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No. OF EMPLOYEES	36		
NOMBRE D'EMPLOYÉS	36		

LABOUR AGREEMENT

by and between

**AVENOR Maritimes inc.
DALHOUSIE, N.B.**

and

**OFFICE AND PROFESSIONAL EMPLOYEES
INTERNATIONAL UNION
LOCAL No. 114, DALHOUSIE, NB**

1993 - 1998

*: New or amended

1025401

SEP - 9 1996

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*: New or Amended

PREAMBLE

WHEREAS there is in effect a Labour Agreement to which **Avenor Maritimes Inc., Dalhousie, N.B.**, hereinafter referred to as "**the Company**" on the one hand,

and

Office and Professional Employees International Union, **Local N°114, Dalhousie, N.B.**, hereinafter referred to as "**the Union**" on the other hand, are signatories:

***AND WHEREAS** the Company and the Union have negotiated the renewal of their Agreement which was **ratified** on September 15, 1994.

NOW THEREFORE the Company and the Union declare the terms of their Agreement to be as follows:

ARTICLE I

GENERAL PURPOSE OF THE AGREEMENT

1. It is the general purpose of *this* Agreement to provide that the Company's operations shall be carried on under conditions including wages and hours, that will promote the welfare of employees, economy of operations, quality and quantity of work, cleanliness and protection of the Company's properties.

ARTICLE II

RECOGNITION

1. In order to carry out the general purpose of this Agreement, the Company recognizes **Local 114** of the Office and Professional Employees International Union as the bargaining agent representing the Company's clerical personnel employed in the manufacturing, woodlands and accounting departments as set forth in Appendix A, which is attached hereto and which forms part of this Agreement, and who are not engaged in a confidential or supervisory capacity.
2. a) Any person, who, in the performance of the duties of his or her position, has or may be expected to have management information regarding relations between the Company and its employees, is deemed to be employed in a confidential capacity.

- b) Any person who, in the performance of the duties of his or her position meets all the following requirements:
- i) **Is** continuously in charge of a recognized section of a mill or woods division office;
 - ii) **Can** authorize or make effective recommendations with respect to the transfer, promotion, lay-off, or **separation** of an employee; and,
 - iii) **Has** sufficient authority to involve the Company in a grievance with the Union,

is deemed to be employed in a supervisory **capacity**.

3. Without limiting the generality of Sections 1 and 2 of this Article, it is agreed **that**:

- a) Persons employed in the occupational classifications listed in Appendix B, which is attached hereto and which **forms** part of this Agreement, are employed in a confidential or supervisory **capacity**.
- b) The list of occupational classifications set forth in **Appendix B**, in which it is necessary to employ a **person** in a confidential or supervisory capacity may be changed **as a result** of a change in **the organization of, or assignment of duties within the Company**, provided such changes **are** consistent with the provisions of Section 2 above.
- c) Notwithstanding the foregoing, a person **who** worked outside **the** Union's jurisdiction immediately prior **to May 1, 1965 because he** held a job that was supervisory or confidential will continue to **be** considered outside the **Union's** jurisdiction **as long as** he holds that job; and an employee who **was** employed **on a job** in the **Union's** jurisdiction immediately prior to **May 1, 1965 will** continue **to be** considered **as** employed **in** the Union's jurisdiction **as long as he** holds such job. However, when a replacement is appointed for a person who works on a job outside the Union's jurisdiction or for an employee engaged on a job within the Union's jurisdiction, **the** criteria set forth in Section 2 above may then **be used to** determine whether such replacements **are** employed in a supervisory or confidential capacity or not. **These** criteria **will** also be **used to** determine whether or not newly **created jobs are** within the Union's jurisdiction.

- d) In the event that the Company and the Union do not agree that a newly created job or a job not presently listed in Appendix A or B is supervisory or **confidential**, the matter shall be resolved in accordance with the provisions of Article XVI below or in accordance with the provisions of the Provincial labour law.
- e) Every four (4) months, **January 1, May 1 and September 1**, each local Union President will be supplied with copies of up-to-date lists of bargaining unit service records for all employees in the Union's jurisdiction. These lists will also contain the date of employment, occupational title, **rate and grade** of each employee.
- f) Once it is mutually decided by the parties or by a provincial agency that an existing occupational classification falls within the Union's jurisdiction, the **person or persons** classified on that occupation will remain on their **jobs** and will continue to be considered outside the Union's jurisdiction. They will not acquire bargaining unit service nor will they be subject to displacement by members of the bargaining unit as long as they hold those jobs.

However, should such a job or jobs become temporarily or permanently vacant for any **reason**, the **vacancy** will be filled by an employee **from** the Union's jurisdiction, following the procedures outlined in Article IV. It is understood that the occupational classification will be added to Appendix A **as soon as** it is decided that it **falls** within the Union's jurisdiction and management will meet with the local Union concerned to discuss its integration **into** the bargaining unit.

If it is decided by a provincial agency that a new occupational classification **falls** within the Union's jurisdiction such job will be posted according to the provisions of Article IV.

- 4. The Company shall not be responsible for any question of jurisdiction between **the** Union and **any** other Union or Unions.
- 5.
 - a) The word "**employee**" whenever **used** in this Agreement refers to all employees as defined and covered in Section 1 above.
 - b) Whenever used, the term "employee" will be interpreted to designate male and female employees.

ARTICLE III**UNION SECURITY**

1. Any employee who is now a member or who, after the date of signing this Agreement, becomes a member or is reinstated as a member of the Union shall, as a condition of continued employment, maintain such membership in good standing.
2. A person who becomes an employee after the signature of this Agreement shall join the Union within one (1) month of becoming an employee.
3. No employee who was not a member of the Union on June 1, 1946, shall be required to join the Union as a condition of continued employment, nor shall he or she be subject to the provisions of paragraph 4 below.
4.
 - a) Subject to the requirements of any applicable provincial or federal law, the Company shall deduct from all employees within the Union's jurisdiction, every week from the salary owing and payable to each employee, a proportion equivalent to regular monthly membership dues of such employees and shall remit the same monthly to the duly designated official of said local Union.
 - b) If any employee or any minority union takes legal action against the Company because of the provisions under this section for the compulsory check-off of dues, the Union guarantees to hold the Company harmless from all liability and to reimburse all expenses incurred by the Company in defending such action.
 - c) The local Union shall advise the Company in writing of the amount of the weekly deduction to apply to each employee within its jurisdiction. If there should be any change in the amount of such deduction, the Company shall be advised of such change by the Union two (2) weeks prior to its effective date.
 - d) With the monthly remittance of union dues, the Company shall furnish the Union with a duplicate statement showing for each weekly period the total amount deducted and names of employees for whom no deduction was made because their earnings were insufficient.
 - e) The Company shall not be responsible for collecting any past or future arrears in union dues, but shall be obliged only to check-off weekly a fixed amount as long as the wages owing and payable to

the employee are sufficient to cover this deduction. At the request of the local Union, the Company must deduct union dues in arrears when it is responsible for the error.

- f) Regular union dues will be deducted from each new employee, beginning with his very first pay.

ARTICLE IV

EMPLOYMENT AND SELECTION

1. Temporary Vacancies

- a) The lines of progression in effect for **temporary** vacancies **are** set forth in Appendix F which **is** attached hereto **and** forms part of **this** Agreement. Should jobs above the level of Grade 5 be added to Appendix **A**, management will **meet** with the local **Union** to decide **on** the line **of** progression, if any, in which the **job** falls.
- b) A temporary vacancy is defined **as** any vacancy **created** because an employee **is** absent due **to** illness, vacation or approved leave, or because there is additional **work of** limited duration.
- c) When a replacement is required **to** fill a **temporary** vacancy above **the bottom** grade of **a** line of progression, selection will **be** **d** **e** from within **the** line of progression in **which** the **vacancy** occurs. The employee with the **most** **bargaining** unit **service** in the **next** lowest grade in the line of progression will **be** selected to **fill** the **temporary** vacancy, unless he **has** shown an inability **to** do the work after a suitable **training** period. It is understood **that** all temporary vacancies of **one (1)** month or **more** will **be** **filled**.
- d) **When** a replacement is required **to** fill **a** temporary vacancy in excess of ten **(10)** consecutive working days duration **on** a job outside **a** line of progression, or **on** a job in the bottom **grade** of **a** line of progression, the provisions of 1 c) above will apply. It is understood that all temporary vacancies of **one (1)** month or more will be filled. If a replacement has not **already** been selected to fill a temporary vacancy covered by this paragraph, **the** **job** will **be** posted **and** a selection will be **made** as provided in **Section 2** below, **as soon as** the Company is **aware** that the job will be vacant for one **(1)** month or more. The posting will take place within **the** one (1) month period, **and** the Company **will** notify the Union, in

writing, of the name of the appointed replacement, as well as of the names of applicants.

- e) For replacement purposes under sections 1 c) and d), the training opportunity or the replacement at a higher grade **will first** be offered to the most senior office employee of the next lower grade. If **the** employee refuses the training or the replacement **offer**, he shall **sign a** statement (sample form thereof included in **the** Agreement); the next senior employee will then be asked **and so** on.

In the eventuality that **an** employee **refuses** a training or replacement offer **as mentioned** in section 1 e) and **section 2** of this Article, he shall then forfeit his promotion rights to **this** occupation and shall not **be** considered for further promotion to **this** occupation until such time **as** he informs his immediate supervisor in writing to cancel his previous refusal.

An **employee** who is bypassed because of a **refusal** of promotion or **refusal** of training for promotion shall be considered junior to **this** occupation to all employees who **bypassed** him for promotional purposes only.

- f) Notwithstanding the provisions of paragraphs a), c) and d) above, local management and local Union representatives may **mutually** agree in writing to establish alternative procedures for **filling temporary** vacancies.

Such local signed agreements shall form part of this Agreement **and** the alternative procedures contained therein shall **be** followed in place of those outlined in the above paragraphs.

2. Permanent Vacancies

- * a) **As soon as** a job within the **Union's** jurisdiction is permanently vacant, and that **a** replacement is required, or it is determined that a newly created job **falls** within **the** Union's jurisdiction or when a new temporary job which will exist for **six (6)** or **more** consecutive months **and** which falls within the Union's jurisdiction is created, the **Union** will be advised and the job will be posted for **a** period of five **(5)** working days. If **an** employee who applies is selected to fill the vacancy, **the** selection will **be** announced within the five **(5)** full working days following the last **day** of posting.

- b) Each job posting will contain information as to:
- i) the job title,
 - ii) the department in which it is located,
 - iii) **the** grade of **the** job **as of the date** of posting,
 - iv) the current description of **the job**,
 - v) **the** minimum requirements or the equivalent **necessary** to fill the job. The above will be **reasonable** and in relation to the job to be filled.
 - vi) the name of the previous incumbent of the job, if necessary.

The minimum requirements needed to fill a posted vacancy will be reviewed with the Union before posting.

If employees who possess the minimum requirements to **fill** a permanent vacancy are absent on vacation or due to illness at **the** time **the** permanent vacancy is posted, they will be provided **with** an opportunity to apply.

- c) Before recruiting from outside the Union's jurisdiction, consideration will be given to present employees who apply.
 - d) An employee who is selected **will** receive **training** as required.
 - e) When selecting employees to fill a **posted** vacancy, the employee with the longest service in **the** bargaining unit **who** applies **will be** selected, provided he meets the minimum requirements of the job he **seeks**. It is understood that the employee at the next lower grade **will be selected** before an employee in a lower grade. **If** the employee is unable to fulfill the normal requirements of the job **after a** suitable training period, he **will be notified of the reasons** therefor in writing and will be returned to **his** former job at **his** former **salary** rate. The job vacancy will be **posted** again. Work experience on similar positions **will not** normally be considered as **a** minimum requirement.
3. Notwithstanding the provisions of **Section 2** of **this** Article, when . . . employees' jobs have been downgraded, or when they have been demoted for reasons other than incompetence, the Company will offer **the** employee with the longest service in the bargaining unit **so** affected any job which becomes vacant in the grade in which he was formerly classified, before posting the vacancy, provided he meets the minimum requirements of the job in question and provided he has **more** bargaining unit **service than any**

incumbent in the next lower grade. In addition, if a job becomes vacant in the grade immediately above his former grade the application of such an employee will be considered on the same basis as those of other employees in the Same grade as that of his former job. The provisions of this Section do not apply when temporary vacancies occur on a job in a grade above the bottom grade in a line of progression.

- *4. For purposes of administering this Article and Article V, the words "service in the bargaining unit" mean all time worked by an employee in the bargaining unit since his last recognized break in service. Service is broken by discharge for cause, voluntary separation, refusal to accept an offer of employment, except as provided by Section 5 f) of Article V, or failure to be recalled within twelve (12) consecutive months from the date of lay-off for the employee who has less than one (1) year of service; up to a maximum of thirty-six (36) consecutive months if he is laid-off for a period which equals or is longer than his mill service accumulated to the date of his lay-off for the employee who has more than one (1) year of service. An employee who is transferred out of the bargaining unit for a period of less than one (1) year will continue to accumulate bargaining unit service. This may occur once during the life of the Agreement. Should the employee return to the unit and be transferred out again for a period of less than a year during the life of the Agreement he will retain all service credit he had while on a job or jobs which now fall within the jurisdiction of the Union. Employees who have completed 15 or more years of service will be provided 60 months recall rights as a direct result of the 1996 mill modernization (TMP) on a "one-shot deal".
5. When an employee has been selected to fill a vacancy within the Union's jurisdiction, the Company will give the Union a written advance notice of the appointment as well as of the names of the applicants.
6. A new employee may be released at any time during the first three (3) months of his employment at the discretion of the Company.
7. If a replacement is required to fill a job vacancy within the Union's jurisdiction created by the retirement of the present incumbent, the vacancy will be posted three (3) months prior to the employee's retirement date or as soon as the Company is aware of the employee's retirement date, whichever is the later.
8. a) Classifications within the Union's jurisdiction will not be combined or eliminated unless there are substantial changes in the duties of existing classifications resulting from a major change or a number of minor changes in one or more of the following: work methods

and procedures, systems, equipment, sequence of **operations** or reduction of **tasks** to be performed.

- b) If, as a result of such changes, classifications **are to be combined** or eliminated, Management **will** notify the local Union in **advance**. The Company and the Union will meet no later than two **(2) weeks** after such notification for a full and thorough discussion **and any Union** recommendations will be considered.
- c) An employee will receive the appropriate **salary** for **the** grade in which his new **job** falls, however, in the event that **an** employee is demoted **to** a lower graded **job** because of **the** combination or elimination of classifications the employee will receive the **maximum salary** of the grade of his new job or his existing **salary**, whichever is lesser. However, an employee who will suffer a reduction in **salary** due to this demotion will be paid the **salary** he was receiving at **the time** the combination or elimination of classifications occurred, for a period of six **(6)** months and, for a further **period** of six (6) months, he will be paid an adjusted **salary** which will be midway between his salary at the time the combination or elimination of classifications occurred **and the** maximum of the grade of his new permanent job. At the end of this twelve **(12) month period** the employee **will** receive **the maximum** of the grade of **his** new permanent job.

9. All work presently within the Union's jurisdiction will be performed by members of the bargaining unit except **when** changes are made **as** set forth in **Section 8 a)** above. However, a person employed in a **supervisory** capacity may, during a breakdown or emergency, **perform** work **normally** done by **an** employee. Once **the** breakdown has been repaired or the emergency ended, the **person** employed in a supervisory capacity will cease to perform the work normally done by **an** employee in **the** bargaining unit.

ARTICLE V

DEMOTION, LAY-OFF' AND RECALL

1. If **an** employee is to be demoted, or laid-off because of the elimination or discontinuance of jobs or if **an** employee's **job is** downgraded he may **opt to** use his bargaining unit service to displace the most junior employee **on a job** for which he **meets** the minimum requirements **in** the grade in which his **job was** formerly classified. If he fails to meet the minimum requirements for any job in that grade to which his **service** entitles him,

he may use his service to displace the most junior employee on a job for which he meets the minimum requirements in a lower grade. However, it is understood that the need to retain employees with the special skills or abilities necessary to ensure efficient operation of the office can make it essential in certain circumstances to retain employees with less bargaining unit service than others.

2. Management will meet with the local Union concerned when a reduction of office and clerical staff within the jurisdiction of the Union is necessary. This meeting will be for the purpose of acquainting the local Union with the situation and with the steps the management proposes to take to deal with it.
3.
 - a) If an employee's status is to be changed or his job eliminated or discontinued, management will inform the local Union in advance.
 - b) When an occupational classification is to be eliminated or discontinued, management will notify the Union in writing at least ninety (90) days in advance.
4. If employees are to be laid off, they will be given two (2) weeks' notice before such lay-off.
5.
 - a) A recall list of employees who have been laid off will be given to the Union and will be kept up to date.
 - b) Notice of recall shall be sent by registered mail to the last-known address of an employee who is being recalled.
 - c) In recalling employees to service, employees are recalled by order of their service in the bargaining unit, provided they possess the special skills, if any, required to perform the job to be filled. An employee thus recalled will be given any necessary training on the job. Should he demonstrate that he cannot perform the work, the next most senior employee on the recall list will be recalled if he possesses the special skills, if any are required, and he will be given training on the job in question.
 - d) The Company will not hire from the open market while employees on the recall list qualified to perform the duties of a position to be filled are ready, willing, and able to be reemployed.
 - e) An employee who has been recalled must advise the management within ten (10) days of the delivery of notice of recall of his

intention **to return** and must **report** for work within three (3) **weeks** of the delivery of the notice of recall, **otherwise** he will **lose** his recall rights.

- f) Recall rights will not be lost,
 - i) if **an** employee refuses **an** offer of work of short **duration** at a time when he is regularly employed elsewhere; or
 - ii) if he refuses **a** job in a grade lower than **the grade** of the job he held at the time of his lay-off.
- g) An employee recalled to the former position he held shall **receive** his former rate of pay modified by any applicable adjustments which have been applied **to** his grade **during** the **period** he **was** on the recall list. Time on lay-off, however, will not **be** considered **as** service for **the** purpose of meeting the service requirements to move from one rate in a grade **to** the next.
- h) **An** employee whose name has been **on** the **recall** list without **being** recalled according to the provisions of Article IV, paragraph 4, shall have his **name** removed from **the** list and his **connection** with the **Company** will **be** terminated.

ARTICLE VI

WAGES AND SALARIES

1.
 - a) Every Thursday, salary cheques shall be deposited in the **Bank**, Caisse Populaire or Credit Union of the employee's choice, covering the work week ending the previous Saturday. The amount of salary payable **will** represent $\frac{3}{13}$ of the employee's monthly **salary**.
 - b) The deposit system presently in force will provide for **the** issuance of **a** statement of **salary** and deductions to each employee each **time** there is **any** change in the employee's deductions or in his earnings.
 - c) Payments for overtime, call-in, shift differentials or **temporary transfer** adjustments will be made each week.
2. Progression from the minimum to the maximum **salary** in each **grade** in accordance with the times set forth in Appendix C, which is attached

hereto and which forms part of this Agreement, will be automatic unless the management of the Company makes a positive finding that the employee's work has not been satisfactory. The employee will be notified of unsatisfactory performance in writing giving the reason therefor, in advance of his or her review date. A copy of this notice will be sent to the local Union President if the employee so requests.

3.
 - a) An employee who is promoted to a position in a higher grade than the one in which he holds a job will receive an adjustment of eight percent (8%) or the minimum for the grade to which he is promoted whichever is the greater. However, in no case shall his salary exceed the maximum for the grade to which he is promoted.
 - b) The provisions of paragraph a) above do not apply to employees in receipt of red circle rates. An employee in receipt of a red circle rate who is promoted to a position in a higher grade than the one in which his job now falls will receive the salary which results from an eight percent (8%) adjustment applied to the maximum of the grade from which he is being promoted or he will receive the minimum salary for the grade to which he is promoted, whichever is the greater. However, in no case shall his salary exceed the maximum for the grade to which he is promoted.
4.
 - a) An employee who has been demoted for reasons other than automation and technological change will receive the maximum salary for the grade of his new job or his existing salary, whichever is lesser.
 - b) The salary of an employee whose job has been downgraded will be maintained at the rate received before downgrading during the life of this contract subject to decision at the next negotiations.
5. When major changes are made in an office which create new jobs or substantially alter the duties of existing jobs within the jurisdiction of the Union, or when it is decided that a job now falls within the Union's jurisdiction, the management will carefully evaluate the situation and inform the local Union concerned within two (2) months of the new rate or rates, if any. If the rates proposed by management are not satisfactory to the local Union and if satisfactory rates cannot be agreed upon, resort may be had to the provisions of Sections 1, 2 and 3, but no more, of Article XVI below. Any new or changed jobs which fall within the Union's jurisdiction as defined in Article II will become an integral part of Appendix A.

When any change as described above occurs in a job, the **Company shall** remit to the Union the new or changed **job** description.

6. Once a job has been established as a **salaried job**, it shall **remain** as such for the life of this Agreement.
7. When an employee replaces another employee in a **higher grade**, he will be ~~transferred temporarily~~ to the **job** in which he is replacing and will receive an adjustment of eight percent **(8%)** of his **rate** or the minimum **rate** for the **job** to which he has been transferred, whichever **is the greater**, on the first **day** of replacement. However, in no **case** shall an employee receive a **salary** higher than the maximum for the grade of the **job** on which he is replacing. When an employee replaces a person employed in a supervisory or confidential capacity, the upward adjustment will be eight percent (8%).

ARTICLE VII

VACATIONS WITH PAY

1. Employees shall receive vacation **with** pay in **accordance with the** established practices and policies of the Company **as** set forth in Appendix D which **forms** part of this Agreement.

ARTICLE VIII

INTERRUPTION OF WORK

1. It is agreed that there shall be no **strikes**, walkouts, lockouts, or **other** similar interruptions of work during the period of this Agreement.

ARTICLE IX

OFFICE RULES

1. The rules, regulations and instructions in effect in the **offices of the Company** and **any** new rules, regulations and instructions which will not conflict with the terms of this Agreement shall **be observed** by the office and clerical employees.
2. Before any change is made in existing employee privileges, the **management of the office** concerned will **advise the** Union.

3. Any employee who considers himself or herself aggrieved through the implementing of any of these rules, regulations and instructions may ~~make~~ representation thereon ~~to~~ the management of the Company through ~~the~~ grievance procedure established by Article XVI hereunder.
4. The normal working week for employees will be a five (5) day, thirty-seven and one half (37 $\frac{1}{2}$) hour week, provided:
- a) the ~~offices~~ will be staffed during the calendar ~~week~~ (Sunday to Saturday inclusive) ~~as~~ required;
 - b) the daily schedule of office hours will be decided locally and if changes of extended duration ~~are~~ required, the Company will advise the ~~Union~~ in advance of such changes;
 - c) the normal working week will not be increased in any ~~office~~ in which the established working week is less than thirty-seven and one half (37 $\frac{1}{2}$) hours, except by mutual agreement;
 - d) the normal schedule of hours for employees on days will be changed to provide for summer hours for the ~~period~~ during which ~~Day~~ Light Saving Time is in force. The conditions of application will be established locally by mutual agreement between the ~~parties~~ at each mill.
 - * e) The work schedule for all employees shall be ~~posted on~~ the bulletin board on the Thursday preceding the week to be scheduled. ~~All jobs shall~~ be covered on the posted schedule.

The above proposal is made conditional to the following:

Vacations will be ~~scheduled on~~ a 52-weeks basis beginning with the calendar year 1995 (proposal M-Appendix D); however, in 1995 & 1996 the Company will allow three (3) employees off on vacation per day between June 11 and September 9, 1995 and June 9 and September 7, 1996.

It is understood that work will be kept up to date.

5. * a) Employees in the Mill Office will receive Christmas Day, New ~~Year's~~ Day, Dominion Day and Labour Day ~~as~~ holidays and, in addition, the half (1/2) working day before Christmas Day and the half (1/2) working day before New ~~Year's~~ Day, on ~~dates to be~~ ~~arranged~~ between local Union officials and local management on

condition that essential office services **are** provided to the **operating** departments by skeleton **staff** from existing **staff**. If any of the designated holidays fall on Saturday **or** Sunday, **the** following Monday shall be **observed** provided that a change may **be made** should local operating conditions make the **observance** of **some** other day **necessary**, in which case **the** Union will be **notified** at least **ten (10)** days in advance.

- b) Employees in the **MILL** Office **will** participate in the increase in allowable mill holiday shutdown time **from one hundred and twenty (120) to one hundred and fifty-two (152)** hours per year to the extent **that** the down time coincides with office hours. Should employees be called **upon** to work during the shutdown hours, **they** will receive Compensating time **off** within the following 12-month period equivalent to the time **so** worked. However, time **so** worked shall **not** be considered when calculating overtime payment due under the provisions of **paragraph 7** below.

To be eligible for pay for a mill holiday under **section 5 a)**:

- i) A **new employee** must have **been** employed not less than thirty **(30)** days previous to **the** mill holiday.
- ii) **An** employee, unless absent due to **illness**, accident or on **vacation**, must have **been** at work within the **thirty (30)** day period previous to **the** holiday.
- iii) **An** employee, if absent due to illness or accident, **must** have **been** at work within **the twelve (12)** calendar month period previous to the holiday; **an** employee absent due to **an** industrial illness or accident, must have worked **within the twelve (12)** calendar month period previous to the holiday.
- * iv) **An** employee, unless absent due to **justifiable cause**, **must** have been present full time on **his** scheduled **work** day immediately preceding and full time on his **scheduled** work day immediately following such holiday, **as well as the day** itself, if the employee is required to work.
- v) **An** employee who has **been** laid off but not permanently deleted from **the** recall list **will** be entitled to **receive** pay for the mill holiday following his lay-off provided **he** has worked within the **thirty (30)** days prior to **the** holiday.

- c) In addition to the scheduled holidays contained in Section 5 a), mill office employees and Dalhousie Woods Divisional Office employees will be entitled to six (6) non-scheduled holidays in lieu of statutory holidays with pay per calendar year, under the terms and conditions governing eligibility for mill holiday pay as set forth in section 5 b). The dates are to be determined upon agreement between the employee and his supervisor.
6. Each employee will be entitled to a minimum of twelve (12) Sundays off per year including Sundays in the employee's vacation period. The scheduling of Sundays off will be at the discretion of management.
7. a) An employee who works more than thirty-seven and one half ($37\frac{1}{2}$) hours in a week may opt to receive time off within the following 12-month period equivalent to time and one half the hours worked in excess of thirty-seven and one half ($37\frac{1}{2}$) or to be paid time and one half for these hours.
- b) For purposes of computing overtime under the provisions of paragraph a) above:
- i) the work week shall be the calendar week Sunday to Saturday inclusive;
 - ii) an employee's work week will be reduced by seven and one half ($7\frac{1}{2}$) hours during a week in which a statutory holiday occurs on one of his regularly scheduled work days or during which he works on Sunday as part of his normal weekly schedule;
 - iii) during a week in which an employee takes compensating time off for overtime worked, his work week for purposes of computing overtime that week will be reduced by the number of hours equivalent to his time off entitlement.
- c) i) An employee will be paid time and one half for all work performed on Sunday and on any of the statutory holidays outlined in paragraph 5 a) above. An extra half-time allowance will be provided to employees, on scheduled shift work, who must work in excess of two (2) hours beyond their regularly scheduled quitting time on Sunday because their replacement has failed to report. If an employee qualifies for the extra half-time allowance, it

shall be paid retroactive to the employee's regularly scheduled quitting time.

ii) An employee who is scheduled in advance and who works a full day on Sunday will be scheduled to take an alternate day off that week. If he is required to work on the alternate day off, he will be paid time and one half for the work performed.

d) Application of one of the above provisions to any given hour of work automatically excludes that hour from entering into any other calculation made for purposes of determining overtime payment due.

8. An employee who is called in to work after his normal quitting time may opt to receive time and one half within the following 12-month period for all authorized hours worked with a minimum of four (4) hours off or he may opt to receive pay at time and one half for all authorized hours worked with a minimum of four (4) hours straight time pay. Should an employee be called in on a Sunday or one of the statutory holidays named in Section 5 above, he may opt to receive time and one half off within the following twelve-month period for all authorized hours worked with a minimum of six (6) hours off or he may opt to receive pay at time and one half for all authorized hours worked with a minimum of six (6) hours straight time pay. Time so worked shall not be considered when calculating overtime payment due under the provisions of paragraph 7.

9. Female employees will be granted leave of absence without pay for pregnancy and their service in the bargaining unit will continue to accumulate during such leave on the condition that:

* i) the leave of absence does not exceed seventeen (17) weeks duration. However, additional leave requested by an employee, at her discretion, will be granted to a maximum total leave of one (1) year.

ii) the employee presents medical evidence of physical fitness to return to the job to which her service would entitle her;

* iii) all benefit coverages will lapse six (6) weeks after the starting date of the leave of absence for the remaining period that the employee is absent, with the exception of Life Insurance, Hospital, Surgical, Dental and Medical coverage which will be maintained if the employee pays the full premium in advance.

10. Permanent part time or temporary employees will receive the benefits for which provision is made in the Agreement provided they meet the eligibility requirements for such benefits.
11. **The Company agrees** to modify its right to contract out by **undertaking** not to contract out office and clerical work which is regularly **performed** by employees for which the office concerned is equipped, for which **the** office concerned is adequately **staffed**, and which **the** employees **are** capable of doing.
- * 12. Information, including **postings**, correspondence and memoranda, transmitted to the employees and/or **to** the Union will be available in **both** French **and** English upon local request.
- * 13. a) **An** employee required to commence work two (2) hours or **more** before his regular **starting** time will be provided with one **meal** allowance of \$5.00. **An** employee required to **work** two (2) hours or **more** after his regular stopping time will be provided with a meal allowance of \$5.00) and a further **meal allowance** of \$5.00 will be provided every four (4) hours after the first one **as long as** the employee remains continuously at work.
- b) **An** employee who works ten (10) or more consecutive hours **and does not** qualify for a meal allowance under the provisions of paragraph a) above at any time during this **period** of **consecutive** hours worked, will be paid a **meal** allowance of \$5.00.
- * 14. **The Company** will contribute up to \$70.00/year (\$80.00 May 1, 1996) toward **the** purchase of safety shoes. The Company reserves **the** right to go to **an** outside supplier for all safety **footwear**.

ARTICLE X

BEREAVEMENT LEAVE

1. When death occurs to the spouse (legal definition), child or stepchild of **an** employee, the employee will be granted a paid leave of **absence** of not more than five (5) scheduled working days. **These** five (5) **days** must be taken within seven (7) calendar days from the day of the funeral.
- *2. When death occurs to a member of **an** employee's immediate **family**, the employee will be **granted** a paid leave of absence of not more **than** three (3) working days. These three (3) days must be **taken** within seven (7) calendar **days** from the day of the funeral.

3. Members of the immediate family are the employee's father, mother, brothers, **sisters**, father-in-law, ~~mother-in-law~~, brother-in-law, sister-law, son-in-law, daughter-in-law, ~~step-father~~, step-mother, grandfather, grandmother, step-brother, step-sister. ~~Father-in-law~~, ~~mother-in-law~~, ~~brother-in-law~~ and sister-in-law apply **only** to the current spouse of the employee.
4. An employee **who**, due to distance, cannot attend the funeral of a spouse, child, **step-child** or member of his immediate family will receive, on request, a leave of absence of one (1) scheduled working day with pay to attend a **special** memorial service held in memory of **this** member of his immediate family.
5. **Spouse:** defined as being either of a **man** and a woman who:
 1. are married and living together; or
 2. **are** living together as husband and wife and who:
 - a) have been residing together for three **years**, or for one year if a child has been born of their union, and
 - b) **are publicly** recognized as a couple.
- * 6. "When a death occurs in **the** employee's immediate family, as defined in paragraphs 1) and 2) above, while he is on vacation, he will be entitled to a Bereavement **Leave** according to the conditions set forth in paragraph 1). **The** additional days must be **taken on** the working days immediately following his scheduled vacation **period** provided he has notified his supervisor and made mutually acceptable arrangements in **advance**.

ARTICLE XI

JURY DUTY

1. An employee who is prevented from working because he:
 - a) is on jury duty, or
 - b) has reported for jury roll call, or
 - c) has been subpoenaed to appear in court as a witness, other than when he is the claimant or respondent,

will not lose pay for the time ~~so~~ spent. However, he ~~will be expected to return to~~ the Company any allowance ~~received from the~~ Court for jury duty, jury roll call, or for serving as a witness. The employee will be required to furnish proof of jury service, jury roll call, or of service as a witness.

ARTICLE XII

DISCIPLINARY MEASURES

1. A complete record of each case of discipline administered, including suspensions and dismissals from the Company's service shall be kept on file for eighteen (18) months.
2. The employee shall sign each record of discipline as an acknowledgement of his awareness of its contents. A copy of this record shall be sent to the employee and to the local Union of which the employee is a member. The employee may, if he ~~so~~ desires, be represented by a shop steward or by a Union Officer.
3. Any employee who feels he has been disciplined without just cause has the right to process a grievance through the established grievance procedure, and should it be decided he has been suspended or discharged without just cause, he shall be reinstated without loss of pay.
4. The Company has the right to discipline employees for just cause.
5. A Board of Arbitration may modify a Company decision on the disciplinary action taken against an employee provided it does not modify any provision of the Agreement.

ARTICLE XIII

AUTOMATION AND TECHNOLOGICAL CHANGE

1. In the event of technological changes which affect the employees in the Union's jurisdiction significantly, management will inform local Union representatives of such changes as soon as possible. The Company will consider present employees for new jobs arising out of such technological changes before hiring from the outside market.
For purposes of administering this Article, the words "technological change" shall include "Changes in Systems" and/or "Changes in Organization".

2. Present employees who **are** offered and accept employment on a **job created by any** of the changes referred to in Section 1 above and **who** require training in order to perform the new job effectively will be provided with such training by the Company.
3.
 - a) A Joint Office Committee on Automation will **be** established at each mill consisting of two persons representing management, **and two** employees representing the Union. **It shall be the function of each committee to study the** effect of technological changes and automation on the employees and their effect on working conditions in the office at which it is appointed and to make such recommendations **as** are agreed upon, **to** the local mill manager to ensure that the interests of the Company and of the employees **are** fairly and effectively protected.
 - b) A Joint All-Mills Office Committee on Automation will be established, consisting of ~~three~~ persons from management and **three** from the Union. The functions of this Committee will be **to** review the activities of **the** mill office **committee and to** provide such information as will be of help in dealing with local problems.
 - c) The Company undertakes **to** advise the appropriate committee or committees **as soon as** possible, and in any case not **less than** ninety (90) days **before** the introduction thereof, of technological changes and/or automation which the Company has decided **to** introduce **and** which **will** result in **lay-offs** or other **Significant** changes in the employment **status** of employees.
 - d) In the event that it is **necessary**, the number of employees will be reduced in accordance with Article V of this Agreement.
 - e) An employee who is demoted to a lower graded **job** because of technological change or **automation** will **receive the** maximum **salary** of the grade of his new job, or his **existing** salary, whichever is lesser. However, an employee who will suffer a reduction in *salary* due to his demotion **will** be paid the *salary* he **was** receiving at the time of the demotion for a **period** of **six** (6) months and for a further period of six (6) months he will be paid an adjusted **salary** which will be midway between his **salary** at the **time** of the demotion **and** the maximum of the grade of his new permanent job. At the end of this twelve **(12)** month period, the employee will receive the maximum of the grade of his **new** permanent job.

- f) An employee for whom **no** employment is available **on the basis** of his service with the Company, will be given at least **three (3)** months' notice of separation.
- g) An employee who is **separated** from the payroll will be **paid** severance pay in accordance with the **provisions** of **the** Severance Pay Article below.
- h) Subject **to** operating requirements, leaves of absence without **pay** will be granted for a period of one **(1)** month or such other **period** **as is reasonable for employees who**, directly due **to technological** changes or automation, wish to **seek** employment elsewhere.
- * i) In the event **that an** employee is laid off directly due **to** technological changes or automation **and is recalled** for employment after he has enrolled in a full-time education improvement course at a recognized school, will be **granted a** leave of absence for the duration of his program up **to a** maximum of one (1) year. Such leave of absence may be extended by **one (1)** additional year upon written request and **proof** of the **successful** completion of his first **year**.

ARTICLE XIV SEVERANCE PAY

1. All employees who **are** employed on a year-round basis on jobs within the **Union's** jurisdiction who have one **(1) year** or more of **continuous service** will be eligible for severance pay when laid-off by **Company** action because there is **no work** available to which their service entitles them.
2. A laid-off employee entitled to severance pay **will be** paid **two** percent **(2%)** of his **total earnings** for **the last full period** of continuous service. The full amount of the severance pay due **will be** paid **after** the employee **has been** laid-off **six (6)** weeks.
3. **An** employee's recall rights will not be affected in **any** manner because of **the** payment of severance pay. However, if recall **occurs before** the time when the severance payment is due, **no** such payment will be made. **Or,** if **an** employee is **offered** recall, according to the applicable **recall** provision in his case, and it is **refused**, **all** recall and severance pay rights **are** automatically cancelled except **as** governed by Article V, paragraph **5**. A laid-off employee **who** refuses an offer of employment **on a job** outside the Union's jurisdiction shall not **lose his severance pay rights**.

4. If an employee is recalled after having received the severance pay due him, he will begin again, as of the date of return, accumulating a new period of time which will be credited toward any future lay-off.

ARTICLE XV

RETIREMENT AND GROUP INSURANCE PLANS

1. A summary of the Group Insurance Plans in effect is included in Appendix E.
2. The "Employees Retirement Plan (1946) of Canadian Pacific Forest Products Limited" forms part of this Agreement. No part of the Retirement Plan, with respect to the parties signatory to this Agreement will be changed, amended, suspended or discontinued except by mutual agreement or as may be required by law during the life of this Agreement.

ARTICLE XVI

* GRIEVANCE PROCEDURE

1. Complaints arising out of the interpretation or administration of the provisions of this Agreement in any office of the Company shall be reported orally or in writing to the management representative locally in charge of such office by the duly authorized representative of the Union.
2. The management representative shall reply orally or in writing if the complaint is in writing within forty-eight (48) hours to the Union representative stating the adjustment he has made of the complaint.
3. If the complaint is not adjusted satisfactorily, the Union will refer the question orally or in writing to the mill manager or his representative. The mill manager or his representative, who is aware of the complaint, shall make a reply orally or in writing, if the complaint is in writing within five (5) working days to the Union representative stating the measures he has made of the complaint.
- * 4. If the Mill Manager or his representative, the Union or his representative are unable to settle the grievance satisfactorily within fifteen (15) days, the grievance should be referred to a Board of Arbitration or, if both parties agree, to a single arbitrator acceptable to both parties, within thirty (30) days following the Mill Manager's origination.

5. a) If the dispute is referred to a Board of Arbitration, it shall consist of one arbitrator chosen by the Company, one arbitrator chosen by the Union, and a third arbitrator who shall be chosen by the two other arbitrators and who shall act as chairman. However, by mutual agreement between the parties, a sole arbitrator may be substituted for a Board of Arbitration.
- b) In the event the arbitrators chosen by the Company and by the Union fail to agree upon the third arbitrator, this third arbitrator shall be chosen by the Minister of Labour of New Brunswick.
6. After an Arbitrator or a Board of Arbitration has been chosen, he or it shall meet and hear evidence of both parties and shall render a decision within fifteen (15) days. This decision shall be final and binding upon both parties.

ARTICLE XVII

TERM OF AGREEMENT

- * 1. a) This Agreement shall be in effect from ~~May 1, 1993~~ to April 30, 1998. The provisions of this Agreement remain in force until their renewal.

During the months following the expiry of this Agreement on April 30, 1998, the parties will meet to negotiate the terms and conditions of its renewal for a minimum period of three (3) years from May 1, 1998 to April 30, 2001, and further agree to waive their legal right to strike or lockout during this period provided the following procedure is followed.

Should the parties be unable to reach a mutually acceptable agreement through negotiations (with or without the assistance of a conciliator) they will then present and explain their respective positions to a binding arbitrator who will select one or the other party's final offer without having the right to modify any part of it.

It is clearly understood that in selecting the final offer, the arbitrator's mandate is restricted to the prevailing terms and conditions of the Eastern Canadian Newsprint industry pattern settlement (Quebec-Ontario-Maritimes) as negotiated for the renewal of the agreements expired in 1998. Therefore, he cannot



consider a final offer proposal containing **terms and** conditions which exceed those of the prevailing **pattern** settlement.

Should the duration of **the** prevailing **pattern** agreement as negotiated by the Eastern **Canadian Newsprint industry in 1998** be less than three (3) **years**, the parties agree to **follow the** above procedure until the agreement **expires on** or extends past April 30, **2001**.

Although the **parties** agree to the **above procedure** as a means to resolve their differences without **recourse to** strike or **lockout**, **their** primary objective continues **to** be the achievement of a settlement which is totally negotiated between them.

- b) The provisions of the present Agreement **will** continue to apply until the signing of the next collective agreement, or **until** either party exercises its right to strike or lockout.

ARTICLE XVIII

AMENDMENT OF THE AGREEMENT

1. Either party desiring **any** change in this Agreement **shall** give **to** the other party not **less than** thirty (30) days' **notice** in **writing** prior **to** the expiration date thereof. Otherwise, this Agreement shall remain **in full** force **and** effect for **another** agreement **year**.
2. In the event that agreement regarding proposed changes is **not** reached prior to the end of the agreement **year**, **the** existing Agreement shall continue **in effect** during the next agreement **year** **until** a decision with respect to the proposed **changes** is **reached**.

ARTICLE XIX

TERMINATION OF THE AGREEMENT

1. This Agreement may be terminated by either party on thirty (30) **days'** written notice given prior to the expiration **date** thereof **and after** a meeting of the signatory parties at which it is specifically decided that **this** Labour Agreement shall **be** terminated.

ARTICLE XX

VALIDITY

Any provisions of this Agreement which shall be contrary to the applicable laws of New Brunswick or of Canada, shall be considered null and void without affecting *the* validity of the remaining provisions of the Agreement.

IN WITNESS WHEREOF and in agreement with the said text, the parties have executed these presents on September 15, 1994.

AVENOR INC.
AVENOR Maritimes inc.

Office & Professional Employees
International Union

By: _____
L. Lachapelle
Mill Manager

By: _____
P. Morrison
National Representative

By: _____
A. Lamarche
Corporate Manager,
Industrial Relations

Office & Professional Employees
International Union Local # 114,
Dalhousie and Nouvelle Ouest

By: _____
C. Lapointe
Personnel Superintendent, Mill

By: _____
R. Englehart
President

By: _____
P. Simoneau
Personnel Superintendent,
Woodlands

By: _____
S. Lebel
Vice-President

By: _____
L. Gauvin
Controller, Mill

By: _____
K. Audfroid, Chairman of
Grievance Committee

By: _____
J.-L. Saumure
Controller, Woodlands

By: _____
D. Blanchard
Operations Manager,
Woodlands

*

APPENDIX A

UNION RECOGNITION

**NBIP FOREST PRODUCTS INC.
DALHOUSIE, N.B.**

The **Company** recognizes the right of **the Union** to bargain on behalf of employees engaged in **the Company's** manufacturing, woodlands and accounting departments in Dalhousie, N.B. and whose occupations fall in the **job grades** listed below, **save and** except those employed in a confidential capacity as set forth in Appendix B to this Agreement and **those** who are considered to be **within** the jurisdiction of another Union.

<u>GRADE</u>	<u>OCCUPATIONAL CLASSIFICATION</u>	<u>DEPARTMENT</u>
4	Jr. Stenographer Clerk-Typist Stores Clerk	Stores Accounting Accounting-Woodlands
5	Clerk-Typist	Accounting-Woodlands
6	Receiving Clerk Departmental Clerk Stores & Garage Clerk Garage Clerk Jr. Stock Control Clerk	Stores Groundwood Accounting-Woodlands Accounting-Woodlands Stores
7	General Clerk Cashier & General Clerk Invoice Approval Clerk Log Record Clerk General Accounting Clerk	Accounting-Woodlands Accounting-Woodlands Accounting-Woodlands Accounting-Woodlands Accounting

Clerk
 Sr. Stock Control Clerk
 Senior Timekeeper
 Cost Clerk and ~~Data~~
 Processing Op.

Accounting
 Stores
 Time Office

~~Data~~ Processing

10

Coordinator
 Senior Accounting and
 Cost Clerk
 Senior Accounting and
 Cost Clerk

Finishing & Shipping

Cost Control

Accounting -Woodlands

APPENDIX B

CONFIDENTIAL EMPLOYEES

NBIP FOREST PRODUCTS INC.

In accordance with and subject to the provisions of Article II of this Agreement, clerical workers engaged in the following occupations are considered to be employed in a confidential capacity:

Mill Accounting Department

Mill Controller's Secretary

M Manufacturing Department

Mill Manager's Secretary
Plant Engineer's Secretary
Personnel Superintendent's Clerk
Personnel Superintendent's Secretary
Personnel Department Stenographer

Woodlands Accounting Department

Controller's Secretary

W ti Department

Resident Manager's Secretary
Personnel Superintendent's Secretary
Divisional Forester's Secretary

APPENDIX C

NBIP Forest Products Inc.**PART I - MILL OPERATION ADJUSTMENT**

1. a) The normal operation of the Dalhousie Mill offices will be seven (7) days per week.
 - b) Regular continuous operations means a seven (7) day a week operation, week in and week out with crews adequate in size for employees to maintain a normal work week.
 - c) If, because of legal requirements, court action, or social pressures over which neither the Union nor the Company has control, a mill is forced to abandon a regular continuous operation schedule, the special rate and salary adjustments granted to employees because of continuous operation will no longer be in effect at the mill.
2. Auxiliary departments will operate for such time as is necessary to ensure a normal week of end product production.

PART II - CONSECUTIVE SCHEDULING WOODLANDS

1. a) Should all or part of the production employees based at a camp be scheduled to work on a consecutive scheduling basis, all employees in the Union's jurisdiction working at or out of that camp will be paid in accordance with the applicable consecutive scheduling scale, as long as this condition prevails.
- b) As long as employees at any camp in a division are being paid in accordance with the consecutive scheduling scale, the Divisional office employees in that Division will be paid in accordance with the Consecutive Scheduling Scale.
- c) If consecutive scheduling is to be discontinued in a camp or in a division, employees will be notified before the end of the pay period preceding that in which they will revert to the Conventional Salary Schedule.

2. Divisional Office Employees

- a) The hours of employees working on this schedule shall not exceed an average of thirty-seven and one-half (37½) hours per week over a period of two (2) calendar weeks.
- b) Notwithstanding the provisions of Article IX Section 4 above, employees may be scheduled to work eight (8) or nine (9) consecutive days within the established period of two (2) weeks.
- c) The daily schedule of hours will be established locally.
- d) Any employee who is authorized by his supervisor to work in excess of seventy-five (75) hours during the period of two (2) calendar weeks will be paid time and one-half for such overtime worked.

For purposes of computing overtime under the provisions of paragraph d) above:

- i) the seventy-five (75) hours will be reduced by seven and one-half (7½) hours should a statutory holiday occur on one of the employee's regularly scheduled work days, or if he works on Sunday as part of his normal schedule;
 - ii) the seventy-five (75) hours will be reduced by an amount equivalent to any compensating time off taken during the two (2) week period for overtime worked.
- e) An employee will be paid time and one-half for all work performed:
 - i) on any of the statutory holidays outlined in paragraph 5 of Article IX above or days designated in lieu thereof;
 - ii) on Sunday.
 - f) Application of one of the above provisions to any given hour of work automatically excludes that hour from entering into any other calculation made for purposes of determining overtime payment due.

PART III - SHIFT DIFFERENTIALS

- a) **A shift differential of forty cents (40¢) per hour) on the 4 p.m. to 12 midnight, and fifty-five cents (55¢) per hour (effective May 1, 1991: sixty cents (60¢) per hour) on the 12 midnight to 8 a.m. shift will be paid to employees:**
- i) **who are working during these shifts on jobs on a rotating shift basis, and**
 - ii) **for work previously scheduled and performed between the hours of 4 p.m. and 8 a.m. With the exception that no shift differential will be paid to day workers for work which normally ends at 5:00 p.m.**
- b) **The shift differentials shall not enter into the calculation of holiday pay, vacation pay, nor shall they enter into the calculation of overtime.**

PART III - SALARY SCALE

**ECHELLE DE 7 JOURS - USINE ET DES HORAIRES CONSECUTIFS (EXP. FORESTIER)
MILL 7-DAY SCALE AND WOODLANDS CONSECUTIVE SCHEDULING SCALE
1^{ER} MAI 1993 - 30 AVRIL 1994/MAY 1, 1993 - APRIL 30, 1994**

GRADE	3	4	5	6	7	
Minimum	2764.77	2837.66	2996.71	3072.91	3168.25	3200.00
6 mois/months	2788.94					
9 mois/months		2869.46		3118.72		
1 an/year			3035.41		3222.57	3300.00
15 mois/months	2814.36					
18 mois/months		2901.42		3166.65		
2 ans/years			3069.65		3277.89	3400.00
27 mois/months	2842.63					
30 mois/months		2934.07		3214.57		
3 ans/years					3354.86	3500.00
39 mois/months	2877.78		3101.34			
42 mois/months		2975.12		3262.55		
4 ans/years					3417.08	3600.00
54 mois/months			3175.99	3370.76		
5 ans/years					3531.43	3700.00

**ECHELLE DE 7 JOURS - USINE ET DES HORAIRES CONSECUTIFS (EXP. FORESTI
MILL 7-DAY SCALE AND WOODLANDS CONSECUTIVE SCHEDULING SCALE
1^{IER} MAI 1994 - 30 AVRIL 1995/MAY 1, 1994 - APRIL 30, 1995**

GRADE	3	4	5	6	7	
Minimum	2792.42	2866.04	3026.68	3103.64	3199.93	33
6 mois/months	2816.83					
9 mois/months		2898.15		3149.90		
1 an/year			3065.76		3259.80	3
15 mois/months	2842.50					
18 mois/months		2930.43		3198.32		
2 ans/years			3100.35		3310.67	3
27 mois/months	2871.06					
30 mois/months		2963.41		3246.72		
3 ans/years					3388.41	3:
39 mois/months	2906.56		3132.35			
42 mois/months		3004.87		3295.18		
4 ans/years					3451.25	3
54 mois/months			3207.75	3404.47		
5 ans/years					3566.74	3

**ECHELLE DE 7 JOURS - USINE ET DES HORAIRES CONSECUTIFS (EXP. FORESTIE
MILL 7-DAY SCALE AND WOODLANDS CONSECUTIVE SCHEDULING SCALE
1^{ER} MAI 1995 - 30 AVRIL 1996/MAY 1, 1995 - APRIL 30, 1996**

GRADE	3	4	5	6	7	
Minimum	2834.31	2909.03	3072.08	3150.19	3247.93	33
6 mois/months	2859.08					
9 mois/months		2941.62		3197.15		
1 an/year			3111.75		3303.62	34
15 mois/months	2885.14					
18 mois/months		2974.39		3246.29		
2 ans/years			3146.86		3360.33	35
27 mois/months	2914.13					
30 mois/months		3007.86		3295.42		
3 ans/years					3439.24	35
39 mois/months	2950.16		3179.34			
42 mois/months		3049.94		3344.61		
4 ans/years					3503.02	36
54 mois/months			3255.87	3455.54		
5 ans/years					3620.24	37

**BUREAU DIVISIONNAIRE-HORAIRES CONVENTIONNELS (EXP. FORESTIERES)
DIVISIONAL OFFICE - WOODLANDS CONVENTIONAL SCHEDULE**

1^{ER} MAI 1993 - 30 AVRIL 1994/MAY 1, 1993 - APRIL 30, 1994

GRADE	3	4	5	6	7	
Minimum	2459.63	2525.12	2668.02	2736.48	2822.14	29
6 mois/months	2481.35					
9 mois/months		2553.69		2777.64		
1 an/year			2702.79		2870.95	25
15 mois/months	2504.19					
18 mois/months		2582.41		2820.70		
2 ans/years			2733.55		2920.65	30
27 mois/months	2529.59					
30 mois/months		2611.74		2863.76		
3 ans/years					2989.80	31
39 mois/months	2561.17		2762.03			
42 mois/months		2648.62		2906.87		
4 ans/years					3045.70	3
54 mois/months			2829.10	3004.09		
5 ans/years					3148.44	3

BUREAU DIVISIONNAIRE-HORAIRES CONVENTIONNELS (EXP. FORESTIERES)
 DIVISIONAL OFFICE - WOODLANDS CONVENTIONAL SCHEDULE
 1^{ER} MAI 1994 - 30 AVRIL 1995/MAY 1, 1994 - APRIL 30, 1995

GRADE	3	4	5	6	7	
Minimum	2484.23	2550.37	2694.70	2763.84	2850.36	29
6 mois/months	2506.16					
9 mois/months		2579.23		2805.42		
1 an/year			2729.82		2899.66	30
15 mois/months	2529.23					
18 mois/months		2608.23		2848.91		
2 ans/years			2760.89		2949.86	30
27 mois/months	2554.89					
30 mois/months		2637.86		2892.40		
3 ans/years					3019.70	31:
39 mois/months	2586.78		2789.65			
42 mois/months		2675.11		2935.94		
4 ans/years					3076.16	32
54 mois/months			2857.39	3034.13		
5 ans/years					3179.72	33:

**BUREAU DIVISIONNAIRE-HORAIRES CONVENTIONNELS (EXP. FORESTIERES)
 DIVISIONAL OFFICE - WOODLANDS CONVENTIONAL SCHEDULE
 1^{ER} MAI 1995 - 30 AVRIL 1996/MAY 1, 1995 - APRIL 30, 1996**

GRADE	3	4	5	6	7	
Minimum	2521.49	2588.63	2735.12	2805.30	2893.12	2
6 mois/months	2543.75					
9 mois/months		2617.92		2847.50		
1 an/year			2770.77		2943.15	3
15 mois/months	2567.17					
18 mois/months		2647.35		2891.64		
2 ans/years			2802.30		2994.11	4
27 mois/months	2593.21					
30 mois/months		2677.43		2935.79		
3 ans/years					3065.00	5
39 mois/months	2625.58		2831.49			
42 mois/months		2715.24		2979.98		
4 ans/years					3122.30	6
54 mois/months			2900.25	3079.64		
5 ans/years					3227.42	7

APPENDIX D

VACATION PLAN - SALARIED EMPLOYEES

NBIP FOREST PRODUCTS INC.,
DALHOUSIE, N.B.

- * 1. An employee will be allowed **an** annual vacation with pay of two **(2)** weeks, provided he has been in the service of the Company for at least **six** (6) months. The vacations will be scheduled on a 52-weeks basis.
2. An employee will be entitled to receive three (3) **weeks'** vacation with pay in the calendar year in which he completes four **(4)** years' continuous service subject to the conditions **set** forth in Sections 7 and 8 **below**.
3. An employee will be entitled to receive four **(4)** weeks' vacation with pay in the calendar **year** in which he completes nine (9) years' continuous service subject to the conditions set forth in Sections 7 and 8 below.
4. **An** employee will be entitled to receive five **(5)** weeks' vacation with pay in the calendar year in which he completes twenty **(20)** years' continuous service subject **to the** conditions set forth in Sections 7 and 8 **below**.
5. An employee will be entitled **to** receive **six** (6) weeks' vacation with pay in the calendar year in which he completes twenty-five **(25)** years' continuous service subject to the conditions **set** forth in Sections 7 and 8 below.
6. **An** employee, beginning in the calendar **year** in which he will complete twenty-five **(25)** years' continuous service, will be entitled **to receive** in the calendar year in which he reaches:
- 60 **years** of age, 1 week
 - 61 years of age, 2 weeks
 - 62 years of age, 3 weeks
 - 63 **years of** age, 4 **weeks**
 - 64 years of age, 5 weeks

in addition to his regular vacation entitlement.

7. Service with the Company and with any of its affiliates subsequent **to** but not prior to their acquisition by or affiliation with the Company will **be** counted in determining eligibility.

8. Notwithstanding the provisions of Section 1 above, employees, except those employed in the Company's Woodlands Division, **who wish to take more than two (2) weeks** consecutively, **will** be entitled to **do so only** between September 16th and the following May 15th.
9. Each employee's vacation pay will be **based on** the employee's current *salary* at the time the vacation is taken.
10. **An** employee may **draw** vacation pay at the beginning of his vacation.
11. Vacation pay will not be allowed for a vacation not taken.
12. **An** employee who, for the convenience of the Company, and at the request of the management, foregoes a vacation period shall be entitled to **take** this vacation period the following year in addition to the vacation period for that year.
13. An employee who leaves the service of the Company and who has not been dismissed for cause, will **be** entitled to vacation pay for **any** unused vacation period calculated as follows:
 - a) Four percent **(4%)** of his earnings during the calendar **year** in which he left the service of the Company if on a **two (2) week** vacation basis, **six** percent (6%) if on a **three (3) week** basis, eight percent **(8%)** if on a four **(4) week** basis, ten percent **(10%)** if on a **five (5) week** basis, or twelve percent **(12%)** if on a **six (6) week** basis, less **any** amount received **as** vacation pay for vacation **earned** during that **year**; plus
 - b) for any unused vacation period due in the **calendar year** preceding that in which he left the service of the Company, the difference between the amount he would have received had he taken **all** the vacation **to** which he **was** entitled and the amount he **actually** received.
14. **An** employee who leaves the service of the Company due to retirement, will receive in addition **to** his entitlement under Section 13, pay **in** lieu of the supplementary vacation he would have received under the provisions of Section 6, had he remained in the service of the Company for the full calendar **year**. This amount shall be added to his entitlement under **Section 13 a)** prior to deducting any vacation pay he **may** have received for vacation earned during that calendar **year**. To qualify for this payment **an** employee must have **been on** the payroll sometime during the **calendar year** in which he retires.

15. Vacation schedules will be posted **not later** than November 30th of the calendar year preceding that to which they apply.
16. **An** employee on vacation who is **recalled** to work **can** choose to receive **the** equivalent of time and one-half in time off to be **taken** within **a 12** consecutive **month period** for **such** time **worked** or he **can choose to be** paid at the **rate** of time and one-half for such time worked.
17. **On the** condition **that** vacations **are** scheduled on a 52-weeks basis, **the Company agrees** that the first **two** (senior) **saves** will be **allowed to** schedule their first **two** weeks of **vacation at** the same time **as** regularly classified employees on the first scheduling pass. **The balance of** their vacation will only be scheduled **as per** the provisions of the Administrative Statement (Article 1X - **Section 10 d**) viii) - Page **55**)

This will only apply for **the** calendar year 1995 and 1996 **after** which **time** only **one** space can prevail himself/herself of this provision.

**APPENDIX E
INSURANCE PLANS
NBIP FOREST PRODUCTS INC.**

**PART I- LIFE INSURANCE, ACCIDENTAL DEATH AND
DISMEMBERMENT INSURANCE**

The Life Insurance, Accidental Death and Dismemberment Insurance Plan previously in effect is amended as follows:

1. Membership

- a) All active employees under age 65, who have completed six (6) months of cumulative service are eligible for membership upon submission of the required application form.
- b) If the employee elects to be insured, the full amount **must** be taken. If cancellation is later requested, then the full amount is cancelled.
- c) **An** employee **who** waives participation, upon becoming eligible for membership may apply later, with **medical** evidence satisfactory to the insurer, and provided the applicant is then under age 50.

2. Benefits

- a) **Life Insurance - Prior to the earlier of retirement or attainment of age 65**

Prior to the earlier of retirement or attainment of age 65, an active employee, **who** is a member of the **Plan** is covered for **\$25,000** Life Insurance and **\$25,000** Accidental Death and Dismemberment Insurance.

- b) **The Company** will provide employees with **the** opportunity to purchase additional life insurance coverage equivalent to two (2) times earnings up to a maximum of **\$42,000** additional Life Insurance coverage. Membership conditions **will** be the **same** as those outlined above. It is understood that the Insurance **Carrier** requires participation by 70% of those eligible. Should the employees decide to obtain **this** coverage **on their own** behalf **from** another Insurance Carrier, the Company will deduct the **required** premiums and remit **same** to the insurer.

The Company will contribute up to a maximum of \$10 per month (effective May 1, 1991: up to \$12.00 per month) towards the premium cost of an active employee's personal optional additional life insurance coverage. It is understood that this contribution will apply only in those mills if and when optional additional life insurance coverage becomes effective.

c) An insured employee who has completed one (1) year of continuous service at time of lay-off may keep his basic and optional additional life insurance, if any, in force for a period up to six (6) months provided he pays the full monthly premium for both coverages in advance unless his service is broken as provided in Article IV, section 4.

d) Life Insurance - After the earlier of retirement or attainment of age 65

i) For active employees insured as at January 1, 1963, the amount of Life Insurance to be kept in force at Company expense after the earlier of retirement or attainment of age 65 with 15 years' continuous service will be the amount in force as at December 31, 1962.

This amount will continue in force until the attainment of age 70 following which it will be reduced in five (5) equal annual instalments to one-half the amount in force as at December 31, 1962.

For active employees, the amount of Life Insurance to be kept in force at Company expense after the earlier of retirement or attainment of age 65 with ten (10) years or more of continuous service will be in accordance with the following schedule:

Service	Amount of Life Insurance
15 years or more	\$3,500
13 but less than 15 years	\$3,000
12 but less than 13 years	\$2,500
11 but less than 12 years	\$2,000
10 but less than 11 years	\$1,500

***3. Contributions**

The basic Life Insurance, except as provided in paragraph 2 c) above and Accidental **Death** and Dismemberment Insurance is non-contributory.

4. General

- a) The Company undertakes under the provisions of this Article to underwrite the cost of **the Plans summarized** above to **the** maximum amount, if any, stipulated in the Agreement, however, the plan administrator(s) and not the Company is solely responsible for determining eligibility for the benefits and the payment of such benefits under these Plans.
- b) All Plans summarized in this Article will be administered by **an** insurance Company or Companies selected by the Company. All provisions of the **Plans** are contained in the Master Policy issued by **the** insurance Company or Companies and the Master Policy shall govern administration of **the Plans**.
- * c) Any amount of money received for remunerative work (definition of Employee **in** the Industrial Relations Act) outside of **the** Company will be **deducted** from any disability benefits paid by **the** Company, either directly or through an insurance carrier.

***5. Medical Certificate**

The Company will reimburse **an** employee for the **costs** incurred to **obtain** a medical certificate **as** required by the Company **regarding** sickness benefits under the provisions of Article IX, **section 12** or of the Long **Term** Disability Plan. Payment will be made upon presentation of **a** receipt issued by the treating physician, up **to** a maximum of **fifteen** dollars **(\$25.00)** per certificate.

PART II - HOSPITAL, SURGICAL AND MEDICAL INSURANCE

- * 1. After completion of **six (6)** months of continuous service, **the Company** will contribute up **a** maximum of **\$26.00** **per** month toward **the** premium cost of an active employee's membership, including the cost of dependants coverage, in the privately insured Hospital, Surgical, **Medical** Plan in effect for New Brunswick residents. This contribution will be in addition **to** the contribution, if any, made by the Company toward **the** Plans in effect following the introduction of Medicare.

PART III • DENTAL PLAN

- * After completion of six (6) months of continuous service, the Company will contribute **as** follows toward the premium cost of **an** active employee's membership in the **Dental** Plan:

Family: Up to \$24/month

Single: Up to \$14/month

The Company will be provided by the Union **with** a copy of the **Plan's Master** Policy and the schedule of premiums. Remittance of premiums **to the** carrier will be handled in the same way **as in** the case of the Hospital, Surgical **and** Medical Insurance.

PART IV - A - WEEKLY INDEMNITY

- i) The Company will pay the cost of a Weekly Indemnity Plan providing a benefit of between 60% and 70% of an eligible employee's normal weekly straight time rate with the percentage **to be** established **as** set forth below. Such benefits will be payable from **the** first day of non-occupational accident and/or the first day of hospitalization for a non-occupational illness and the fourth **day** of non-occupational illness for the duration of the disability or 52 weeks, whichever is less, subject to Plan eligibility requirements.

The weekly indemnity plan covers any disabled employee (eligible under the terms of the **Plan**) not covered by W.C.B.

For Seasonal Employees:

Payments of weekly indemnity benefits cease **on the date the** employee would otherwise be laidoff and resume **on** the date the employee would otherwise be recalled to work provided he is still disabled for reason of the same disability. The percentage payable will vary with mill experience in accordance with Schedule 1, but in **no** event shall it be **less** than required to qualify for registration under Unemployment Insurance Legislation.

A Joint Claims Review Committee will **be** established **at the** Mill consisting of two (2) members of Management and two (2) representatives of the Union. It will **be the** function of this Committee to monitor claims experience **on a** monthly basis, and to recommend measures for improving claims experience.

At **six (6)** month intervals beginning December 1, 1994 **the** average **raw** experience index based **on the** 18-month **period** then ended will be calculated. The benefit percentage for the Mill for **the** forthcoming **six (6)** months beginning January 1 or July 1 will then **be** determined in accordance **with** Schedule 1. The percentage thus established will apply to illnesses **and** non-occupational accidents incurred during this six (6) month period.

Note: Until the initial 18 months experience has been established, the benefit percentage will remain at 70%.

An employee's **normal weekly** straight **time rate** for purposes of calculating the weekly indemnity benefit due shall be **37 1/2** or **40** (**as per** his/her weekly work schedule) times the rate for the job which he is scheduled to perform at the time his accident or illness occurs.

To be eligible to submit a claim for weekly indemnity benefits **and** employee must:

- 1) have completed three (3) **months** of cumulative service since the last break, and
- 2) have submitted the required application for membership in the Plan, and
- 3) have returned to active employment with the Company following a layoff, termination for any **reason**, or a **strike**, and
- 4) .not have attained age 65, and
- 5) submit **the** claim for benefits within the twenty **(20)** day **period** immediately following the first **dy** of disability due to the illness or accident **and** be under **the** treatment of **a** physician.

The Plan will be registered with the Unemployment Insurance Commission **and** the full Unemployment Insurance premium reduction resulting **from** such registration will be retained by the Company.

Employees must apply for **sickness** and/or disability **benefits** available to them under the terms of Canada/Québec Pension **Plan** Legislation or any other government-sponsored disability plan.

Should an employee's application for government benefits be **accepted**, benefits otherwise payable under the Company **Weekly Indemnity Plan** will be reduced by the amount payable **under the** provisions of **the** government plan(s). Should payments made by the government plan cover **a** period for which benefits have already **been** paid by the **Company**, employees shall endorse their government benefit cheques in favour of the Insurance Company. Such reimbursements will **be** taken into consideration **when calculating** claims costs.

- ii) The weekly indemnity benefits payable will be reduced by **an** disability or sickness benefits paid under the provisions of **any** government legislation or **any** Company Benefit Plans.
- iii) Benefit payment shall cease **on** the effective date of retirement under the provisions of Company Retirement Plans or first of the month following attainment of **age 65**, whichever occurs first.

General

- a) The Company undertakes under the provisions of this Article to underwrite the cost of the **Plans** summarized above **to** the maximum amount, if any, stipulated in the Agreement; however, the **Plan** Administrator(s) and not the Company is solely responsible for determining eligibility for the benefits **and** the payment of such benefits under these Plans.
- b) All Plans summarized in this Article will be administered **by an** insurance company or companies **selected** by the Company. All provisions of the **Plans** are contained in the Master Policy issued by the insurance company or companies and the **Master Policy** shall govern administration of the **Plans**.

WEEKLY INDEMNITY BENEFITS

SCHEDULE 1

VARIABLE PERCENTAGE

PROPOSE ALL STEPS "NO MAXIMUM" - U.I.C. MAXIMUM AS A MINIMUM WHERE RATE AND PERCENTAGES WARRANT

*Raw experience index
entitlement

190 or less	191 to 205	206 to 220	221 to 235
70%	69%	68%	67%

236 to 250	251 to 265	266 to 280	281 to 295
66%	65%	64%	63%

296 to 310	311 to 325	326 or more
62%	61%	60%

- * By using the current 18-month formula (recent 6 mos. x 2, earlier 12 mos. x 1) a representative average index is arrived at. Cash pay-out per month is divided by actual amounts of weekly indemnity in force to develop average. Adjustments would be made Jan. 1 and July 1 each year as currently done.

B - Long Term Disability Benefit Plan

The company will pay the cost of a Long ~~Term Disability~~ Benefit Plan providing benefits as summarized below.

For any non-occupational illness or accident incurred after ~~December 1st, 1994:~~

Eligibility

Long Term Disability coverage will apply to all employees covered by the Weekly Indemnity Plan.

Qualifying Period

An insured employee will be eligible to receive Long Term Disability Benefits after fifty-two (52) weeks of benefit entitlement for the same disability, under the provisions of the Weekly Indemnity Plan.

Benefit payment shall not commence during a lay-off or strike until the termination of the lay-off or strike.

Definition of disability

Disability shall mean an insured employee who has received fifty-two (52) weeks of benefits under the Weekly Indemnity Plan and who for up to the next ensuing twelve (12) months is unable, because of a non-occupational illness or accident, to work at his regular occupation, and thereafter is unable to perform any and every duty of every occupation in the Mill for which he is reasonably fitted by education, training or experience.

Amount of Benefit

- a) i) 55% of regular straight-time hourly rate, multiplied by 1950 or 2080 (as per the work schedule) divided by 12, up to a maximum monthly payment of \$2,100. (May 1st 1996 - \$2,200)

The regular straight time hourly rate shall be the rate of the job which the employee was scheduled to perform on the date the non-occupational illness or accident commenced. For the employee in receipt of Long Term Disability Benefit, the initial hourly rate used will be adjusted on May 1st of each year by the percentage or amount of the negotiated general wage increase until the benefit reaches the maximum monthly payment specified in the Labour

Agreement in force when the non-occupational illness or accident commenced. The maximum monthly payment remains unchanged for the entire disability period.

- b) The amount of benefit shall be **reduced** by any payments on behalf of the employee made under any Government **disability** plan (except **increases** in such **amounts** occurring 12 months or more **after** disablement), or any other non-private **disability** income plan by **reason** of the **same** non-occupational illness or accident.
- c) **While** receiving benefits under **this** Plan, an employee will continue to accrue pension benefits at **no cost** to him. The **annual pension** benefit accrued will be equivalent to the **annual** amount that **would** have been accrued had the employee been contributing on straight time earnings equal to his regular straight **time rate** multiplied by the number of hours in the annualized **normal** straight time schedule at the time the disability occurred.

Death benefits will not accrue **during this period**, except with respect to interest on the employee's contributions made prior to commencement of L.T.D. Benefits.

Benefit Period,

Benefits will be paid for one **month**, for each completed month of service prior to **the** onset of disability, while the employee is disabled but in **no** event beyond attainment of **the age** required to qualify for Voluntary Early Retirement. Upon attainment of the **age** requirement for Voluntary Early Retirement, the service requirement of 20 years **with** respect to **unreduced** early retirement, under the provisions of the Employees' Retirement **Plan (1946)** of Avenor Inc., will be **waived** for employees eligible to receive Long Term Disability payments.

Duration of Benefit

Benefits shall cease:

- a) **On** the date the employee ceases **to** be disabled as defined in **the Plan**, or

(NOTE: If there is a recurrence of the **same** disability within **six (6) months** of return to work, a new qualifying **period will not be** required, and the disabled employee will **be** eligible for **any**

balance of Long Term Disability benefit payments. This provision shall take precedence over **any recurrent disability** provision under the Weekly Indemnity Plan.)

- b) Upon attainment of the age requirement for Voluntary Early Retirement, or
- c) At death, or
- d) At retirement,

whichever **is** earlier.

Part ip in Insurance

An insured employee receiving Long Term Disability **Plan** Benefits, who **was** a participant in the Company Group Life Insurance **Plan** at the commencement of his disability, **will** continue to enjoy Group Life Insurance! coverage in the amount of \$25,000 at **no** premium cost **to** him.

Service Accumulation

An insured employee who is eligible to receive Long Term Disability Benefit payments shall not accumulate service for **any** purpose, except in the event of **his** return to **work** where the employee will be reintegrated in **the** job he occupied had he not **been** absent, providing he **meets the minimum** requirements of the job. In the event the employee does not **meet** the minimum requirements of his former job, he may elect to displace a junior employee in the same grade or in a lower **graded** job for which he **meets the** minimum requirements. In such case, he **will** accumulate **Service** for promotion **and** lay-off purposes only.

Exclusions

Benefits under the Long Term Disability Plan will not be payable for **claims** resulting from illnesses or accidents such **as**:

- i) Any injury arising out of or sustained while doing **any** act or thing pertaining to any occupation or employment for remuneration or profit, except in the course of normal performance of duties, **as an employee of** Avenor Inc., or

- ii) Any injury or illness entitling the employee to compensation under any Workmen's Compensation or similar Legislation, **except in the course of normal performance of duties** as an employee of Avenor Inc., or
- iii) Self-destruction or any **self-inflicted injury**, while **sane or insane**, or
- iv) Disability for which the employee is **not** under the treatment of a **physician**, or
- v) Alcoholism or **drug addiction**, unless the employee is confined in a hospital or institution licensed to provide care and **treatment** incident thereto, or unless **the** employee is undergoing **regular** rehabilitative treatment approved by the **insurer** and a **physician**.

Rehabilitation

An employee receiving an amount of Long Term Disability Benefit may be asked to undergo reasonable rehabilitation measures which have been the subject of prior **consultation with** the employee's doctor, **at** no cost to the employee. If such employee **refuses to under** take such rehabilitation, he may be declared not eligible for an amount of disability benefits.

Other

- a) Company Hospital-Medical, Optional Life Insurance and Dental Plan contributions shall cease when an employee becomes eligible to receive payments under the Long Term Disability Plan. The employee may keep his hospitalization-medical care insurance, dental insurance and optional life insurance in force during that period, provided that he pays in advance each month, the full amount of the appropriate premium.
- b) Upon becoming eligible to receive payment under the Long Term Disability Plan, Employees will be paid the vacation due them if any for time worked prior to the commencement of their disability, based on the vacation provisions applicable to a termination of employment.

Workers' Compensation (WCB)

The pension accrual, benefit administration and service accumulation provisions contained in the L.T.D. plan summary will apply to employees who have been in receipt of full Workers' Compensation benefits for 52 consecutive weeks and who continue to be disabled. These provisions will

apply on the same basis and under the **same** conditions as if the employee were on **L.T.D.** after **the 52nd week** of disability. Should the employee continue to be disabled by **reason** of the same occupational **illness** or accident but he deemed ineligible for further Worker's Compensation benefits, he may then apply for benefits under the L.T.D. plan for the **balance** of **his** benefit period entitlement.

Contributions

The basic Life Insurance, except as provided in paragraph b) above, Accidental Death and Dismemberment Insurance, the Weekly Indemnity Insurance and the **Long** Term Disability Insurance is non-contributory.

PART V - CHECK-OFF AND REMITTANCE OF PREMIUMS

- *1. Subject to the requirements of any applicable provincial or federal law, the Company shall deduct weekly **from the salary owing and payable to** each employee within the **Union's** jurisdiction **who** has submitted **a duly** completed application card, a weekly proportion of the applicable monthly premium payable by such employee to the Dental Plan, Hospital Medical **Plan,** and/or optional additional Life Insurance plan in effect and shall remit such **deductions** monthly to the insurer **along with** the applicable Company contribution.
2. The Insurance Carrier shall advise the Company in writing of the **amount** of the monthly premiums applicable to **single** and family coverage. If there is any change in these premiums the Company shall be **advised** of such change by **the** Insurer at least two **(2) months** prior **to** its effective date.
3. An employee who applies for Dental **Care,** Hospital **Medical** coverage, and/or optional additional Life Insurance coverage and authorizes the deduction of the applicable premiums shall not have the right **to** revoke the coverage and the authorization during **a Contract Year,** unless the employee ceases to be **an** employee in the jurisdiction of **the** local union covered by the **Plan(s).** In such a case, coverage will automatically be cancelled and Company **contributions will** cease.
4. An employee **who** wishes to do **so** may change his coverage from single to family **by** signing a new authorization card **to** this effect.

5. **An** employee's membership in **the Plan(s)** will **continue unless** the Company receives at least one **(1)** month before the end of the then current Contract **Year**, written **notice** from the employee that he **does** not wish to continue membership in the **Plan(s)**.
6. The Company shall forward to the Insurer a photostat of the enrollment card comprising the name, address, type of coverage (family, single), the name of spouse and children, if any, for each member of the Plan as soon as the enrollment cards are Signed to establish the monthly billing lists. At the end of each month the Insurer shall submit to each Mill Controller a duplicate billing for the next month showing the names of all those covered and the type of coverage (family, single).

The Company will correct the list making any additions or deletions or type of coverage changes and return it to the Insurer with the premium. The names of those for whom no deduction was made because their earnings were insufficient will be forwarded to the local unions.

7. The Company shall only be obliged to check off weekly a fixed amount as long as the salary owing and payable to the employee is sufficient to cover this deduction.
8. The Company will not be responsible for processing claims other than providing pertinent claim forms.
9. The Company shall not contribute for periods of time when the employee is on lay-off or on strike.

PART VI - AMENDMENTS

An employee who is eligible for the various insurance plans covered in this Appendix E, and who is absent from work on the date of implementation of any amendments or improvements whatsoever, will benefit from these changes only from the time when he has effectively returned to work.

*

GROUP LIFE INSURANCE**Active Employees Prior to Retirement**

<u>Ins.</u> <u>Class</u>		<u>AD&D</u>	<u>Employee</u> <u>Contribution</u> <u>Per Week</u>
3-18	\$25,000	\$25,000	Nil

SCHEDULE 1

**APPENDIX F - DALHOUSIE MILL
LINE OF PROGRESSION (TEMPORARY VACANCIES)**

**COST CONTROL
TIME OFFICE
ACCOUNTING
DATA PROCESSING
STORES, BILLING**

10 • Sr. Accounting and Cost Clerk
• Finishing & Shipping coordinator

• Sr. Accounts Payable Clerk
• Sr. stock Control Clerk
• Senior Timekeeper
• cost Clerk & Data Processing
Operator

7 • General Accounting Clerk
• Timekeeper Wharf
• Intermediate Stock Control Clerk

6 • Jr. Stock Control Clerk
• Receiver Clerk
• Groundwood Clerk

LINES OF PRO
(VACANCIES)
D **DDI**
↓ **OFFICE**

ACCOUNTING AND STORES

10 - Sr. Accounting & Cost Clerk

- 7 - Log Record Clerk
- Invoice Approval Clerk
- Cashier and General Clerk
- General Clerk

- 6 - Stores and Garage Clerk
- Garage Clerk

NBIP Forest Products Inc.

PROMOTION REFUSAL

Reference - Article IV

I _____ refuse a temporary or permanent promotion or I _____
_____ **refuse a training** for a temporary or permanent promotion **to the**
occupation _____ which is grade _____. I forfeit today _____
_____ **my** promotion rights to **this** occupation and I shall not be considered for
further promotion until such time **as** I inform my immediate supervisor in writing,
at the bottom of this form, to cancel my previous refusal. I shall be considered
junior to all employees who bypass me for promotional purposes **only** in this
occupation. I had the opportunity **to discuss** this matter with my union steward.

Employee's signature _____ Date _____

Company representative _____ Date _____

- Copies: Employee
- Controller
- Shop Steward
- Union President
- Personnel Superintendent

I wish **to** cancel the above **refusal** and will **accept** a promotion or a **training**
opportunity starting **on** _____

Employee's signature _____ Date _____

Company representative _____ **Date** _____

- cc: Employee
- Controller
- Shop Steward
- Union President
- Personnel Superintendent

ADMINISTRATIVE STATEMENTS

May 1, 1976

1. UNION DUES

Commencing with **the** calendar year 1977 - the Union dues total for the calendar year will be included in **Forms** T4 and TP4 each year.

When employees in the OPEIU jurisdiction **are** transferred back to the centralized local payroll, it may be possible to show cumulated deductions year to date each time a statement of **earnings** is issued to an employee. This will be done if feasible.

2. SUNDAY SCHEDULING

An employee **is** considered to be scheduled **in** advance to work on Sunday, when he is notified during the previous week that he **is** expected to report on Sunday.

3. ARTICLE IX - SECTION 10. TEMPORARY EMPLOYEES (AMENDED ADMINISTRATIVE STATEMENT 1990)**a) Statement of Principle**

Temporary employees will be used only to perform work which is available:

- i) because **the** regular incumbent of a classification **listed** in Appendix A is temporarily absent due to vacation, illness or accident, or **other** approved leave and a replacement is required, or
- ii) because of a **temporary** additional work load over **and** above **the** normal routine of the **office** involved.

b) Definitions

Them shall be two categories of temporary employee:

Category 1 - Casual

This is an employee hired at random intervals for temporary **work** of a duration of less than **one** (1) week at a time.

Category 2 - Regular

This is an employee hired for or regularly called upon to act as temporary replacement to perform additional work of short duration. This category will include employees who are regularly scheduled to work less than five (5) days per week on a specific job.

- c) Employees in Category 1 will be entitled to statutory benefits only.
- d) Employees in Category 2 will be covered by all applicable provisions of the Agreement, subject to the following administrative procedures:
 - i) All time worked will count as service in the bargaining unit.
 - ii) An employee who has recall rights because he has been laid off from a permanent job will be given preference when a temporary vacancy occurs provided he is qualified to perform the job to be filled. Only this type of employee can refuse an offer of employment, as provided in the recall provisions of the Agreement, without loss of service.
 - iii) Statutory Holidays will be paid to these employees if they are at work when the holiday occurs.
 - iv) Floating Holidays - These employees will acquire eligibility for one (1) floating holiday for each two (2) months or major portion thereof that the employee works in a calendar year up to the maximum the Agreement provides for that calendar year.
 - v) Sick Leave - Employees in this category who have worked at least six (6) consecutive months for the Company will be eligible for paid sick leave if they become ill or suffer a non-occupational accident during a period of time when they are working for the Company. The benefit paid will be in accordance with present Company practice.
 - vi) Notice of Lay-Off - This provision will apply whenever these employees work for a period of six (6) consecutive months or more.
 - vii) Severance Pay - An employee in this category who works for fifty-two (52) consecutive weeks or more will be eligible to receive severance pay as set forth in Article XV of the Agreement if he is laid off.

viii) Vacation - The service accumulated by such an employee will entitle him to the appropriate vacation credits. Any time the employee works in excess of twenty-six (26) weeks in any calendar year he will receive full vacation entitlement as provided for in the Labour Agreement less any vacation pay already received. An employee who works less than twenty-six (26) weeks in a calendar year will receive a percentage of his current year's earnings based on his service.

* ix) Group Life, A.D. & D. Insurance, and ~~Hospital Medical~~ Insurance - If these employees work for six (6) consecutive months they will become eligible for these coverages. Once covered, if they are laid off their Group Life Insurance coverage will continue for thirty (30) days. Their A.D. & D. will be cancelled and the Company contribution to Hospital, Medical Insurance, if any, will cease the day of lay-off.

e) ~~Normally~~ temporary employees will replace on bottom jobs.

May 1, 1978

CREDIT UNION DEDUCTIONS

Employees credit union deductions will be deposited after every pay period. This procedure will be implemented no later than November 1, 1978.

Effective January 1, 1979, a cumulative statement of regular deductions will be issued with each pay cheque.

May 1, 1980

ADMINISTRATIVE STATEMENT

The Company will inform the local union of the creation of each new job covered by their certification and will, on request, provide the **Union** with a summary of the responsibilities of the **job**.

May 1, 1982

BENEFIT COVERAGES - EMPLOYEES ON LAY-OFF

- *1. Employees who **are** receiving sick leave benefits **at the time** a lay-off occurs will continue to receive such benefits for **as long as** they qualify, however, other benefits will be treated **as** in the case of other laid-off employees.
2. Dental Plan - Medical Coverage

Employee deductions cover the **month** following **that** in which **the** deductions **are** made. The Company contribution is made at the end of the month for time worked during the month. The employee who is laid-off after the premium is paid **to** the insurer for the month **in** which the lay-off occurs will be covered **to** the end of that month.

The employee who does not wish to **keep his** coverage in force during lay-off will be reimbursed for any contributions **he** has made during the **month** in which the lay-off occurs. The employee who wishes to keep the benefit in force for up to 6 months following lay-off may do **so on** a month by month basis **by** paying the full premium before the end of the month less any premium deducted from earnings in the month the lay-off **occurs** and the **applicable portion** of the **employer's** contribution, pro-rated over the **time worked** that month. **An** employee who is recalled during a month will be expected to make up the difference, if any, between the full **cost** of the premium and the amount deducted from earnings before **the** end of the month

in which he returns to work and the employer's contribution applicable to the time worked that month to cover the premium for coverage in the following month.

- *3. Life Insurance coverage may be kept in force for up to 6 months following lay-off provided the employee pays the premium in advance. The plan provides a 31 day conversion privilege (no medical examination required) from date of cancellation, An employee in receipt of sick leave benefits at the time the lay-off occurs may keep the life insurance in force for 6 months or the balance of the period of eligibility for sick leave benefits, whichever is the longer, provided he pays the premiums. Company contributions to the Union's Optional Additional Life Insurance Plan will cease during lay-off and be re-instated on the same basis as Company Dental and Medical contributions.
4. Accidental Death and Dismemberment coverage is cancelled date of lay-off. Coverage is automatically reinstated date of return to work.

May 1, 1984

1. PRODUCTIVITY IMPROVEMENT PLAN

The provisions of the Productivity Improvement Plan (PIP) (1975) will be amended to delete any reference to the payment of production bonus based on the average results of all mills concerned.

Thus, effective with the first complete period of 28 days following ratification (i.e., January 7, 1985), any production bonus will be calculated on the basis of the respective results obtained in each individual mill, independently from results obtained in other mills.

May 1, 1987

***1. LEAVES OF ABSENCE; (AMENDED ADMINISTRATIVE STATEMENT 1990)**

- a) Leaves of Absence without pay to seek or hold elective provincial, federal or municipal government office for one term may be granted. Such leave will not be renewable.
- b) Leaves of Absence without pay to work for the International Union may be granted. Such leave will be subject to renewal every six (6) months, up to a maximum leave of four (4) years.
- c) Leaves of Absence without pay to attend Union educational courses may be granted.

Requests for Leaves of Absence should be submitted on the form provided for that purpose, to the employee's supervisor, at least four (4) weeks in advance of the requested leave in the case of paragraphs a) and b) above and at least two (2) weeks in advance of the requested leave in the case of paragraph c) above.

Any employee on the payroll is eligible provided his request is justified and the granting of the leave of absence will not interfere with Mill operating requirements.

Company insurance coverage will be as follows:

- a) Group Life Insurance

Full coverage will be continued, at no cost to the employee, to the end of the calendar month during which the Leave of Absence begins. Coverage will be cancelled at that time unless the employee pays in advance the premiums applicable for the balance of the leave.

b) **Optional Additional Life Insurance, Hospital, Surgical Plan and Dental Plan**

Company contributions, where applicable, will cease first of the month following the effective date of the leave.

The employee shall retain his rights to the job he held at the time the leave was granted.

2. The notices given to local 114 during the 1987-1990 Labour Agreement and covering the elimination or combination of jobs or classifications are in effect and will apply during the 1990-1993 Labour Agreement.

NB: The notices of the job elimination or combination for the following classifications:

Grade 7 = Intermediate Stock Control Clerk (D. MacLean) of our Dalhousie Mill

are deemed to have been served to the respective local Union concerned during the 1987-1990 Labour Agreement.

Consequently, the above mentioned classifications are excluded from the application of Article VI, 4 b) of the 1990-1993 Labour Agreement.

May 1, 1990

1. Article IX, paragraphs 5 b), 7 a), 7 b) iii) and 8 as well as Appendix D, section 19 will apply in the following manner:

Time off which is accumulated according to the provisions mentioned above must never exceed a total equivalent to 5 days off with pay at any time during a contractual year.

At the end of each contractual year, the unused accumulated time (maximum of 5 days) will be paid. A new period of accumulation starts again at the beginning of each contract year.

2. Retirement Plan*New Brunswick**

Legislative amendments in New Brunswick dealing with Pension Plans are still at the stage of a "Draft Bill". Should this Law be promulgated, the Company agrees, in the months following, to prepare a summary of the main provisions contained in the Law and to meet the Union Representatives in order to explain the terms of these amendments. This summary will be distributed to all members from New Brunswick in the weeks following such meeting.

TOTAL MANPOWER FLEXIBILITY

APPLICABLE TO ALL COLLECTIVE AGREEMENTS

Employees will primarily perform the duties of their regular occupation, however, when requested, any employee can accomplish jobs for which he has the capacities.

The Company will give the training necessary in order that the proposed changes can be carried out progressively and safely, in consultation with the union.

All employees will help each other.

There will be no call-ins to work if the work can be done by employees who are at work.

SPECIAL EARLY RETIREMENT PACKAGE

Effective at the **time when the first lay offs related to the mill modernization (TMP)** occur, the Company will implement a **special early retirement package** that will apply to employees **who** have attained **55 years** of age or more prior to April 30, 1998 **and whose age and service total 80 points**.

This special package will remain in force from the date of implementation, as described above, until April 30, 1998 (i.e. retirement on May 1, 1998).

To take advantage of this special package, eligible employees must **retire** within **six (6) months** after becoming eligible, but in no event later **than May 1, 1998**.

Eligible employees **will** receive **an** unreduced pension based on their **accrued** benefits to the date of their retirement plus **an** unreduced bridging supplement based on **the** prevailing **rate and conditions** applying at **time of retirement**.

Eligible employees **who are** in receipt of LTD or **Worker's** compensation benefits **will** have **the** option to **remain** on LTD or WCB until attainment of age **58** (provided they continue to be eligible for benefits) or **retire**. The above **conditions** governing the time of their option selection must apply.

ADMINISTRATIVE STATEMENT

EMPLOYMENT SECURITY

All employees holding a **regular classified** position on the ratification date of the collective agreement shall retain their employment with the **company**, except in the event of any of the following situations:

- technological changes **and/or** automation
- total mill or department shutdown
- shutdown due to **lack** of orders and/or market conditions
- fortuitous event or **any** situation beyond the Company's **control**
- disciplinary or administrative measure
- attrition

The list of employees covered by the provision is given **to** the local **and** includes **regular** classified employees **as** well as vacation replacements. **The** list of employees covered **as** vacation replacements **in** each local is established **by** the number of **annual vacations weeks** and non-scheduled holidays accumulated **by** classified employees on **jobs** generally requiring a replacement and divided by **52**.

This protection **does** not apply **to** those job reductions related **to** the mill modernization (TMP) including the implementation of flexibility.

The employment **security** is not a guarantee of **a** minimum of working hours **per** week.

MEMORANDUM OF AGREEMENT

between

NBIP Forest Products Inc.

and

**Office and Professional Employees
International Union
Local 114**

I. Term sheet

This Memorandum of Agreement is subject **to** ratification by the membership of the local union **as** part of **the** renewal of their labour agreement.

The sections of this memorandum which **are** marked with **an asterisk** **are** deemed to be incorporated into the current and **future** labour agreements **until** their provisions expire.

Investment Period (*) May 1, 1996 to April 30, 2001.

Amount of Investment (*) At any point in time during **the** Investment Period is **equal to** twelve point three percent **(12.3%)** (the percent reduction) of **the** aggregate amount of **the wages paid as per the** Collective Labour Agreement in effect and equivalent salaries paid, plus **the** industry **pattern**.

The Percent Reduction **will** be **disregarded** for all purposes under terms of the **Pension Plan**, including without limitation, **the** calculation of pension credits and employees' **contributions**.

Equivalency

An equivalent labour cost reduction shall apply to all *other* union and non-union employees of NBIP during the entire investment period.

Indexing of Investment (*)

The accrued amount of investment less any amounts repaid through the profit sharing plan will be adjusted on a yearly basis (pro rated for each complete month) by the percentage of increase in the Consumer Price Index up to a maximum of 7% per year.

For purposes of this calculation "Consumer Price Index" means the Consumer Price Index for the province of New Brunswick as produced by Statistics Canada. The base period will be May 1, 1996.

Repayment on Permanent upon Separation (*)

Indexed employee contributions will be repaid permanent separation of the employee. Permanent separation is defined as the date when the contributor ceases to be employed by the Company for reason of death, retirement, or permanent termination (loss of recall rights). The funds for such repayment will be provided from current and/or future profit sharing payments.

Profit Sharing (*)

Indexed contributions of all employees will be reimbursed annually on a pro rata basis of their part of the amount of investment through a profit sharing plan starting with the financial year 1996, based on 7.5% of audited annual pre-tax earnings up to the project pre-tax earnings for the project and 15% on pre-tax earnings in excess of the projected pre-tax earnings level. The profit sharing will remain in place until the end of the financial year 2005 whether employee contributions are reimbursed or not.

Pre-tax Earnings is defined as earnings before the payment of taxes.

Mandatory Repayment(*)

Notwithstanding the above, the Company reserves the right to repay **totally** or **partially** any outstanding amount of investment **at any time**, but in **any** event it shall be **required to** repay any outstanding amounts before **December 31, 2007**.

Reporting Requirements

The Company will provide **Financial Reporting Information** to the local and national representative of the **Office** and Professional **Employees International Union on a quarterly basis** for their confidential **use**. **Financial Reporting Information** is defined as income statements, cash **flow** statements and balance sheets.

Conditions

Taxation: The Company will endeavour to ensure that the employees' contributions will be structured in a **tax efficient** manner in order to minimize **tax** consequences and avoid **tax** payment on phantom income.

Contingent Investment: The Employee investment is contingent upon (i) the **installation** of the Project **and** (ii) the commitment by the New Brunswick Government of a **rate** reduction with respect to electricity (**through N.B. Power** of approximately \$2.5 million per annum).

Ranking

The **Notes** (i.e. amount **to be repaid**) will **rank** junior to all **the Company's existing and future Third Party** indebtedness. **Said Notes** will **rank** pari passu with any debt advanced by **the Parent Companies**, being understood that any debt advanced by the parent companies could be **repaid** (capital & interests) according **to their terms** without limitation.

Covenants

Dividend: NBIP will not pay a dividend on common shares if the payment **would** result in the shareholders' equity being decreased below \$70 million.

Change in control

In the event of a change of control of NBIP after May 1, 1996, and before the net amount of investment at such date is entirely repaid, then NBIP will reimburse any net amount of investment remaining.

"Change in control" is defined as:

- (i) the sale, lease, exchange or other transfer of all or substantially all of the Company's assets or stock to an outside party,
- (ii) a merger of consolidation involving the Company with the effect that, the then existing shareholders of the Company, hold less than fifty percent (50%) of the combined general voting or economic power of the continuing entity,
- (iii) an outside party acquiring more than fifty percent (50%) of the combined general voting or economic power of the Company, and/or
- (iv) the sale of Avenor's interest in the Company.

Other financial covenants

Any covenants agreed to and amended from time to time by the Company with any Third Party Lender in relation to the financing of the project is deemed to be resident in this memorandum of agreement.

Events of default

Standard events of default including:

- i) same as events resident in Third Party Loan documents relating to the financing of the Project,
- ii) cross-defaults with Third Party indebtedness.