

COLLECTIVE LABOUR AGREEMENT

BETWEEN:

EXELTOR INC.

hereinafter called the "Company"

AND:

NATIONAL AUTOMOBILE, AEROSPACE
TRANSPORTATION
AND GENERAL WORKERS UNION
OF CANADA (CAW-CANADA)
AND ITS LOCAL 956

hereinafter called the "Union"

Effective as of May 3, 2007
to and including May 2, 2010

109 80(05)

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SECTION 1 - RECOGNITION

1.01 For the duration of this Agreement, the Company shall recognize the Union as the sole representative for the production and maintenance employees at its knitting needles plant located at 110 River Street, Bedford, Quebec: however, it shall not represent time keepers, management employees, guards, supervisors, clerks, clerical workers nor employees paid on a weekly or monthly basis.

1.02 Except through mutual agreement between the parties, the tasks, duties, jobs or work assigned to the bargaining unit shall not, for the duration of this Agreement, be carried out by one or more employees outside of the bargaining unit.

1.03 The provisions of clause 1.02 shall not be interpreted as to prevent the employees outside of the bargaining unit from being occasionally assigned to tasks assigned to the bargaining unit in the following instances:

- a) training of employees or their initiation into the bargaining unit;
- b) unpredictable emergency situations where immediate action is required or whenever no employee from the bargaining unit is available;
- c) experimentation. In the case of long-term experimentation, the Union shall receive prior notice thereof;
- d) training, familiarization or process verification by supervisors or assistant Supervisors regarding any task which they supervise.

1.04 Any work given to subcontractors by the Company and which is normally carried out by the

employees cannot result in the lay-off of any employee covered by the Collective Agreement.

SECTION 2 - MANAGEMENT RIGHTS

2.01 Subject to the provisions and conditions specifically set forth in this Agreement, the Company shall manage the labour force, including, without in any way restricting the generality of the following, the right to hire, suspend and dismiss employees on sufficient and just grounds, the right to transfer and lay off employees due to lack of work, or for any other justifiable reason, and the right to determine the running and the operating method of the plant, the Company being exclusively entitled to such rights.

SECTION 3 - NON DISCRIMINATION

3.01 It is agreed that the use of the masculine in this Agreement includes the feminine or neutral, as the case may be.

SECTION 4 - UNION SECURITY

4.01 As a condition to continued employment, all present Union members must remain members in good standing of the Union and all new employees hired after this Agreement becomes effective must, at the time of hiring, become and remain Union members in good standing.

4.02 The Company shall deduct from the paycheque of each employee governed by this agreement the weekly union dues and the membership fee stipulated in the rules and regulations of the national union.

4.03 Every week, the Company shall forward to the Union by cheque or direct deposit 90% of the amounts so deducted, including those of the membership fees. The amount collected from each employee, his name and the

10% of amounts due, after adjustments made during the month of reference, shall be forwarded no later than the seventh day following the month of reference. The Union shall notify Management in writing of the amount set for Union dues and membership fees. Any change shall be applied sixty (60) days after due notice.

4.04 For new employees, clause 4.01 shall apply only after their probation period has expired, except for Union dues which shall be deducted as of the first month of hiring.

4.05 The Company shall not be liable in any way regarding the use of moneys collected by the Union representative, and for errors made while computing such a deduction. If the Company should make an incorrect deduction, it shall reimburse the employee involved with the same amount deducted and it shall deduct such reimbursement from the next monthly cheque or from the direct deposit, sent to the Union. In the event that the Company does not make the necessary deduction, it shall deduct the double amount from the employee's following paycheque, until the amount owed to the Union shall have been paid in full. In order to determine whether a deduction has been correctly made or not, the grievance procedure may be applied.

4.06 The Company shall not be responsible for collecting fines, penalty dues or any other amount whatsoever which the Union requires of its members, over the above-mentioned monthly dues and it shall not be involved in any other manner whatsoever in the internal affairs of the Union.

4.07 The Company will enter the regular deductions for Union dues on the paycheque slip of each employee and it shall enter on the individual T4 and "Relevé I" the total amount of Union dues deducted during that taxation year.

SECTION 5 - UNION ACTIVITIES

5.01 The Company hereby recognizes that the plant Union committee shall be delegated in the name of its employees to deal with any question regarding this agreement or its application or interpretation, including negotiations for the renewal of this agreement.

The plant's Union committee is made up of three (3) employees appointed by the Union, including a chairman who is assigned to the day shift. The other members of the Union committee shall be assigned together every two (2) weeks to the day shift, either on schedule 1 or on schedule 2.

However, it is agreed between the Company and the Union that for Management/Union meetings regarding grievance procedures or for purposes of discussions or information gathering that do not concern the plant workers as a whole, the participation of the Union committee shall be of three (3) members.

Rev. 2007

5.02 The Company recognizes that the Union shall have the right to appoint delegates to handle grievances in their respective areas. The number of delegates shall not be higher than four (4) and the Union shall provide the Company with the names of the representatives.

For the purposes of this clause, the areas shall be determined by mutual agreement between the parties, shall be listed in Appendix C of this agreement and shall form an integral part thereof.

Rev. 2007

5.03 The members of the plant's Union Committee and the delegates shall be authorized, after having received the approval of their department heads, to leave their work station without any loss of salary, for a

reasonable length of time, to fulfill their obligations as provided for in this Agreement or to attend meetings with the Company's representatives. Such an authorization shall not be withheld, unless excessive use is made of it.

Within the framework of **his** job, any member of the Union Committee or a representative who shall enter a department other than his own, must make his presence known ahead of time to the head of the department concerned.

5.04 The national representatives and/or the president of the local section shall have the right to attend all joint meetings taking place on the Company's premises, but they shall not have the right to enter the said premises during working hours to meet with employees without specific permission by Management. Such permission shall not be unreasonably withheld.

5.05 The employer shall make seven (7) bulletin boards available to the Union at mutually chosen locations.

The posting of Union documentation shall be subject to prior approval by the Human Resources department.

5.06 The Union may appoint an alternate member to substitute for an absent member of the Union Committee or an absent representative. The Company will not recognize the alternate member unless it has been previously informed of his name by the Union.

5.07 A temporary leave of absence (without pay) for a few hours shall be granted to four (4) employees at a time for the purpose of taking part in the monthly meeting of Local 956. All requests for such leave must be made by the Union, verbally, at least one day in advance.

A temporary leave of absence permit (without pay) for a maximum of two (2) weeks shall be granted to three (3) employees, at the most, to take part in Union conventions

as well as other Union activities. Any request for such a leave must be made by the Union, in writing, at least five (5) days in advance.

The Company may grant to only one employee at a time a leave of absence permit without pay for an undetermined period to take part in Union activities or to represent the Union. Any request for such a leave must be made by the Union, in writing, at least two (2) weeks in advance. Any such request shall not be refused unreasonably.

The Company shall authorize the Union Committee and the shop representatives to meet once a month for one hour to discuss Union matters. The Company shall bear all costs incurred in connection therewith and pay the employees their respective regular hourly rate. A longer meeting may be authorized upon prior agreement between both parties.

Rev. 2007

5.08 Upon written request by the Union, the Company shall grant an employee a leave of absence permit without pay and for an unlimited length of time in order to allow him to fulfill his tasks as the Union's national representative. During this leave of absence, the employee shall not lose any acquired seniority nor his retirement credits nor his eligibility to holidays and vacation, but he shall continue to accumulate seniority only. In the event that the employee fails to return to his job with the Company within sixty (60) days once his services are no longer required with the national Union, this default shall be deemed a complete termination of any and all employment relations with the Company and of any rights to rehiring for the employee. If within the above-mentioned period, the employee gives prior written notice of at least two (2) weeks, he shall be entitled to exercise his seniority rights for rehiring purposes. Not more than two (2) employees at any one time shall be entitled to a leave of absence pursuant to this clause.

5.09 The Company agrees to contribute to a special fund one cent (1¢) per hour per employee for **all** hours worked in order to provide for paid improvement leaves of absence. The said improvement leaves of absence aim at improving the employee's proficiency in the various aspects of Union activities. The said amounts shall be deposited every three months as of November 7, 1980 in a trust fund created by the TCA National Union, and they shall be sent by the Company to:

Fonds de formation en leadership des TCA
205 Placer Court
North York, ON M2H 3H9

Cheques must bear the mention:

TRAINING FUND FOR TCA DIRECTORS

Furthermore, the Company agrees to grant the members of the bargaining unit chosen by the Union to attend the above-mentioned improvement course, a leave of absence without pay for the twenty (20) days of the course, in addition to traveling time, if any; the said leave of absence shall take place over a period of twelve (**12**) months as of the first day of the leave. The employees to whom this leave shall be granted shall continue to acquire seniority and other benefits.

Rev. 2004

5.10 In the case of leaves of absence authorized in writing for Union activities, granted pursuant to this clause 5, the Company shall pay the employees their respective regular hourly rate for each hour of the said leaves of absence, and the Union shall reimburse the full amount to the Company upon being billed by the Company. In the cases provided for in the third paragraph of 5.07 and in clause 5.08, the Union shall reimburse the full amount, including the cost of the benefits.

Rev. 2007

5.11 The Company shall make available to the Union committee, the prevention representative and the delegates a closed office where a desk, chairs, filing cabinets and a telephone can be installed.

The Company agrees to release the Union president without loss of salary up to three (3) hours per week, allocated according to the president's choice, for the purpose of fulfilling his daily duties pertaining to the plant, such as updating his files. The president will have to give to the Company a reasonable notice of the exercise of this choice. The meetings provided in the 4th paragraph of clause 5.07 will not be counted for the application of this clause.

Another committee member may replace the president if the president is absent for more than three (3) days, after advising the Company in advance.

Rev. 2007

5.12 The Company will give to the Union a copy of any notice or letter which it has the intention to post on the bulletin boards. The Company will also give to the Union a copy of any notice or letter which it has the intention to give to an employee pursuant to the present collective agreement except for the notices or letters relating to the pension plan, to the collective insurance or related to a complaint for harassment.

Rev. 2007

SECTION 6 - STRIKE OR LOCK-OUT

6.01 The Union agrees not to condone nor to authorize any strike, slow-down or other work stoppage by employees for the duration of this Agreement. The Company agrees not to authorize any lock-out against the employees for the duration of this Agreement.

6.02 The provisions of clause 6.01 shall not be interpreted as to limit the rights of the parties, as such

rights are defined in the applicable sections of the Labour Code.

6.03 Whenever an employee or a group of employees shall refuse to enter the premises of any other employer involved in a work stoppage authorized by an accredited union, if a legal picket line is in place, it shall not be considered as a violation of this Agreement and shall not result in any dismissal or disciplinary action.

SECTION 7 - GRIEVANCES

7.01 A grievance shall mean any difference of opinion arising from the interpretation or the application of this labour agreement, including any disciplinary action.

All grievances must be filed within ten (10) working days from the moment when one or more employees or the Union and/or Management become aware of the event on which the grievance is based.

7.02 It *is* desirable to settle grievances **as** quickly as possible. Any employee who believes that his rights have been denied, may, after having discussed the matter with his immediate supervisor, whether by himself or with his Union representative, submit his grievance for an inquiry and settlement, during working hours, in accordance with the procedure described below.

7.03 First step: A grievance signed by the employee shall be submitted in writing to the immediate supervisor or his delegate by the employee's representative or by a member of the Union Committee in the presence of the plaintiff(s) or not.

The decision taken by the immediate supervisor or by his delegate shall be rendered in writing to the representative or to the Union Committee member within five (5) working days following the submission of the grievance.

7.04 **Second step:** If the immediate supervisor or his delegate fails to render his decision within the time allowed or if the reply is not acceptable, the Union Committee must, within the next five (5) working days, request in writing a meeting with a Management representative for the Company to try to settle the grievance, and the Company must, within the next ten (10) working days, meet with the Union Committee.

The Management representative's decision must be rendered in writing to the Union Committee within ten (10) working days following the above-mentioned meeting.

The plaintiff, or one of the plaintiff(s) if the grievance involves more than one employee, may attend the above-mentioned meeting in order to settle the grievance. The plaintiff shall not incur any loss of salary if such meeting is held during his regular work schedule.

7.05 **A** collective grievance shall mean an allegation made by the Union or by the Company to the effect that one party or the other has violated or misinterpreted this Labour Agreement. Such a grievance shall be submitted at the second step of the grievance procedure to a Management representative or to the Union Committee, as applicable. Failing a satisfactory settlement in either case, the grievance shall be submitted to an arbitrator in accordance with Section 8.

Both parties shall reply within the next five (5) days following the submission of the grievance.

7.06 Whenever a grievance shall involve several employees, the Union Committee shall proceed directly to the second step.

7.07 A technical error in the submission of a grievance shall not make it void.

7.08 Any agreement in the settlement of a grievance shall be in writing and signed by the parties.

7.09 The time limits set forth in Sections 7 and 8 shall be strictly enforced and failure to comply therewith shall make the grievance void unless the parties agree in writing to extend them.

In the case that Management has failed to respond to the grievance submitted within the time limits set forth in this clause, the grievance shall be considered settled without prejudice as regards to the settlement sought by the grievance.

7.10 Except for disagreements regarding the hourly rate or the team bonus of an employee, any settlement of a grievance including the payment of an amount of money shall not be retroactive beyond thirty (30) working days preceding the date of the submission of the grievance.

7.11 Whenever, in the course of the inquiry on a formal grievance, Management shall question an employee who has signed the grievance, the said employee must be accompanied by a representative or by a member of the Union Committee.

SECTION 8 - ARBITRATION

8.01 In the event that the grievance is not settled within the time limit set forth in clauses 7.04, 7.05 and 7.06 one party may then, within thirty (30) working days following the end of the time limits mentioned above, notify the other party that it intends to refer the grievance to arbitration.

8.02 When a grievance is referred to arbitration, the parties shall agree upon an arbitrator, and failing agreement, the Minister shall appoint one.

Only a single grievance shall be submitted to arbitration at any one arbitration hearing.

8.03 The arbitrator shall be bound by and comply with all the terms of this Agreement and he shall not be empowered under any circumstances to arbitrate if he fails to apply any part of this Agreement, or by adding, deleting, or changing in any way whatsoever, any one of the provisions herein.

8.04 The arbitrator's fees and expenses shall be borne equally by the Company and by the Union. Beyond these costs, the Company shall be under no obligation to pay anyone for time spent attending a grievance hearing.

8.05 Subject to the restrictions set forth in this Agreement, the arbitrator's ruling shall bind the Company and the Union for the duration of this Agreement.

8.06 If the event giving rise to a grievance results in a **loss** of salary and/or other benefits, the arbitrator may order that such a loss, in whole or in part, be reimbursed or restored. In any disciplinary matter, the arbitrator may maintain, cancel or reduce the penalty, as he deems fair and equitable.

8.07 In the case of a grievance dealing with disciplinary action, including dismissal, the burden of the proof shall lie with the Company.

SECTION 9 - SENIORITY

9.01 Seniority shall mean the length of continuous service within the bargaining unit.

9.02 Management shall make a seniority and recall list. The said list shall include the names of all employees entitled to seniority who are on the job or laid off. The said list shall be posted for three (3) days every six (6) months.

A copy of the said list shall be provided by Management to each member of the Union Committee.

- 9.03**
- a) An employee's seniority shall not count until he has completed an accrued period of sixty (60) days' work, either successively or unsuccessfully, within the bargaining unit, and thereafter, his seniority shall start as of the beginning of his present job.
 - b) The employee who accepts a position outside the bargaining unit is subject to a probation period of twelve (12) weeks during which he shall continue to accumulate seniority. The employee may, during this period, return to the bargaining unit if he so chooses or if the Company judges him unsatisfactory.
 - c) The employee who accepts a position of supervisor or assistant-supervisor outside the bargaining unit is subject to a probation period of fifteen (15) months, during which he shall not accumulate any seniority. The employee may, during this period, return to the bargaining unit if he so chooses or if the Company judges him unsatisfactory.

Rev. 2004

9.04 Whenever an employee with acquired seniority rights shall be away from work on account of an authorized leave or of disciplinary suspension, his seniority shall continue to accrue while he is away.

9.05 Whenever he shall be away from work on account of illness or accident dealt with by the Commission de Santé et de Sécurité au Travail (CSST), his seniority

shall continue to accrue while he is away. However, he must return to work when the physician(s) authorize(s) such a return, in accordance with an Act respecting industrial accidents and occupational diseases.

Rev. 2004

9.06 A laid off employee's seniority shall continue to accrue for a period of twelve (12) months, or for an uninterrupted period of twenty-four (**24**) months provided that he has three (3) years seniority or more, or for an uninterrupted period of thirty-six (36) months provided that he has five (5) years seniority or more.

9.07 An employee shall lose his seniority and his job whenever:

- a) He is fired on just and sufficient grounds and the decision is not amended or cancelled by the arbitrator;
- b) He voluntarily quits his job or resigns;
- c) He is absent from work for three (3) consecutive work days without notifying the Company, unless it is impossible for him to do so;
- d) He has been laid off by the Company for an uninterrupted period of over twelve (**12**) months, or for an uninterrupted period of over twenty-four (**24**) months provided that he has three (3) years seniority or more, or for an uninterrupted period of over thirty-six (36) months provided that he has five (5) years seniority or more, except as set forth in clauses **9.04** and **9.05**;
- e) He refuses the recall to his former job or to any similar job or fails to give a reasonable and valid explanation for not returning to work within six (6) work days after the

Company has sent a written notice by registered mail to this effect to the employee and to the Union.

This shall not allow the employee a weeks time to decide whether to return to work or not. The employee must, within twenty-four **(24)** hours of being notified in writing, by registered mail, by the Company, either accept or refuse to return to his job so that the Company may be able to recall the other employees on the recall list, if necessary.

9.08 Seniority is the determining factor in cases of lay-off or recall, provided that the senior employee is qualified to perform the work involved, except as otherwise indicated in this collective agreement.

9.09 A class 1, 2 and 3 job left vacant due to illness or accident shall be filled by the Company either with an employee assigned from the bargaining unit or with an employee hired on a temporary basis. Upon the return of the employee who was absent, an assigned employee shall return to his job and a temporary employee shall be terminated.

There shall never be more than eight **(8)** temporary employees at a given time. Each temporary employee shall be assigned to a specific replacement.

Rev. 2007

9.10 Notwithstanding paragraph 9.03 a), the temporary status of an employee may not exceed one hundred eighty (180) days worked consecutively or intermittently within the bargaining unit, otherwise the seniority shall be backdated to the beginning of his current employment.

SECTION 10 – CURTAILMENT OF THE LABOUR FORCE

10.01 Before being laid *off*, an employee who has acquired seniority rights pursuant to the terms of this Agreement must receive advance notice of one week if he has less than one (1) year seniority. If he has one (1) year or more of service the employee must receive an advance notice of one (1) week per year of service up to a maximum of twenty-six (26) weeks or instead of an advance notice, the regular salary for a period equal to the advance notice.

- 10.02**
- a) Any employee whose occupation is modified or abolished following a technological change, meaning a change of equipment or machinery, or if a new occupation is created following such a change, shall be assigned to the new occupation or to another occupation that the Company believes he can hold, but that shall match as closely **as** possible the salary rate of his current occupation. The occupation so secured shall immediately become the regular occupation of the employee.
 - b) An employee affected by section 10.02 a) shall keep his current salary rate for a period of eighteen (18) months, even if he is transferred to an occupation with a lower hourly rate. An employee who is transferred to an occupation with a higher hourly rate shall immediately receive the maximum hourly rate for the new occupation upon qualification.
 - c) An employee whose total of years of service and age is greater than eighty-five (85) when he is transferred to another occupation under

the provisions of section 10.02 a) shall keep his current hourly rate until retirement if the hourly rate of the new occupation is lower than that of his previous one.

- d) It is agreed by the Company and the Union that there shall be no lay-offs due to technological changes, meaning a change in equipment or machinery.
- e) Any modified occupation or any new occupation replacing an abolished occupation is part of the bargaining unit.
- f) The Company shall notify and hold discussions with the Union as soon as possible and before implementing any of the measures surrounding the said technological changes.

Rev. 2007

10.03 When it becomes necessary to curtail the labour force assigned to an occupation, the following procedure shall apply:

- a) Where possible, the employee with the least seniority shall be assigned to another occupation that the Company believes he can perform, but it must correspond as closely as possible to the salary rate of his previous occupation. The occupation so secured shall immediately become the employee's regular occupation.
- b) The employee who has been transferred under paragraph a) keeps his right of recall for a period of thirty-six (36) months for the regular occupation he had when he was transferred.

An employee who is transferred under the procedure described above shall keep the salary rate of his previous occupation for a period of eighteen (18) months, even if he is transferred to an occupation with a lower hourly rate. If he is transferred to an occupation with a higher hourly rate, he shall immediately receive the maximum hourly rate for the new occupation, upon qualification.

- d) An employee whose total years of service and age is greater than eighty-five (85) when he is transferred to another job under the provisions of section 10.03 a) shall keep his current hourly rate until retirement if the hourly rate of the new position is lower than that of his previous one.

Rev. 2007

10.04 When it becomes necessary to lay-off employees, the following procedure shall apply:

- a) The Company shall offer employees who are sixty (60) years of age and over, and in equal proportion to the number of employees to be laid-off, the option of pre-retirement without penalty.
- b) If a lay-off becomes necessary, temporary employees and/or trainees shall be the first to be laid-off, followed by the employee with the least seniority.
- c) If it becomes necessary to fill some occupations left vacant under paragraph 10.04 a), they will be posted according to the posting procedure.

10.05 a) In order to ensure continuous operations, the Company may temporarily transfer a

qualified employee to another occupation without affecting his hourly rate and without resorting to the provisions of Sections 10 or 12.

- b) Any employee transferred under paragraph a) above to an occupation where the hourly rate is inferior to that of his regular occupation shall keep his hourly rate, meaning that of his regular occupation.
- c) Any employee transferred under paragraph a) above to an occupation where the hourly rate is greater than that of his regular occupation shall immediately receive the maximum set for this occupation.

10.06 When lay-offs occur, only those Union Committee members whose names are provided to the Company by their Union benefit from preferential seniority status and remain employed in the plant as long as there are occupations that they can perform.

SECTION 11 – INCREASE OF THE LABOUR FORCE AND RECALL

11.01 In the event of an increase in the labour force or recall, and before a vacant position is posted, the employees transferred under clause 10 who are within the plant and who maintain their right to be recalled to the available position for a period of thirty-six (36) months, return to their former occupation according to seniority.

Rev. 2004

11.02 In the event of an increase in labour force and before a vacant position is posted, the laid off employees whose names appear on the recall list must be recalled according to seniority by the Company to fill the said position before posting it in classes 1, 2 and 3.

Rev. 2007

11.03 In the event of recall of laid-off employees whose names appear on the recall list, the Company shall take seniority into account, provided the employees meet the job requirements to qualify and be selected in production classes 4 to 8 or in the skilled labour classes. The occupation thus secured immediately becomes the regular occupation of the employee.

Rev. 2007

11.04 Any employee whose name shall be on the recall list may refuse, without losing his seniority rights, to return to work temporarily if the period does not exceed thirty (30) days, or if he is sick or injured; in this latter event, he must provide the Company with proof of illness or injury in the form of a medical certificate and the Company reserves the right to make inquiries regarding such certificate.

11.05 An employee who is recalled to a lower-paid occupation than that which he held prior to being laid off maintains his right to be recalled to the said occupation for a period of thirty-six (36) months.

Rev. 2004

11.06 The Company must establish and maintain an up-to-date recall list. This list includes the names of all employees laid off with seniority recall rights. A copy of this list will be sent to the Union by the Company on a monthly basis. The names of employees laid off before the signing of this Agreement and that would be entitled under other clauses of this Agreement must be registered on the recall list.

11.07 For the purposes of this clause, all parties agree that the Union Committee members and shop representatives have preferential seniority pursuant to the provisions set forth in clause 10.06.

SECTION 12 – JOB POSTING

12.01 A job posting shall be made when the Company wishes to fill an employee's permanent departure and when no employee of a higher or equal classification is available.

The occupation of an employee who has been chosen following a posting shall not be considered vacant and thus shall not be posted.

12.02 During the posting time period of fifteen (15) working days, the employee who wishes to apply must write his name on the posting notice which is on the boards reserved for that purpose.

A copy of the posting shall be forwarded to the Union committee.

Rev. 2004

12.03 The Company shall select the candidate from among the employees who have written their names on the posting.

The Company shall take the following criteria into consideration, in that order: qualifications, seniority, experience.

When an employee has never held a job in the classification referred to in the posting, a test of his mechanical aptitudes shall determine if he has the required qualifications.

Rev. 2007

12.04 The selected candidate shall be notified of his selection by the Company.

The selected candidate shall undergo a training period as required on the basis of his classification.

Classification	Training period with direct or indirect supervision	Learning period up to	Evaluation every
8, 7	18 months	18 months	6 months
6	12 months	12 months	4 months
5	9 months	9 months	3 months
4, 3	6 months	6 months	2 months
2, 1	1 month	2 months	

The evaluation of an employee will be given by the trainer and, if required, by a representative of the Company.

After three negative evaluations, the candidate shall be assigned to another position by the Company.

Rev. 2007

12.05 Should an employee wish to change job, he must send a written request to the Company which shall assess the reasons and possibilities for such change. A copy of the request will be given to the Union Committee.

Rev. 2007

12.06 The Company undertakes to convey the following information to the Union Committee, monthly:

- > List of vacant jobs.
- > List of changes to **jobs**.
- > **A** monthly report of employees affected.
- > Manpower needs.
- > Names of employees who need to be assigned and/or available.
- > Copy of documentation relating to employees' job change requests.

An assigned employee shall be met by an employer representative for the purpose of confirming his permanent

assignment. If the employee to be assigned refuses the Company's offer, the latter shall identify another assignment; in the event of a second refusal, the Company shall assign the employee.

Rev. 2007

SECTION 13 – DISCIPLINE

13.01 No complaint may be registered or used against an employee at any time unless the said employee or the Union has been notified thereof within ten (10) working days of the date at which the Company gains knowledge of the incident or of the event giving rise to the complaint. Whenever an employee is subject to a written disciplinary action, he shall be accompanied by a delegate or a committee member, unless he indicates in writing that he refuses to be so accompanied.

13.02 Any disciplinary action against an employee shall automatically be voided after twelve (12) months and may not be referred to against such employee thereafter.

Rev. 2004

13.03 If any employee who has been or is on the point of being dismissed, suspended, laid off or otherwise the subject of disciplinary action taken by the Company, desires to lodge a complaint regarding that dismissal, suspension, lay-off or disciplinary action, he shall be authorized to do so through his representative or a committee member before being asked to leave the plant.

13.04 If any employee signs a document involving a disciplinary matter, he does it only to acknowledge the fact that he has thus been informed.

SECTION 14 – HEALTH AND SAFETY

14.01 The Company acknowledges its obligation to provide the employees with a healthy and clean working environment and to take any measures necessary to

preserve the health and ensure the safety and physical integrity of all its employees during working hours. The Union agrees for its part to cooperate with the Company to that end and to promote sound health, safety and hygiene practices with the employees of the bargaining unit. The employee must comply with measures taken in this respect, or be subject to disciplinary action.

14.02 Unless specifically provided for in the Collective Agreement, the Company shall continue to supply and maintain free of charge the equipment, apparatus and the clothing which it provided to employees at the date of the signing of the Collective Agreement.

The same goes for any other equipment, apparatus or clothing which the Company or the Health and Safety Committee deems necessary thereafter.

14.03 The Company shall provide free of charge one pair of safety shoes per contract year to machinists, millwrights, maintenance employees and any other employee as deemed necessary by the Company or the Health and Safety Committee. The type of safety shoes shall be selected by the Company after consultation with the Health and Safety Committee.

14.04 The Company shall provide safety glasses (including, if any, the shade prescribed by the attending physician) free of charge to employees, for:

- i) The first pair.
- ii) The replacement of safety glasses that are damaged or broken in the ordinary course of duty in the plant.
- iii) Replacement as required by medical prescription

provided that employees obtain the glasses through the employer.

An employee who refuses to obtain the safety glasses through the Company shall receive a maximum amount of two hundred dollar (\$200), upon presentation of an invoice.
Rev. 2007

Health and Safety Committee and its Duties

14.05 The Company and the Union agree to set up a Health and Safety Committee made up of three (3) representatives appointed by the Company and of three (3) representatives appointed by the Union.

Rev. 2007

14.06 The Health and Safety Committee's responsibilities shall include, among other things:

- a) To ensure compliance with health and safety laws and regulations as well as any other health and safety rule prevailing in the plant.
- b) To hold meetings on a monthly basis and whenever necessary to discuss accidents which have occurred recently, or potential health and safety hazards, as well as the causes and means of prevention thereof, as well as to review environmental health conditions and to submit to the Company recommendations deemed appropriate.
- c) To be notified of fatal accidents or of serious injuries and to inspect the scene of the accident and the equipment used wherever an industrial accident has occurred. The inspection shall be carried out by one Company representative and one Union representative who is on the Health and Safety Committee.
- d) To receive from the Company all information on the nature of hazards related to

hazardous materials (SIMDUT) used in the work place as well as the safety measures to be taken and the appropriate antidotes and treatments.

- e) To appoint a Committee member to accompany the TCA health and safety representatives on inspection rounds.
- f) To receive from the Company a copy of the literature relevant to the employees of the bargaining unit as to their health and safety as required by the CSST or by the inspection department of the Ministre du Travail et de la Main-d'oeuvre du Québec.
- g) To promote, and participate in, the education and training pertaining to health, safety and hazardous materials used at work.
- h) To receive and process complaint related to health and safety within the plant according to a procedure to be established by the Health and Safety Committee.

14.07 The Union representative(s) on the Health and Safety Committee shall be authorized, after having been approved by their Department Head, to leave his work station, without loss of salary, for a reasonable length of time, to fulfill his obligations pursuant to paragraphs 14.06.

Industrial Accidents

14.08 Whenever an employee is hurt in an accident on the job, he shall not suffer any **loss** in salary for the day of the accident. If he is sent home, to the hospital or to the doctor's the Company shall bear the additional traveling expenses.

14.09 Whenever an employee who has been hurt on **the** job must, after returning to work, return to see the

doctor or to the hospital, either for a check-up or for treatment, the Company shall provide, without charge, the necessary means of travel and that, without any loss of salary to the employee concerned.

14.10 Whenever an employee suffers an industrial accident in accordance with the Law on Industrial Accidents, he is entitled to an advance in salary equivalent to the benefits paid by the C.S.S.T. from the time of the incident and until he receives the benefits from the C.S.S.T. on a regular basis.

Prevention Representative

14.11 The Company recognizes a prevention representative to take charge of prevention for the whole plant. The prevention representative is chosen from among the three (3) members of the Health and Safety Committee designated by the Union.

The Company informs the employee that he may be accompanied by a member of the Health and Safety Committee to fill out documents further to an industrial accident.

Rev. 2007

SECTION 15 - SALARY RATES AND JOBS

15.01 All jobs and their corresponding salary rates on which the parties hereto have agreed shall be listed in Appendixes A and B which shall form part of these present

15.02 Each employee must be paid the salary rate provided in Appendix " A for his occupation.

15.03 The Company shall pay no employee at a rate which is higher than the maximum rate set forth for the classification to which he belongs, unless stated otherwise in the collective agreement.

15.04 If an employee comes to work without having received prior notice not to come and if there is no work or less than four (4) work hours at his regular job, he shall be offered replacement work for at least four (4) hours. If production is interrupted on account of a power failure, the employees who shall have worked for at least four (4) hours shall be remunerated at the said regular rate as of the beginning of the power failure until the time they are sent home.

However, the provisions of this clause shall not apply in the event of a complete work stoppage in the plant or in a department in all cases of force majeure. A snowstorm is not considered a force majeure.

15.05 The following details described by the Law on Labour Standards will appear on the paycheque slips:

- 1) name of Company
- 2) name and surname of employee
- 3) identification of employee's job
- 4) date of payment and corresponding working period
- 5) number of hours paid at the regular rate
- 6) number of hours of overtime paid with applicable premium
- 7) salary rate
- 8) nature and amount of bonuses and premiums
- 9) amount of gross salary
- 10) nature and amount of deductions
- 11) amount of net salary paid to employee

15.06 An employee that is laid off, dismissed or leaves of his own free will must receive money owing him and his personal items during the week following his departure. Correction of errors on any employee's pay shall be done the week following the error notice.

15.07 Wages are paid each Thursday morning by direct deposit. When there is a statutory holiday during a given week, the direct deposits shall be made as soon as available or at the latest by Friday morning at 10:00 a.m.

SECTION 16 -WORK SCHEDULES, WORK SHIFT AND OVERTIME

16.01 The regular work week is forty (40) hours, that is eight (8) hours per day, from Monday to Friday inclusively.

FIXED SCHEDULE FOR ONE (1) SHIFT

Schedule #1 - Day shift

Monday	7:00 a.m. to 4:00 p.m.
Tuesday	7:00 a.m. to 4:00 p.m.
Wednesday	7:00 a.m. to 4:00 p.m.
Thursday	7:00 a.m. to 4:00 p.m.
Friday	7:00 a.m. to 4:00 p.m.

SCHEDULES FOR TWO (2) OR THREE (3) SHIFTS

Schedule # 2 - Day shift with rotating schedule

Monday	7:00 a.m. to 3:30 p.m.
Tuesday	7:00 a.m. to 3:30 p.m.
Wednesday	7:00 a.m. to 3:30 p.m.
Thursday	7:00 a.m. to 3:30 p.m.
Friday	7:00 a.m. to 3:30 p.m.

Schedule # 3 - Evening shift with rotating schedule

Monday	3:30 p.m. to 11:30 p.m.
Tuesday	3:30 p.m. to 11:30 p.m.
Wednesday	3:30 p.m. to 11:30 p.m.
Thursday	3:30 p.m. to 11:30 p.m.
Friday	3:30 p.m. to 11:30 p.m.

Schedule # 4 - Night shift with fixed schedule

Sunday	11:30 p.m. to 7:00 a.m.
Monday	11:30 p.m. to 7:00 a.m.
Tuesday	11:30 p.m. to 7:00 a.m.
Wednesday	11:30 p.m. to 7:00 a.m.
Thursday	11:30 p.m. to 7:00 a.m.

The employee on schedule #4 shall be paid for eight (**8**) hours when he works seven and a half (7.5) hours per shift.

The employee is expected to be at his work station as per the schedules detailed under 16.01.

An employee working under schedules 2, 3 or 4 shall leave his work station upon the arrival of his replacement or when his supervisor tells him it is time to leave.

Employees working under schedule #1 are entitled to a one (**1**) hour unpaid meal break. Those working under schedule #2 are entitled to a half-hour (1/2) unpaid meal break.

Employees working under schedules #3 and #4 are entitled to one half-hour (1/2) paid meal break, but must remain on Company premises.

Schedule #2 and #3 alternate shifts each week. This rotation may vary depending on the occupations, but it must be equitable.

An employee may for a limited period of time be exempted from shift rotation, but only for exceptional reasons, if he can come to an agreement with another employee and if the equilibrium of the shift team is not affected.

The employee shall file a request to this effect with the Company which shall evaluate the reasons and the possibilities.

The regular work schedule mentioned above is not subject to change, except after mutual agreement between the parties.

Employees who need to leave the premises to have a meal shall punch their time card before leaving the plant.

Rev. 2007

16.02 Subject to prior agreement with the Union, if it is avoidable to lay-off employees by cutting working hours to less than forty (40) hours, without falling below thirty-two (32) hours per week, for a maximum period of five (5) work days during the course of a three (3) month period, or by transferring employees to other similar jobs, it shall be possible to cut down working hours or transfer employees. If employees are thus transferred, said transfers shall be made through the procedure provided in clauses 12.03, 12.04 and 12.06, bringing the necessary adaptations.

When a job has been the object of lay-offs, bumpings or transfers, as opposed to lay-offs only, the working hours may not be extended beyond forty (40) hours per week as long as an employee still holds recall or retransfer rights to that job, except in those instances where:

- a) Temporary leaves granted to employees in that job on account of vacation or illness shall result in emergency overtime of a maximum duration of eight (8) hours per week;
- b) A total of less than four (4) hours per day is occasionally required in the occupation affected for overtime requirements essential to the operations. However, under no circumstances shall overtime exceed eight (**8**) hours per week.

Rev. 2007

16.03 An employee who is asked by the Company to change shifts must be notified forty-eight (**48**) hours prior to the start of his new shift; otherwise, the employee shall be paid at the overtime rate for the first shift of his new schedule. (This provision shall not apply to voluntary shift changes agreed upon between two employees after having received approval from the supervisor).

16.04 A bonus of eighty cents (**80¢**) per hour shall be paid to employees working on the evening shift and a bonus of one dollar (\$1.00) per hour shall be paid to employees working on the night shift.

16.05 Employees shall be entitled to their regular salary rates increased by one-half for all hours worked beyond eight (8) hours per day from Monday to Friday.

Employees shall also be entitled to that bonus for all hours worked on Saturdays.

Any hours worked on Sundays must be paid at twice the regular salary rates.

Rev. 2004

16.06 At first, overtime work shall be offered on a voluntary and fair basis to employees available within the occupation or who have been assigned to it for at least one complete day according to seniority and provided there are enough voluntary employees available. Whenever the required number is not available and additional employees are required, overtime work shall be offered to the qualified employees available in the plant on a voluntary and fair basis, according to seniority and **as** long as the required number of qualified employees volunteer. Whenever the required number is not available and additional employees are required, overtime work shall be assigned in the reverse order of seniority to employees in the plant who are qualified to carry out the required overtime work. However, no employee shall be required to work more

than a total number of ten (10) hours of overtime over any consecutive four-week (4) period.

Employees have to carry out the overtime work first in their occupations if there is such requirement and it is offered to them, before accepting or requesting any other overtime work.

The Company shall update monthly a list of employees who volunteer for the overtime work required for maintenance. The overtime work required for maintenance shall be offered to employees who put their names on the list according to seniority and on a fair basis. Any employee whose name is on the list and who refuses to carry out the overtime work required for maintenance shall wait until all other listed employees have been solicited before being offered further overtime work.

Should the Company fail to take into account seniority and qualifications in distributing overtime work, it shall give the employee affected the opportunity to carry out further overtime work. Whenever a second mistake affecting the same employee is made within a six-month (6) period, the Company shall pay such employee for the overtime he would normally have done had it not been for such a mistake.

16.07 The employee who is called back to work after his regular work day and who has left the plant shall be paid for that emergency recall for at least three (3) hours at time and one-half (1 1/2) of his rate; or on Sundays, at twice the rate.

16.08 An employee who has only two weeks' vacation may choose to take time off in lieu of payment for overtime. Time off taken in compensation for overtime worked shall be limited to the equivalent of forty (40) hours per year. Such time off shall be taken during the period when the plant shuts down.

SECTION 17 - HOLIDAYS

17.01 The Company binds itself to recognize the following days as paid holidays: Good Friday, National Patriots' Day, St-Jean-Baptiste Day, Confederation Day, Labour Day, Thanksgiving, Christmas Eve, Christmas Day, the three (3) days after Christmas, New Year's Eve and New Year's Day.

Holidays 2007-2010

Holidays observed :	2007 M/D/Y	2008 M/D/Y	2009 M/D/Y	2010 M/D/Y
	01/02/07	01/01/08	01/01/09	01/01/10
	04/06/07	03/21/08	04/10/09	04/02/10
	05/21/07	05/19/08	05/18/09	
	06/25/07	06/24/08	06/24/09	
	07/02/07	06/30/08	07/03/09	
	09/03/07	09/01/08	09/07/09	
	10/08/07	10/13/08	10/12/09	
	12/24/07	12/24/08	12/24/09	
	12/25/07	12/25/08	12/25/09	
	12/26/07	12/26/08	12/28/09	
	12/27/07	12/29/08	12/29/09	
	12/28/07	12/30/08	12/30/09	
	12/31/07	12/31/08	12/31/09	

Rev. 2007

17.02 Any work carried out during one of the holidays (except if the work is normally included in the shift immediately preceding or following the holiday) shall be remunerated at twice the average regular hourly rate of each employee, in addition to the holiday pay to which the employee is entitled.

17.03 The holidays mentioned above shall be deemed paid holidays under the following conditions:

- 1) The employee must have worked at least seven (7) hours on the work day immediately preceding the holiday or at least seven (7) hours on the day following the holiday, unless he has been authorized to be absent by the Company or unless he provides a valid explanation for his absence, or unless he has been prevented from working his whole shift because his hours scheduled were shorter or unless he has been laid off as of the work day immediately following the holiday, according to schedule.
- 2) The pay for each holiday shall be the regular salary rate multiplied by the number of regular hours scheduled for the day on which the holiday is celebrated.
- 3) If one of the holidays falls on a Saturday or Sunday, the holiday shall be postponed, for the purposes of this Agreement, to the following Monday or the following day as the case may be.
- 4) In case a premature closing of the plant should occur before the Christmas holidays or even following a mass lay off, the remuneration for the said holidays will be 2.8% of earnings from January 1st, of the current year to date of

premature closing of the plant. Employees at work at the time of the mass lay off or premature closing of the plant will be eligible for the payment of the Christmas holidays on the first week following said holidays.

17.04 This clause shall not be applied in such a way as to provide an employee with a higher pay than he would normally have received under other private or governmental schemes.

SECTION 18 - PAID VACATIONS

18.01 The plant shall be closed for annual vacation for three **(3)** consecutive weeks as follows:

2007	from July 16, 2007 to August 3, 2007, inclusively
2008	from July 21, 2008 to August 8, 2008, inclusively
2009	from July 20, 2009 to August 7, 2009, inclusively

In the event that the Company wishes to close the plant for one (1) additional week during the periods mentioned above, the Company will have to ask and obtain the consent of the Union, at the latest on April 1st of the year in question.

Rev. 2007

18.02 Employees who, on June 1st, of the year in progress, shall have completed less than one **(1)** year of uninterrupted service with the Company shall receive a vacation allowance as provided for in the appropriate regulations of the Province of Québec.

18.03 Employees who, on their hiring date, have completed one (1) year of uninterrupted service with the Company **shall be** granted a two (2) weeks' paid vacation per year. Payment for the said vacation shall be equal to two (2) weeks' salary or four percent **(4%)** of their gross earnings during the twelve **(12)** months prior to June 1st of

the year in progress, if the latter amount is higher than the former.

18.04 Employees who, on their hiring date, have completed five (5) years of uninterrupted service with the Company shall be granted three (3) weeks' paid vacation per year. Payment for the said vacation shall be equal to three (3) weeks' salary or six percent (6%) of their gross earnings during the twelve (12) months prior to June 1st of the year in progress, if the latter amount is higher than the former.

18.05 Employees who, on their hiring date, have completed ten (10) years of uninterrupted service with the Company shall be granted four (4) weeks' paid vacation per year. Payment for the said vacation shall be equal to four (4) weeks' salary or eight percent (8%) of their gross earnings during the twelve (12) months prior to June 1st of the year in progress, if the latter amount is higher than the former.

18.06 Employees who, on their hiring date, have completed twenty (20) years of uninterrupted service with the Company shall be granted five (5) weeks' paid vacation per year. Payment for the said vacation shall be equal to five (5) weeks' salary or ten percent (10%) of their gross earnings during the twelve (12) months prior to June 1st of the year in progress, if the latter amount is higher than the former.

18.07 Employees who, on their hiring date, have completed thirty (30) years of uninterrupted service with the Company shall be granted six (6) weeks' paid vacation per year. Payment for the said vacation shall be equal to six (6) weeks' salary or twelve percent (12%) of their gross earnings during the twelve (12) months prior to June 1st of the year in progress, if the latter amount is higher than the former.

Rev. 2007

- 18.08** a) The vacation pay for an employee shall be computed as straight time on the basis of his regular hourly rate on June 1st, of the year in progress.
- b) An employee who is entitled to more than three (3) weeks of vacation may take his remaining weeks of vacation as half-day off. The employee shall obtain prior authorization from his superior.

Rev. 2007

18.09 As far as vacations are concerned, one (1) week shall comprise forty (40) hours.

18.10 An employee who has left the Company, or who has been dismissed or laid off after having completed less than one (1) year of uninterrupted service but more than one (1) month with the Company shall be entitled to four percent (4%) of the salary earned. An employee who has one (1) year of uninterrupted service shall be entitled to four percent (4%) of the salary earned; he shall be entitled to six percent (6%) if he has more than five (5) years of service; eight percent (8%) if he has more than ten (10) years of service; ten percent (10%) if he has more than twenty (20) years of service; and twelve percent (12%) if he has more than thirty (30) years of service. The payment shall be made upon termination of employment.

Rev. 2007

18.11 Vacations that are not taken as set forth in clause 18.01 above must be taken between June 1st, of the year in progress and May 31st, of the following year. The choice of vacation periods shall be made on the basis of seniority ranking within each occupation providing that no more than five percent (5%) of employees are absent for holidays per occupation (Person minimum). In addition, an advance notice of one (1) month is required for holiday planning.

18.12 The employee must receive his vacation pay before leaving on vacation, in the amount due for the vacation he is taking immediately. The vacation pay shall be paid by a direct deposit separate from that of his regular pay.

18.13 If one (1) or another of the holidays mentioned in clause 17 should occur during an employee's vacation, the said employee shall be entitled to an additional vacation day paid at his regular salary rate.

18.14 An employee who is absent on account of illness or accident while he planned to be on vacation may take his vacation immediately after said absence, or in accordance with clause 18.11.

18.15 An employee who retires during the current year shall receive the higher of the two amounts, be it the percentage accruing to the salary earned during the current year or the vacation pay based on the amount of uninterrupted service during the current year.

18.16 This clause shall not be applied in such a way as to provide an employee with a higher pay than he would normally have received under other private or governmental schemes.

SECTION 19 - FURTHER LEAVES

19.01 Any employee shall be granted a funeral leave of five (5) business days without loss of salary in the event of the death of a spouse or a child to whom the employee is the genetic parent or the legally adoptive parent, or a child of his spouse.

Any employee shall be granted a funeral leave of three (3) business days without loss of salary in the event of the death of his father, mother, brother, sister, father-in-law (father of his spouse), mother-in-law (mother of his

spouse), brother-in-law, sister-in-law, a grandparent, a grandchild, or any other relative residing in the employee's home.

Any employee shall be granted a one-day (1) leave without loss of salary, on the day of the funeral, in the event of the death of a son-in-law, daughter-in-law, stepfather (his mother's second husband), stepmother (his father's second wife), or a grandparent of his spouse.

The days shall be applied as follows:

- 1) If the employee learns of the death prior to his work shift, the days are calculated from the date of death.
- 2) If the employee learns of the death during or after his work shift, the days are calculated from the day following the death. In the case where the employee learns of the death during his work shift, he may leave work immediately without any loss of salary for the remainder of that work shift.
- 3) The work days of the said leave may be split after notifying the Company. Such splitting shall be applicable until the day of burial.
- 4) The parties agree that on non-regular work days, the leave applies from the time of death, if the death occurs before 12:00 noon, or from the next day, if the death occurs after 12:00 noon.

Rev. 2007

This provision must not be applied so as to grant the employee a higher pay than that which his regular work schedule would have allowed him to earn.

19.02 Whenever an employee is called for jury duty during his regular work hours, the duration of his absence

shall be considered as worked hours and he shall be remunerated for that time, his jury duty remuneration being deducted from his regular salary.

19.03 In the event that an employee should be called by the Company to appear before a law court, the time spent for that purpose shall be considered as hours worked in as much as he would have worked if he had not had to appear in court. Consequently, he shall be paid at the appropriate rate.

19.04 Upon written request, an employee may obtain an unpaid leave of absence permit without loss of seniority for a period not exceeding three (3) months, provided such a request is made for a reasonable motive five (5) days in advance. When circumstances so justify, a leave of absence permit may also be granted retroactively. Such a request shall not be refused without a reasonable motive, the burden of proof thereof lying with the Company.

19.05 The Company shall grant a physical disability leave of absence upon presentation of a disability certificate signed by a physician. The said certificates are granted for a maximum period of thirty-six (36) consecutive months. However, the Company reserves the right to verify every six (6) months the legitimacy of the absence.

The Company may occasionally require a disability extension certificate during the leave. The physical disability certificates shall expire automatically at the end of the first week following the termination of the disability. Nothing in this clause shall in any way whatsoever limit the right of the Company, subject to the grievance settlement procedure, to take all measures it deems necessary with regards to an employee whose physical condition or repeated sickness leaves prevent him from maintaining regular attendance or from performing satisfactorily all the tasks of his job. Upon returning from the said leave, the employee shall be reinstated in his former job if he is able

to perform it adequately. If he cannot do the work, the Company shall notify the Union of any new assignment.

19.06 An employee who fails to return to work immediately upon the expiry of his leave of absence without pay shall be deemed to have voluntarily quit his job, unless he gives a satisfactory explanation to justify his failure to return to work.

- 19.07**
- 1) In case of pregnancy, the employee shall be granted a leave of absence without pay; if she so requests, the leave of absence may begin at the sixth (6th) month of pregnancy and may expire eighteen (18) weeks after she has given birth.
 - 2) From the sixth (6th) week preceding the scheduled birth date, the Company may require in writing from the pregnant employee who is still at work a medical certificate certifying that she is able to work. Should the employee refuse or omit to provide the said certificate within eight (8) days, the Company may force her to start her maternity leave immediately upon a written notice, with grounds, to that effect.
 - 3) When there is a risk of miscarriage or a risk to the health of the mother or the baby which is attributable to the pregnancy and requires the mother to stop working, the employee shall be entitled to a special maternity leave if prescribed by a medical certificate certifying the existence of the risk. The maternity leave may then start before the sixth (6th) month of pregnancy without affecting the date of return to work.

- 4) In cases of natural or induced miscarriage, the employee shall be entitled to a maternity leave not exceeding three (3) weeks.
- 5) The Company may require the employee who returns to work within two (2) weeks following the birth to provide a medical certificate certifying that she is well enough to go back to work.
- 6) Upon expiry of the maternity leave, the Company shall reinstate the employee in her regular position with all the benefits which would have been granted to her had she been at work.
- 7) The right of the employee to the social benefits recognized in her workplace shall not be affected by her maternity leave, subject to the regular payment of any applicable contributions of which the Company pays its share.
- 8) If the regular position of the employee no longer exists upon her return, the Company shall grant her all the rights and privileges to which she would have been entitled had she been at work when her position was abolished.
- 9) Whenever the Company shall make any lay-off which would have included the employee had she been at work, such employee shall have the same rights, with respect, among other things to a recall, as the other laid-off employees.

- 10) This section is not intended to grant an employee a benefit which would not have been granted to her had she been at work.

Rev. 2004

19.08 Upon termination of a maternity leave, the Company shall reinstate the employee as provided for in the Collective Agreement with all the privileges and benefits as set forth in the Collective Agreement including the salary to which she would have been entitled had she been at work.

SECTION 20 - INSURANCE

20.01 The group insurance plan, the benefits of which are set forth in Appendix E, shall remain in effect for the duration of this Agreement. The said plan forms an integral part of this Agreement and shall not be modified without the consent of both parties. Within thirty (30) days following the signing of this Labour Agreement, the Company shall remit a copy of the master group insurance policy to the Union.

20.02 Whenever the insurer has not paid accident-sickness benefits within two (2) weeks of the date on which a medical certificate has been presented, the Company, shall advance him the weekly benefits he is entitled to if he fills in the required documentation, including the authorization of reimbursement directly by the insurer to the Company, if need be, until he is regularly paid such benefits.

Rev. 2007

20.03 The Company shall not be bound to take part, in any way whatsoever, to protests bearing on claims made by employees with regard to the insurance plans set forth above. Such protests shall be argued and settled between the employee and the insurer and they shall not

be submitted to the grievance and arbitration procedure as provided for in this Agreement between the Company and the Union. However, the Company shall put forth its best efforts to see that the insurer fulfills his obligations completely.

20.04 The Company shall not be bound to subscribe in any way whatsoever, to any part of the insurance plans mentioned above on behalf of employees who have not yet completed their probation period.

20.05 The Company shall not be bound to provide any type of insurance whatsoever for anyone who has ceased or who, eventually ceases to be actively employed by the Company, except for retired Company employees for whom the Company subscribes to and pays for a life insurance according to Annex E.

20.06 The insurance plans mentioned above shall be maintained, the Company bearing the full cost, in the case of any employee who is away from work as a result of illness or accident, or in the case of a laid-off employee; however, it is understood that the Company's contribution shall cease in the event that the lay-off extends beyond thirty (30) days.

20.07 The Company shall provide a long-term total disability insurance plan granting an employee sixty percent (60%) of his salary, effective at the expiry of sickness and accident benefits, the payments thereof continuing for the entire duration of the total disability.

20.08 Each week, the Company will give a list of employees who are absent for a period of five (5) days and more, indicating the date of the beginning of disability and the date of return to work, if known.

Rev. 2004

20.09 The Company will reimburse to the employee, on presentation of a receipt, the costs related to the

medical documents required by the insurer. These reimbursements will be limited to one reimbursement for a request for short-term disability and one reimbursement for a request for long term disability, up to a limit amount of twenty-five dollars (\$25.00) per medical document.

Rev. 2007

SECTION 21 - PENSION PLAN

21.01 For accumulated service, the plan shall provide for the payment of a monthly retirement pension of twenty-six (\$26.00) per month multiplied by the number of years of service credited to the employee, the maximum thereof being unlimited.

Rev. 2007

21.02 Any employee shall also be entitled to take early retirement at the age of fifty-five (55) provided that he has at least ten (10) years of credited service but his pension shall be reduced by six-tenths (6/10) of one percent (1%) for each month of difference between his age and the age of sixty-five (65) or, at his discretion, he may defer his pension and start receiving it at the age of sixty-five (65).

An employee who takes early retirement and who is sixty (60) years old or older shall have his pension reduced by four percent (**4%**) for each complete year of difference between his age and the age of sixty-five (65). Any fraction of a year shall be prorated.

An employee who takes early retirement and who is sixty-two (62) years of age or older shall receive his pension unreduced.

Starting on May 3, 2002, an employee who has more than thirty (30) years of service, is fifty-five (55) years of age and takes early retirement shall be entitled to a monthly bridging benefit of eleven (\$11) per month for each year of credited service. The said bridging benefit shall be

payable from the date of early retirement until the employee reaches age sixty-five (65).

Rev. 2007

21.03 Furthermore, an employee with fifteen (15) years of credited service or more with the Company and who is totally and permanently disabled may retire, provided that he has reached the age of fifty (50), but the pension, in such a case, shall be deducted from the amount of any occupational accident benefits which are payable to him.

21.04 An employee with ten (10) years of service and whose employ terminates shall become eligible to a deferred retirement pension payable at the age of sixty-five (65).

21.05 A joint committee shall be established by the Company and the Union to determine an employee's rights to receive a pension, to decide on applications for pensions, to revise and communicate relevant information pertaining to the pension plan system; otherwise, the Company shall be solely in charge of the plan, its control and administration, and it shall set forth the rules and regulations which it deems necessary to operate and manage the plan efficiently.

The pension plan shall be negotiable concurrently with this Agreement, shall form part hereof and shall expire concurrently herewith.

21.06 The pension plan signed on March 11, 1965 must be reviewed and renewed for a duration similar to that of the Labour Agreement.

21.07 The terms of the general pension plan shall be simultaneously set forth in the French and English languages.

SECTION 22 - MISCELLANEOUS

22.01 Each employee shall be given a copy of this Agreement in French and in English, as soon as possible after the signing thereof. Only the French version shall be deemed official. The Company shall provide the Union with fifty (50) copies of this Agreement.

22.02 At the signing of this Agreement, the Company shall provide the Union with a list of all the bargaining unit employees, including their names, dates of birth, punch card numbers, dates of seniority, occupations and salary rates. The Union shall be notified on a monthly basis of any changes made to the said **list** and shall be provided with a complete revised version thereof every six **(6)** months.

22.03 The Company shall provide the Union with a list of supervisors and it shall notify the same of any changes to occur thereafter.

22.04 The lateness record in terms of minutes shall accrue on a weekly basis and the employee's paycheque shall be adjusted to the nearest fifteen (15) minutes. Whenever an employee shall have accrued more than seven (7) minutes lateness, the employee shall be penalized for fifteen (15) minutes on his paycheque; however, these seven (7) minutes may be spread out on the employee's weekly paycheque period. Whenever an employee is twenty-three (23) minutes late after the beginning of his shift, he shall be penalized for thirty (30) minutes. The following chart explains the method set forth above:

A total of:

01 to 07 minutes late per week
08 to 22 minutes late per week - 15 minutes
23 to 37 minutes late per week - 30 minutes
38 to 52 minutes late per week - 45 minutes
53 to 67 minutes late per week - 1 hour

This chart shall not be construed as an excuse or a permission for late arrivals. Employees who are repeatedly or excessively late shall be subject to disciplinary action.

22.05 Rest period

The Company grants two (2) ten-minute (10) rest periods during each shift. On agreement between the parties, the two ten-minute (10) rest periods may be combined into a single twenty-minute (20) rest period.

SECTION 23 - DURATION

23.01 This Agreement shall be effective as of May 3, 2007, and shall remain fully effective until May 2, 2010, inclusively.

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23.02 Within ninety (**90**) days prior to the expiry of this Agreement, either party hereto may notify the other of its intention to amend the Agreement, to terminate it or to negotiate a new agreement.

23.03 This Agreement remains effective until one or the other party exercises its right to strike or lock out, or until the signing of a new Collective Labour Agreement.

SECTION 24 - QUEBEC WORKERS SOLIDARITY FUND (QWF)

24.01 The Company agrees to cooperate with the Union to allow all employees wishing to subscribe, during their working hours, by savings method on their salary, to the Quebec Workers Solidarity Fund savings plan.

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24.02 Whatever number of employees makes the request, the Company agrees to deduct from each employee's paycheque, that wish to subscribe and have signed the application form, the amount specified by the employee for the term he has set or until further notice.

24.03 An employee may modify six (6) times a year the amount of his instalments, or at any time cease to subscribe, by forwarding a notice to this effect to the Fund and the Company.

24.04 The Company commits itself to forward to the Fund by cheque, each month (at the latest the 15th day of the month following the appropriation) the amounts deducted under section 24.02. This remittance must be accompanied by a list indicating the name, the social insurance number and reference number (supplied by the Fund) for each employee, and the amount drawn for each.

SECTION 25 - HARASSMENT

25.01 Every person has a right to full and equal recognition and exercise of his human rights and freedoms, without distinction, exclusion or preference based on race, colour, sex, pregnancy, sexual orientation, civil status, age except as provided by law, religion, political convictions, language, ethnic or national origin, social condition, a handicap or the use of any means to palliate a handicap. Discrimination exists where such a distinction, exclusion or preference has the effect of

nullifying or impairing such right. A distinction, exclusion or preference based on the aptitudes or qualifications required for an employment is deemed non-discriminatory.

25.02 Every person has a right to a work environment free from harassment and the Company and the Union must take reasonable action to prevent harassment and, whenever they become aware of such behaviour, to put a stop to it.

25.03 “Harassment” means any vexatious behaviour in the form of repeated and hostile or unwanted conduct, verbal comments, actions or gestures, that affects a person’s dignity or psychological or physical integrity and that results in a harmful work environment for the person. A single serious incidence of such behaviour that has a lasting harmful effect on a person may also constitute harassment. The harassment may come about or surface as repeated comments, teasing, insinuations, jokes, shoving, acts or sarcasm, in an inflammatory or hurtful manner which will embarrass or make one uncomfortable or ill-at-ease; the posting or the distribution of photos or inflammatory visual material; in refusing to work with or to speak to another person; and in the instigation of inappropriate physical conduct or behaviour as in touching, fondling or other. The above-mentioned examples do not constitute all the possible forms of harassment situations that could arise and they must be assessed and evaluated in their particular context and according to the definition of the this article 25.03.

25.04 The enforcement by the employer of his management rights and of his management responsibilities and supervision does not constitute harassment, more particularly with regards to the assignment of tasks and of schedules, in imposing disciplinary or administrative measures or with respect to any other conduct that does not contravene the law or the present article 25.




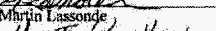


25.05 An employee who is the victim of harassment may file a complaint with the person in charge of the Human Resources or a member of the Union Committee. The complaint shall be dealt with promptly and in confidentiality by either of the parties.

25.06 Within ten (10) days following the filing of the complaint, the Union and the Company shall form a special committee to study and investigate the complaint. The committee shall submit its recommendations to the Company as soon as possible. If warranted, the Company shall take any steps it deems necessary within five (5) days following the recommendations of the committee.



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IN WITNESS WHEREOF, the parties hereto have signed this Agreement through their duly authorized representatives, this 11th day of July 2007.

FOR THE UNION


Raymond Charpentier

Stéphane Desnoyers

Jean Lapointe

Martin Lassonde

Martin VanHoeck

Richard Walker

FOR THE COMPANY


Pascal Duhamel

Karl-Heinz Mattes

APPENDIX A - SALARY RATES

Effective from the signing of this Collective Agreement, the minimum rates at hiring shall be the following:

At the time of hiring	80% of the minimum rate of the classification scale
After 3 months' service	85% of the minimum rate of the classification scale
After 6 months' service	90% of the minimum rate of the classification scale
After 9 months' service	95% of the minimum rate of the classification scale
After 12 months' service	100% of the minimum rate of the classification scale

Fifteen (15) months after the date of hiring, the employee's hourly rate becomes the average between the minimum and maximum rate of the scale which applies to his classification.

Eighteen (18) months after the date of hiring, the employee's hourly rate becomes the maximum rate of the scale which applies to his classification.

As soon **as** this Agreement becomes effective, the complete list of classifications and the salary scales for each shall be the following, with the exception of new jobs which may be created by the Company and for which there would be neither classification nor salary scale applicable.

Salary rates shall be increased by:

\$0.30 effective May 3, 2007

\$0.40 effective May 3, 2008

\$0.40 effective May 3, 2009

Production and skilled labour jobs			
Class	May 3, 2007	May 3, 2008	May 3, 2009
1	18.02 – 18.57	18.42 – 18.97	18.82 – 19.37
2	18.59 – 19.12	18.99 – 19.52	19.39 – 19.92
3	19.14 – 19.68	19.54 – 20.08	19.94 – 20.48
4	19.70 – 20.23	20.10 – 20.63	20.50 – 21.03
5	20.25 – 20.78	20.65 – 21.18	21.05 – 21.58
6	20.80 – 21.34	21.20 – 21.74	21.60 – 22.14
7	21.36 – 21.89	21.76 – 22.29	22.16 – 22.69
8	21.91 – 22.45	22.31 – 22.85	22.71 – 23.25

Trainer premiums for production **jobs** :

Trainer for Class 6 to 8 shall receive an amount of \$300 –
after the 3rd successful evaluation

Trainer for Class 4 to 5 shall receive an amount of \$200 –
after the 3rd successful evaluation

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APPENDIX B - CLASSIFICATIONS AND OCCUPATIONS

Class 8

8 A Millwright

Class 7

7 B Electrician

7 C Auto latch setter (G.B.)

Class 6

6 A Shaving machine setter (G.B.)

6 B Auto flatstock setter (G.B.)

6 C Tool maker

Class 5

5 A Coined butt, impulse hardening and straightening combination mach. setter

5 D Straightening machines setter (G.B.)

5 E Latch loosen & hook polishing setter

Class 4

4 B Checker K.N.

4 C Count & pack leader

4 D Automatic flatstock set operator (G.B.)

4 E Inspect final K.N.

4 G Machine select & repair set operator (G.B.)

4 I Auto latch set operator (G.B.)

4 J Coined butt, impulse hardening and machine straightening operator

4 K Grind bevel butt setter

Class 3

3 A	Straightening machines operator (G.B.)
3 B	Clamp K.N.
3 C	Polish operator
3 D	Degreaser operator
3 F	Janitor
3 G	Shaving machine operator (G.B.)
3 I	Scale and transport
3 J	Latch loosen & hook polishing operator
3 K	Count & pack
3 L	Heat treat placer lydon furnace
3 M	Stringing machine operator

Class 2

2 A	General helper
2 B	Feeder K.N. heat treat
2 C	Harden furnace operator
2 D	Grind bevel butt feeder

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APPENDIX C - LIST OF ZONES WITH CORRESPONDING DEPARTMENTS

ZONE I – Manufacturing before heat treat

Dept. no. 2	Degreaser no. 2
no. 8	Scale
no. 11	Shaving and side mill
no. 17	Auto flatstock (G.B.)
no. 20	Auto latch (G.B.)

ZONE II – Manufacturing after heat treat

Dept. no. 2	Degreaser no. 1 and no. 3
no. 8	Scale
no. 34	Latch loose and hook polishing, grind bevel butt
no. 35	High energy polish
no. 39	Heat treat, impulse hardening, coined butt

ZONE III – Finishing department

Dept. no. 8	Scale
no. 9	Checker K.N.
no. 40	Stringing machine, machine select and repair, bend blades, inspect final K.N., count & pack

ZONE IV – Support department

Dept. no. 1	Janitor
no. 3	Electrician
no. 6	Machinist
no. 7	Millwright

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APPENDIX D -JOB DESCRIPTION

New or Changed Jobs

When a new job is created or that an existing job is modified, or amalgamated, the Company writes the job description and establishes the classification after discussion with the Union. The pay will be computed on that classification. Any dispute as to the proper classification of a job may be processed through the grievance and arbitration procedures of the contract.

APPENDIX E - SYNTHESIS TABLE OF THE COLLECTIVE INSURANCE PLAN. THE TERMS AND CONDITIONS ARE DETAILED IN THE UMBRELLA POLICY

Life Insurance

Employee: \$35,000 (in addition to death, mutilation and accident benefits)

Spouse: \$6,000

Children: \$4,000

Retiree: \$4,000 starting May 3, 1998

Retiree: \$2,000 until May 2, 1998

Individual or Family Health Insurance

Care or service	Reimbursement	Limit
Semi-private room	100%	None
Private nurse	80%	Max. \$100 per day Max. \$2000 per year
Speech therapy, Audiology, Occupational therapy	80%	None
Electrocardiography, radiography and lab analysis	100%	Max. \$200 per year
Artificial limb, external prosthesis	80%	None

APPENDIX E - SYNTHESIS TABLE OF THE COLLECTIVE INSURANCE PLAN. THE TERMS AND CONDITIONS ARE DETAILED IN THE UMBRELLA POLICY

Surgical corset, crutches, splint, cast, truss and other orthopedic appliances	80%	None
Wheel chair rental, hospital bed, respirator and other similar appliances	80%	None
Ambulance service	100%	Max. \$600 per year
Corrective shoes or orthopedic shoes	80%	None
Care provided by dental surgeon for accidental injury to natural teeth	80%	Max. \$1000 per accident
Chiropractic	\$45 per visit	1 visit per day Max. \$500 per year
Podiatry, osteopathy, naturopathy	\$30 per visit	1 visit per day

APPENDIX E - SYNTHESIS TABLE OF THE COLLECTIVE INSURANCE PLAN. THE TERMS AND CONDITIONS ARE DETAILED IN THE UMBRELLA POLICY

Massage therapist	\$30 per visit	1 visit per day per
Physiotherapy, physical rehabilitation therapist	80%	
Out-of-province emergency medical and surgical care		\$1 000 000 max. per emergency case
Eyes examination	100%	Max. \$50 per visit 2 visits per year

Individual or Family Prescription Medicine Plan

<u>Care of Service</u>	<u>Reimbursement</u>	<u>Exemption</u>
Prescription medicine	100%	\$2.00

APPENDIX E - SYNTHESIS TABLE OF THE COLLECTIVE INSURANCE PLAN. THE TERMS AND CONDITIONS ARE DETAILED IN THE UMBRELLA POLICY

Guaranteed Individual or Family Medical Care Outside Canada

Services dispensed and reimbursed to 100%

- Repatriation costs
- Medical escort
- Cost of return of vehicle (maximum \$1,000)
- Preparation and return of remains in the event of death
- Accommodation costs (maximum \$150 per day and \$1,200 per sojourn)
- Return transportation of relative (maximum \$1,500)
- Travel care service
- Search for appropriate hospital
- Verification of medical coverage
- Forwarding of medical dossier
- Coordination of return
- Coordination of settlement claims
- Coordination of return of dependents
- Coordination of return of personal vehicle
- Interpretation service
- Legal council

APPENDIX E - SYNTHESIS TABLE OF THE COLLECTIVE INSURANCE PLAN. THE TERMS AND CONDITIONS ARE DETAILED IN THE UMBRELLA POLICY

Short-term Disability Insurance

<u>Disability Benefits</u>	<u>Duration</u>	<u>Grace Period</u>
66 2/3% of regular salary	26 weeks	0 days in case of accident, day surgery or hospitalization 7 days in case of sickness

Long-term Disability Insurance

<u>Disability Benefits</u>	<u>Duration</u>	<u>Grace Period</u>
60% of regular salary	Until end of disability or immediate cessation upon 65th birthday	26 weeks from start of disability

Rev. 2007

LETTER OF AGREEMENT

between:

EXELTOR INC.
hereinafter called "the Company"

and:

LE SYNDICAT DES TRAVAILLEURS CANADIENS DE
L'AUTOMOBILE T.C.A. CANADA
hereinafter called "the Union"

Letter of agreement no. 1 :

The parties hereto agree to the following:

The Company continues the practice of hiring out the services of a master electrician to carry out the work in its buildings at all times. If there is shortage of work, the master electrician remains in place and the electrician-apprentice or electricians will be transferred or laid off according to the labour contract.

Letter of agreement no. 2:

Furthermore, the parties hereto agree to the following:

In applying clause 1.04, in cases where a subcontract already exists at the time of any lay-off and has not been granted in order to bring about such lay-off, the said clause shall not be construed in such a way as to restrict the existing subcontract.

Letter of agreement no. 3:

Furthermore, the parties hereto agree to the following:

The portion of monthly medical insurance premiums assumed by employees shall be increased in the following manner:

Individual plan : \$3
Family plan: : \$5

Letter of agreement no. 4:

Furthermore, the parties hereto agree to the following:

Despite the designation of the active representative and non-active representative within the Retirement Committee as set out by Bill 116, the previously-called Pension Committee, composed of three (3) union members and three (3) non-union members, continue to fulfill the duties to which it is normally mandated.

Letter of agreement no. 5:

Furthermore, the parties hereto agree to the following:

The Company maintains its assistance program regarding alcohol and substance abuse.

Letter of agreement no. 6:

Furthermore, the parties hereto agree to the following:

The Company will grant to the skilled labour employees a maximum amount of one hundred seventy-five dollar (\$175) per year for the purchasing of tools to be used for

their job. For reimbursement, the employee will have to submit a proof of purchase.

This letter of agreement shall be deemed to form part of this Collective Labour Agreement.

Rev. 2004

IN WITNESS WHEREOF, the parties hereto have signed this letter of agreement through their duly authorized representatives, this 11th day of July 2007.

FOR THE UNION

Raymond Charpentier
Raymond Charpentier
Stéphane Desnoyers
Stéphane Desnoyers
Martin Lassonde
Martin Lassonde
Martin Van Heek
Martin Van Heek
Richard Walker
Richard Walker

FOR THE COMPANY

Pascal Duhamel
Pascal Duhamel
Karl-Heinz Mattes
Karl-Heinz Mattes

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