

Collective Labour Agreement

Between: 

Polar Plastic Ltd.

**hereafter called the "Company",
the "Management", or the "Employer"**

And:

Polar's Employees Association

Hereafter called "The Association"

Duration of the Collective Agreement:

From January 5, 1997 to January 4, 2000

Section 1 - General Purpose of the Agreement

1.01 The purpose of this agreement is to promote harmonious relations between the Management and its salaried employees represented by the Association; to establish and maintain salaries as well as working and employment conditions that are just and fair for all and to foresee an expeditious and fair mechanism for the adjudication of grievances that **may** occur between the two parties herein.

Section 2 - Recognition and coverage of agreement

2.01 This agreement applies to all salaried employees included in the following bargaining unit:

"All hourly paid employees according to the Labour Code, excluding office employees and salesmen."

2.02 The Management hereby recognizes the Association as the sole bargaining agent for and on behalf of each and every salaried employee included in the bargaining unit specified in paragraph **2.01**, in regard to remuneration, wage rates, working hours and the other terms and conditions related to employment and work.

2.03 When a new position or a new department is created in an establishment covered by the present agreement, the Association is to be advised and, at the request of either parties, negotiations are to start promptly in order to decide if this position or this department should or should not be included in the bargaining unit. If there is no agreement, the question is submitted to the Labour Commissioner-General in accordance with the Quebec Labour Code.

Section 3 - Management Rights

3.01 The Association recognizes that all functions of Management are reserved and attributed exclusively to the Company unless limited by the present collective agreement.

3.02 The Association recognizes the rights of Management to adopt, modify or abrogate any reasonable rule that must be observed by salaried employees. These rules shall not conflict with the stipulations of the present collective agreement. The salaried employees and the Association must be informed in writing of these rules.

Section 4 - Non-discrimination

4.01 No intimidation, threat, coercion or discrimination can be exercised or attempted by Management or the Association against a salaried employee because of his membership in the Association, his function as a delegate, an officer, as a member of a committee of the Association, his participation in activities of the Association, or due to the fact that he was involved in a grievance, or because of race, nationality, language, social origin, beliefs, color, sex, state of pregnancy, sexual orientation, age, handicap, marital status, political opinions, including the policy of the Association and of the Company.

- 4.02
- a) Sexual harassment constitutes a form of discrimination based on sex.
 - b) Sexual harassment consists of verbal, gestured, undesired or imposed sexual advances.
 - c) The Employer and the Association will collaborate in order to create a favourable working environment that is exempt from sexual harassment. To this effect, the parties can discuss all problems relating to sexual harassment including all measures promoting prevention of such harassment.
 - d) The Employer and the Association are bound not to publish or distribute sexist posters or pamphlets.

4.03 In this collective agreement, as the context requires, the masculine shall include the feminine.

Section 5 - Union representation

- 5.01
- a) The Company, hereby, recognizes the executive committee is made up of five (5) salaried employees including the president, and three (3) union delegates who have the mandate to look after any question pertaining to the present agreement or its application or its interpretation or any problem occurring between the Management and the Association including grievances. The Company also recognizes the negotiating committee made up of three (3) members of the executive committee which has the mandate to look after the negotiation and the renewal of the collective agreement.

- b) **After** receiving written authorization from his immediate supervisor (with a copy to the salaried employee) a member of the executive committee, or a delegate, will have the privilege to leave his work for a reasonable time period, without loss of salary, in order to:
 - i) submit a grievance at any given time;
 - ii) **try** and settle it with Management; by appointment.
 - iii) discuss with a salaried employee the subject of a grievance issued by the latter as long as the discussion does not interfere with the smooth running of production. It is understood that it will not last longer than absolutely necessary and that he will then have to report to his immediate supervisor upon returning to work. Such authorization cannot be unreasonably refused.

If one of the members of the **executive** Committee happens to be on the same working schedule as a delegate, the delegate will then be considered as being replaced by the member of the committee on this shift.

- c) The president of the executive committee of the Association will be able to meet with the external representative of the Association after having obtained the authorization from his immediate supervisor. Furthermore, all telephone calls to a member of the executive committee, or to a delegate, must be communicated without **delay**.

5.02 The members of the executive committee and the delegates are authorized, without **loss** of salary, to leave their work to fulfill their obligations in accordance with this agreement or participate in meetings or sessions of negotiations with the **Company's** representatives. If the members of the executive committee of the Association have to leave the premises, the **Company will** be notified at **least** three (**3**) working days in advance.

5.03 The Association must provide the **Company**, and the **Company** provide the Association, the names of all individuals authorized to carry out any duties in accordance with this agreement.

5.04 The external representative of the Association can participate in all meetings between the **Company** and the Association providing that **the** **Company** has been informed in advance and that the date, as well as the time, has been mutually agreed upon. The representative is allowed to enter the premises of the

Company during working hours to meet the salaried employees, with the permission of the Employer and in specified areas designated by the latter. Such permission will not be unreasonably refused.

5.05 The notices of the Association, signed by persons mandated by the executive committee, will be affixed by the executive committee, after authorization by Management, in designated areas mutually agreed upon, on billboards supplied by the Company and a copy of the notice given to the Plant Manager.

Section 6 - Union security

6.01 Any salaried employee who, at the time the agreement is signed, is an employee of the Company and is a member in good standing of the Association, and any employee who becomes afterward a member in good standing, must, as a condition to maintain his employment, remain a member in good standing for the duration of the present agreement.

6.02 Any new employee must, within five (5) working days of his hiring and as an employment condition, become a member of the Association, sign a union card and remain a member of the Association for the duration of the agreement. The employees excluded from the bargaining unit but who could be transferred in are subject to this article with a limitation period of five (5) working days from the date of their transfer to the bargaining unit.

6.03 At the time of employment of any new salaried employee, the Company gives the name to the Association's treasurer of all newly hired employees. The treasurer or his alternate will then, during working hours and after obtaining permission from his foreman, meet with the said salaried employee to have him sign the union card of the Association and collect the initiation fee.

6.04 The amount of the union dues is established by the Association who will then advise the Company fifteen (15) days in advance of any changes made to the contribution.

6.05 The Management shall deduct weekly from the wages of each salaried employee whose employment falls within the jurisdiction of this agreement, and who effectively works or is remunerated for at least eight (8) hours during that week, a proportion equivalent to the weekly union dues and, in the case of a new salaried employee, to the initiation fee. Such deducted amounts are remitted to P.G.R. et Associés Inc. and to Polar's Employees Association within the ten (10) days of the month following the deduction made from the salaried employee's pay.

Each remittance must include a list of the names of all salaried employees from whom a deduction has been made as well as the amount deducted.

6.06 The Association and the salaried employees must indemnify the Company against any legal action taken in relation to the application of this article.

6.07 The Company undertakes to indicate the current and cumulative amounts of the deductions of union dues on the pay stub of each salaried employee and to indicate on the individual T-4 and TR-4 forms, or any equivalent form, the total amount of union dues deducted during the taxation year.

- 6.08**
- a) The Management has the right to hire students between May 1st and August 31st of each year. The work period for the trainees must not exceed four (4) weeks except upon an agreement between the Management and the Association. During their work period, the trainees must be supervised by a regular, experienced salaried employee.
 - b) Depending on production needs, the Company has the right to hire salaried employees on a temporary basis. The hiring of temporary salaried employees will not cause the lay off of regular salaried employees. The temporary salaried employees are hired to replace the salaried employees who are absent. The temporary salaried employees become regular salaried employees as soon as they have completed a cumulative period of seven hundred and twenty (720) hours within a period of six (6) months. The stipulations in paragraph 6.02 apply to temporary salaried employees.
 - c) For the duration of the Collective Agreement, there will be no sub-contracts awarded to an employment agency who provides temporary manpower, except in emergency situations, which means a situation that necessitates an immediate intervention which cannot be delayed. The number of salaried employees from the agency that could be hired in such situations would be limited to five (5) salaried employees from the agency per day.

Section 7 - Grievance procedure

7.01 The contracting parties mutually agree that grievances must be submitted and discussed as promptly as possible and during working hours.

A grievance is defined as any misunderstanding regarding the interpretation or the enforcement of the present collective agreement including any disciplinary measures or any other termination of employment made by the employer.

7.02 The procedure for grievance settlement is as follows:

Preliminary stage: Grievance procedure can be instituted after having discussed it with a supervisory. It is understood that the said salaried employee can be accompanied by a delegate or a member of the executive committee as stipulated in paragraph 5.01.

7.03 First stage: The grievance is submitted in writing to the immediate supervisor by a member of the executive committee or by a delegate from the day, evening or night shift depending on the working crews, accompanied or not by the plaintiff or a representative of the plaintiffs if it pertains to a group. It must be submitted within ten (10) working days following the incident which caused the grievance. The immediate supervisor replies within five (5) working days following the filing of the grievance.

7.04 Second stage: If the grievance is not settled within the prescribed time in paragraph 7.03, the executive committee requests, in writing within five (5) working days, a meeting with the Management. This meeting will take place within ten (10) working days following the receipt of the request. The decision of the Management is passed on in writing to the president of the committee within ten (10) working days following the meeting foreseen above.

If the grievance involves several salaried employees belonging to different departments, or if it is related to a suspension or a dismissal, it must be submitted directly at the second stage.

- 7.05**
- a) Any agreement relating to the settlement of a grievance will be made in writing and signed by the parties involved.
 - b) The settlement of a grievance for a specific case will not be considered as a precedent.

7.06 The prescribed time of the grievance procedure could be prolonged with a written agreement between the Company and the Association.

7.07 If the Association wishes to submit the grievance to arbitration, it must inform the Company in writing, within fifteen (15) working days following the expiration of the deadlines specified in paragraph 7.04.

7.08 During the duration of the present agreement, the parties will try to agree on the selection of an arbitrator. In the event of a lack of agreement, the parties will ask the Minister of Labour and Manpower of Quebec to designate an arbitrator.

7.09 The time limit for submission of grievances in the first stage and to arbitration is imperative.

7.10 A technical error in the text of a grievance does not invalidate it. No grievance can be rejected for vice of form or irregularity of procedure.

7.11 It is understood that if a grievance is not pursued to the following step or if no grievances are submitted for a specific event, such default to pursue or submit a grievance does not constitute a precedent in regard to any future recurrence of the incident which caused or could have caused a grievance.

7.12 In cases related to a disciplinary measure or dismissal, or to any other termination of employment, the burden of proof is the responsibility of the Employer.

7.13 The Management will not try to settle a grievance with the plaintiff without the presence of the delegate or the member of the executive committee who has submitted the grievance.

7.14 The arbitration award is final and binding upon both parties and is effective at the date stipulated by the arbitrator or, if no date is stipulated, at the date of the adjudication.

7.15 The arbitrator can only interpret or apply the stipulations of the collective agreement and, in any case, cannot add to, remove from, or alter said agreement. When the incident having caused a grievance entailed a loss of income or other benefits, or both at the same time, the arbitrator has the power to order that such loss in whole or in part be reimbursed or fulfilled with legal interests, but the reimbursement will not exceed the loss sustained. In a disciplinary measure, the arbitrator has the power to maintain, to reduce or to invalidate the sanction according to what he deems to be just and equitable in the circumstances.

7.16 The arbitrator's fees shall be shared equally by both parties.

Section 8 • Strike and lock-out

8.01 Strikes, lock-outs or any form of concerted work stoppage are forbidden in all circumstances for the duration of the collective agreement. The Association promises not to order, to encourage, or support a work-to-rule campaign intended to reduce production.

8.02 The provisions in paragraph 8.01 must not be interpreted as limiting or restraining the rights of the parties in accordance with the applicable dispositions of the Labour Code in regard to the negotiations for the renewal of a collective agreement.

Section 9 • Seniority

9.01 For the purpose of this agreement and unless otherwise specified herein, seniority means the length of employment in the bargaining unit and in the service of the Company (see Annex C).

9.02 A salaried employee (except for students or trainees) acquires seniority rights once he has completed sixty (60) working days of service within the bargaining unit. At the end of this probation period, his seniority is retroactive to his most recent date of employment within the bargaining unit. A salaried employee who has not completed his probation period can be fired without having the right to file a grievance.

9.03 When a salaried employee, having acquired rights of seniority, is absent from work due to an authorized leave, a disciplinary suspension, sickness or accident, or any other valid reason, his seniority continues to accumulate during this absence unless otherwise specified in the present agreement.

9.04 When a salaried employee is laid-off, his seniority continues to accumulate during the time period during which his name appears on the recall list.

9.05 When a salaried employee is promoted to a position excluded from the bargaining unit, he will continue to accumulate his seniority for a period of three (3) months. If he occupies this position for more than three (3) months, he will then retain his accumulated seniority to this date and he could be returned to the bargaining unit, if it pleases the Company, without loss of seniority to this date.

9.06 Notwithstanding any contrary disposition herein, a salaried employee, having the acquired rights of seniority, who is absent from work on an authorized leave caused by sickness, accident, or disciplinary measure, is considered as being

incumbent of a job in his position. Upon his return to work, he automatically returns to his job, unless he is unable to fulfill the normal job requirements that need to be accomplished during a reasonable delay; in such eventuality, the stipulations in paragraph 9.12 or in paragraph 9.14 apply, if the case arises.

However, if, during his period of absence, changes were made to the operating personnel of his job due to the application of seniority provisions of the present agreement, he is then considered as having been transferred, unless there is in his job, at the time of his return to work, an incumbent having less seniority.

9.07 The seniority list of all salaried employees presently included in the bargaining unit has been agreed upon by both parties and cannot be changed except as stipulated in this article.

9.08 When two (2) or more salaried employees have the same date of seniority, their names will appear on the seniority list in order of their permanent punching number.

9.09 A salaried employee loses his rights of seniority and his position:

- a) When he voluntarily leaves his job;
- b) When he is dismissed for a just and sufficient cause and that this measure is not invalidated nor modified by the parties or an arbitrator;
- c) When he is absent from work for more than three (3) consecutive working days, without authorization, or without valid reason;
- d) When he omits, without valid reason, to report to work the first working day following the expiration of an authorized leave of absence;
- e) When he is absent from work due to an accident or illness not recognized by the Act Respecting Industrial Accidents and Occupational Diseases, for a period equal to his seniority up to a maximum of twenty-four (24) consecutive months;
- f) When he omits, except as stipulated in paragraph 9.18, to advise the Management within three (3) working days of his intention to resume his work and when he fails to report to work within five (5) working days following a recall letter from Management, sent by registered mail to the last known address appearing in the

Company's record; a copy of which is sent at the same time to the Association;

- g) When he is laid-off for lack of work for a period equal to his seniority up to a maximum of twenty-four (24) consecutive months;
 - h) After three personal communications to return to work during a period of five (5) working days.
- 9.10
- a) When it becomes necessary to lay off employees, any salaried employees, having acquired rights of seniority, will receive a pre-notification of five (5) working days.
 - b) If the duration of the lay off is for a period of six (6) months or longer, the provisions of the Article 82 of the Labour Standards Act must apply.

9.11 In all cases of reduction of manpower, the salaried employees not having acquired rights of seniority are, in the first place, laid-off from their work affected by the reduction in the work force. If the reduction of manpower is extended for a longer period, the salaried employees, having acquired rights of seniority, will then be laid-off from their work affected by the reduction in the reverse order from their acquired rights of seniority. The salaried employee having the least acquired rights of seniority being laid-off first, except if the salaried employee remaining at work does not have the capabilities to satisfy the normal job requirements for the work to be accomplished.

9.12 When a salaried employee is displaced from his work, he has the right to:

- a) accept the lay-off and see his name added to the recall list; or
- b) apply for any vacant post for an occupation covered by the present agreement and this, in conformity with the stipulations in paragraph 9.19 herein: and/or
- c) exercise his acquired rights of seniority to obtain a **job** in any position where there is an incumbent with less seniority, except if he does not have the capabilities to satisfy the normal requirements of the work to be accomplished.
 - i) in any job where he previously worked; and/or
 - ii) in a job with an equal, inferior or superior level of salary.

Within the three (3) working days following the receipt of an advance notice of a lay-off, the salaried employee must indicate to Management his choice(s) of work in view of exercising his acquired rights of seniority and this on a form supplied to him by Management at the time of the serving of the advance notice.

9.13 For the purposes of this article, the parties agree that the members of the executive committee and sector delegates enjoy a preferential seniority and that they cannot be laid-off for as long as there is work pertaining to the bargaining unit in their present occupation unless the said salaried employees remaining as such cannot satisfy the normal requirements of the work to be accomplished.

9.14 When a salaried employee is unable, for medical reasons and on presentation of a written medical certificate, to continue working at his job, the parties can, upon mutual agreement, deviate from the rules of seniority in order to ensure him a job.

9.15 The Management must establish and maintain an up-to-date recall list and provide the Association with a copy of this list once a month.

The recall list includes the names of all salaried employees having acquired rights of seniority and having been laid-off due to the reduction of manpower, as well as their occupation at the time their names were added to the recall list.

The names of salaried employees laid-off prior to the signature of this agreement and who would be admissible in accordance to other provisions in this agreement must appear on the recall list.

9.16 The name of a salaried employee laid-off or transferred due to a lay-off is put and maintained on the recall list for a period equal to his seniority up to a maximum of twenty-four (24) months from the date of the lay-off or his transfer.

Upon his return to work and notwithstanding the provisions in paragraph 9.13, a salaried employee who is absent on an authorized leave, illness or accident and who should have been laid-off or transferred during such an absence, will see his name added to the recall list retroactively to the date where he would have otherwise been laid-off or transferred.

9.17 In the cases of manpower requirements, the salaried employees must be recalled to their former jobs, or recalled to work according to the recall list, in the order of their acquired rights of seniority, the salaried employee having the most seniority being recalled to his former job, or to work, first, unless he does not have

the capabilities to satisfy the normal requirements of the work to be accomplished during a reasonable delay.

9.18 A salaried employee whose name appears on the recall list can refuse to return to work without losing his seniority for the following reasons:

- a) if he is recalled to a job other than the original job he had when the reduction of manpower occurred and before having exercised his rights of seniority in accordance to paragraph 9.12 of the present collective agreement.
- b) if he is recalled to a job with less pay than the one he held when he was laid-off; or
- c) if he is unable to go back to work because of illness or accident.

9.19 Posting of vacant positions, new positions:

- a) In accordance to the present agreement, a vacant position is one to which no salaried employee has the right of recall.
- b) Any vacant position (including all new jobs) is posted for the intention of the salaried employees for a period of three (3) complete working days.
- c) The forms required to submit his candidacy can be obtained from the executive committee or from Management and given to the supervisor with a copy to the Association.
- d) All vacant positions are filled in the order of acquired rights of seniority among the salaried employees having submitted their candidacy unless the salaried employee or employees having the most seniority do not have the capabilities to fulfill the normal exigencies for the work to be accomplished even with a training period that can vary between one (1) to six (6) months.
- e) It is for Management to decide if an applicant is capable of filling a vacant position. This does not prevent the Association from filing a grievance concerning the decision in regards to paragraph 9.19 d).

- f) The name of the salaried employee chosen to fill the vacant position is affixed at the latest within two (2) working days after the appointment. If Management does not grant the vacant position to the salaried employee(s) having the most seniority, the eligible salaried employee or employees having more seniority than the one chosen are advised in writing, by the Management, of the reasons for the refusal of their candidacy.
- g) The salaried employee chosen for a job that was posted receives ninety percent (90%) of the maximum salary of the job for the current year or his actual salary, whichever is greater.

9.20 A salaried employee who, as a result of the implementation of the present article, is transferred permanently to another job can choose to return to his former job providing there was in the said job an incumbent having less seniority. Otherwise, he is then considered as having been transferred and paragraph 9.12 applies and Management will have thirty (30) days to make the change. He can also return within the forty-five (45) working days following the training period foreseen in paragraph 9.19 d), following a decision from Management within the forty-five (45) working days. Such decision can be contested through the grievance procedure.

9.21 When a salaried employee refuses a promotion or a transfer, such action is without prejudice to the ulterior exercise of his acquired rights of seniority.

9.22 A salaried employee, belonging to the bargaining unit, who accepts a transfer to another division of the Company, will have his seniority accumulate for a period of 36 months. After this 36-month period, the salaried employee will keep his seniority but it does not accumulate.

Section 10 - Discipline

10.01 Any salaried employee has the right to receive, at any given time, information related to his disciplinary record. The Association has the right to receive information in regard to the disciplinary record of any salaried employee involved in a non-settled grievance related to a disciplinary measure.

10.02 No complaint can be registered against a salaried employee nor utilized against him at any given time unless the said salaried employee and the Association are consequently advised, in writing, within the ten (10) working days from the date to which the Company acknowledges the incident or the event provoking the complaint.

10.03 When a salaried employee signs a notice related to a disciplinary case, he does it only to recognize the fact that he is so informed, and the fact of signing such document does not in the least constitute an admission of guilt. The salaried employee must sign an acknowledgement of receipt, otherwise, the said document will be sent by registered mail.

10.04 The written disciplinary notices will be removed from the salaried employee's record file after six (6) months from their being issued, except if the salaried employee receives a second notice of the same nature within the said period of six (6) months.

10.05 No demotions are imposed at any time for disciplinary reasons.

Section 11 - Health and safety

11.01 Safety committee

The parties agree to the formation of a safety committee made up of two (2) members of the Association and two (2) representatives of the Company to stimulate and promote safety and hygiene in the plant.

11.02 The Company and the Association will be able to make changes to their representation at any time and will have to inform the other party in writing.

11.03 The Company will respect all its incumbent obligations foreseen by the law of Health and Safety at work. The unionized members of the joint committee are entitled to the necessary time required to fulfill their obligations in accordance to this agreement and the corresponding laws of Quebec, as decided by the committee.

11.04 The functions of the health and safety committee include, for instance:

- a) To ensure the observance of the laws and rules of health and safety and of any other rule of health and safety of the establishment.
- b) To obtain a copy of the notices of accidents and investigate the events which caused or could have been susceptible of causing work injury or occupational disease and submit the appropriate recommendations to the Employer and to La Commission de la santé et de la sécurité du travail (CSST).

- c) To accompany the safety representatives of the Management to measure the conditions of noise, harmful substances, contaminants (dust, smoke, smog, vapours or gas) and air circulation. The necessary equipment to carry out these measurements is available to the representatives of the Association.
- d) To be advised of inspections or investigations carried out by government services or consultants from private agencies, accompany these inspectors or technicians during their visits, attend all closed sessions and receive a copy of all reports resulting from the said inspections or investigations.
- e) To receive from Management all information required by the CSST concerning the contaminants utilized in the plant, their nature and their effects as well as the protective means, antidotes and appropriate medicines.
- f) To promote information in regard to health and safety during working hours.
- g) To deal with the complaints concerning the problems and the violations of the health and safety rules according to a procedure to be established by the committee of health and safety. The CSST will be advised if the parties are unable to come to an agreement.
- h) To carry out regular inspections of each section of the plant, revise the particular problems, make recommendations for changes and perform an inspection to verify its implementations.
- i) All functions enumerated in article 78 of the Law of Occupational Health and Safety.

11.05 A salaried employee who loses time during his normal day because of an injury occurring on the job is entitled to his regular pay for that day.

11.06 When a salaried employee is injured at work, the Company provides transportation to allow the salaried employee to receive the medical treatments necessitated by his condition.

Section 12 - Standards of performance**12.01 Standards of performance**

No system of performance award is instituted for the duration of the present collective agreement.

Section 13 - Technological changes**13.01 In the case of technological changes:**

- a) The Company promises to advise the Employees Association fifteen (15) days prior to the effective date of such changes.
- b) The salaried employees affected by technological change or changes will be trained by the Company in the newly-created jobs, or trained in their own modified jobs if the changes are partial.
- c) The salaried employees of the Company will be chosen first providing they qualify for the position. If a salaried employee **does** not qualify, then the Company can hire outside personnel.

Section 14 - Salary scale and occupation

14.01 All occupations and the corresponding salary scale agreed to by the parties are enumerated in Annex A attached to the present and are part of it.

14.02 Each salaried employee is paid for his work according to the salary scale shown in Annex A.

14.03 The salaries are paid by cheque or by direct deposit every Thursday, during regular working hours. Should a bank holiday occur on a Friday, the salaries are paid on Wednesday.

14.04 If, during the duration of this agreement, a new occupation is created or an existing occupation is substantially modified, the corresponding salary rate is established by the Management, who informs the Association in writing. If the Association disagrees with the established salary rate, it can submit a grievance in the second stage within twenty (20) working days from the date the notice was received from Management to the Association and, if necessary, to arbitration. The mutually agreed salary or the salary determined by the arbitrator is paid retroactively

to the date of the creation or of the modification of the occupation, unless the arbitrator decides on an ulterior date. Annex A is automatically modified to include the occupation and the corresponding salary rate. The arbitrator must take into consideration the rates and the occupations of Annex A.

14.05 When the salary rate has finally been determined as per the provisions in paragraph **14.04**, this job is considered as being vacant and the stipulations of seniority apply if the agreed rate represents a premium to the rate established in the first place by the Company.

14.06 Any salaried employee can temporarily be transferred from one job to another in order to replace an absent salaried employee, to avoid short-term lay-offs or recalls (or **both**), or to answer the needs of a peak period, provided that:

The Company advises the Association in writing if the transfer is for more than five (5) working days.

The period of temporary transfer does not exceed fifteen (15) working days, unless the Management and the Association agree to a prolongation.

14.07 Any salaried employee transferred temporarily from his job to another for which the salary rate is superior receives immediately ninety-three percent (93%) of the maximum rate for the job as per Annex A. If the salaried employee is transferred to replace a salaried employee during his lunch or rest periods, the stipulations of the article do not apply.

14.08 Any salaried employee who, at the request of the Employer, is transferred temporarily or permanently from his job to another where the salary rate is inferior will continue to be paid at the rate of his regular job.

Section 15 • Work schedules, work teams, overtime

- 15.01**
- a) The normal working week will consist of forty (40) hours and the normal working day will be of eight (8) consecutive hours.
 - b) A normal working week is made of five (5) days from Monday to Friday.

- 15.02 A) The normal work schedules as stipulated in paragraph 15.01 are as follow:
- a) first shift
07h00 to 15h00
 - b) second shift
15h00 to 23h00
 - c) third shift
23h00 to 07h00

The regular work schedules include 1/2 hour at the Employer's expense for the meal. The salaried employee may choose his meal schedule, providing it does not interfere with production.

The Company may establish schedules of three (3) days which would be thirty-six (36) working hours paid as forty (40) hours and this voluntarily for the salaried employees.

B) 12-HOUR, 4 TEAM WORK SCHEDULE

Depending on production needs, the Company could establish a work schedule of twelve (12) hours - 4 teams. The salaried employees would be remunerated on an average of 42 hours per week. The salaried employee would be entitled to three (3) rest periods of ten (10) minutes each and a paid period of thirty (30) minutes for a meal.

A premium of \$0.75 per hour would be added to the hourly rate of the day team that works from 7:00 a.m. to 7:00 p.m.

A premium of \$1.50 per hour would be added to the hourly rate of the night team that works from 7:00 p.m. to 7:00 a.m.

The 12-hour, 4-team work schedule may be instituted in accordance with the stipulation of articles 9.19 and this voluntarily for the salaried employees. The work schedule would be as follows:

12-HOUR, 4 TEAM WORK SCHEDULE

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	Sun	Mon	Tues	Wed	Thurs	Fri	Sat
Day:	B	A	A	B	B	A	A	A	B	B	A	A	B	B
Night:	D	C	C	D	D	C	C	C	D	D	C	C	D	D

A - B: Day Team

B - C: Night Team

DAY:	7:00 a.m.	Start
	9:30 a.m.	Break (10 minutes)
	12:00 p.m.	Meal (30 minutes)
	2:30 p.m.	Break (10 minutes)
	4:30 p.m.	Break (10 minutes)
	7:00 p.m.	End of shift
NIGHT:	7:00 p.m.	Start
	9:45 p.m.	Break (10 minutes)
	12:30 a.m.	Meal (30 minutes)
	3:00 a.m.	Break (10 minutes)
	5:00 a.m.	Break (10 minutes)
	7:00 a.m.	End of shift

NOTE: Break periods and meals are paid.

All other provisions of the Collective Agreement apply.

15.03 The Company could establish a weekend schedule, such as twenty-four (24) working hours, paid as forty-two (42) hours and this voluntarily for the salaried employees.

These schedules cannot be modified nor diminished except by mutual agreement between the parties.

- a) The salaried employees are entitled to two (2) rest periods per day of ten (10) minutes each, one around the middle of the first part of their working day and the other one around the middle of the second part of their working day.
- b) A bell will ring to notify the start and the end of each shift.
 - i) the salaried employees beginning their shift will have to be on their job between the first and second sound of the bell.
 - ii) the salaried employees ending their work will be able to leave their work station at the second sound of the bell.

- c) The late arrivals will be calculated to the twentieth of an hour, example, one (1) minute = three (3) minutes.

15.04 Any salaried employee affected by the evening shift or the night shift will receive over and above his regular salary:

	Evening	Night
January 1, 1997	\$.50 minimum 6% maximum	\$.70 minimum 8% maximum

No changes to the premiums for 1998-1999.

15.05 All work is remunerated as follows:

- a) from Monday to Friday inclusively: - time-and-a-half (1-1/2) after the first eight (8) hours.
- b) Saturday: - time-and-a-half (1-1/2)
- c) Sunday: - double time (2)
- d) statutory holidays mentioned in section 16:
- double time (2) over and above the regular salary of the statutory holiday.

15.06 Overtime between Monday and Friday will be calculated on the hours worked in surplus of eight (8) hours per day. In the course of any week where a salaried employee is absent without leave or without a valid reason, the overtime for the said week will be calculated for the worked hours exceeding forty (40) hours.

15.07 The Association and all salaried employees have access, during working hours, to the overtime file maintained by Management.

15.08 Any salaried employee who comes to work at the prescribed time for his regular work for an entire day's work, without having been advised beforehand not to come, and for whom there is no work available, is guaranteed a minimum of four (4) working hours pay, with or without having worked, at his applicable salary rate. This stipulation does not apply in an emergency situation.

This situation does not apply if the Company has tried to contact the salaried employee two (2) hours in advance and has not succeeded because of an incorrect phone number given by the salaried employee.

15.09 Any salaried employee having left the premises of the Company and who is recalled to work to carry out work outside his regular schedule is remunerated at the applicable rate for a minimum of four (4) working hours or is paid without working, at the applicable overtime rate. The same minimum applies in the case of a salaried employee being called to work on Saturday, Sunday or on a statutory holiday.

- 15.10**
- a) When a salaried employee works overtime, he is never remunerated for less than one half hour (1/2) at the applicable overtime rate.
 - b) When a salaried employee works in continuity to his regular hours and the Company foresees that the work will be for more than two (2) hours, the salaried employee is entitled to a rest period of ten (10) minutes at the applicable rate before resuming work.
 - c) Any salaried employee required to work overtime, for more than four (4) hours, will receive a paid period of twenty (20) minutes for his meals as well as an allocation of \$7.00 for his meal.

15.11 When team schedules are in effect, the salaried employees having the most seniority among the qualified salaried employees in a specific occupation have the right to choose their team.

15.12 Any overtime work will be accomplished on a voluntary basis and must be equitably allocated between all the salaried employees accepting the overtime work and regularly working in the concerned occupation and on their respective shifts.

Notwithstanding the preceding, in the cases of restricted or irregular overtime work in selected occupations but not on a massive basis, the Management could, when there is not a sufficient number of salaried employees volunteering to carry out the work concerned, assign the work to the salaried employees in the concerned occupation in reverse order of their acquired rights of seniority.

However, the salaried employees thus assigned can be excused if they have a reason acceptable to Management. If all salaried employees of the department refuse, with a valid reason, the Company can then utilize the salaried employees from other departments.

Section 16 - Statutory holidays

16.01 The following statutory public holidays are paid at the rate of one (1) day at the regular rate of the salaried employee.

New Year's Day
Day after New Year
Good Friday
Easter Monday
Victoria Day
St-Jean **Baptiste**
Canada Day
Labour Day
Thanksgiving
Christmas Eve
Christmas Day
Boxing Day

16.02 With the exception of the Quebec National Holiday (St-Jean **Baptiste**) which is governed by legislation, to be entitled to the payment of the salary stipulated in paragraph **16.01**, the salaried employee must have worked the last working day preceding the holiday and the first working day following the holiday except in the following cases:

- a) lay-off or authorized leave of absence beginning seven (7) days prior to observance of the statutory holiday.
- b) the return to work after an authorized leave after the statutory holiday, but in the week during which the statutory holiday is observed.
- c) any other absence or any failure to show up for work on time or departure before the end of the shift with a valid motive acceptable to Management. Such decision by Management can be contested by means of grievance procedure.
- d) To be paid for a statutory holiday, the new salaried employee must have completed the probation period except for the following statutory holidays.

New Year's Day
 Good Friday
 Victoria Day
 Canada Day
 Labour Day
 Thanksgiving
 Christmas Day

In these cases, the salaried employee must justify a period of 60 days of continuous service.

However, a salaried employee who **accepts** to work on a statutory holiday but who, without valid reason, does not show up for work and does not work, is not entitled to receive payment of salary for the statutory holiday.

16.03 When one of the statutory holidays mentioned above falls on a Saturday or a Sunday, it is, for the purposes of the present agreement, observed on the preceding Friday or the following Monday, respectively.

16.04 If, by proclamation from the Federal, Provincial or Municipal authorities, one of the holidays mentioned above is moved to another day, the provisions of this article will then apply to the day indicated by the proclamation.

16.05 If a statutory holiday is substituted by another day by regulation or by decree, or by agreement between the parties, in relation to the observance, the day hereafter substituted will be considered as being the statutory holiday for the purposes of this article.

Section 17 - Vacations

The credits of vacation will be calculated at the end of May, and paid as follows:

	Less than one (1) year	four % (4%) paid of the salary
17.01	One (1) year to four (4) years of service completed on June 30 th	two (2) weeks paid or 4%
17.02	Five (5) years to ten (10) years of service completed on June 30 th	three (3) weeks paid or 6%

17.03 Eleven (11) years of service or more four (4) weeks paid or 8% completed on June 30th.

17.04 Except for vacation periods exceeding two (2) weeks, the other weeks are awarded by seniority at the choice of the salaried employee, taking, however, into consideration the requirements of the work and after having obtained the authorization from the supervision. If there is a shut-down, vacations will be taken during the construction holidays.

17.05 The vacations that are not taken in accordance with the preceding paragraph must be taken between May 31 of the current year and the 1st of June of the following year. The selection of the vacation periods will be made in order of the salaried employees' seniority taking, however, into consideration the needs of production.

17.06 In case of conflict between salaried employees concerning the selection of a specified vacation period, the priority of selection is determined by seniority, the salaried employee with the most seniority having the first choice and so forth.

17.07 The list of vacations is affixed before May 1st of each year and is not modified afterward, except by mutual agreement.

17.08 The vacations are not cumulative and no salary is paid in lieu of vacations, except in the cases where a salaried employee is prevented, by illness or accident, of taking one or several days of planned vacation according to his schedule and before the 1st of June.

17.09 The salaried employee must receive his vacation pay before his departure for holidays. The vacation pay is paid by separate cheque from the regular pay.

17.10 If one or more statutory holidays mentioned in Section 16 fall during the vacation of a salaried employee, the said salaried employee is entitled to a regular consecutive day of holiday remunerated at his regular salary rate for each of the said statutory holidays.

17.11 In the case of a termination of employment caused by a dismissal, death, or retirement during a current vacation year, the Management pays to the salaried employee the unused acquired vacation pay to which the salaried employee would have otherwise been entitled to according to paragraphs 17.01 to 17.03 inclusively.

17.12 If a salaried employee is absent because of illness or accident, or on maternity leave during the reference year and this absence results in diminishing his yearly vacation allowance, he is therefore entitled to an equivalent allowance, depending on the circumstances, to two (2) or three (3) times the weekly average of the salary earned during a worked period. The concerned salaried employee in Article 67 (of the Labour Standards Act) and whose yearly vacation is inferior to two (2) weeks, is entitled to this amount in the proportion of the days of vacation that he has accumulated.

Section 18 - Authorized leaves

- 18.01**
- a) On the death of his/her legal spouse or a child, Management allows a mourning leave of five (5) regular working days as noted on the schedule (with the exclusion of Saturdays and Sundays), without loss of salary, at the rate of eight (8) hours per day.
 - b) On the death of a father, mother, brother, sister, stepbrother, stepsister or a grandchild, Management allows a mourning leave of three (3) regular working days as noted in the schedule (with the exclusion of Saturdays and Sundays) without loss of salary, at the rate of eight (8) hours per day. Two (2) additional consecutive days without pay are allowed.
 - c) On the death of a father-in-law or a mother-in-law, grandfather, grandmother, brother-in-law or a sister-in-law of a salaried employee, Management allows a mourning leave of one (1) regular working day as noted in the schedule (with the exclusion of Saturdays and Sundays), without loss of salary, at the rate of eight (8) hours per day. Two (2) additional consecutive days without pay are allowed.

A death certificate may be required as proof of family ties.

18.02 Any salaried employee with one (1) year or more of seniority who is called for jury duty or who is called to appear in court as a witness is paid by the Company for the days entirely or partially spent at the exercises of the said functions as if the salaried employee had otherwise been asked to work for the Company as per his working schedule, between the regular rate of the salaried employee with the exclusion of any bonus, for a maximal number of eight (8) hours during which he would have been asked to work and the daily indemnity of juror paid by the court (with the exclusion of transport allowance issued in reimbursement of these expenses).

To receive this payment, the salaried employee must give to Management an advance notice of his assignment to the said functions and he must supply satisfactory proof stating that the said functions were carried out on the days for which he claims the said payment.

18.03 When a salaried employee runs as a candidate for a school board, or in municipal, provincial or federal elections, he is entitled to an authorized leave without loss of seniority during the period of his application as a candidate until midnight the day after the election. An elected candidate is entitled to an authorized leave without pay, but without loss of seniority for the duration of his mandate.

18.04 When the spouse of a salaried employee gives birth to a baby, or when he adopts a child, the salaried employee enjoys a leave of two (2) working days without loss of salary plus three (3) working days without pay.

18.05 A salaried employee can be absent from work for one day without loss of salary on the day of his wedding.

A salaried employee can also be absent from work without loss of pay on the wedding day of one of his children.

18.06 To benefit from sick leave, the salaried employee must have completed one (1) year of service on the 1st of January.

From one (1) year to three (3) years of seniority, he is entitled to three (3) paid sick days per calendar year.

From four (4) years to five (5) years of seniority, he is entitled to four (4) paid sick days per calendar year.

For more than five (5) years of seniority, he is entitled to five (5) paid sick days per calendar year.

The salaried employee who does not show up for work, without reasons other than those specified in the agreement, is considered as having been sick. After more than two (2) working days of absence, a medical report will be required, but only when the salaried employee will have made use of the number of days to which he is entitled.

The days of sick leave not utilized in the course of the year are payable around December 15th of the contracted year or when the salaried employee leaves work during the current year at the actual rate of that year.

18.07 A leave of absence without pay for personal reasons is granted to a salaried employee who asks for one if approved by Management. Upon his return to work at the end of the leave of absence without pay, or of any prolongation of this period agreed by Management, the salaried employee returns to his usual function. A leave of absence without pay is not granted to a salaried employee to work for another employer other than Polar Plastic Ltd.

Section 19 - Social security

Group Insurance plan

19.01 The Management maintains in effect for the duration of the present collective agreement for all salaried employees governed by the said agreement, a group insurance plan of which a summary is annexed to the present agreement (Annex B) and is part of it in its entirety.

To the coverages of the group insurance plan presently in effect, Long Term Disability as well as Dental Care will be added.

The premium of the group insurance plan is paid as follows:

As stipulated in the insurance policy.

19.02 Within the thirty (30) days from the signature of this agreement, the Management provides the Association with a copy of the master policy of the group insurance plan.

19.03 Should the Insurer cancel, in part or in whole, the benefits foreseen in this article, the obligation of the Company is limited to supplying benefits that can be purchased on the insurance market at monthly premium rates that do not exceed those submitted by the Insurer agreed upon by the parties at the time of the signature of the present agreement. The same disposition applies in cases where the original Insurer ceases operation as Insurer.

19.04 Should the government, during the duration of the present agreement, extend the coverage of its health insurance plan, the Company pledges that the salaried employees' benefits in accordance with the present article will not be diminished.

19.05 Maternity leave - the dispositions of the law apply.

Section 20 - Duration and renewal

20.01 The present agreement is in effect from January 5, 1997 to January 4, 2000.

The retroactivity of the salaries will be paid from January 5, 1997 at the signature or ratification of the contract and will be based on the hours worked including the hours of overtime and the statutory holidays and vacations.

20.02 During the ninety (90) days preceding the expiry date of the agreement, each party can advise the other party in writing of its intention to end it or modify it or negotiate a new agreement.

20.03 If a notice is given in accordance to paragraph 20.02, both parties will meet in the time prescribed by the Québec Labour Code.

20.04 If a notice is given in accordance to paragraph 20.02, the present agreement is considered as an ad interim agreement from its expiry date until the acquisition of the right to strike or to lock-out. If the parties do not exercise their rights to strike or to lock-out at the time of the acquisition of their rights or subsequently, the present agreement is ad interim until the time of the signature of a new agreement.

In witness whereof, each of the present parties has signed this agreement by the intervention of their representatives duly authorized dated February 4, 1997.

Polar's Employees' Association

Polar Plastic Ltd.

ANNEXE A :
 TABLEAU DE SALAIRE ET OCCUPATION

CATEGORIE	OCCUPATION	DEBUT ET DEBUT 99																	
		1987	1988	1989	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	
THERMO	1 OPERATEUR SR BROWALTE	18 18	18 87	17 33	14 58	15 00	15 60	15 05	15 50	16 12	16 00	16 64	16 87	17 33	17 33	17 87	18 41	18 41	
	OPERATEUR 1-21	13 21	13 86	14 21	11 84	12 30	12 78	12 34	12 71	13 22	13 12	13 64	13 87	14 21	14 21	14 75	15 29	15 29	
	OPERATEUR BROWALTE	12 18	12 55	13 05	10 87	11 30	11 75	11 33	11 67	12 14	12 05	12 53	12 55	13 05	13 05	13 53	14 07	14 07	
	ADJ TECH MOLE	10 75	11 08	11 52	8 68	9 30	10 37	10 00	10 30	10 71	10 83	11 08	11 08	11 87	11 87	12 53	13 05	13 05	
O.M.V	2 OPERATEUR O.M.V	10 63	10 33	10 75	8 03	8 30	9 67	9 33	9 81	9 80	9 82	10 32	10 32	10 33	10 33	10 75	10 75	10 75	
	3 OPERATEUR O.M.V	14 33	14 78	15 35	12 88	13 28	13 81	13 32	13 72	14 27	14 17	14 73	14 73	14 78	14 78	15 35	15 35	15 35	
BROWALTE	3 OPERATEUR BROWALTE	17 18	17 55	18 05	15 05	15 05	15 78	15 33	15 87	16 42	16 33	16 87	17 41	17 41	17 41	18 05	18 05	18 05	
	4 OPERATEUR BROWALTE	11 43	11 78	12 25	10 28	10 60	11 02	10 63	10 95	11 38	11 30	11 78	11 78	12 25	12 25	12 78	13 32	13 32	
REPARERE	4 REPARATEUR SR	18 18	18 87	17 33	14 58	15 00	15 60	15 05	15 50	16 12	16 00	16 64	16 87	17 33	17 33	17 87	18 41	18 41	
	5 REPARATEUR	14 33	14 78	15 35	12 88	13 28	13 81	13 32	13 72	14 27	14 17	14 73	14 73	14 78	14 78	15 35	15 35	15 35	
EXTENSION	6 OPERATEUR SR EXTENSION	13 82	14 24	14 81	12 44	12 81	13 33	12 88	13 24	13 77	13 67	14 21	14 21	14 81	14 81	15 35	15 35	15 35	
	7 OPERATEUR EXTENSION	12 18	12 55	13 05	10 87	11 30	11 75	11 33	11 67	12 14	12 05	12 53	12 55	13 05	13 05	13 53	14 07	14 07	
PALLETS	8 OPERATEUR PALLETS	11 01	11 34	11 78	8 81	10 21	10 67	10 24	10 55	10 97	10 88	11 32	11 34	11 78	11 78	12 32	12 86	12 86	
	9 OPERATEUR PALLETS	8 78	9 05	9 54	6 02	6 26	7 30	6 96	7 35	7 78	7 70	8 18	8 18	8 72	8 72	9 26	9 80	9 80	
MECANIQUE	7 MECHANIQUE MOLE	17 20	17 72	18 43	15 48	15 85	16 58	16 00	16 48	17 14	17 01	17 68	17 72	18 43	18 43	19 14	19 85	19 85	
	MECANICIEN A	17 20	17 72	18 43	15 48	15 85	16 58	16 00	16 48	17 14	17 01	17 68	17 72	18 43	18 43	19 14	19 85	19 85	
	MECANICIEN B	16 78	17 21	18 08	14 18	14 81	15 18	14 66	15 10	15 70	15 58	16 21	16 23	16 86	16 86	17 53	18 24	18 24	
	MECANICIEN C	14 33	14 78	15 35	12 88	13 28	13 81	13 32	13 72	14 27	14 17	14 73	14 73	14 78	14 78	15 35	15 35	15 35	
MAGASINIER	8 REPARATEUR DE MOLE	11 48	11 81	12 28	8 38	8 63	9 88	8 68	8 92	9 28	9 21	9 58	9 58	9 97	9 97	10 51	11 05	11 05	
	9 REPARATEUR DE MOLE	8 31	8 58	9 07	5 38	5 63	6 88	5 68	5 92	6 28	6 21	6 58	6 58	6 97	6 97	7 51	8 05	8 05	
ENTREPO	3 ASST D'ENTREPO	13 90	13 78	13 81	11 61	11 85	12 43	11 88	12 35	12 85	12 75	13 28	13 28	13 81	13 81	14 35	14 89	14 89	
	4 ASST A LA RECEPTION	11 70	11 70	12 17	8 68	8 97	10 57	10 07	10 30	10 71	10 63	11 08	11 08	11 53	11 53	12 07	12 61	12 61	
GENERALE	10 EMPLOYEE	8 58	8 58	8 70	5 73	5 88	6 28	5 88	6 28	6 73	6 73	7 18	7 18	7 63	7 63	8 17	8 71	8 71	
	11 EMPLOYEE	8 31	8 58	8 97	5 38	5 63	6 88	5 68	5 92	6 28	6 21	6 58	6 58	6 97	6 97	7 51	8 05	8 05	

SI UN SALAIRE EST PRONU A UN POSTE DANS SA CATEGORIE L OBTIENRA
 LE SALAIRE LE PLUS ELEVE ENTRE SON SALAIRE ACTUEL ET LE SALAIRE
 D ENTREE (90%) DU POSTE VISE