test `B' (05)	010	1155
Technician, Laboratory `A' Aerodynamics (08)	010	0603
Technician, Laboratory `A', Chemistry (09)	014	1294
Technician, Laboratory `A' Electronic Instruments (10)	014	1082
Technician, Laboratory `A' Electronic Test Equip (10)	014	1445
Technician, Laboratory `A' Fuel (09)	010	0937
Technician, Laboratory `A' Instruments Mfg (09)	013	1075
Technician, Laboratory `A', Instrument Mfg (09)	014	1294
Technician, Laboratory `A' Instruments Servicing (08)	015	1078
Technician, Laboratory `A' Mechanical Test (09)	010	1276
Technician, Laboratory `A' Metallurgy (09)	009	1295
Technician, Laboratory `A', Test Instrumentation (10)	013	1367
Technician, Laboratory `A', Vibration (09)	013	1084
Technician, Laboratory `B' Aerodynamics (06)	010	0321
Technician, Laboratory `B' Chemistry (06)	014	1293
Technician, Laboratory `B' Electronic Instruments (07)	014	1083
Technician, Laboratory `B' Electronic Test Equip (07)	014	0783
Technician, Laboratory `B', Fuel (07)	009	0938
Technician, Laboratory `B', Fuel (07)	010	0938
Technician, Laboratory `B', Mechanical Test (07)	009	0450
Technician, Laboratory `B' Instruments Servicing (06)	015	1079
Technician, Laboratory `B' Metallurgy (06)	009	1292
Technician, Laboratory `B' Test Instrumentation (06)	015	0451
Technician, Laboratory `B', Vibration (06)	013	1085
Technician, Laboratory `C' (04)	009	1267
Technician, Laboratory, General Test (09)	009	0513
Technician, Laboratory Senior Mechanical Test (10)	010	1501
Technician, Laboratory, Senior Test (10)	009	1512
Technician, Non-Destructive Testing (12)	010	1460
Technician, Non-metallic Materials `A' (08)	009	1425
Technician, Non-metallic Materials `B' (06)	009	1456
Technician, Quality Control (10)	024	0558
Technician, Test Engine Laboratory `A' (08)	010	1432

JOB TITLE & LEVEL	OCC. GROUP	CODE #
Technician, Test Engine Laboratory `B' (06)	010	1464
Technician, Welding Laboratory (08)	009	0899
Timekeeper (05)	019	1125
Time Study Man (09)	017	0864
Word Processor, Stenographer, Secretarial (05)	025	1504
Writer, Procedures Inspection (08)	012	1327
Writer, Technical `A' (10)	012	0484
Writer, Technical Instructions Engineering (06)	012	1411
Writer, Technical `B' (08)	011	1235



Letter No. 4

New Second Shift

September 29, 2004 (Amended during the 2008 negotiations)

Whereas the Company and Union agree that the second shift needs Manufacturing Programmer "A" coverage, it is agreed that:

A new 2nd shift starting time will be introduced from 1:00 P.M. to 11:30 P.M. Monday to Thursday.

2nd shift premium of \$0.85 cents per hour will be paid.

Overtime will be paid only for all hours worked in excess of the normal forty (40) hour workweek in accordance with Article 19:00 of this Collective Agreement.

All hours worked outside of the employee's regular shift shall be paid in accordance with Article 19:00 of this Collective Agreement except as follows:

For authorized overtime following their regular daily hours of ten (10) hours per day an employee shall be paid by the hour at one and one-half times (1-1/2) times the hourly equivalent of the rate of weekly salary for two (2) hours of overtime or less and at twice the said hourly equivalent after two (2) hours, until there is a break of at least (8) consecutive hours.

Authorized work on Friday shall be paid at the rate for a Saturday in accordance with Article 19:00 of this Collective Agreement provided the employee has completed a minimum of 40 hours for the week.

The parties agree to work in good faith to resolve any difficulties arising from this agreement.

Either party may terminate this agreement twenty (20) working days after written notification of their intent to terminate.



Letter No. 5

Purchasing Agent

At the 2008 negotiations, the Company and the Union agreed to the following:

The Company will implement a new non-Union position called a Purchasing Agent. This position will have a ratio of one (1) Purchasing Agent for every three (3) Senior Buyers or Buyers. In the event of a lay-off, no more than one (1) Purchasing Agent will remain for every three (3) Senior Buyers or Buyers.”

LETTERS OF INTENT

The following letters of intent, which were furnished to the International Association of Machinists & Aerospace Workers, contain undertakings and commitments on the part of the Company for the duration of this agreement unless changed by mutual agreement.



Letter No. 1

VOLUNTARY EXIT PLAN

Effective December 6, 2008, the Company will offer the voluntary exit package described below to employees who at the date of ratification who have a minimum of fifteen (15) years of service and are fifty-five (55) years of age or older.

Effective December 6, 2009, the Company will offer the voluntary exit package to employees who at the date of ratification who have a minimum of fifteen (15) years of service and are fifty-five (55) years of age or older.

Effective December 6, 2010, the Company will offer the voluntary exit package to employees who at the date of ratification who have a minimum of fifteen (15) years of service and are fifty-five (55) years of age or older.

In the event that an employee who is accepted for a package is in receipt of Weekly Indemnity or Long Term Disability or WSIB benefits, the employee shall discontinue his/her claim and shall have no right to re-apply for such benefits once the salary continuance period has concluded.

These packages will be available to eligible employees from December 6th to February 6th (the election period) in each of the above referenced years, and will be subject to a maximum number of acceptances in each year as specified by the Company prior to commencement of the election period. An employee whose application is declined must re-apply the following year if the employee still wishes to terminate employment.

The offering of the voluntary exit package each year does not, in itself, constitute an offer to create a binding obligation upon application by an employee.”

Each year the package will consist of:

Wages/Salary: Salary continuance (to a maximum of \$45,000 gross) less any statutory deductions paid on a weekly basis (40 hours) or until the employee reaches the age of 65.

Pension: Payment to the pension plan for a maximum of one year at the contribution rate in effect on the employee’s last day of work or until the employee reaches the age of 65.

Benefits: Payment of Health, Dental, Vision, Life and AD&D premiums for a maximum of three years or until the employee reaches the age of 65 (Note: third year of benefits will be equal to 80% Health and a \$75 yearly deductible for the employee and each dependent for Dental coverage).

The Company will endeavor to accommodate the wishes of employees who have been accepted for voluntary exit from employment as to departure dates, however for legitimate business reasons the Company shall have the right to determine the departure date.

Employees who are accepted for the voluntary exit program will be deemed to have voluntarily left the employment of the Company on completion of their last shift worked.

At the conclusion of the election period each year, the Company will review the applications received for voluntary exit packages and will consider a number of factors pertinent to the applicants in deciding which employees will be accepted for a voluntary exit package. These factors will include, but are not limited to, the following:

- Seniority of the applicant;
- Skill(s) possessed by the applicant;
- The need to replace (or not) the applicant; and
- The availability of replacement skills in the Company’s industry.

All employees who have applied for a voluntary exit package will be advised as to whether their application has been accepted or declined. All decisions relative to the voluntary exit program, including any decisions as to a particular employee’s departure date, shall not be made the subject of a grievance since all such decisions related to the voluntary exit program do not represent a difference between the parties.



Letter No. 2

JOB CLASSIFICATIONS

At the 2008 negotiations, the Company and Union discussed the revision of occupational groups, amalgamation of classifications and reassignment of duties. Certain changes were incorporated into the Collective Agreement as a result of these discussions. In an effort to further improve these areas, the parties agree to continue to analyze the current classifications and occupational group structure and recommend appropriate changes for implementation during the life of the agreement. The parties also agree to conduct business in a manner consistent with the principles discussed during negotiations.

The principles discussed include, but are not limited to:

- a) Efficient operation of the Company
- b) Industry benchmarks and best practices
- c) Current and future customer requirements
- d) Technological Change (APPENDIX 6)
- e) Employee skill and competency (APPENDIX 10)
- f) Long term viability of the Mississauga Plant
- g) Job amalgamation
- h) Updating present job descriptions, job classification, and occupational groups
- i) Historical job descriptions

The Company and Union will initiate job amalgamation starting in the first year of the Agreement.

The negotiated modifications made during the 2008-2014 Collective Agreement will reflect the evolution of roles, responsibilities and further improvement of workflow.

**FOR THE COMPANY
MAGELLAN AEROSPACE CORPORATION**

Luis Marin,
Director, Human Resources _____

John Bayley,
Director, Business Development
and Customer Service _____

Jose Lima,
Director, Operations _____

Ray Fisher,
Human Resources Specialist _____

FOR THE UNION

**TECHNICAL ASSOCIATES LODGE 1922,
INTERNATIONAL ASSOCIATION OF MACHINISTS
& AEROSPACE WORKERS**

S. Myronyk,
President _____

J. LaPenna,
Vice President _____

P. Ryk,
Conductor Sentinel _____

FOR DISTRICT LODGE 78

**INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS.**

Gary Hynes,
Directing Business Representative _____