

**COLLECTIVE
AGREEMENT**

between:



**SOLO CUP CANADA INC.
TORONTO, ONTARIO**

and



**GRAPHIC COMMUNICATIONS CONFERENCE
INTERNATIONAL BROTHERHOOD OF
TEAMSTERS,
LOCAL 100-M**

EFFECTIVE: DECEMBER 1, 2010
EXPIRES: MAY 31, 2015

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LABOUR AGREEMENT

THIS AGREEMENT entered into at Toronto, Ontario, as of the first day of December, 2010.

by and between:

SOLO CUP CANADA INC.
2121 Markham Road
Toronto, Ontario
(hereinafter called the "Company") of the first part

and

GRAPHIC COMMUNICATIONS CONFERENCE
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
LOCAL 100-M
(hereinafter called the "Union") of the second part

WITNESSETH:

ARTICLE 1 PURPOSE OF THE AGREEMENT

- 1.01 It is recognized by this Agreement to be the duty of the Company, the Union and the employees to co-operate fully, individually and collectively for the advancement of the conditions in the Collective Agreement and the efficient and profitable operations of the Company within a safe environment.
- 1.02 Recognizing the common dependence of the Company and its employees upon the success of the business as a whole, the parties to this Agreement support the mutual objective of increased productivity and efficiency, improved quality and customer satisfaction, and jointly promote the goodwill between the parties that is necessary to the achievement of this objective.

ARTICLE 2
RECOGNITION AND COVERAGE

- 2.01 The Company recognizes the Union as the sole and exclusive collective bargaining agency with respect to all matters properly arising under the terms of this Agreement for all employees of the Company at its plant at 2121 Markham Road, Toronto, and its Distribution Centre on Mavis Road, Mississauga, Ontario save and except supervisors, persons above the rank of supervisor, production control personnel, office staff. The Company agrees that if the Solo Cup Canada Inc. plant or Distribution Center is moved to any other location in the Greater Toronto Area (GTA) during the term of this Agreement, it will extend jurisdiction to this Union and this Agreement will apply.

ARTICLE 3
CHECK-OFF AND NO DISCRIMINATION
OR INTIMIDATION

- 3.01 It is agreed that there will be no discrimination or intimidation by the Company, the Union or their respective representatives, against any employee because of their Union or non-Union affiliation or because of their activity in any labour organization.
- 3.02 It is further agreed that there will be no solicitation of members, collection of dues or other Union activity on the premises of the Company except as permitted by this Agreement or specifically authorized by the Company in writing. It is understood that no meeting of the Union or its members shall be held on the premises of the Company without prior written approval of the Company.
- 3.03 Subject to Article 2.01, all employees shall, upon completion of their probationary period and as a condition of continued employment, be required to become members of the Union. The Company shall deduct the application fee of Local 100-M and the regular monthly dues as prescribed by the Secretary/Treasurer of the Union from the said employees commencing the first pay of the month following the completion of their probationary period. Such authorization shall be irrevocable for the term of this Agreement. Dues so deducted shall

be forwarded to the Union office by cheque no later than the end of the month with a list of applicable names. The Company agrees to provide to the Union, the address and classification of each new employee at the time when they become eligible for Union membership.

- 3.04 Violation of any of the provisions of this Article shall render an employee liable to discipline including discharge.
- 3.05 The Company shall advise new employees of the fact that a Union Agreement is in effect.
- 3.06 The Union shall indemnify the Company against all claims made against the Company by reason of its compliance with this Article.

ARTICLE 4 MANAGEMENT RIGHTS

- 4.01 The Union acknowledges that it is the exclusive function of the Company to:
 - a) Maintain order, discipline and efficiency.
 - b) Hire, discharge, direct, classify, transfer, promote, demote, lay-off and suspend or otherwise discipline employees subject to the grievance and arbitration procedures.
 - c) Establish and enforce rules and regulations, not inconsistent with the provisions of this Agreement, governing the conduct of the employees. The Company shall give reasonable notice to employees when rules and regulations change and the Union shall be notified first.
 - d) Generally to manage the industrial enterprise in which the Company is engaged and, without restricting the generality of the foregoing, to determine the products to be manufactured, methods of manufacture, the schedules of work and of production, the establishment of shifts, and the hours for each shift; the kinds and locations of machines and tools to be

used, process of manufacturing, the engineering and designing of its products, the control of materials and parts to be incorporated in the products produced, the extension, limitation, curtailment or cessation of operations, and all other matters concerning the Company's operations not otherwise specifically dealt with elsewhere in this Agreement.

- 4.02 The Company agrees that all of these functions will be exercised in a manner consistent with the terms of this Agreement.

ARTICLE 5 STRIKES AND LOCKOUTS

- 5.01 In view of the orderly procedure for settling grievances, the Company agrees that it will not cause or direct any lockout of its employees and the Union agrees that there will be no strike or other collective action which will stop, curtail or interfere with work or production. The Union agrees that if any such collective action takes place it will repudiate it forthwith and instruct its members to return to work. It will also confirm such repudiation by confirmatory letter delivered to the Company within twenty-four (24) hours after each collective action takes place. Any employee who engages in a strike or other collective action which stops, curtails or interferes with work, production or overtime is subject to immediate discharge.
- 5.02 It is understood and agreed, however, that employees will not be required to work on material or supplies which may be received by the Company from a supplier whose employees are on strike and are covered by agreement with another Local of the Union unless such material or supplies have been shipped thereby prior to commencement of such strike. It is further understood that this provision in no way restricts the Company from supplying its own product to the customers of a supplier whose employees are on strike and are covered by an agreement with another Local of the Union.

ARTICLE 6
UNION REPRESENTATION

- 6.01 In order to provide an orderly procedure for the servicing of differences between the parties and employee grievances which may arise hereunder, the Company acknowledges the right of the Union to appoint or otherwise elect from amongst the employees, stewards whose duty shall be to assist employees working in the department or group of departments under the Grievance Procedure.
- 6.02 The Company shall recognize four (4) stewards inclusive of the Chairperson within the jurisdiction of this collective agreement and that these four stewards will be at the Markham facility and three (3) Alternate Stewards for the Markham location, recognizing that these three alternates will be assigned to cover each of the three shifts. The Company shall also recognize one (1) alternate only at Mavis. In the event that the number of actively employed bargaining unit employees increases to three hundred (300), the number of stewards at Markham will increase to five. The alternate steward from the Mavis location will handle grievances directly with the Business Agent and is not part of the Markham Union Committee as per Letter of Understanding No.1. Employees shall not be eligible to serve as Stewards unless they have been in the Company's continuous employ for at least one (1) year.
- 6.03 Stewards shall be chosen as to give as broad a representation as possible to all employees in all departments.
- 6.04 The Union shall notify the Company of the names of all Stewards and will identify which Steward shall serve as the Chairperson. In addition, the Union shall provide written notice of which Stewards shall be recognized as the Shop Negotiating Committee. Upon written notification, the Company shall be required to recognize them.

Representation on Grievance

- 6.05 It is understood that Stewards have their regular work to perform on behalf of the Company and that if it is necessary to service a grievance during working hours they will not leave their work without obtaining the permission of their Supervisor. When resuming their regular work, they will report to their Supervisor, and if requested, will give a reasonable explanation as to their absence
- 6.06 The Company and the Union agree that Stewards will not be paid by the Company for time spent attending a meeting concerning a grievance with representatives of the Company outside of the Steward's working hours. The Company will endeavor as much as possible, to schedule the meetings during the working hours of the Stewards concerned.

Shop Negotiating Committee

- 6.07 The Company shall recognize a maximum of four (4) Stewards as members of the Shop Negotiating Committee and to provide that the number of Stewards on the Committee may increase to five (5) when the number of actively employed bargaining unit employees increases to three hundred (300). The Company agrees to pay the Union Shop Negotiating Committee members at contract negotiations for missed regular straight time scheduled hours excluding shift differential up to a maximum of four (4) days per member.
- 6.08 In addition to negotiations, the Shop Negotiating Committee members shall be authorized to attend Policy Grievance meetings and Union/Management meetings. Committee members from the afternoon and/or night shift must complete their scheduled shift prior to the meeting. Committee members who attend such meetings shall be paid their straight time wage rate for the duration of the meeting only. Committee members who are scheduled to work the afternoon or night shift the day of the meeting and feel that they will be unable to get sufficient rest to work that shift, shall advise their supervisor upon notification of the meeting date so that alternate coverage can be arranged. The Company shall not pay

wages for the missed shift. If the meeting goes beyond four (4) hours the Union shall pay wages for the missed shift.

ARTICLE 7 GRIEVANCE PROCEDURE

- 7.01 A grievance is defined as being a complaint by an employee or group of employees, union or management arising from the interpretation, application, administration or alleged violation of this Agreement.
- 7.02 It is the mutual desire of the parties hereto that complaints, if any, of employees shall be adjusted as quickly as possible.

Discussion with Supervisor

- 7.03 It is agreed that prior to putting a grievance in writing at Step No.1, a Union Steward and the grievor will discuss the complaint with the Supervisor in order to settle the dispute.

7.04 Grievance Procedure – Markham Plant

Step No. 1

If the employee's complaint is not settled under Article 7.03, the grievance shall be presented in writing, and a meeting will be held between the grievor, who shall be accompanied by their Steward, and the grievor's supervisor within two (2) working days after the supervisor has received the written grievance. The Supervisor shall reply, in writing, to the Steward and the employee within two (2) working days following such meeting and the giving of such reply will terminate Step No. 1.

Step No. 2

If the grievance is not settled at Step No. 1, the grievance shall be presented to the departmental manager within five (5) working days. The departmental manager shall meet with the employee, the steward and the shift supervisor within two (2) working days. The departmental manager shall reply, in writing, within three (3) working days following such meeting and the giving of such reply will terminate Step No. 2.

Step No. 3

If the grievance is not settled at Step No. 2, a meeting of not more than four (4) Stewards (inclusive of Chairperson), the Business Agent, and the Human Resources and other Management representatives shall take place on a date mutually agreed upon. The aggrieved employee shall be present at the request of either of the parties. Human Resources shall reply in writing within three (3) working days of such meeting.

Time Limit

- 7.05 The Company shall be under no obligation to consider or process any grievance unless such grievance has been presented to the Company in writing at Step No. 1 of the Grievance Procedure within ten (10) working days from the time of the occurrence or circumstances upon which the grievance is based.
- 7.06 When a group of employees has a complaint or grievance it shall first be taken up under Step No. 2.
- 7.07 Any difference arising directly between the Company and the Union may be submitted in writing by either party at Step No. 3.
- 7.08 Any and all limits fixed by this Article and Article 8 may at any time be extended by written agreement between the Company and the Union.
- 7.09 All decisions arrived at between the representatives of the Company and the representatives of the Union shall be final and binding upon the Company, the Union and the employee or employees concerned.

ARTICLE 8
ARBITRATION & MEDIATION

- 8.01 When either party requests that any matter be submitted to arbitration as hereinbefore provided, it shall make such request in writing addressed to the other party to this Agreement. It is agreed that disputes, which are carried to the arbitration stage, shall first be heard before a Mediator or a Grievance Settlement Officer (unless eliminated by mutual agreement), no later than thirty (30) working days after the Step No. 3 response. If mediation has not resolved the dispute, then it shall be heard by a single Arbitrator to be agreed upon by the Company and the Union. If an agreement as to the choice of an arbitrator is not arrived at within sixty (60) days, the Ministry of Labour will be asked to appoint an Arbitrator. If no written request for arbitration is received within ten (10) full working days after the mediation meeting, it shall be deemed to have been settled or abandoned.
- 8.02 No matter may be submitted to arbitration which has not been properly carried through all previous Steps of the Grievance Procedure and Mediation.
- 8.03 The Arbitrator shall not have any power to alter, modify, amend or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions nor to give any decision inconsistent with the terms and provisions of this Agreement.
- 8.04 The proceedings of the Arbitrator will be expedited by the parties hereto, and the decisions of the Arbitrator will be final and binding upon the parties hereto and the employee or employees concerned.
- 8.05 Each of the parties hereto will bear the expenses of the Arbitrator appointed.

ARTICLE 9
DISCHARGE CASES

- 9.01 The discharge of a new probationary employee is at the sole discretion of the Company and shall not be the subject of any grievance.
- 9.02 A claim by an employee who has completed the probationary period that he/she has been unjustly discharged shall be treated as a grievance and may be taken to arbitration, if necessary, if a written statement of such grievance is lodged with the Manager, Human Resources within ten (10) full working days after the employee ceases to work for the Company and Step 1 of the Grievance Procedure will be omitted in such case. The Chairperson or a designated representative will be notified prior to a discharge.

ARTICLE 10
SENIORITY

- 10.01 Seniority in this Agreement shall mean length of continuous service in the employ of the Company, while under the jurisdiction of this Agreement, from an employee's last date of hire. It is understood that for the purposes of determining payment for vacations or statutory holidays, seniority will be defined as an employee's total length of continuous service with the Company.
- 10.02 A new employee shall be considered on probation for a period of fifteen (15) consecutive weeks except in positions Level 3 and above which will have a probationary period of twenty-four (24) weeks. A probationary employee shall have no seniority rights pursuant to this Agreement. Upon the successful completion of the probationary period, the employee shall be credited with seniority back to their most recent date of hire.
- 10.03 A plant seniority list shall be prepared and revised when necessary to implement the seniority clauses of this Agreement. This list shall be made available to the Chairperson and shall be posted every six (6) months.

- 10.04 Seniority shall accumulate in the following circumstances only:
- (i) when actually at work for the Company;
 - (ii) when absent on vacation or on paid holidays;
 - (iii) when off the payroll due to authorized leave of absence;
 - (iv) when off the payroll due to lay-off, sickness or accident seniority will continue to accumulate for a period of time equal to seniority, up to twelve (12) calendar months.
- 10.05 Seniority shall terminate and an employee shall cease to be employed by the Company when they:
- (i) voluntarily quit their employment with the Company or are discharged and not reinstated through the Grievance Procedure;
 - (ii) (a) are laid off and fail to notify Human Resources of a clear intent to return to work within three (3) calendar days after receiving notice from the Company by registered mail or courier to their last known address; or
(b) are laid off and fail to return to work within ten (10) calendar days after receiving notice from the Company by registered mail or courier to their last know address.
 - (iii) fail to return to work upon termination of an authorized leave of absence unless they give a legitimate reason for being unable to do so;
 - (iv) accept gainful employment while on a leave of absence without first obtaining the consent of the Company in writing;
 - (v) are laid off or otherwise not actually at work for a continuous period of time up to twelve (12) calendar months per Article 10.04.
 - (vi) are absent for three (3) consecutive working days without valid reason, authorization and/or without notifying the Company.

10.06 It shall be the duty of each employee to notify the Human Resources Department in writing promptly of any change in address and/or telephone number. If an employee fails to do so, the Company will not be responsible for failure of a notice to reach such employee.

Lay-off Procedure

10.07 (a) Lay-offs shall be based on seniority providing the senior employee is qualified to satisfactorily perform the available work. An employee will be considered to have the required qualifications when:

- (i) they have previously held the classification through the job posting process or have worked in the classification for a continuous period of three (3) months prior to November 10, 2003; and
- (ii) there is no bona fide medical reason barring the employee from performing the available work.

10.07 (b) An employee affected by a lay-off will be entitled to exercise plant-wide seniority to:

- (i) fill a vacancy where the employee is qualified to perform the work required; or
- (ii) bump into the same classification in the same department provided the senior employee is qualified to satisfactorily perform the work required; or, if unable to do so,
- (iii) bump into the next lower classification in any department provided the senior employee is qualified to satisfactorily perform the work required or to perform the available work within Job Level 3 or below, excluding the Inspector position.

10.07 (c) In a lay-off, the senior employee will have the option, but the junior employee will be the first employee who would be obligated to leave an affected classification and/or shift and/or department provided the remaining employees are qualified to do the work available.

- 10.07 (d) Where employees are to be laid off, the Union will be notified of the date and approximate number of employees involved, not less than two (2) weeks prior to the date of layoff. No employees shall be laid off prior to such notification period having expired without being paid one (1) week's regular wages in addition to any other severance or termination pay or compensation to which the employee may be entitled under the provisions of this agreement or any statute. This clause does not apply where the layoff(s) is a result of a temporary suspension of operations or an emergency.
- 10.07 (e) In the event of a lay-off, severance pay will be calculated in accordance with the provisions of the Employment Standards Act to a maximum of 32 weeks.

Recall Procedure

- 10.08 (a) Employees who have elected to be laid off will be recalled to their classification on the last shift they worked. If the Company has moved its operations to a 12 hour or to an 8 hour shift since the time of the lay-off, employees will be recalled to the first shift available, regardless of whether it is 12 hour or 8 hour, within their classification. When an employee has elected, in writing, to be laid off over a shift transfer, he/she will be recalled to the first available position on the last shift worked.
- 10.08 (b) Other employees who have been laid off or curtailed will be recalled in order of their seniority provided they are qualified to do the work available. When a recall is known to be temporary for a period less than six (6) months, the Company will inform the employee and the Union. An employee enrolled in a recognized course, pre-authorized in writing by Human Resources, will not lose seniority rights by declining a temporary position.

Shift Transfers

- 10.09 (a) When a permanent vacancy occurs and after plant requirements are satisfied, employees holding the classification and employees on a trial period for more than sixty (60) working days will be allowed to transfer to the vacant shift according to seniority. An employee, who has transferred shift for a minimum of four (4) months, shall have the right to retain the shift in a curtailment situation.
- 10.09 (b) The Company agrees to inform employees no later than Wednesday when it plans to move them to another shift the following week. In case of emergency, the Company may request an employee to change shift without notice. In such a case, the employee will receive four (4) hours pay as a disturbance allowance.

Return from Sick Leave

- 10.10 Any employee's reinstatement after sick leave will be conditional on supplying, when requested, a certificate from a physician that the employee is fully recovered from the sickness which caused the absence and capable of fully performing their duties and responsibilities.

Job Postings

- 10.11 (a) All temporary and permanent vacancies above job level one shall be posted for a period of seven (7) calendar days and any employee, excepting probationary employees may make application for such vacancies. Such employees may apply for lower, lateral or higher-rated posted jobs. An employee selected to fill a permanent posting shall be precluded from applying for another permanent posting at a lower or lateral level for a period of twelve (12) calendar months.

- 10.11 (b) The company shall select an employee to fill the posted vacancy within thirty (30) working days of the posting.

Applicants for job postings for positions within Job Level 3 shall be selected by seniority unless it is established that the employee does not have the capability or physical fitness to perform the normal requirements of the job.

Applicants for job postings for positions within job Level 4 and above, shall be selected based upon the following qualifications:

- (i) seniority
- (ii) skills and abilities; and
- (iii) work history

The Company will assess each applicant's file and when the qualifications and factors (ii) and (iii) are relatively equal, then the most senior employee will be selected. Should the Company not select the most senior employee it will inform the Union in writing as to why the chosen applicant has been selected.

- 10.11 (c) Employees selected to fill a job posting shall be given a reasonable trial period according to the following:

- (i) Job Levels 2, 3: not to exceed seventy-five (75) days worked;
- (ii) Job Levels 4, 5, 6, 7, 8, 9, 10, 11, 12: not to exceed one hundred twenty (120) days worked.

If at any time during such trial period the employee does not, in the judgement of the Company, demonstrate the required skill and ability to do the job concerned, the Company will make every reasonable effort to transfer the employee back to their previous or similar job classification.

Transfer Procedure

10.12 (a) (i) Labour Transfer

When it is necessary for the Company to support the efficiency of its operations, the company will select the most senior employee from the shift on which the labour transfer is to take place; and that any transfer that is longer than fifteen (15) consecutive working days shall be by recall. The employee transferred shall receive the rate of the classification or the rate of his/her regular classification whichever is higher. An employee who has been transferred up to fifteen (15) working days shall not have the right to use their seniority to retain the classification in a curtailment situation. It is agreed that in selecting an employee for a permanent vacancy, no consideration will be given to any experience an employee may have gained through a labour transfer.

When employees have been transferred for more than thirty-two (32) hours prior to a statutory holiday, they will receive their statutory holiday pay at the wage rate they have been transferred to.

(ii) Temporary Positions

Vacant positions created as a result of illness, injury or occupational accident or illness, leave of absence, or created as a result of short-term business needs during the high business season, and known to exceed thirty (30) working days will be posted according to the job posting procedure.

No temporary positions shall last longer than the trial period except for positions caused by parental leave, WSIB, and extended medical absence, which may last up to twelve (12) months. For short-term business needs, a temporary position shall not last more than four (4) months.

It is agreed that in selecting an employee for permanent vacancy, the Company will give consideration to the experience an employee may have gained through a temporary job posting. An

employee who has been on a temporary job posting shall not have the right to use their seniority to retain the classification.

- 10.12 (b) Any employee under the jurisdiction of this Agreement transferred or promoted to a position not under the Agreement, may be returned by the Company within the first two (2) months, unless extended by mutual agreement, to an available job under this Agreement without loss of previously accumulated seniority.
- 10.12 (c) An employee may transfer to a lower rated job or laterally for bona fide health reasons provided he/she is qualified to perform the available work when a permanent vacancy exists.

Students

- 10.13 (a) Prior to the hiring of any students, the Company will first offer any job opportunities to laid off employees, however, it is understood that summer students may be offered employment during the period from May 1 to Labour Day of each year. A student retained beyond Labour Day will be considered for status as a regular employee under the terms of Articles 10.01 and 10.02 of this Agreement, subject to the satisfactory completion of a probationary period commencing Labour Day. Upon the successful completion of this probationary period, the employee shall be credited with seniority back to their most recent date of hire. The Company will have the right to hire temporary students between Labour Day and April 30 to perform occasional non-production work such as painting, cleaning, labelling, retail put-ups, etc.
- 10.13 (b) Where production, manpower and vacation scheduling requirements permit, employees with seniority will be allowed to transfer shifts in priority to summer students during the months when summer students have been hired.

Continuous Operations

- 10.14 (a) If a new continuous production operation is established after December 1, 1985, an affected employee with seniority prior to that date will have the right to exercise their seniority to retain an

existing similar job classification and wage rate, for which they are qualified, on a non-continuous operation.

- 10.14 (b) In the event said employees are affected by a future curtailment or lay-off, they may exercise their seniority to displace less senior continuous production operation employees provided they are willing to work a continuous operation subject to Article 10.07 (b).
- 10.14 (c) In the event that a production schedule changes from Regular to COP or vice versa, and only after departmental requirements have been satisfied, an affected employee may exercise their seniority within the same classification to bump to a preferred shift provided they are qualified and can demonstrate the ability to perform the work.

Rate Protection

- 10.15 (a) When an employee is curtailed to a lower level job as a result of a permanent layoff, their former rate will be maintained until the earlier of three (3) months or the date upon which the employee acquires a position at a level equal to the position from which they were curtailed. This clause does not apply where the layoff is a result of business loss. When the Company needs to curtail employees as a result of a reduction in production requirements, curtailed employees, who hold the classification, will be given two (2) weeks notice prior to their curtailment. Employees recalled for less than six (6) months due to another employee's disability- or WSIB- based absence will not receive rate protection.
- 10.15 (b) Commencing December 1, 1997, where a job is reclassified to a lower job level, the former job level will apply to the current incumbents, or any employee curtailed from the position at the time of the reclassification for any hours worked on the job for a period of one (1) year from the date of the reclassification. At the expiry of that one year, the current job level will apply.

ARTICLE 11 WAGES

- 11.01 (a) Wages and job levels to be as in the attached wage and wage progression schedules that are, for all purposes, recognized as included in this collective agreement. The effective date of such wage progressions shall be the closest Monday to the pay week in which the progression date falls.
- 11.01 (b) No employee's current hourly wage rate will be reduced as long as they remain in their current job classification.

New Equipment and Rates

- 11.02 New equipment and rates - it is agreed that when additional equipment or machinery is installed and in operation, the management and the Union Committee will meet no later than three (3) months after such an installation and by mutual agreement give new equipment or machine a rate classification in keeping with the classifications as set forth in the wage schedule of this Agreement. Rate to be effective from date of agreement of machine classification.

Tool Replacement

- 11.03 The Company agrees to replace worn out, or broken tools to any employee who is required by the Company to purchase their own tools upon presentation to their immediate Supervisor.

Payroll Corrections

- 11.04 Payroll corrections as a result of Company error will be rectified within two (2) business days (excluding Saturdays, Sundays and any day on which bargaining unit employees are not working due to holidays or shut down) provided that the employee has notified his supervisor of the Company error. If that error is not rectified as provided for in the preceding sentence, the employee shall be paid one and one-half (1.5) times the monies owing due to the Company error.

ARTICLE 12
HOURS OF WORK AND OVERTIME
(REGULAR PRODUCTION EMPLOYEES)

12.01 (a) The normal work week shall be from Monday to Friday inclusive, beginning on Monday at 6 a.m. or 7 a.m., and shall consist of five (5) consecutive days totalling forty (40) hours.

(b) The normal work day shall consist of three (3) eight (8) hour shifts, 7 a.m. to 3 p.m., 3 p.m. to 11 p.m., and 11 p.m. to 7 a.m., except for relief shifts that will consist of three (3) six (6) hour shifts with no lunch and two (2) fifteen (15) minute rest periods. Relief shifts shall be 8:45 a.m. to 2:45 p.m., 4:45 p.m. to 10:45 p.m., and 12:45 a.m. to 6:45 a.m. The Company is under no obligation to assign any employees to work relief shifts as provided for herein other than the two (2) individuals who were assigned as at October 31, 2008.

(c) The provisions of this Article are intended only to provide a basis for determining the number of hours of work for which an employee shall be entitled to be paid at overtime rates and shall not be construed as a guarantee of any specific number of hours of work either by day or by week. Under normal conditions, the daily system of operations shall be three (3) eight (8) hour shifts, but the number of hours constituting a shift and the number of shifts operating may be varied at the discretion of the Company. Management agrees to post and keep posted the regular scheduled shift hours. A copy of such notices will be sent to the Union.

(d) It is understood, however, that this provision shall not constitute a guarantee of hours of work and that nothing shall prevent the Company from scheduling overtime work as required to maintain efficient operation of the plant and equipment.

(e) When Saturday work is required, the Company shall, except in cases beyond its reasonable control, post the schedules for such work on the previous Thursday.

- 12.02 Except for relief and continuous operation schedule shifts, employees with seniority as of May 1, 2010 under Article 10 of the Agreement shall be allowed a thirty (30) minute paid lunch. Employees without seniority as of May 1, 2010 under Article 10 of the Agreement will not receive paid lunch.
- 12.03 (a) All authorized hours worked in excess of the regular daily work hours (eight (8) hours) shall be paid at the overtime rate of time and one-half for the first three (3) hours and double time thereafter.
- 12.03 (b) (i) An employee scheduled for Saturday work shall be paid time and one-half for the first four (4) hours and double time thereafter.
- (ii) All authorized hours worked in excess of the regular daily work hours (six (6) hours) for Relief Workers shall be paid at the rate of time and one-half for the first three (3) hours and double time thereafter. Time and one-half will be paid to such employees for the first three (3) hours of authorized work on a scheduled day off. Double time will be paid to such employees for authorized work in excess of three (3) hours on a scheduled day off, and for all hours worked on a second successive day off.
- (iii) No employee will be permitted to work in excess of 60 hours per week.
- 12.03 (c) All employees will be paid in accordance with Article 13 when working a continuous operation.
- 12.04 Authorized work performed on a Sunday from 7 a.m. until Monday at 7 a.m. shall be paid at the rate of double the employee's regular straight time rate of pay except when Sunday forms part of the employee's regularly scheduled work week. This provision shall not apply to a plant start-up, stationary engineers, or continuous production operation employees.

- 12.05 In order to be entitled to the overtime premiums for hours worked on Saturday or Sunday under Section 12.03 (b) and 12.04, an employee must have worked his complete normal scheduled work week within which the Saturday and Sunday fall, or while absent during such week, was in receipt of pay or payments under this Agreement. An employee who is not entitled to the overtime premiums for hours worked on a Saturday or Sunday under Section 12.03 (b) and 12.04, shall be paid time and one-half and/or double time, respectively for all hours worked on such days which are in excess of forty (40) hours (thirty (30) hours for relief shifts) worked in the week.
- 12.06 The Union acknowledges that employees are expected to co-operate with the Company by working overtime when they have been given reasonable notice and to do so in accordance with the Ontario Employment Standards Act. The Company shall make every reasonable effort to distribute overtime work equally among employees in their respective job classifications, departments and shifts. No employee shall be required to work an excessive amount of overtime and any complaint concerning excessive overtime shall be settled under the grievance procedure.
- 12.07 The Company agrees to continue the system of rest periods presently in effect. When weekend overtime is scheduled, the cafeteria will be open for a rest period, except that in the event the Company introduces a full-service cafeteria such full-service will not be available on weekends.
- 12.08 Unless specifically provided for in this Agreement, there shall be no duplication or pyramiding in computing premium pay and/or overtime pay, and the same hours shall not be used twice in computing premium pay and or overtime pay under any provisions of this Agreement.

Overtime Procedure

12.09 An overtime list of general classification by seniority will be maintained and each employee will be asked to work their turn on a rotation basis for scheduled overtime. If an employee does not work overtime when requested, then their name will be bypassed and that turn marked against them and then they must wait until their name is eligible for the next scheduled overtime. The overtime list showing the rotation basis will be kept and posted in each Supervisor's office.

ARTICLE 13 CONTINUOUS PRODUCTION SCHEDULE EMPLOYEES AND STATIONARY ENGINEERS

13.01 The Union acknowledges that the Company shall have the right to establish a continuous shift schedule in all operations. The provisions of this article are intended only to provide a basis for determining the hours of work. It does not constitute any guarantee of hours of work. However, the normal work week shall not be confined to Monday to Friday in case of a continuous production operation. A continuous operation is defined to mean twenty-four (24) hours per day, seven (7) days per week. The normal work week for Stationary Engineers or employees working on a continuous production operation shall be forty (40) hours on an average basis.

13.02 Where shifts will change from a continuous operation to a regular production shift or vice versa, the Company agrees to provide four (4) weeks' notice to the Union.

13.03 (a) **Eight Hour Shifts:**

(i) The normal work day shall consist of three (3) eight (8) hour shifts 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m., and 11:00 p.m. to 7:00 a.m. The provisions of this Article are intended only to provide a basis for determining the number of hours of work for which an employee shall be entitled to be paid at overtime rates and shall not be construed as a guarantee of any specific number of hours of work either by day or by week.

- (ii) All authorized hours worked in excess of the regular daily work hours (eight (8) hours) shall be paid at the overtime rate of time and one-half for the first three (3) hours and double time thereafter Monday to Friday inclusive. Time and one-half will be paid to such employees for the first four (4) hours of authorized work on a scheduled day off. Double time will be paid to such employees for authorized work in excess of four (4) hours on a scheduled day off, and for all hours worked on a second successive day off.
- (iii) Such employees on a continuous shift schedule required to work on a Saturday or Sunday will be paid time and one-half.

13.03 (b) **Six Hour Shifts:**

- (i) The normal work day shall consist of three (3) six (6) hour shifts, no lunch and two (2) fifteen (15) minute rest periods. Relief shifts shall be 8:45 a.m. to 2:45 p.m., 4:45 p.m. to 10:45 p.m., and 12:45 a.m. to 6:45 a.m. The provisions of this Article are intended only to provide a basis for determining the number of hours of work for which an employee shall be entitled to be paid at overtime rates and shall not be construed as a guarantee of any specific number of hours of work either by day or by week.
- (ii) All authorized hours worked in excess of the regular daily work hours, (six (6) hours for Relief Workers,) shall be paid at the rate of time and one-half for the first three (3) hours and double time thereafter. Time and one-half will be paid to such employees for the first three (3) hours of authorized work on a scheduled day off. Double time will be paid to such employees for authorized work in excess of three (3) hours on a scheduled day off, and for all hours worked on a second successive day off.
- (iii) Employees on a continuous shift schedule who are regularly scheduled for Saturday and Sunday will be paid at time and one-half.

- 13.03 (c) **Twelve Hour Shifts:**
- (i) Hours of work will be based on the continuous operation schedule.
 - (ii) Lunch for employees working a 12-hour continuous operating schedule is unpaid.
 - (iii) All regularly scheduled work will be paid at straight time.
 - (iv) Time worked (1) in excess of 12 hours, (2) on an employee's scheduled day off (where the employee has worked his/her complete normal scheduled workweek), or (3) in excess of 80.5 hours in a two-week period, will be paid at the rate of time-and-one-half.
- 13.03 (d) In order to be entitled to the overtime premiums for hours worked on a Saturday or Sunday under Sections 13.03(a) and (b), an employee must have worked their complete normal scheduled work week within which the Saturday and Sunday fall, or, while absent during such week, was in receipt of pay or payments under this Agreement. An employee who is not entitled to the overtime premiums for hours worked on a Saturday or Sunday under Sections 13.03(a) and (b), shall be paid time and one-half for all hours worked on such day(s) which are in excess of forty (40) hours worked in the week (thirty (30) hours for relief shifts).
- 13.04 Holiday pay will be paid in accordance with Article 17, Plant and Statutory Holidays.
- 13.05 In the event the Company determines that it is necessary to establish a continuous operation, the Union and the Company agree that existing employees working on a non-continuous basis, will be surveyed to seek volunteers who desire to work a continuous operation. The Company agrees to inform all probationary employees that they may be transferred to a continuous operation at the Company's option during their employment with the Company.

13.06 **Overtime Procedure**

An overtime list of general classification by seniority will be maintained and each employee will be asked to work their turn on a rotation basis for scheduled overtime. If an employee does not work overtime when requested, their name will be bypassed and that turn marked against them and then they must wait until their name is eligible for the next scheduled overtime. The overtime list showing the rotation basis will be kept and posted in each Supervisor's office.

**ARTICLE 14
REPORTING PAY**

14.01 Any employee reporting for work at their regularly scheduled starting time will be guaranteed at least four (4) hours of work or four (4) hours of pay and at least six (6) hours of work or six (6) hours of pay if on continuous operations at their applicable rate of pay for the day. This is provided the Company is in possession of the employee's current home telephone number and has not notified the employee not to report for work. This article shall not apply when there is a lack of work due to an Act of God such as fire, flood, or power failure.

**ARTICLE 15
SHIFT DIFFERENTIAL**

15.01 All employees shall be paid a shift premium as follows:

- (a) for all hours worked on the second shift, each employee shall be paid eighty- five cents (\$0.85) per hour.
- (b) for all hours worked on the third and Continuous Operation Schedule-B shift, each employee shall be paid one dollar and ten cents (\$1.10) per hour.

- 15.02 Shift differential payments shall be considered as payments additional to all other hourly compensation and will not be considered in the computation of overtime premium.
- 15.03 All hours worked by an employee during a work day shall be considered as being worked on the shift on which the employee starts to work, except that work performed on two (2) shifts shall be paid the shift differential of the shift on which the majority of time is worked and when two (2) complete shifts are worked, the rate applicable to each shift will be paid.

ARTICLE 16 CALL-IN PAY AND STANDBY FEES

Call-In Pay

- 16.01 If an employee is called from home to work at other than their regularly assigned working hours, the employee shall be paid for a minimum of four (4) hours' work at time and one-half their regular straight time rate of pay even though they work less than four (4) hours except for employees working on continuous operations who shall be paid for six (6) hours. Applicable shift differential pay will also be paid if the hours worked occur during the second or third shifts. This policy shall not apply when an employee is called in early to their regular shift and works continuously from the time of reporting to their regular shift.

Standby Fees

- 16.02 Any employee who is required to be on standby shall receive fifty (50) cents per hour while officially on standby and required to wear a pager.

ARTICLE 17
PLANT AND STATUTORY HOLIDAYS

17.01 From December 1, 2010 through May 31, 2015, the following plant and statutory holidays will be granted each year with pay to all employees who have completed their probationary period, on the basis of the employee's currently scheduled shift hours at the employee's regular straight-time rate of pay (exclusive of shift differential), provided however, that:

- (i) the employee works the full scheduled shift immediately before and immediately after the holiday, or
- (ii) the employee does not work the full scheduled shift immediately before and/or immediately after the holiday but shows satisfactory proof of personal illness and/or a cause for the part or full shift of absence.

New Year's Day	Christmas Day
Good Friday	Boxing Day
Victoria Day	Optional Holiday
Canada Day	Optional Holiday
Civic Holiday	Optional Holiday
Labour Day	Optional Holiday
Thanksgiving Day	

Optional Holidays to be selected by the Company. The Company will discuss its selection with the Union Committee prior to posting.

Effective December 1, 2006, employees who have completed twenty-five (25) years of service are entitled to a Statutory Holiday on their birthday.

Effective February 2009 Family Day will be added to list of Statutory Holidays.

Effective December 1, 2009, one Optional Holiday will be removed from the list of Statutory Holidays, making the total Optional Holidays equal to three (3).

- 17.02 If an employee is required to work on any of the Holidays designated in Article 17.01, they shall be paid overtime at the rate of twice their regular straight time rate of pay (plus regular shift differential, if any) for authorized time worked on such holiday, in addition to their statutory holiday pay.
- 17.03 If a holiday, or the day observed by the Company in respect of a holiday, falls on a continuous operations employee's non-working day, the employee will be given another normal working day off at a mutually agreed time within the calendar year, subject to seniority and operational requirements. For continuous operations employees working a 12-hour shift Plant and Statutory holidays will be paid at a rate of twelve (12) hours for each qualifying day off.
- 17.04 Should an employee be laid-off at the time of the observance of an Optional Holiday, the Company agrees to pay to the employee on their recall, one day's missed Optional Holiday pay for every four (4) months of the calendar year during which the employee was in receipt of pay or payments under this Agreement.

**ARTICLE 18
VACATIONS WITH PAY**

- 18.01 An employee is eligible to take their first vacation after completing one year of service. After an employee's first vacation, they shall be entitled to their next and subsequent vacations on January 1st of the calendar year in which their future anniversary falls. For vacation purposes, employees shall be entitled to vacation with pay as follows:

Length of Continuous Service	Length of Vacation	Rate of Vacation Pay
1 year	2 weeks	4%
5 years	3 weeks	6%
10 years	4 weeks	8%
18 years	5 weeks	10%
30 years	6 weeks	12%

- 18.02 For continuous operations employees working a 12-hour shift, seven (7) days, Monday through Sunday will constitute one week's vacation.
- 18.03 Vacation pay shall be computed on the basis of the employee's total annual earnings for the twelve (12) month period ending June 30th in the vacation year.
- 18.04 If an employee has been continuously absent due to illness for a period of at least three (3) weeks and not longer than three (3) months and can show satisfactory proof to the Company of such continuous illness, lost time shall not work to the detriment of the employee so far as annual vacation pay is concerned. In calculating vacation pay, the absence shall be deemed as time worked and thus credit shall be given on the basis of regular shift hours at the employee's earned rate of 4%, 6%, 8%, 10% or 12% of base rate for the lost time. Only one such illness a year shall be recognized.
- 18.05 Time lost by an employee as a result of a job-incurred injury covered by the Workplace Safety Insurance Board shall also be considered in computing an employee's vacation pay. In such instances, the amount of Workers' Compensation received by the employee for a period of not in excess of 3 months in any (1) year shall be added to the employee's earnings and counted in calculation of the employee's vacation pay.
- 18.06 It shall be the right of the Company to designate the vacation periods. In making this determination, the Company will endeavour, within the provisions of Article 10 of this Agreement, to grant the date preferred by the employee.
- 18.07 If a holiday falls during an employee's vacation period, a day either before or after such vacation period will be added. The Company shall endeavour to allow employees to take a maximum of three (3) weeks vacation in a row provided such requests are consistent with seniority and staffing levels established by the Company in specific classifications and departments. Where possible, the Company shall endeavour to assure that employees who qualify for three (3) or more weeks of vacation will receive two (2) of those weeks during the

period of June 1 to Labour Day inclusive. This allowance shall also fall within the provisions of Article 10 of this Agreement. All employees will be allowed to take their vacation entitlement within the year they are eligible and no vacation shall be forwarded to the following year.

- 18.08 The Company shall post all vacation schedules no later than April 15 of the vacation year. Requests for vacation prior to April 1, shall be approved within five (5) working days provided the request is submitted at least two (2) weeks prior to the start date of the vacation and subject to operational requirements.
- 18.09 It is understood that in cases of emergencies, such vacation schedules may require revision after posting, but in such cases, the Company will endeavour to give full consideration to the personal plans of each employee involved.

ARTICLE 19 LEAVES OF ABSENCE

- 19.01 Upon written application, an employee for valid reasons may be granted a leave of absence without pay for a period of up to thirty (30) days. The Company shall respond to such requests within five (5) working days. Leaves of absence necessitated by personal illness or physical disability may be granted for a period of up to six (6) months upon proper notification to the Company. Extensions beyond six (6) months may be granted if approved by the Company and the Union, however, no leave of absence will extend beyond eighteen (18) months unless due to a compensable injury. The Union Committee shall be advised and fully informed of the application and circumstances for which the application was requested. It is mutually agreed that in the case of two or more employees making application for a conflicting leave of absence, seniority will be the deciding factor on which leave is granted. Any rejection of requests for leave of absence will be discussed with the Union.
- 19.02 The Company may require written substantiation of the reasons for any leave of absence.

- 19.03 An employee who becomes pregnant will be granted a leave of absence in accordance with the Employment Standards Act.
- 19.04 An employee who is elected to a full-time position as a Union Officer with the G.C.I.U. shall, upon thirty (30) days' written notice, be granted a leave of absence without pay or benefits for a maximum period of one (1) elected term of office. Subject to receipt by the Company of thirty (30) days' written notice of the employee's desire to return to work, the employee may exercise bumping rights in accordance with Article 10.08(b) of this Agreement. Upon reinstatement, the employee will be credited with all seniority accumulated prior to their departure on such leave.

ARTICLE 20

BEREAVEMENT LEAVE

- 20.01 In the event of the substantiated death of an employee's spouse, child, or parents, such employee shall, upon notification, be granted five (5) working days leave of absence with pay. In the event of the substantiated death of an employee's brother, sister, grandchild, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or parents of spouse, step-mother or step-father, the employee will be granted three (3) working days' leave of absence with pay. In the event of the substantiated death of an employee's grandparents, the employee will be granted a one (1) day leave of absence with pay. The employee shall be paid at the rate of their present rate of pay for regular scheduled hours for any such days off. Probationary employees are eligible for bereavement leave equal in duration to that described above, but such leave is without pay.
- 20.02 For continuous operations employees working a 12-hour shift, bereavement will be paid at a rate of twelve (12) hours for each qualifying day off. When a bereavement day falls on a regularly scheduled Saturday and/or Sunday, the employee working a continuous operation schedule shall be paid for the twelve (12) hours at a rate of time and one-half.

**ARTICLE 21
JURY DUTY**

21.01 Upon presentation of proper evidence of jury service and of the amount of compensation received therefore, an employee with seniority called on jury duty or crown witness shall be paid their regular rate of pay for the period spent on said jury duty not to exceed the pay they would be entitled to receive for working their regularly scheduled daily hours during such period, less, however, such jury duty payment as may be made to them by the Court or government agency having jurisdiction. However, no employee shall be entitled to receive more pay as aforesaid, in the aggregate, with respect to periods of jury service in any one (1) year than the equivalent of twelve (12) weeks' pay for working their regular daily scheduled hours.

**ARTICLE 22
CO-OPERATION AND SAFETY**

22.01 The Union agrees that it will co-operate fully with the Company to assure a full day's or a full night's work on the part of its members. It will support the Company actively in its effort to eliminate waste in production, conserve materials and supplies, maintain and improve the quality of workmanship and housekeeping, assist in preventing accidents and to strengthen goodwill between the Company, the employees, the customers and the public.

Safety Wear Account

22.02 (a) General. The Company will provide an allowance of up to five hundred (\$500.00) each two calendar year period for each employee toward the purchase of C.S.A. approved Safety Shoes, Safety Glasses and uniforms.

(b) Safety Shoes. Safety Shoes are mandatory. Employees who choose to purchase C.S.A. approved Safety Shoes from other than a Company authorized supplier will be reimbursed their Safety Shoe allowance upon presentation of a valid sales record or invoice of

purchase. Probationary employees will be compensated for their safety shoes upon completion of their probationary period.

(c) Safety Glasses. C.S.A. approved Safety Glasses are mandatory. Employees who require safety prescription glasses shall obtain an authorization form from the Human Resources department in order to be reimbursed. The Company agrees to replace, not more than once a year, authorized safety lenses and frames for prescription safety glasses that are either broken or damaged while the employee is at work, except where such breakage or damage results from the employee's wilful or irresponsible conduct.

(d) Uniforms. The Company agrees to reimburse uniform costs upon presentation of a valid sales record or invoice of purchase. This may include the cost of a company-authorized laundry service.

Safety Committee

22.04 (a) For its Markham Road facility and when employing more than three hundred employees (300) hourly employees, a Joint Health and Safety Committee shall be established consisting of four (4) members elected or appointed by the Union and by four (4) members appointed by Management. The Union will assure that each shift is represented by at least one (1) safety representative. In the event that the number of employees would be reduced to less than three hundred (300) employees, the committee shall consist of three (3) members from each side.

The Mavis location Joint Health and Safety Committee will consist of one (1) hourly member and one management member and will operate separately from the Markham Safety committee.

It is agreed that safety committee members will not be members of the Union committee or act as alternate stewards during their appointment.

22.04 (b) Markham facility will maintain a minimum of two (2) hourly certified members. The Company agrees to pay for the training of

two (2) certified members at Markham facility and for one (1) member at Mavis location.

**ARTICLE 23
INSURANCE - PENSION**

23.01 The present Group Insurance Plan underwritten and administered by an insurance company will continue subject to the terms and provisions of the underwriter and the eligibility requirements therein with coverage as follows:

**FOR EMPLOYEES WITH SENIORITY AND THEIR
DEPENDENTS**

Daily Hospital Benefit

Semi-Private coverage at no premium cost to the employee.

Major Medical Expense Benefit

The Company will provide employees and dependents with Extended Health Care (EHC) group coverage at no premium cost and no deductible to the employees. Effective for purchases on or after January 1, 2011, vision care benefit is as follows:

Effective Date	Vision Care Benefit Amount
January 1, 2011	\$310
January 1, 2012	\$320
January 1, 2013	\$330
January 1, 2014	\$340
January 1, 2015	\$350

Prescription Drugs

Effective January 1, 2011 the drug plan will cover 100% of prescription drug costs up to \$6,000.00 per benefit year, per family: and 50% of prescription drug costs that are in excess of \$6,000.00 but do not exceed \$8,000.00 per benefit year, per family, subject in all cases to a (\$9.00) dispensing fee cap.

Effective January 1, 2013, the drug plan will cover 100% of prescription drug costs up to \$8,000.00 per benefit year, per family: and 50% of prescription drug costs that are in excess of \$8,000.00 but do not exceed \$10,000.00 per benefit year, per family, subject in all cases to a \$9.00 dispensing fee cap.

Dental Plan

The Company will pay 100% of the cost of the present Dental Plan. The Dental Plan will cover the current O.D.A. Schedule of Fees as revised each and every year.

Effective January 1, 2004, the Company will pay 50% for orthodontics, for children under 19 only, to a maximum of fifteen hundred dollars (\$1500.00).

Effective January 1, 2007, this will increase to twenty five hundred dollars (\$2500.00).

FOR EMPLOYEES WITH SENIORITY ONLY

Life Insurance

Effective January 1, 2004 - Life insurance coverage of fifty thousand dollars (\$50,000), Accidental Death and Dismemberment of fifty thousand dollars (\$50,000) and dependent life coverage of five thousand dollars (\$5,000.00) per child and five thousand dollars (\$5,000) for spouse as described in the policy at no premium cost to the employee. Employees will have the option of purchasing additional insurance in increments of \$5,000 at a cost of approximately \$0.43 per \$1,000 up to a maximum of \$20,000.

Weekly Accident and Sickness Benefit

Effective the first day of accident and the fourth day of illness, and first day hospital, payable for a maximum of fifty-two (52) weeks. Payment of new approved claims will be calculated at 66 2/3% of the weekly pay at no premium cost to the employee as per the following:

- Following the three (3) day waiting period the next seven (7) days will be paid through the insurance carrier;
- Week 3 through 17 will be covered by Employment Insurance at 55% and the insurance carrier will make up the difference;
- The insurance carrier will cover week eighteen (18) through week fifty-two (52).

Starting January 1, 2010, payment of new approved claims will be calculated at 66 2/3% of the weekly pay at no premium cost to the employee as per the following;

- Following the three (3) day waiting period the next seventeen (17) days will be paid through the insurance carrier;
- Weeks 5 through 19 will be covered by Employment Insurance at 55% and the insurance carrier will make up the difference;
- The insurance carrier will cover week twenty (20) through fifty-two (52).

Health Spending Account

Employees are entitled to a Health Spending Account with the maximum per benefit year of \$350.00. Effective January 1, 2010 the maximum per benefit year will be increased to \$400.00.

Paramedical

Effective December 1, 2009 the Paramedical benefit will increase to \$300.00 per benefit year.

- 23.02 The Company reserves the right to change insurance carriers or to self-insure so long as coverage equivalent to that set out above is maintained.

Pension

- 23.03 The pension plan provides employees with a \$12.50 per month benefit per year of service up to April 29, 1996, plus \$23.50 per month benefit per year of service after April 29, 1996 up to and including December 31, 2000. Effective January 1, 2001, the plan will provide a \$40.00 per month benefit for each year of service after December 31, 2000.

- 23.04 Employees hired after December 1, 2008 shall not participate in the pension plan. All other employees will contribute to the pension plan forty-two and one-half (42.5) cents per hour worked, including hours in respect of paid statutory holidays, paid leaves of absence and vacations period entitlements. The maximum employee contribution is \$884.00 per calendar year. Employee contributions are subject to change in accordance with the agreement reached between the Company and the Union prior to April 29, 1996.

- 23.05 The Company will contribute to the pension plan the balance necessary to fund the benefits.

Group RRSP

- 23.06 The Company and the Union have agreed to continue a Group RRSP according to the matching contributions below.

It is agreed that a representative of the Union shall participate in the selection of a carrier and such carrier shall provide services at no administrative costs to the Company and the Union.

For the purposes of this Article, maximum per year by the Company will mean per calendar year. Deductions from the Company and employees on the following levels for 2011 through 2015 will start on January 1 of each year.

Eligibility Range	Company Matching Contribution Maximum					
	2010	2011	2012	2013	2014	2015
2-5 years	\$750	\$750	\$750	\$750	\$825	\$900
5-10 years	\$825	\$825	\$825	\$900	\$975	\$1050
10-18 years	\$900	\$975	\$1050	\$1125	\$1200	\$1275
18-30 years	\$1000	\$1075	\$1150	\$1225	\$1300	\$1375
30+ years	\$1025	\$1100	\$1175	\$1250	\$1325	\$1400

ARTICLE 24 WORK OF SUPERVISOR

24.01 Salaried Supervisors will not be permitted to perform work regularly done by an employee in the bargaining unit, if it results in a loss of time to the employee concerned. Salaried Supervisors will perform work done by an employee in the bargaining unit in such circumstances as training employees, demonstrating adjustments or set-ups, in an emergency or experimental work.

ARTICLE 25
NOTICES

25.01 Except where otherwise provided, official communications in the form of correspondence between the Company and the Union should be sent by fax or registered post to official addresses as shown below:

Company:
Human Resources
Solo Cup Canada Inc.
2121 Markham Road
Scarborough, Ontario
M1B 2W3

Union:
Graphic Communications Conference
International Brotherhood of Teamsters
Local 100-M
165 East Beaver Creek Rd.
Unit 21
Richmond Hill, Ontario
L4B 1E2

25.02 Any such notice shall be deemed to have been given and received on the first regular business day following date of posting.

ARTICLE 26
FAIR EMPLOYMENT PRACTICES AND
EQUAL OPPORTUNITIES

26.01 There shall be no discrimination by either the Company or the Union against any employees because of race, creed, colour, age, sex, or national origin, in the administration and application of this Agreement.

26.02 In this Agreement, words using the masculine gender include the feminine and words using the feminine gender include the masculine and the singular includes the plural and the plural the singular where the text so indicates.

ARTICLE 27
SEPARABILITY

- 27.01 If any provision of this Agreement is in violation of any federal or provincial law, now in effect or hereafter to become effective, the remainder of the Agreement shall not be affected thereby.

ARTICLE 28
SUPPORT & DISCIPLINE

- 28.01 (a) In order to allow an employee to improve his/her performance, he/she shall be first informed verbally, individually or through a group meeting, by a management representative of his/her non-compliance to a company rule prior to having a support meeting.
- 28.01 (b) The Company will inform the employee and his/her union steward twenty-four (24) hours in advance of when it plans to have a support meeting.
- 28.01 (c) An employee called for the purpose of a support meeting or any other form of discipline, or investigation of same, shall have a Union representative present during the meeting.
- 28.01 (d) The Company will provide a copy of the support meeting form or any disciplinary letters to the employee and the Union at the meeting.
- 28.01 (e) Support meetings and written reprimands will not be considered for progressive discipline after twelve (12) months from their date of issue. Suspensions and last chance agreements will not be considered for progressive discipline after eighteen (18) months from the end of suspension and last chance agreement.

ARTICLE 29
BULLETIN BOARD

- 29.01 The Company will provide a bulletin board on its premises for the purpose of posting official Union notices. All such notices must be signed by the proper Union officers and submitted to the Human Resources Manager, or other authorized representative for approval prior to being posted.

ARTICLE 30
RENEWAL, AMENDMENT AND TERMINATION

- 30.01 This Agreement shall become effective on December 1, 2010, and continue in effect until May 31, 2015, and shall continue automatically thereafter during annual periods of one (1) year each, unless either party notifies the other in writing not less than thirty (30) days and not more than ninety (90) days prior to the expiration date that it desires to amend or terminate this Agreement.
- 30.02 In the event of such notification being given as to amendment of the Agreement, negotiations between the parties shall begin within fifteen (15) days following such notification.
- 30.03 If, pursuant to such negotiations, an agreement on the renewal or amendment of this Agreement is not reached prior to the current expiration date, this Agreement shall be automatically extended until consummation of a new Agreement or completion of the conciliation proceedings prescribed under The Labour Relations Act, of the Province of Ontario, as amended, whichever should first occur.

ARTICLE 31
ENTIRE AGREEMENT

- 31.01 The parties agree that this Agreement constitutes the entire agreement between them and that any and all previous agreements and or practices, supplementary agreements, letters of intent, understanding, etc., that are not reduced to writing, are hereby cancelled and that, effective upon the signing of this Agreement, the Company's obligations respecting conditions of employment, working conditions and employee benefits are limited exclusively to those specifically stated in this Agreement or ancillary documents executed by the parties.
- 31.02 Any supplementary agreements reached between the Company and the Union during the term of this contract will be reviewed for possible inclusion into the contract at the succeeding round of negotiations.

IN WITNESS WHEREOF each of the parties hereto has caused this Agreement to be signed by its duly authorized representative on the date first written above.

GRAPHICS COMMUNICATIONS
CONFERENCE INTERNATIONAL
BROTHERHOOD OF TEAMSTERS,
LOCAL 100-M



B. Bhanot



D. Gammon



W. Ginn



K. Logan



F. Parisi

SOLO CUP CANADA INC..



K. Beich



M. Emerson



R. Goldman



R. Pollice



J. Tuazon

THIS AGREEMENT SIGNED AT Brampton, Ontario on this 14th day of April 2010.

**SCHEDULE A1
GRANDFATHER TOP JOB RATES**

CURRENT CLASSIFICATION	Job Level	June 1/2010 Top Job Rate	June 1/2011 Top Job Rate	June 1/2012 Top Job Rate	June 1/2013 Top Job Rate	June 1/2014 Top Job Rate
<hr/>						
Elect. A. Maintenance Mechanic	12	25.35	25.60	26.12	26.77	27.44
<hr/>						
3rd Class Sta. Eng. Elect. B.	11	23.73	23.97	24.45	25.06	25.68
<hr/>						
Ink Mixer/Matcher Printing Pressman Production Assistant Distribution Assistant	10	22.62	22.85	23.30	23.89	24.48
<hr/>						
4th Class Stat. Eng. App Electrician App Mechanic	9	21.76	21.98	22.42	22.98	23.55
<hr/>						
Adjuster Rotary Adjuster Gem Adjuster Adjuster LTC Plate Mounter Printing Assistant Tool Rm. Attend. A	8	20.68	20.89	21.30	21.84	22.38
<hr/>						
Blanking Press Operator Distribution Lift Truck Operator Markham Lift Truck Operator Slitter M/C Operator Shipper/Receiver	7	19.84	20.04	20.44	20.95	21.47

**SCHEDULE A1
GRANDFATHER TOP JOB RATES**

CURRENT CLASSIFICATION	Job Level	June 1/2010 Top Job Rate	June 1/2011 Top Job Rate	June 1/2012 Top Job Rate	June 1/2013 Top Job Rate	June 1/2014 Top Job Rate
PMC Operator						
Auto Pkg. Tender						
Handyman						
Oiler	6	19.21	19.40	19.79	20.28	20.79
Pelletizer Operator	5	18.44	18.62	19.00	19.47	19.96
Auditor**	4	17.72	17.90	18.26	18.71	19.18
Inspector*						
Gem Operator	3	16.71	16.88	17.21	17.65	18.09
Sortation Handler						
Baler						
Labelling Operator (Kirk Rudy)	2	16.19	16.35	16.68	17.10	17.52
Packer						
Printing Helper						
Utility	1	15.46	15.61	15.93	16.33	16.73

The grouping of different job classifications into the same job level is not intended to be interpreted as job merging. However, the Company retains the right to temporarily transfer employees from one job classification to another in order of seniority of qualified available employees.

The following positions were re-classified to Level 1 effective December 1, 1990, except for incumbents of these positions, and those affected by lay-off or bumping, who will be grandfathered and maintain their wage rates:

Glue Room Attendant	(former Level 3)
Crtn. Seal Attendant	(former Level 4)
Baler	(former Level 4)
Printing Helper (Press Operator)	(former Level 5)

* Inspector classification reclassified to a Job Level 3 effective December 1, 2010

** Auditor classification reclassified to a Job Level 4 effective December 1, 2010

Employees with seniority as of May 1, 2010 under Article 10 of this Agreement are eligible for the June 1, 2010 Grandfather Rate under Schedule A1 (subject to the progression of Schedule B).

**SCHEDULE A2
NEW HIRE TOP JOB RATES**

CURRENT CLASSIFICATION	Job Level	June 1/2010 Top Job Rate	June 1/2011 Top Job Rate	June 1/2012 Top Job Rate	June 1/2013 Top Job Rate	June 1/2014 Top Job Rate
Elect. A. Maintenance Mechanic	12	24.24	24.48	24.97	25.60	26.24
3rd Class Sta. Eng. Elect. B.	11	22.69	22.92	23.38	23.96	24.56
Ink Mixer/Matcher Printing Pressman Production Assistant Distribution Assistant	10	21.64	21.86	22.29	22.85	23.42
4th Class Stat. Eng. App Electrician App Mechanic	9	20.81	21.02	21.44	21.97	22.52
Adjuster Rotary Adjuster Gem Adjuster Adjuster LTC Plate Mounter Printing Assistant Tool Rm. Attend. A	8	19.78	19.98	20.38	20.89	21.41
Blanking Press Operator Distribution Lift Truck Operator Markham Lift Truck Operator Slitter M/C Oper. Shipper/Receiver	7	18.98	19.17	19.55	20.04	20.54

**SCHEDULE A2
NEW HIRE TOP JOB RATES**

CURRENT CLASSIFICATION	Job Level	June 1/2010 Top Job Rate	June 1/2011 Top Job Rate	June 1/2012 Top Job Rate	June 1/2013 Top Job Rate	June 1/2014 Top Job Rate
PMC Operator						
Auto Pkg. Tender						
Handyman						
Oiler	6	18.37	18.55	18.92	19.40	19.88
Pelletizer Operator	5	17.64	17.82	18.17	18.63	19.09
Auditor**	4	16.95	17.12	17.46	17.90	18.35
Inspector*						
Gem Operator	3	15.98	16.14	16.46	16.87	17.30
Sortation Handler						
Baler						
Labelling Operator (Kirk Rudy)	2	15.48	15.63	15.95	16.35	16.75
Packer						
Printing Helper						
Utility	1	14.79	14.94	15.24	15.62	16.01

Effective May 1, 2010, all newly-hired employees without seniority under Article 10 of this Agreement will be hired at the New Hire Rate under Schedule A2 (subject to the progression of Schedule C).

* Inspector classification reclassified to a Job Level 3 effective December 1, 2010

** Auditor classification reclassified to a Job Level 4 effective December 1, 2010

**SCHEDULE B1
GRANDFATHER RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2010**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	24.03	24.28	24.51	24.94	25.35
11	22.97	23.09	23.23	23.45	23.73
10	21.5	21.85	22.14	22.41	22.62
9	20.55	20.89	21.28	21.5	21.76
8	19.86	20.13	20.35	20.55	20.68
7	19.22	19.54	19.7	19.84	
6	18.05	18.56	18.88	19.21	
5	17.19	17.7	18.05	18.44	
4	16.7	17.19	17.72		
3	16.19	16.47	16.71		
2	15.24	15.71	16.19		
1	12.21	14.29	15.46		

Effective December 1, 2000 employees who occupied the classifications indicated on Schedule A and who were red-circled will receive the same dollar increase that the top job rate of their classification received. An employee permanently forfeits their red-circled rate if they voluntarily leave the classification by way of promotion or transfer.

**SCHEDULE B2
GRANDFATHER RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2011**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	24.27	24.52	24.76	25.19	25.60
11	23.20	23.32	23.46	23.68	23.97
10	21.72	22.07	22.36	22.63	22.85
9	20.76	21.10	21.49	21.72	21.98
8	20.06	20.33	20.55	20.76	20.89
7	19.41	19.74	19.90	20.04	
6	18.23	18.75	19.07	19.40	
5	17.36	17.88	18.23	18.62	
4	16.87	17.36	17.90		
3	16.35	16.63	16.88		
2	15.39	15.87	16.35		
1	12.33	14.43	15.61		

**SCHEDULE B3
GRANDFATHER RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2012**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	24.76	25.01	25.25	25.69	26.12
11	23.66	23.79	23.93	24.16	24.45
10	22.15	22.51	22.81	23.09	23.30
9	21.17	21.52	21.92	22.15	22.42
8	20.46	20.74	20.96	21.17	21.30
7	19.80	20.13	20.29	20.44	
6	18.60	19.12	19.45	19.79	
5	17.71	18.23	18.60	19.00	
4	17.20	17.71	18.26		
3	16.68	16.97	17.21		
2	15.70	16.18	16.68		
1	12.58	14.72	15.93		

**SCHEDULE B4
GRANDFATHER RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2013**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	25.37	25.64	25.88	26.34	26.77
11	24.26	24.38	24.53	24.76	25.06
10	22.70	23.07	23.38	23.66	23.89
9	21.70	22.06	22.47	22.70	22.98
8	20.97	21.26	21.49	21.70	21.84
7	20.30	20.63	20.80	20.95	
6	19.06	19.60	19.94	20.28	
5	18.15	18.69	19.06	19.47	
4	17.63	18.15	18.71		
3	17.10	17.39	17.65		
2	16.09	16.59	17.10		
1	12.89	15.09	16.33		

**SCHEDULE B5
GRANDFATHER RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2014**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	26.01	26.28	26.53	26.99	27.44
11	24.86	24.99	25.14	25.38	25.68
10	23.27	23.65	23.96	24.26	24.48
9	22.24	22.61	23.03	23.27	23.55
8	21.50	21.79	22.03	22.24	22.38
7	20.80	21.15	21.32	21.47	
6	19.54	20.09	20.43	20.79	
5	18.61	19.16	19.54	19.96	
4	18.08	18.61	19.18		
3	17.52	17.83	18.09		
2	16.50	17.00	17.52		
1	13.22	15.47	16.73		

**SCHEDULE C1
NEW HIRE RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2010**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	22.99	23.22	23.45	23.85	24.24
11	21.97	22.08	22.21	22.42	22.69
10	20.56	20.89	21.18	21.44	21.64
9	19.66	19.98	20.35	20.56	20.81
8	19.00	19.25	19.47	19.66	19.78
7	18.38	18.69	18.84	18.98	
6	17.27	17.75	18.06	18.37	
5	16.44	16.92	17.27	17.64	
4	15.97	16.44	16.95		
3	15.48	15.75	15.98		
2	14.57	15.02	15.48		
1	11.68	13.67	14.79		

**SCHEDULE C2
NEW HIRE RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2011**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	23.22	23.45	23.68	24.09	24.48
11	22.19	22.30	22.43	22.64	22.92
10	20.77	21.10	21.39	21.65	21.86
9	19.86	20.18	20.55	20.77	21.02
8	19.19	19.44	19.66	19.86	19.98
7	18.56	18.88	19.03	19.17	
6	17.44	17.93	18.24	18.55	
5	16.60	17.09	17.44	17.82	
4	16.13	16.60	17.12		
3	15.63	15.91	16.14		
2	14.72	15.17	15.63		
1	11.80	13.81	14.94		

**SCHEDULE C3
NEW HIRE RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2012**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	23.68	23.92	24.16	24.57	24.97
11	22.63	22.75	22.88	23.10	23.38
10	21.18	21.52	21.82	22.09	22.29
9	20.25	20.58	20.96	21.18	21.44
8	19.57	19.83	20.06	20.25	20.38
7	18.94	19.25	19.41	19.55	
6	17.79	18.29	18.61	18.92	
5	16.94	17.43	17.79	18.17	
4	16.45	16.94	17.46		
3	15.95	16.23	16.46		
2	15.01	15.47	15.95		
1	12.03	14.08	15.24		

**SCHEDULE C4
NEW HIRE RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2013**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	24.28	24.52	24.76	25.18	25.60
11	23.20	23.32	23.45	23.67	23.96
10	21.71	22.06	22.37	22.64	22.85
9	20.76	21.10	21.49	21.71	21.97
8	20.06	20.33	20.56	20.76	20.89
7	19.41	19.74	19.89	20.04	
6	18.24	18.74	19.07	19.40	
5	17.36	17.87	18.24	18.63	
4	16.86	17.36	17.90		
3	16.35	16.63	16.87		
2	15.39	15.86	16.35		
1	12.33	14.43	15.62		

**SCHEDULE C5
NEW HIRE RATE - WAGE PROGRESSION
EFFECTIVE JUNE 1, 2014**

WAGE LEVEL	START RATE	6 MOS. RATE	12 MOS. RATE	18 MOS. RATE	24 MOS. RATE
12	24.88	25.13	25.38	25.81	26.24
11	23.78	23.90	24.04	24.27	24.56
10	22.25	22.61	22.92	23.21	23.42
9	21.28	21.63	22.03	22.25	22.52
8	20.56	20.84	21.07	21.28	21.41
7	19.89	20.23	20.39	20.54	
6	18.69	19.21	19.55	19.88	
5	17.79	18.31	18.69	19.09	
4	17.29	17.79	18.35		
3	16.75	17.05	17.30		
2	15.77	16.26	16.75		
1	12.64	14.80	16.01		

LETTER OF UNDERSTANDING AND AGREEMENT NO. 1 MAVIS DISTRIBUTION CENTRE

1. The grievance procedure at the Distribution Centre shall be the same as applies to Markham. Markham stewards are not to travel to Mavis regarding grievance procedure and vice versa; Chairman can attend at Mavis.
2. Effective December 1, 2008 there will be one (1) seniority list for Markham and Mavis. Job postings at Markham and Mavis will be open to employees at both locations. Overtime and shift movements are to remain separate and, for those, Markham and Mavis will be treated as equivalents of departments, with departmental seniority being used regarding overtime and shift movements.
3. The Markham and Distribution Lift Truck operators will have the opportunity to exercise their bumping rights at the Distribution Centre and Markham Plant if permanently laid-off.
4. The Company has discretion to consolidate or move the Mavis Distribution Centre.

Temporary Transfer

1. Temporary transfer will be planned. This means that the union committee will be given at least one week of notice before temporary transfer will be done. The shift requirement will also be communicated.
2. Employees in the originating location will be asked, on a voluntary basis, to go on temporary transfer based on seniority. The manager will be going down the seniority list and will offer the opportunity.
3. Transportation via cab will be provided from the originating location and back. The employee will be given the option to use his/her own vehicle, in which case, expense for mileage (100 km) will be reimbursed based on Company policy.
4. No employee will lose his/her shift to backfill the spot left by the employee who did the temporary transfer.

5. If there is a curtailed forklift operator in the receiving location, that employee will receive a forklift operator rate for the duration of the transfer.

Moving Expenses

6. Upon presentation of a receipt, the Company will agree to pay a Mavis employee, employed at the date of ratification, who moves closer to the Mavis Distribution Centre up to \$1200 in moving expenses. Should the employee leave the Company within 24 months, they will have to reimburse the Company. This payment, however, will not be payable if the employee's movement is a result of the job posting procedure.

LETTER OF UNDERSTANDING AND AGREEMENT NO. 2 PRODUCTION & DISTRIBUTION ASSISTANTS

Production and Distribution Assistants shall not be involved in the administration of discipline, distribution of overtime or other tasks regularly performed by a supervisor.

LETTER OF UNDERSTANDING AND AGREEMENT NO. 3 Auto Tender Tower Baggers

1. The following employees have recall rights to the PMC Operator Classification:
 - i) Auto-Tender Tower Baggers (level 3)
 - ii) Curtailed PMC Operators
2. Employees will be recalled according to seniority, subject to the successful completion of the Company's normal testing.
3. Recalls can be temporary or permanent.
4. Employees who accept temporary recalls are to occupy the specified recall shift. They are not to use their seniority to get their preferred shift.

5. When a permanent vacancy occurs and there are employees on recall as described in #1 above, the Company will issue a permanent recall. Employees who accept permanent recalls may use their seniority to get their preferred shift. Should a permanent recall be rejected by an employee, he/she waives his/her future rights to be recalled to the PMC Operator Classification.

LETTER OF UNDERSTANDING and AGREEMENT NO. 4
Continuous Operation

For a period of twelve (12) months after ratification, Solo Cup only intends to implement continuous production schedules for positions directly or indirectly impacted by (1) a restart of trophy production or (2) a capital investment in new technology in the Markham Road facility. To the extent that Solo Cup changes other positions to a continuous production schedule during the initial twelve (12) month period after ratification, the Company and the Union will meet and confer to ensure there is a reasonable business need for the change.