

COLLECTIVE AGREEMENT

BETWEEN



**FIRAN TECHNOLOGY GROUP, CIRCUITS DIVISION
TORONTO, ON.**

AND

C.A.W. - CANADA

**(National Automobile, Aerospace, Transportation
And General Workers Union of Canada)**

AND ITS LOCAL 124

11599 (06)

July 8, 2011

ARTICLE 1 - STATEMENT OF PRINCIPLES AND INTENT

1.01

Firan Technology Group, Circuits Division, is actively developing a culture of continuous improvement based on teamwork and interdependence between key groups such as Management, Staff, Union Leaders, Union Representatives, Operators, Mechanics, Shareholders, Suppliers, and of course, FTG's Customers.

1.02

Consequently, FTG wishes to integrate the presence of the Union Representatives to the success of its operations. It is FTG's objective to value the role of its Union Representatives since their responsibility is to voice the opinions of FTG's "internal customers". It is FTG's vision that employees in the bargaining unit are internal customers since they are being given the responsibility to satisfy customer's expectations and only with their desire to succeed, FTG will become a continuous improvement organization. By considering employees in the bargaining unit as internal customers, FTG is recognizing the necessity to quickly address employee's needs in order for them to quickly address customer's needs. FTG wishes to build teamwork and cooperation between all employees as we strive to become the "First Choice" in the circuit board industry.

1.03

FTG desires to create employee satisfaction, as it believes that it is necessary to achieve outstanding customer satisfaction. Therefore, employees are invited to constantly identify needs for improvement, whether those needs are related to the administration of this Collective Agreement or to any potential need identified for greater customer satisfaction or reduction of costs. It is FTG's objective to always welcome an idea, an opinion or a suggestion identified by an employee when this is to create a positive impact on employee or customer satisfaction. FTG desires to optimize the contribution of its employees, as it believes that continuous improvement will come from continuous learning, involvement and a strong desire to achieve superior quality and outstanding customer satisfaction.

FTG is saying to its employees, "**we are in business together**", and this is why FTG invites all members of the bargaining unit to participate in the development of their Company.

1.04

The general purpose of this agreement is to provide an orderly collective bargaining relationship between FTG and the Union, to secure prompt and fair disposition of grievances, and to prevent interruptions of work and interference with the efficient operations of FTG's business, consistent with the terms of this Collective Agreement.

1.05

FTG and the Union agree that in the exercise of their rights and in the administration of this agreement, they shall endeavor to do so in a fair and reasonable manner.

1.06

FTG will negotiate at all times in the manner provided herein, with the chosen accredited representative(s) of the Union, for the purpose of determining any disputes which may now exist or which may arise as to wages, hours or working conditions, or any other matter pertinent to the collective agreement.

ARTICLE 2 - RECOGNITION

2.01

FTG recognizes the Union as the sole and exclusive bargaining agent of all employees of Firan Technology Group, Circuits Division, in the Municipality of Metropolitan Toronto, save and except Supervisors, persons above the rank of Supervisor, Administrative, Clerical and Sales Staff, Net List Analyst, Quality Engineers and Technicians, Process Engineers, Methods Engineers and Technicians, CAM Engineers and Technicians, Lab Technicians, Waste Treatment Personnel, SPC Coordinator, Shipping Coordinator, Production Control Planner, and students employed during the school vacation, and students engaged in a co-operative training program.

2.02

The words "employee" or "employees" wherever used in this Agreement shall mean all employees in the bargaining unit referred to in 2.01 above who have completed their probationary period, except where its context otherwise provides. In this Agreement words using the masculine gender shall be considered to include the feminine gender and neuter as well; the singular includes the plural and the plural, singular where the text so indicates.

2.03

The word "day" shall refer to working day, except where otherwise indicated.

ARTICLE 3 - NO DISCRIMINATION

3.01

FTG and the Union agree that there shall be no discrimination with respect to any employee by reason of age, marital status, sex, race, creed, colour, national origin, political or religious affiliation, sexual orientation, or physically challenged as defined by the Human Rights Code nor by reason of Union membership.

ARTICLE 4 - MANAGEMENT RIGHTS

4.01

- a) As stated in Article 1.03, FTG desires to create employee satisfaction, as it believes that it is necessary to achieve outstanding customer satisfaction. Consequently, in the exercise of its rights, management wishes to recognize that the Union Representatives and all employees want to be involved in the decisions that affect them, care about their jobs and each other, take pride in themselves and in their contributions and want to share in the success of their efforts.
- b) In order to properly listen to views, concerns and opinions expressed by the employees in regards of the application of Article 4, the Union Representatives are to be given the opportunity to represent the employee's vision through meetings described in Articles 12.03 and 12.04. Management is committed to listen to its "internal customers" in the bargaining unit as it recognizes their importance to achieve customer satisfaction and continuous growth.

4.02

The Union recognizes and acknowledges that the management of the plant and direction of the working forces are fixed exclusively by FTG and, without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive function of the management:

- a) To maintain order, discipline and efficiency; to make, alter, and enforce, from time to time, rules and regulations, policies and practices, to be observed by its employees, copies of which will be posted and provided to the Union committee and employees, to discipline and discharge employees for just cause; it is understood and agreed that changes concerning employees will be brought to the attention of the Union Representatives through the procedure described in Article 12.04.
- b) To select, hire, to transfer, assign, promote, demote, classify, lay-off, and recall employees; to plan, direct and control operations; to select and retain employees for positions excluded from the bargaining unit; it is understood by management that all these rights are preferably to be exercised in consultation with the Union Representatives in order to maximize employee satisfaction and prevent disputes and grievances.

- c) To operate and manage the business in order to satisfy its commitments and responsibilities, the right to determine the extension, limitation, curtailment or cessation of operations or any part thereof; the right to determine the nature and kind of business conducted by FTG , the kinds and locations of plant, equipment, products components, parts and materials to be used, parts components, products, materials, services and/or equipment purchased and/or leased, the control of materials, and parts, the methods and techniques of work, the content of jobs, the scheduling of operations, and quantity and quality of production; the right to create or alter job classifications from time to time; the right to use improved methods, machinery and equipment; the right to decide on the number of employees needed by FTG at any time; and generally the right to manage the enterprise and business are solely and exclusively the right of FTG , except only as may be specifically limited by an expressed provision of this agreement. Management recognizes that in the exercise of its rights, it is in its best interest to create a dialogue with its employees, as they possess knowledge and skills to satisfy FTG's customer expectations. Consequently, their involvement will only increase the chances of success of any implementation of change.
- d) Failure by FTG to exercise any of its management rights shall not be considered a waiver or abandonment of such rights. FTG agrees it will not exercise its functions in a manner inconsistent with the provisions of this agreement.

ARTICLE 5 - UNION SECURITY

5.01

All present employees who have not done so and all future employees will be required to complete an Application for Membership and Authorization for check off Dues and Initiation Fees on appropriate forms supplied to FTG by the Union.

5.02

The Local Union copy of this Form will be forwarded to the Local Union Financial Secretary upon completion.

5.03

- a) All dues and initiation fees deducted in trust must be remitted to the Local Union Financial Secretary within fifteen (15) working days of the deductions, along with a list of the names and amount of each deduction.
- b) FTG will also supply a list of those members who did not have Union Dues deducted, and the reason why this deduction did not take place.

5.04

Dues are defined for the purpose of this clause as the regular Union Dues and Initiation Fees as prescribed by the constitution of the Union, and of which FTG has been notified in writing, by the Union.

5.05

All employees who have worked a minimum of forty (40) hours during a calendar month will have the regular Union dues deducted and placed in trust by FTG and forwarded to the Local Union Financial Secretary within fifteen (15) days of the end of the month.

5.06

The Union agrees to indemnify and save FTG harmless against all claims or other forms of liability that might arise out of, or by reason of, deductions made or payments made in accordance with the Collective Agreement.

5.07 Deduction of Union Dues:

- a) The amount of Union Dues deducted shall be two (2) hours and twenty (20) minutes time per month based on the amount earned at the straight time hourly rate of the employee in the last payroll period before the dues are payable. This amount does not include any premiums.
- b) Dues are not payable when an employee receives Weekly Indemnity or WSIB benefits, but are payable when an employee is in receipt of vacation pay, holiday pay, jury duty pay, or bereavement pay or any other pay considered in lieu of hours worked.

5.08 Data to be supplied to the Union:

FTG will supply the Union Committee with the following information semi-annually upon request, and send a copy to the Local Union Office:

1. Employees who acquire seniority.
2. Employees by rate and classification.
3. Employees transferred into or out of the Bargaining Unit.
4. Employees on leave of absence.
5. Employees on Sickness and Accident and Compensation on the date of occurrence.
6. Layoffs and recalls.
7. Employees who have lost seniority.
8. Employees who are discharged.
9. Names, addresses and postal codes of all retired and active employees.

5.09

Initiation fees of twenty dollars (\$20.00) is payable upon the completion of the probationary period by all employees as a condition of further employment.

5.10

A list of Supervisors will be supplied to the Plant Committee following ratification of this Agreement and this list will be updated as changes are made in the future.

5.11

The Company has agreed to provide an office to be used by the Union within thirty (30) days of ratification. The office will be painted. It will contain a desk, chair, lockable filing cabinet and the Union Chairperson will be provided with a key to both the door and the filing cabinet. FTG will provide for reasonable sound proofing of the union office walls. A phone will also be provided with the Union responsible for any long distance charges. During the 2011 collective bargaining negotiations, the Company agreed to supply the union office with an upgraded computer and a new fax machine.

ARTICLE 6 - HARASSMENT IN THE WORKPLACE

6.01

Joint Anti-Harassment Policy

During the current negotiations, the parties discussed the importance of human rights issues in the workplace. The parties have committed to implementing the following process for the employees of Firan Technology Group, Circuits Division, Toronto.

The Employer, the CAW and CAW Local 124, are committed to provide a harassment free workplace. Achieving an environment where all employees can interact with each other in an atmosphere of mutual respect for each other's human rights is the primary goal of this policy.

Workplace Harassment/Policy and the Procedure Defined

This policy and procedure outlines the commitment of the Employer, the CAW, and CAW Local 124, to ensure a harassment free workplace as required under applicable human rights legislation and will act as a guide to employees in adhering to legal guidelines regarding the recognition and prevention of harassment.

This policy exists to underline the seriousness of workplace harassment and to establish that there is behaviour at this facility. Employees who feel that they are being harassed are encouraged to seek protection under this policy.

Workplace Harassment Defined

Harassment is defined as a “course of vexatious comment or conduct that is known or ought reasonably be known to be unwelcome”, that denies individual dignity and respect on the basis of the grounds set out in the applicable human rights legislation, such as: gender, disability, race, colour, and sexual orientation. Within the workplace, all employees are expected to be mindful of their obligations in this regard.

Workplace harassment includes, but is not limited to, the following examples:

- Unwelcome remarks, jokes, innuendoes or taunting about another’s body, attire, gender, disability, racial or ethnic background, sexual orientation, etc., which cause awkwardness or embarrassment.
- Displaying visuals of sexual, racial or otherwise offensive nature such as pornographic pictures, posters, cartoons, graffiti or simulation of body parts.
- Leering (suggestive staring) or other gestures.
- Unnecessary physical contact such as touching, patting or pinching.
- Unwanted sexual solicitation, physical contact or advances, particularly made with implied reprisals, if rejected.
- Refusing to work or share facilities with another employee because of the other’s gender, disability, sexual orientation, racial, religious or ethnic background.
- Backlash or retaliation for the lodging of a complaint or participation in an investigation.

Obligation of Employees

Employees are obligated to bring any complaint of harassment to the attention of the Human Resources Manager for the Employer and the Union Chairperson as soon as possible.

What Harassment Is Not

A properly discharged supervisory responsibility including disciplinary action is not considered harassment under this policy. Neither is this policy meant to inhibit free speech or interfere with the normal social relations that are a part of life in the workplace.

Filing a Complaint

If an employee believes that he/she has been harassed on the basis of any of the grounds stated above, that employee should:

- Tell the alleged harasser(s) to stop, if possible;
- Document the event(s), complete with the time, date, location, names of witnesses and details of each event, if possible.
- If the harassed employee does not feel able to approach the alleged harasser(s) directly, or if, after being told to stop, the alleged harasser(s) continues, the harassed employee should lodge a complaint either directly through a person on his/her behalf with any Employer or Union Representative.

Investigation

In minor cases, the Employer and the Union agree that the Union and the Employer may try to resolve a harassment complaint informally without a full investigation when so requested by the complainant. The Human Resources Manager and the Union Chairperson will handle all cases of harassment. The outcome of this informal attempt to resolve any complaint will be communicated to the complainant. If the complainant disagrees with the attempted resolution, or if the complaint involves more than minor issues, there will be a joint investigation of the complaint according to the procedure set out below. Once informed of a complaint requiring joint investigation, the Human Resources Manager or the Union Chairperson, as the case may be, will immediately inform his/her counterpart, and together these two will conduct a joint investigation according to the process set below. Where the complainant is a woman, and the complaint involves sexual harassment or gender discrimination, the joint investigation team will include at least one woman.

The joint investigation will include an interview of the complainant and will normally include interviewing the alleged harasser, witnesses and other persons named in the complaint. It is the intention of the Union and the Employer that, in most cases, the investigation will take place within five (5) days and shall be concluded within fifteen (15) days of the lodging of a complaint. An extension to the time limits may be granted by mutual agreements.

The interview timing and location will recognize the need to maintain confidentiality. The identity of the complainant, the alleged harasser(s) and the nature of the complaint will be kept confidential and only persons with a need to know will be informed of the complaint.

The Human Resources Manager and the Union Chairperson will securely maintain records of the investigation, including interviews, evidence and recommendation(s).

Resolution

Upon completion of their joint investigation, they will present their findings to the complainant and the alleged harasser. The Employer and the Union agree that every effort will be made to bring the complaint to a mutually acceptable conclusion within ten (10) days following the completion of the joint investigation.

Violation of this policy may lead to discipline up to and including termination. The purpose of this policy and procedure is to allow the CAW and the Employer the opportunity to address and resolve internal problems related to the objective of achieving a harassment free workplace.

6.02

This article is not intended to restrict any employee's rights under the Ontario Human Rights Code.

6.03

The Company will comply with the Ontario Bill 168, Occupational Health and Safety Amendment Act (Violence and Harassment in the Workplace) June 15, 2010.

ARTICLE 7 - SENIORITY

7.01

The term "seniority", as used herein, shall mean continuous accumulated service, with FTG.

7.02

In the event that more than one (1) employee is hired on the same date, FTG will assign each employee with a seniority code number which will be used in determining their seniority standing (i.e.: the lowest code equals the highest seniority).

7.03

FTG agrees to post an up to date seniority list every six (6) months. A copy of the seniority list will be provided to the Plant Chairperson.

7.04

New hires shall be considered probationary until they have completed a total of one hundred and ten (110) days actually worked within a twelve (12) consecutive month period, and upon successful completion of that probationary period, they shall be assigned a seniority date which shall be their date of hire.

7.05

During the probationary period, any employee shall be considered as being employed on a trial basis and may be discharged where the employee is considered, in the judgment of the Employer, to be unsuitable. The discharge of a probationary employee can be based on a lesser standard than that for a seniority employee, should generally be at the discretion of FTG, and should only be modified where FTG has no basis for its decision.

7.06

An employee will lose his/her seniority and his/her employment with FTG and will be terminated for any of the following reasons:

- a) If he/she voluntarily quits.
- b) If he/she is discharged for just cause and not reinstated through the Grievance Procedure.
- c) If he/she retires or is retired.
- d) If he/she has been laid off and does not return to work within five (5) days from confirmed delivery of the registered letter or courier package advising him/her to report for duty, unless FTG and the employee mutually agree otherwise. A copy of the registered letter or courier package will be provided to the Plant Chairperson, or his/her designate, at the time of mailing.

- e) If he/she is absent without an approved leave of absence for more than three (3) consecutive working days, or the employee overstays an approved leave of absence by more than three (3) days without a reason satisfactory to FTG.
- f) If an employee is laid off due to lack of work and not recalled for work for a period of eighteen (18) months or the length of his/her seniority, whichever is less.

7.07

It shall be the responsibility of the employee to promptly notify a Human Resources Representative, in writing, of any change in address, and telephone number (listed or unlisted). If any employees fail to do so, FTG will not be responsible for failure of any contact or notice to reach such employee.

7.08

The parties recognize that job opportunities and seniority should increase in proportion to length of service. It is agreed that the term "seniority" shall have reference to any employee's right to a job based on other provisions of this Agreement. All promotions, demotions, filling of vacancies, layoff and recall shall be strictly in accordance with the principle set forth above.

ARTICLE 8 - LAYOFF AND RECALL

8.01

When the volume of work is decreasing and management must review the number of employees employed, the Manager of Human Resources will meet with the Union Representatives to review a plan concerning the procedure of a layoff. Updated lists of seniority and skills and abilities will be reviewed by management and the Union Committee prior to announcing any layoff. FTG will endeavor to provide a minimum of five (5) days notice to the Union and all employees who are actively at work. Employees will be given five (5) days notice of any layoff that is planned to last for more than one week. Employees who receive less than the five (5) days notice will receive two (2) days pay.

8.02

- a) Employees are expected to provide a satisfactory performance throughout their work shift. Satisfactory performance is defined as to meet the normal requirements and standards to achieve customer satisfaction. Productivity, quality, involvement, attendance, proper shift change, mutual respect, are the main factors identified to achieve customer satisfaction.
- b) FTG wishes to communicate constructively to an employee when he/she is not providing a satisfactory performance. FTG wishes to involve the Union Representatives in the development of an action plan to help an employee provide a satisfactory performance. FTG agrees that a non-satisfactory performance will be documented and the Union Representatives will be informed of the progress on an on-going basis.

- c) The Union Representatives wish to support management members in trying to develop systems and solutions in order for FTG to motivate and obtain satisfactory performance from each employee. It is understood by the Union Representatives that their contribution and involvement in the development of greater customer satisfaction is to support the continuous improvement of FTG.
- d) In the case of a layoff or the recall from a layoff, seniority shall apply, unless the Union Representatives have been informed at least thirty (30) calendar days prior to the layoff of an employee who has not been providing a satisfactory performance and who has not demonstrated a satisfactory improvement since he/she has been notified in the development of its action plan (as described in Article 42).
- e) Layoffs will be conducted on a departmental basis, with probationary employees being the first to be laid off. The most junior person, who is laid off in the department, may then exercise their seniority to bump the least senior employee in the plant where he/she is presently qualified to perform that work efficiently.

8.03

FTG will provide the Chairperson of the Union Plant Committee with a list of employees to be laid-off or recalled, and also cancellation of such notices.

8.04

If no work is available because of fire, lack of power, act of God, or for any other reason beyond the control of FTG, employees may be laid off, and the seniority provisions of the Collective Agreement will not apply for three (3) working days.

8.05

It is understood and agreed that employees will have no rights to bump up in the face of a layoff.

8.06

The Union Plant Committee and the Certified Representative of the Joint Health and Safety Committee will be retained in the employ of FTG during their respective terms of office, notwithstanding their position on the seniority list, so long as FTG has work available which they are presently able to perform efficiently and are willing to do so.

8.07

Employees who are laid off in accordance with the provisions of this Article will be returned to work in line with the seniority in which they were laid off, provided they meet the standards set out in Article 8.02(a) above and are willing to perform said work.

8.08

Employees displaced to another department as a result of layoff will have first opportunity to return to their former position when it becomes available. If the employee declines the opportunity to return, he will have forfeited his return right.

8.09

An employee who was laid off from the plant, and is subsequently recalled to a different position, will have first opportunity for their former position when it becomes available. If the employee declines the opportunity to return, he will have forfeited his return right.

8.10

Employees who are recalled to positions, which are expected to last less than thirty (30) calendar days, may decline the recall and remain on the seniority list. However, employees who are recalled to positions expected to last thirty (30) calendar days or more, must accept the recall, or lose their seniority and employment with FTG.

8.11

Employees who are laid off under this article will have their benefits maintained for the remainder of the month in which they are laid off.

ARTICLE 9 - WAGE ADMINISTRATION AND RATE PROTECTION

9.01

A transfer shall be considered temporary provided it does not exceed thirty (30) calendar days, and during this period will not be subject to the seniority provisions of this agreement. If such transfer exceeds this period, it will be declared as a permanent vacancy and posted for job bidding.

9.02

Vacant jobs created as a result of illness, injury or occupational accident or illness, or leave of absence shall not be posted as permanent vacancies and may be filled at the discretion of FTG on a temporary basis for the duration of the illness, injury or occupational accident or illness, or leave of absence, or for up to forty-five (45) days whichever is less.

9.03

An employee returning to work from an absence due to injury, occupational accident or illness and whose position has been posted as vacant, will be placed in his/her former position or another position relatively equal in responsibilities and wages, provided there are no medical restrictions which prevent such placement and seniority permitting.

**ARTICLE 10 - HUMAN RESOURCES PLANNING, TRAINING & JOB
POSTING**

10.01

- a) In recognition of the importance to recruit internally, to recognize seniority, and to promote employee's development, FTG requires the support of the Union Representatives in order to secure customer satisfaction while proceeding to the administration of personnel movements and planning Human Resources needs.
- b) To support employee's development, a Training & Development system is to be administrated by FTG in collaboration with the Union Representatives in order to improve Human Resources planning and minimize the impact of personnel movements on customer satisfaction.
- c) In January, April, July and October of each year (or whenever a new need occurs), the Human Resources department will invite employees to communicate their interest in cross-training on work stations that require Human Resources planning and to communicate their desire to occupy the same position on a different shift. FTG will inform the employees by posting the results on a bulletin board. The most senior person for each work station who is interested to be cross-trained will then be considered as the applicant to be cross-trained in order to be capable to meet the job's requirements before the next job vacancy.
- d) In the event new jobs are created or vacancies occur within the bargaining unit, the Human Resources department will post such new jobs or vacancies for a period of three (3) days in order to allow bargaining unit employees the opportunity to apply. The posting shall provide the number of expected vacancies, the classification, wage rate, shift(s), and a general description of the duties to be performed.

10.02

In order to achieve customer satisfaction while taking care of employees' development, the following are considered as key guidelines:

- An eligible employee will be awarded the posted position five (5) working days after the posting is taken down from the bulletin board, and the successful applicant will be moved to his/her new position within thirty (30) working days after he/she has been awarded the position.
- An employee, who did not need any training on a workstation in order to develop his/her capacity to provide a satisfactory performance in his/her new position, will be eligible to post for a new position after three (3) months of work. However, if it is to have the opportunity to move on a different shift, no period of time will be required.

- An employee who has received the equivalent of three (3) weeks or less of training on a work station in order to develop his/her capacity to provide a satisfactory performance, will be eligible to post for a new position after four and a half (4.5) months of work. However, if the opportunity is to move on a different shift, no period of time will be required.
- An employee, who has received more than three weeks of training on a workstation in order to develop his/her capacity to provide a satisfactory performance, will be eligible to post a new position after nine (9) months of work in the position. However, if the opportunity is to move on a different shift, no period of time will be required.
- Employees, who have been employed for less than twelve (12) months, will be eligible to post for a new position once they have completed twelve (12) months of work in their first position. However, if the opportunity is to move on a different shift, no period of time will be required.
- Employees on vacation will be considered for a job posting when the posting is for the same position but on a different shift.
- The above mentioned guidelines may be modified by mutual consent when FTG is to hire a new employee to meet production needs and it is demonstrated that the personnel movement would affect customer satisfaction.
- It is understood by the Union Representatives and employees that in order for FTG to recognize the seniority of the employees and support their development, all employees must provide a satisfactory performance in their actual position. An employee who has not been providing a satisfactory performance in his/her actual position, will not be eligible for cross-training until he/she has met the requirements identified in his/her action plan, as explained in Article 8. It is understood by Union Representatives, that Management needs their support and involvement in order to obtain a satisfactory performance from all employees.
- It is agreed that cross-training needs will be identified by Management in collaboration with the Union Representatives and those needs will be communicated to the employees. It is also agreed that when a need for cross training has been identified and nobody has shown an interest, Management can identify an employee to be cross-trained in order to have the necessary skills and abilities to satisfy customer's needs in a department and/or a shift. Management will once again offer cross training by seniority and if once again nobody has shown an interest, Management will appoint an employee to be cross-trained. The Union Representatives will be informed of the reason of this choice. It is understood that employees have the right to refuse to be cross-trained and their refusal will be documented.

10.03

The subsequent job vacancy, if any created by successful job bidding will be filled through this same job posting procedure. However, any subsequent job vacancy (s) will be filled at the discretion of FTG. The Human Resources Manager or his/her designate will notify any laid off employees of any job postings for which they may be qualified.

10.04

Where there are no qualified applicants for a job posting in the opinion of FTG, FTG may fill the position from any source.

10.05

In case the employee is not retained in the job by FTG, or the employee voluntarily elects to give up their rights to the job, providing it is within the thirty (30) calendar days following the commencement of work in the job, the employee will be returned to his/her job, and any other employee affected thereby will be returned to his/her job on a similar basis and thereafter the original job will be filled in accordance with this section of the agreement.

ARTICLE 11 - INCAPACITATED EMPLOYEES

11.01

An employee who is no longer able to perform the work in his/her classification, but is capable of performing other duties, or any employee who has incurred a temporary or permanent partial disability may, by mutual agreement, between FTG and the Union, be assigned to or retained at an operation which he/she is capable of performing at the prevailing rate of pay of that position. This is not intended to restrict the rights of any employee under the "Workplace Safety and Insurance Act".

ARTICLE 12 - PREVENTION OF DISPUTES & GRIEVANCE PROCEDURE

12.01

It is understood by Management, Supervisors, Employees and Union Representatives that in order to evolve in a continuous improvement organization, FTG's goal is to maintain a zero grievance environment.

Consequently, Supervisors, Human Resources and Union Representatives are being given the responsibility to prevent any dispute in regards of this Collective Agreement or any other matter having an impact on employees in the bargaining unit. Supervisors are expected to work in collaboration with the Human Resources and Union Representatives in order to manage employee's issues in the best interest of FTG and its employees.

12.02

As described in Article 1, it is FTG's objective to integrate the Union Representatives to the success of its operations. Therefore, the Union Representatives have to be given the opportunity to influence the quality of FTG's decision-process, so it can contribute to the prevention of disputes having negative impact on employee's motivation and satisfaction. It is agreed by every key group responsible for FTG's performance, (Management, Supervisors, Staff, Employees and Union Representatives) that they must maintain and constantly improve employee satisfaction, in order to motivate every member of the bargaining unit to take care of their customers.

The following procedure will be followed in preventing or resolving concerns, disputes and grievances arising out of this Agreement or for any other matter expressed by an employee:

Step 1: Should an issue, concern or problem arise involving the interpretation, application, or an alleged violation of the collective agreement, the employee shall discuss it with their supervisor within three (3) working days after the event giving rise to the issue, concern, or problem, or within three working days after the employee became aware or ought to have become aware of the event(s) giving rise to the issue, concern, or problem, and where requested, they will be accompanied by his/her Committeeperson, or in the absence of the Committeeperson, with the Chairperson. The employee will be informed of their ability to have a Committeeperson present during the discussion. The Supervisor shall reply within three (3) working days.

Step 2: If the reply of the Supervisor to the grievance is not satisfactory to the employee, then he/she may reduce the grievance to writing, sign it with the assistance of the Committeeperson or in the absence of the Committeeperson, the Chairperson. The grievance shall contain a brief explanation of the issue(s) involved, a grievance number, the name of the employee(s) involved, the date of the occurrence, the date of the grievance, the nature of the grievance, the relevant sections of the collective agreement claimed to have been violated, and the claim of redress. The Committeeperson shall present it to the Production Manager or his/her designate with three (3) working days from the date that he/she received the reply of the Supervisor. The Production Manager or his/her designate will meet the Committeeperson or designate and render a decision in writing within three (3) working days after the day on which the grievance was presented.

Step 3: If the reply of the Production Manager or his/her designate is not satisfactory to the Union, the grievance may be presented by the Plant Chairperson to the Manager of Human Resources with three (3) days from the date of the reply of the Production Manager or his/her designate. The Plant Committee and the Manager of Human Resources shall meet within five (5) working days after the grievance has been so presented. Upon request by either party, the Local Union President and/or the National Union Representative may be in attendance. Within four (4) working days after the Step 3 meeting, the Company will render a decision in writing and submit it to the Plant Committee.

Discharge or Suspension Grievances

A claim by an employee that he/she has been discharged or suspended without just cause may be treated as a grievance, which shall commence at the 3rd step as provided in Article 12.02. The grievor may be present at the 3rd step meeting. The right to a grievance shall be deemed to be waived if no grievance has been presented within five (5) working days of the aforesaid dismissal or suspension as allowed by the Ontario Labour Relations Act.

Whenever possible, if two (2) or more employees simultaneously have the same alleged grievance under the same circumstance, it will be presented as a single group grievance with the name of each grievor shown. The group grievance is to be initiated at Step 1.

12.03

At any point in time, the Plant Chairperson, on behalf of the Union Committee or an employee, can request a meeting with the Manager of Human Resources or his/her designate to discuss a concern or a situation involving employees in the Bargaining unit that could lead to employee dissatisfaction or to an individual or policy grievance. Such meeting will be held within two (2) working days of the request. The same privilege will apply to Management Representatives. The purpose of this meeting will be to identify solutions and propositions in order to prevent employee's issues and/or policy grievances.

12.04

Notwithstanding Article 12.03, either the Manager of Human Resources or the Plant Chairperson may request one (1) meeting between the Company and the Union committee each month. During this meeting, the Union Representatives will be invited to share their views, concerns, issues, or any other situations affecting the morale or the motivation of the employees. The Manager of Human Resources will also share information concerning the interest of employees, such as customer satisfaction indicators, quality issues, and any other matter that should be shared with the Union Committee. Once again, the general purpose of this meeting will be identifying improvements to maintain and improve employee satisfaction.

12.05

It is FTG's objective to provide the best support to its employees in order for them to provide a satisfactory performance. When management identifies an employee who is not providing satisfactory performance, the Plant Chairperson and/or the Union Representative will be invited to participate in the development of an action plan given to the employee in order for him/her to improve and provide a satisfactory performance.

12.06

It is FTG's objective to avoid using disciplinary actions in order to obtain satisfactory performance from its employees. However, when previous efforts have been made in collaboration with the Union Representatives without a satisfactory improvement, FTG will use a disciplinary process.

Each time that an employee will be disciplined, the Manager of Human Resources will meet with the employee, his/her supervisor, the Plant Chairperson and the Committee person. The reason(s) for such disciplinary action will once again be given to the Union Representatives.

Following the meeting, if the employee does not agree with the decision, a grievance may be written by the Plant Chairperson in accordance of Step 3 of the Grievance Procedure.

12.07

The time limits set forth at the various steps of this procedure may only be extended by mutual consent.

12.08

No matter may be submitted to arbitration, which has not been properly carried through all previous steps of the Grievance Procedure.

ARTICLE 13 - ARBITRATION

13.01

Failing a satisfactory settlement in Step 3 of the Grievance Procedure, it shall be the responsibility of the party desiring arbitration to so inform the other party, in writing, within ten (10) days after the Manager of Human Resources or his/her designates response.

13.02

As provided for in Article 13.01, the party delivering the notice to arbitrate shall indicate in the notice the arbitrator for that grievance from the following list:

Gail Brent
Rick MacDowall
Randy Levinson
John Whitehead

It is understood and agreed that following ratification of this Agreement, arbitrators will be selected in the order they appear on the list above, starting with the top of the list and moving to the bottom in the order that notices to arbitrate are received. In the event that the arbitrator, according to this process, is no longer available (i.e. within six (6) months) to arbitrate, that particular case will be referred to the next arbitrator on the list.

13.03

The decision of the sole arbitrator shall be final and binding upon the parties. The arbitrator shall not be authorized to make any decision inconsistent with the provisions of this Agreement nor to alter, modify or amend any part of this Agreement, nor to adjudicate any matter not specifically assigned to him or her.

13.04

The parties will equally bear the fees and expenses of the sole arbitrator. Any witnesses called by the parties will be at their individual expense.

13.05

Any extension of the time limits contained herein may only be made by mutual consent in writing.

13.06

A grievance which has been disposed of pursuant to the Grievance Procedure provisions of this Article shall not again be made the subject matter of a grievance.

ARTICLE 14 - PERSONAL LEAVE OF ABSENCE

14.01

- a) A personal leave of absence without pay for any valid reason may be granted for a period not to exceed thirty-five (35) working days, at the sole discretion of FTG, unless mutually agreed otherwise, provided such leave does not disturb the efficiency of the employee's work area or the plant.
- b) Application for such leave must be made in writing to the Human Resources Department, at least two (2) months prior to the leave of absence and written approval is to be obtained from the Human Resources Department.
- c) One (1) personal leave of absence per period of three (3) months may be authorized throughout the plant. When two (2) employees request a leave of absence for the same period, the most senior employee will be granted the leave, unless he/she had received a leave of absence in the last twelve (12) month period.
- d) Any employee granted a leave of absence shall be required to utilize any remaining vacation time before commencing any such leave, and they shall use that vacation as part of the said leave. The Plant Chairperson will be given a copy of any approved leave of absence.
- e) The above guidelines may be modified by FTG when the reasons motivating the request of the personal leave are outside the control of the employee or when two employees share the same home.

14.02

Upon an employee's return from a leave of absence, the employee will be reinstated to his/her former classification and shift, if such classification and shift is still available, with the seniority accrued during such leave. If his/her shift is not available, the employee may exercise his/her seniority on another shift in order to remain in his/her classification.

14.03

Any employee with seniority, elected or appointed to a full-time position in the Local Union, National Union, CAW, OFL, CLC elected or appointed to a full time government position will be granted a leave of absence without pay for the length of his/her appointment. During such leave, the employee benefits will cease but seniority will continue to accrue.

14.04

At the request of the Local Union, FTG may in its sole discretion grant a leave of absence to members of the Plant Committee to attend matters not necessarily in direct relation to the plant, subject to receiving notice of at least one (1) week.

14.05

Where approved by a court, FTG agrees to participate in a Temporary Absence Program for those employees who have been convicted of a criminal offense.

14.06

The Chairperson of the Plant Committee shall be granted up to four (4) hours per day to confer with the Local Union or National Union on matters arising from this Agreement, paid for by FTG. Any additional time required by the Plant Chairperson to deal with Union matters must be pre-approved by a Manager or a Supervisor. The Chairperson will receive a leadership premium of \$1.00 per hour to his/her base rate of pay.

Should the other Committeepersons require time as it relates to their responsibilities under this Collective Agreement and this Grievance Procedure, they must obtain prior approval to leave their work from their Manager or Supervisor.

ARTICLE 15 - PUBLIC OFFICE LEAVE OF ABSENCE

15.01

An employee with seniority, elected or appointed to a full time Federal, Provincial, or Local public office, may make written application for and be granted a leave of absence for the period of his/her first two (2) terms of active service in such public office. Thereafter, such leave will be at the sole discretion of FTG upon receipt of a written application from the employee.

15.02

Any employee granted such a leave will be reinstated on the basis of the seniority provisions of this agreement at the then current rate of pay for the position they are granted. Seniority will continue to accumulate during the period of such leave of absence.

15.03

The employee's request for such leave of absence may also include a request to campaign for such office.

ARTICLE 16 - PAID EDUCATION LEAVE

16.01

FTG agrees to pay into a special fund, three cents (\$0.03) per hour per employee for all compensated hours for the purpose of providing paid education leave. Said paid education leave will be for the purpose of upgrading the employee skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a trust fund established by the National Union, CAW, effective from date of ratification and sent by FTG to the following address:

CAW Paid Education Leave Program,
205 Placer Court
Toronto, Ontario M2H 3H9

16.02

FTG further agrees that members of the Bargaining unit, selected by the Union to attend such courses, will be granted a leave of absence without pay for twenty (20) days class time, plus travel time where necessary, said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Employees on said leave of absence will continue to accrue seniority and benefits during such leave.

ARTICLE 17 - SHIFT PREMIUM

17.01

An employee shall receive a shift premium payment of eighty-five cents (\$0.85) for all regular hours worked between 3:00 p.m. and 11:00 p.m. and one dollar and ten cents (\$1.10) for all regular hours worked between 11:00 p.m. and 7:00 a.m.

ARTICLE 18 - REPORTING IN PAY

18.01

In the event that an employee, reports to work on his/her regular shift, without having been previously notified not to report, he/she will be given at least four (4) hours of work at his/her regular hourly rate of pay in his/her own job or other available work, or if no work is available, he/she will be paid the equivalent of four (4) hours at his/her regular hourly rate of pay in lieu of work.

18.02

This Article shall not apply when there is a lack of work due to an Act of God such as fire, flood, power failure, etc.

ARTICLE 19 - CALL IN PAY

19.01

Any employee called back to work after completion of their regular shift shall receive in such instances a minimum of four (4) hours pay based on their regular hourly rate.

19.02

There shall not be no duplication or pyramiding of this premium, nor any other premium provided for in this Agreement unless otherwise provided for.

ARTICLE 20 - INJURY ON THE JOB

20.01

Employees who are injured at work and who are unable to continue at their job shall be paid at their regular earnings for the balance of the shift in which the injury occurred.

ARTICLE 21 - JURY DUTY / CROWN WITNESS

21.01

- a) An employee shall be granted a leave of absence with pay at his/her regular hourly rate, for the normally scheduled number of hours the employee would otherwise have worked, for the purpose of serving jury duty, or if required, as a subpoenaed Crown Witness. The employee will present proof of jury duty or confirmation that he/she has appeared as a subpoenaed Crown Witness, together with documentation showing the amount he/she has received. Thereafter, FTG shall deduct from the pay of the employee the full amount of jury pay or Crown Witness pay received by the employee.
- b) Employees do not have to report for work on those days they are required for jury duty or as a subpoenaed Crown Witness. Furthermore, they are not required to report back to work on that day if they are required past 11:30 a.m.

ARTICLE 22 - BEREAVEMENT

22.01

Employees will, upon request, be granted four (4) normally scheduled working days off with pay to make arrangements for and/or to attend the funeral of a member of their immediate family.

22.02

Immediate family shall mean father, mother, mother-in-law, father-in-law, sister, brother, spouse, (including common-law spouse and same sex spouse) and children of the employee, grandparent, grandchild, step-child, step-parent, step-brother, step-sister, brother-in-law, sister-in-law.

22.03

In the event of the death of an immediate family member while an employee is on an extended leave of absence of 30 days or more, it is understood and agreed that this employee would not be eligible for paid bereavement leave.

ARTICLE 23 - TUITION FEES AND BOOK REFUND

23.01

FTG will reimburse employees for tuition for courses which have been successfully completed and which have been approved previously.

23.02

FTG agrees to pay one hundred percent (100%) of courses and textbooks for any course FTG sends an employee on, including probationary employees.

ARTICLE 24 - LUNCHROOM AND WASHROOM FACILITIES

24.01

Adequate lunchroom and washroom facilities will be provided by FTG and kept in a sanitary condition. Employees will co-operate by observing the simple rules of cleanliness.

ARTICLE 25 - BULLETIN BOARDS

25.01

FTG will supply two (2) bulletin boards, one (1) to be situated in the area of the punch clock and the other in the lunchroom, for the use of the Union. The bulletin board for the lunchroom will be lockable. All notices must be pre-approved by the Human Resources department.

ARTICLE 26 - COPY OF AGREEMENT

26.01

FTG agrees to provide a copy of the Collective Agreement in Booklet form to all employees within sixty (60) days of ratification of the Collective Agreement.

ARTICLE 27 - PREVENTION OF STRIKES AND LOCKOUTS

27.01

FTG and the Union wish to respect the spirit of this Collective Agreement in order to eliminate conflict(s). Consequently, both parties will make constant efforts to support the continuous growth of FTG and its employees.

27.02

FTG and the Union agree to abide by the Ontario Labor Relations Act with respect to strikes and lockouts.

ARTICLE 28 - WAGE RATE STRUCTURE

28.01

FTG will pay employees according to the Wage Rate Structure, which shall be written into the Collective Agreement and form a part of the Collective Agreement.

ARTICLE 29 - PARTIAL OR TOTAL PLANT CLOSURE

29.01

FTG will endeavor to advise the Union at least six (6) months in advance of any contemplated shutdown of operations that will affect the employees, or as soon as it becomes aware of this circumstance. Such notice shall be in writing and indicate the reason for the action.

The Union and FTG will meet immediately to discuss the contemplated shutdown with a view to providing a solution to the problem or jobs for the employees involved.

ADJUSTMENT COMMITTEE

Wherever there is a closure or a sizable permanent layoff, a meeting should be held to discuss the adjustment process.

FTG will participate in a Labour-Management Adjustment Committee and will seek financial assistance from the Industrial Adjustment Service (Federal Government) and the Office of Labour Adjustment (in Ontario).

Every worker who is to be laid off will receive an in-depth (one hour) individual needs assessment conducted on FTG's time, and provided at FTG's expense.

The Bargaining Committee and the Union Representatives on the Adjustment Committee will be provided sufficient training on adjustment and processes as determined by the Bargaining Committee. The training will be conducted on FTG's time and at FTG's expense.

The Company will provide adequate release time to members of the Adjustment Committee to effectively do their jobs.

Adequate space and equipment will be provided by FTG.

Release time will be provided for a Union coordinator to assist in the Centre as well as secretarial assistance as required.

29.02

In the event of a partial or total plant closure, employees will be entitled to severance as follows:

- a) Employees with 10 years seniority or less - one (1) week pay per year of service.
- b) Employees with more than 10 years seniority but less than 20 years - one and one half (1 ½) weeks per year of service.
- c) Employees with 20 or more years of seniority - two (2) weeks pay per year of service.

Group benefits for employees affected by such partial or total plant closure will be continued for a period of three (3) months.

ARTICLE 30 - MOVING LOCATION

30.01

In the event FTG moves any or all of its operation to a new location within 50 kms of Metropolitan Toronto, the employees affected will have the right to transfer to the new location and none of their rights and obligations will be varied.

ARTICLE 31 - HOURS OF WORK AND OVERTIME

31.01

The following paragraphs and sections are intended to define the current hours of work and shall not be construed as a guarantee of hours of work per day or per week.

31.02

The standard work week shall consist of forty (40) hours per week comprised of five (5) eight (8) hour days, Monday through Friday.

31.03

The work day will be the twenty-four (24) hour period beginning the time the employee is scheduled to start work.

31.04

Overtime at the rate of time and one-half (1 ½) the employee's regular hourly rate shall be paid for all work performed in excess of eight (8) hours in a day and for all work performed on Saturday or Sunday, except where Saturday or Sunday is part of the regular work week for the employee.

31.05

Overtime at the rate of two (2) times the employee's regular hourly rate shall be paid for all work performed in excess of twelve (12) hours on any work day.

31.06

FTG agrees to discuss any proposed changes in the schedule for hours of work with the Union prior to implementing any such changes.

31.07

It is FTG's objective to consider employees as business partners as explained in Article 1, and in order to increase their contribution in the development of their Company, Management may invite them to participate on a voluntary basis in meetings and cross-training. Consequently, time spent for activities not related to production work or preventive maintenance will be paid regular time. Where such activities are scheduled outside their regular scheduled shift, it is agreed that employees have the right to refuse to participate in such activities without any consequences. It is also agreed that when Union Representatives are involved in meetings because of their responsibility under this Collective Agreement, they will be paid overtime (1 ½).

31.08

Weekend Worker

- A Weekend Worker will work four (4) consecutive, 10 hour shifts between Thursday and Tuesday.
- The standard shift time for a weekend worker will be from 7am to 5pm.
- Weekend Worker(s) will receive overtime at the rate of one and a half times their regular hourly rate for all work performed in excess of ten (10) hours per day.
- Weekend Worker (s) will be paid accordingly to the Wage Rate Structure.
- The standard shift premiums will not apply to a Weekend Worker.
- New jobs or vacancies for the Weekend Shift will be posted in accordance with Article 10 of this agreement.

ARTICLE 32 - PAID REST PERIOD

32.01

FTG will provide one ten (10) minute paid rest period in the first half of each shift and a thirty (30) minute paid lunch period in each shift.

ARTICLE 33 - OVERTIME DISTRIBUTION

33.01

- a) FTG agrees to make its best efforts to distribute overtime on an equitable basis as practical among those employees who normally perform the required work without training. FTG may schedule any employee to work up to a maximum of forty-eight (48) hours per week. Such overtime shall be voluntary unless FTG is unable to secure sufficient qualified volunteers to meet its requirements.

Except in cases of emergency or circumstances beyond its control, FTG will make every effort to give twenty-four (24) hours notice to employees scheduled to work overtime and four (4) hours notice when scheduled overtime has been cancelled.

- b) FTG will provide a monthly status about the distribution of overtime. Union Representatives will be allowed to get information from the Human Resources Department as needed when an employee has a concern.
- c) Overtime will be distributed equitably amongst employees in the department. When the need arises for overtime to be worked on the weekend, the employee qualified to perform the job with the lowest overtime hours within that department will be offered such overtime. The Company will rotate weekend overtime between the shifts. The Company will maintain within a thirty-six (36) hour variance at any one time within each department.

An employee, who accepts an overtime assignment and then fails to report to work, will be charged double the hours for the purpose of overtime calculation. A standard form will be developed by the Union and the Company for the purpose of overtime distribution. This form will include a space for the employee and/or Committeeperson to sign, which will be considered proof they were asked to work the overtime.

Any offer of overtime that is refused, provided at least 2 hours advance notice was given, will be charged to the employee as overtime worked for the purpose of overtime distribution.

An employee absent when overtime is distributed and who would have been asked to work overtime, will be charged for the hours he/she might have worked for the first 30 calendar days of continuous absence. Upon his/her return to work, he/she will be charged with the average number of overtime hours worked within his/her department during period the employee was absent.

For the purpose of overtime equalization, an employee transferring to another department will be charged the highest overtime hours worked within that department.

The Company will maintain records of all overtime worked and charged. Such records will be updated on a monthly basis. The Plant Chairperson may review these records at any time upon request. The Union will be provided with a copy of such records monthly and they will be posted.

Any overtime variances that exist at the end of each calendar year will be reset to zero and will not be carried forward to the following year.

ARTICLE 34 - UNION REPRESENTATION

34.01

- a) FTG acknowledges the right of the Union to elect or appoint a Plant Committee which may be comprised of the Plant Chairperson, plus three (3) Union Representatives, for a maximum of four (4) representatives (the Plant Chairperson being assigned on the day shift and a Union Representative for each of the first, second and third shift, where such shift exists). These Union Representatives at the time of their election or appointment must have been employees of FTG with seniority.
- b) The duty of the Union Representatives is to represent employees in respect of their concerns, opinions and issues in order to continuously improve employee satisfaction and prevent/resolve disputes. FTG Management members wish to welcome concerns and ideas expressed by the Union Representatives as they are considered business partners and part of the key groups responsible for FTG's performance. It is also recognized that the Union Representatives represent the interest of employees under this agreement as outlined in Article 12.
- c) Where a Union Representative accepts a transfer from his/her area of responsibility, a new person will be elected or appointed to replace that union representative, and the transferred individual will no longer be a member of the Plant Committee.

34.02

The Union will inform the Manager of Human Resources or a member of the Human Resources Department, of the names of the Plant Committee, and of any subsequent change in the names.

34.03

The Union Representative shall be permitted, during working hours, without loss of time or pay, to leave his/her regular duties for a reasonable length of time to investigate and settle grievances as well as deal with matters that could lead to a grievance. The Union Representative will advise his/her supervisor and the other department or employee supervisor of anticipated time to transact such business. Permission to leave work will be granted within a reasonable period of time without undue delay. The Management may need a reasonable period of time to find a replacement. The Committeeperson shall report back to the Supervisor at the time he/she returns to work. For purposes of clarity, "Committeeperson" includes the "Plant Chairperson".

34.04

The members of the Plant Committee will be allowed paid time off the job for the purpose of a discussion under Step 1 of the Grievance Procedure.

ARTICLE 35 - WORK BY SUPERVISORS & STAFF

35.01

- a) Generally speaking, work normally or historically performed by bargaining unit employees, may be assigned to Management/Staff outside the bargaining unit as customer service needs arise.
- b) Without limiting the generality of the above, excluded employees may perform bargaining unit work in the following circumstances:
 - a) in an emergency; or
 - b) in the instruction, training or replacement of employees who have been asked to work overtime and have chosen not to do so;
 - c) in the development of the method of operation;
 - d) in the development of prototypes;
 - e) in the assessment and development of process improvement;
 - f) during break or lunch periods.
- c) In order to prevent disputes, Supervisors and staff members must inform the Plant Chairperson and/or a Union Representative when they have to perform work usually performed by employees covered by this Agreement.

ARTICLE 36 - TRANSFERS

36.01

- a) When Management considers offering an opportunity to an employee to perform a position not covered by this Agreement, the Company will inform the Union Representatives prior to the appointment.
- b) Employees who are or have been appointed or selected for a supervisory position, or for any position not subject to the provision of this agreement, will not be covered by the provisions of this Agreement.
- c) A senior employee transferred or appointed to a position outside the bargaining unit will continue to accrue seniority during his/her trial period for a maximum of thirty (30) working days.
- d) If the employee is transferred back within his/her thirty (30) days trial period, the employee in the plant or department with the least seniority shall be the one replaced.
- e) Employees having been employed only in positions outside the bargaining agreement shall, if subsequently employed on a job covered by this Agreement, be considered new employees for the purpose of seniority.

ARTICLE 37 - TECHNOLOGICAL CHANGE

37.01

When FTG is considering the introduction of significant technological change affecting members of the Bargaining unit, the Union will be notified ninety (90) days in advance of the introduction of such change and kept up to date as new developments arise and modifications are made.

37.02

FTG agrees to provide for a continuing consultation and cooperation with the Union in respect to relocation within the plant and/or retraining its employees who are displaced as a result of the introduction of new technology or modification of new equipment.

37.03

Where any such significant change is introduced, FTG will assume the reasonable cost of on-the-job training to afford affected bargaining unit employees the opportunity to keep current with the technological changes that are affecting their work and job security. All those employees who have the basic knowledge and ability to be trained within a reasonable time frame will be offered this training. Whenever need for training is identified by FTG on the introduction of significant new technology, FTG will then determine the extent of training required, and the method of delivery.

ARTICLE 38 - NEW JOB

38.01

When a new job is created, FTG may assign an employee to such job for a period not to exceed thirty (30) days. It shall be the responsibility of Management to establish a wage rate and classification for such new job within twenty (20) days of commencement of the new job. FTG agrees to discuss with the Committee and provide all such data used to arrive at the new classification and rate. If the Committee and FTG fail to agree on the new rate of classification for such new job, a policy grievance may be filed. The arbitrator will have the authority to set the new wage rate and classification and award redress.

New jobs shall be posted within thirty (30) days of start up, and experience gained as a result of temporary assignment will not be considered as qualification on the posting. The regular job posting procedures will otherwise apply.

ARTICLE 39 - EQUIPMENT AND TOOLS / SKILLED TRADES

39.01

FTG agrees to continue to supply all necessary tools and equipment as per its present practice.

39.02

FTG agrees to maintain its present practice regarding tools and subsidies to trades persons.

39.03

FTG agrees to consult with qualified trades persons on the purchase of such tools and equipment.

ARTICLE 40 - PROTECTIVE CLOTHING

40.01

Upon a seniority employee providing a receipt, FTG will provide one hundred and twenty dollars (\$120.00) per calendar year towards the cost of safety shoes where such shoes are required by FTG. Where the required safety shoes have become non functional for work-related reasons, FTG will provide a second pair per year.

40.02

FTG will provide smocks on a "need to" basis to operators that are not required to wear protective clothing. Smocks that are worn or damaged must be returned to FTG prior to the issue of new smocks.

40.03

FTG will provide uniforms consisting of shirts and pants to those employees working in Maintenance and work stations with hazardous chemicals. Each of those employees will be provided with an inventory of eight (8) shirts and eight (8) pants. FTG will arrange for weekly cleaning of uniforms. It is agreed that FTG will provide the employees working in the Maintenance Department with one (1) additional uniform.

ARTICLE 41 - NEW EMPLOYEE ORIENTATION

41.01

FTG agrees the Union Representative will be given an opportunity to interview each new employee within regular working hours with no loss of pay, for a maximum of ten (10) minutes sometime during the first thirty (30) days of employment for the purpose of acquainting the new employees with the benefits and duties of Union Membership and the employees responsibilities and obligations to the employer and the Union.

41.02

The employer agrees to acquaint new employees with the fact that a Collective Agreement is in effect and with the conditions of employment set out in the articles dealing with Union Security dues Check-off. A new employee shall be advised of the name and location of his/her Union Representative.

ARTICLE 42 - SUPPORT & DISCIPLINE

42.01

As outlined in previous Articles of this Agreement, employees are expected to provide a satisfactory performance by making efforts in order to support the continuous improvement of their Company. FTG is committed in providing assistance to its employees that may help to improve their performance.

42.02

Management and Supervisors will always use first a support process in order to obtain satisfactory performance from all employees. In trying to identify causes and solutions when an employee is not providing a satisfactory performance, Management and Supervisors will invite Union Representatives to participate in the development of an action plan for the employee.

42.03

It is agreed that when an employee has been identified as providing an unsatisfactory attendance, he/she will be informed through his/her action plan that he/she will not be paid overtime when not completing forty (40) hours of work in his/her standard work week until he/she has shown a satisfactory improvement and his/her attendance is equivalent to the rest of the employees. It is agreed that when the application of this Article seems to be unfair and unreasonable, the employee or the Union Representative may grieve under Article 12.

42.04

When the action plan developed during the support process has not been successful and the employee has not demonstrated a satisfactory improvement, Supervisors will use a disciplinary process.

42.05

When an employee is to receive a disciplinary action, the Plant Chairperson and his/her Union Representative will be invited to the meeting. A copy of any written discipline will be given to each participant in the meeting.

42.06

An employee who has been discharged shall have the right to interview his/her Union Representative in a suitable place for a reasonable period of time before leaving the plant, unless the continued presence of that employee poses a danger to the facility or any of its employees.

42.07

No written disciplinary action will be used against an employee for a period longer than twelve (12) months. A claim by an employee who has completed the probationary period that he/she has been disciplined without just cause will be treated as a grievance as described in Step 3 of the Grievance Procedure (Article 12).

ARTICLE 43 - HEALTH AND SAFETY

43.01

FTG will make adequate provisions for the health and safety of all employees during the hours of employment.

43.02

FTG will make every effort to comply in a timely manner with all applicable legislation pertaining to occupational health and safety.

43.03

FTG and the Union jointly agree to promote measures to ensure the health and safety of all employees.

43.04

The parties agree to set up a Health and Safety Committee comprised of three (3) members selected by the Union and three (3) members representing and selected by FTG. This Committee will continue to function as set out in the "Occupational Health and Safety Act" on December 1, 1996.

43.05

FTG will pay for the certification of one (1) member of the Health and Safety Committee during the life of this Agreement, or for comparable training if certification is no longer required and this individual will be elected by the Bargaining unit.

43.06

FTG will pay for a hearing test for employees working in areas where the noise level is 85 decibels or greater.

ARTICLE 44 - VACATION

44.01

- a) Each employee with less than one (1) year seniority will receive 4% of their gross earnings.
- b) One (1) year but less than five (5) years seniority, two (2) weeks vacation with 4% of their gross earnings.
- c) Five (5) years seniority but less than ten (10) years seniority, three (3) weeks vacation with 6% of their gross earnings.
- d) Greater than ten (10) years seniority, four (4) weeks vacation with 8% of their gross earnings.
- e) Greater than twenty (20) years seniority, five (5) weeks vacation with 10% of their gross earnings.

- f) It is understood that the methodology of calculation for vacation pay cannot cause an employee to receive less than his/her vacation entitlement.
- g) When an employee has been laid-off but has completed ten (10) months of work during his/her vacation year, he/she will receive the applicable % of their gross earnings, or the equivalent in number of days, whichever is greater.
- h) Employees who were off work due to involuntary circumstances such as:
 - an employee who has been on short and long-term disability;
 - an employee who has been on maternity leave;
 - an employee who has been injured through an accident

will receive their vacation entitlement in line with their seniority.

44.02

It will be mandatory for an employee to take his/her first two (2) weeks of vacation within the twelve (12) month vacation period. Any additional vacation shall be taken within the same vacation year or the employee may decide to forego any additional vacation, and instead, receive only their vacation pay.

44.03

The term "total earnings" does not include the previous year's vacation pay.

44.04

The vacation year shall run from July 1st, to June 30th.

44.05

A vacation calendar will be posted from April 1st through April 30th for eligible employees to indicate their vacation preference. Vacation time will be granted according to each employee's preference and department seniority status consistent with the efficient operation of the department. Company response will be provided by May 31st. Vacations will be granted on a "first come, first served" basis to those employees who have not indicated their preference prior to April 30th.

ARTICLE 45 - HOLIDAY PAY PLAN

45.01

For the purpose of this agreement the following are paid holidays:

- | | |
|---------------|------------------------|
| New Years Day | Thanksgiving |
| Family Day | ½ Day on Christmas Eve |
| Good Friday | Christmas Day |
| Victoria Day | Boxing Day |
| Canada Day | New Years Eve |
| Civic Day | |
| Labour Day | |

All holidays shall be set out in the Agreement and shall be celebrated on a regular work day, Monday through Friday.

45.02

An employee will receive holiday pay providing he/she works his/her last scheduled shift preceding the holiday and his/her first scheduled shift immediately following the holiday unless the absence is due to a satisfactory reason or unless the employee has been laid off within 15 days prior to the holiday.

45.03

Employees who are requested to work on such holidays shall be paid two (2) times the regular hourly rate for all hours worked plus holiday pay.

ARTICLE 46 - BENEFITS

46.01

FTG agrees to maintain its current benefit program for the duration of the Collective Agreement, with the following exceptions:

- a) Dental plan examinations will be every nine (9) months.
- b) Physiotherapy - a cap of \$500.00 for physiotherapy treatment when the needs arise out of an auto accident.
- c) Prescription drugs - the coverage for prescription drugs will require substitution of generic drugs for proprietary drugs where available, unless the doctor specifies a proprietary drug.
- d) The maximum benefit for eye examinations, when performed by a qualified optometrist, is \$75 in any period of 12 consecutive months.
- e) Vision Care - \$170.00 every 12 months for dependant children under the age of 19. All others \$200.00 every 24 months.
- f) Effective August 1, 2011, the 2008 Ontario Dental Fee Guide will apply. On August 1, 2012, the 2009 Ontario Dental Fee Guide will apply. On August 1, 2013, the 2010 Ontario Dental Fee Guide will apply.
- g) All other dental expenses as outlined in the benefit booklet - \$1,150.00 per calendar year.
- h) Hearing Aids - \$800.00 every five (5) years.
- i) Chiropractic - \$25.00 per visit to a maximum of \$620.00 per benefit year.
- j) A 1/1/5/26 Weekly Indemnity Plan with an EI carve out and an EI maximum benefit.
- k) Orthodontic Treatment - \$1,500 lifetime.
- l) Dispensing Fee Limit - \$9.00
- m) Private Duty Nursing - capped at \$10,000.00 per benefit year but not to exceed \$25,000.00 over 3 years.
- n) Custom or compression hose - capped at \$200.00 per benefit year.
- o) Custom-fitted Orthopedic Shoes - \$550.00 per calendar year; Custom-made foot orthotics - \$375 per calendar year. **NOTE: Only one of these will be reimbursed in the same calendar year.**

FTG will supply a brochure summarizing any FTG - paid benefits.

ARTICLE 47 - WAGES

47.01

See "Wage Rate Structure" schedule.

47.02

An employee, who has been a former employee at FTG, may be hired at the six (6) month or twenty-four (24) month rate of pay, depending on his/her experience.

47.03

An employee who has been laid-off will have to accumulate:

- 1000 hours to receive the six (6) month rate of pay
- 3500 hours to receive the twenty-four (24) month rate of pay
- 5000 hours to receive the thirty-six (36) month rate of pay

ARTICLE 48 - PAY EQUITY

48.01

The Union and FTG agree the existing Pay Equity Plan meets the requirements of the legislation.

ARTICLE 49 - NATIONAL DAY OF MOURNING

49.01

FTG agrees to allow employees one (1) minute of silence at 11:00 a.m. on April 28th of each year in observance of those workers killed on the job.

ARTICLE 50 - DURATION OF AGREEMENT

50.01

This Agreement shall become effective on the eighth day of July, 2011 and shall continue in effect up to and including July 7, 2014.

50.02

Either party desiring to renew or amend this Agreement may give notice in writing of its intentions during the last ninety (90) days of the operation of this Agreement.

50.03

If notice of intention to renew or amend is given by either party pursuant to the provisions of Article 50.02, such negotiations shall commence not later than fifteen (15) days after such notice is given, or soon thereafter as is mutually agreeable.

July 8, 2011

LETTER OF UNDERSTANDING NO. 1
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA
AND IT'S LOCAL 124

RE: RISING COSTS OF GROUP BENEFITS

During the 2011 negotiations, the parties agreed to reopen the negotiation of the Group Medical, Dental and Life Insurance Benefit Plan should the cost of maintaining these benefits continue to rise at the next Group Benefit Contract renewal in April 2012.

The objective of reopening the negotiation of the Group Benefits will be to find a solution(s) to contain the rising costs of the Group Medical, Dental and Life Insurance Benefit Plan.

July 8, 2011

LETTER OF UNDERSTANDING NO. 2
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA
AND IT'S LOCAL 124

**RE: ARTICLE 10 - HUMAN RESOURCES PLANNING, TRAINING & JOB
POSTING**

The parties have agreed to the following letter of understanding to enhance the provisions of article 10.02 as follows:

During the 2006 negotiations, the parties discussed their mutual desire to offer increased cross training at FTG. In that spirit, they have agreed to post a list of cross training opportunities and thereby permit employees to volunteer for cross training after they have learned all of the functions within their own classification/department. During this process the parties will make all employees aware of the importance that cross training could play in their future job security in the face of future lay offs.

July 8, 2011

LETTER OF UNDERSTANDING NO. 3
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA
AND IT'S LOCAL 124

RE: ARTICLE 46 - BENEFITS

The parties have agreed to the following letter of understanding:

During the 2003 negotiations the parties had extensive discussions regarding the escalating cost of drug benefits. They agreed that a revised approach to the formulary would be an important step towards controlling those costs. As a result, it was agreed that during the three (3) month period immediately following ratification the parties would meet, review and arrive at a mutually acceptable revised formulary. The principle goal of this revision will be to control the introduction of new drugs based on an independent review. In addition, the parties recognized the need to implement reasonable restrictions on the prescribing of drugs that could be obtained over the counter and an acceptable cap based upon the average dispensing fees in the Greater Toronto Area. It is expected that these modifications would go a long ways towards achieving the goal of slowing the rise in drug costs under the benefit program. Furthermore, it is not intended that the employees currently in receipt of drugs not covered by the revised formulary would be negatively affected by any future changes in the formulary.

July 8, 2011

LETTER OF UNDERSTANDING NO. 4
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA
AND IT'S LOCAL 124

The parties have agreed to the following letter of understanding:

"ENVIRONMENTAL BONUS"

During the 2011 negotiations, the parties agreed that the Environmental bonus would be capped at \$0.25 per hour for the following areas: Develop/Etch/Strip, Electroless/Plasma, Strip/Etch/Strip, HASL, Multi-Bond, Solder Mask Coating, Inner Layer Prep, Solder Mask Prep, Outer Layer Prep, Micro-Sections, Nickel/Gold Finger Plating, Copper/Tin/Tin Lead and Screening. Furthermore, the parties agreed that an independent review would take place during the life of the agreement to determine whether it was appropriate to continue this bonus.

July 8, 2011

LETTER OF UNDERSTANDING NO. 5
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA
AND IT'S LOCAL 124

RE: Lump Sum Payments

Notwithstanding the salary ranges established in Article 47, employees, whose wage rate match or exceed the ranges outlined, will maintain their current rate and will receive a quarterly lump sum of \$416.00 during the first (1st) year of this agreement. Employees, who still exceed the maximum wage rate in the second (2nd) and third (3rd) year of this agreement, will receive a quarterly lump sum based on the hourly rate increase given to all other production employees. (\$182.00 in 2nd year and \$156.00 in 3rd year)

If an employee receives an increase in their hourly rate that is inferior to the quarterly lump sum, he/she will receive the difference as a quarterly lump sum.

July 8, 2011

LETTER OF UNDERSTANDING NO. 6
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

RE: ARTICLE 8 - LAYOFF AND RECALL

Within the Maintenance Department of Firan Technology Group, we currently have a Group 4 Classification for Unlicensed Mechanics and a Group 5 Classification for Licensed Mechanics.

It is understood and agreed by both parties that should the need to layoff arise within this department, licensed Mechanics shall be retained in the employ of Firan Technology Group, notwithstanding their position on the seniority list. A licensed Mechanic shall hold a Certificate of Qualification pursuant to the Trades Qualification and Apprenticeship Act.

In the event of a layoff, the Unlicensed Mechanics will be laid off in accordance with the seniority provisions of the Collective Agreement.

July 8, 2011

LETTER OF UNDERSTANDING NO. 7
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

RE: TWO (2) MINUTE GRACE PERIOD

Employees who are two (2) minutes or less late for work will not receive a financial penalty.

Employees are responsible for being punctual in their work habits and are expected to be at their work station on time.

Repeated tardiness is not acceptable and may lead to disciplinary action.

July 8, 2011

LETTER OF UNDERSTANDING NO. 8
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

Re: Medical Notes

Where the Company requires an additional medical report, following receipt of an initial report from an employee, the Company will pay the reasonable cost of such report.

July 8, 2011

LETTER OF UNDERSTANDING NO. 9

Between

FTG, CIRCUITS DIVISION

And

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

Re: Facility Cleaner

During the negotiations for the renewal of this Collective Agreement, the parties discussed the position of Facility Cleaner. Without prejudice, the Company indicated it would be reintroducing a full time Facility Cleaner that will be covered under the Collective Agreement.

July 8, 2011

LETTER OF UNDERSTANDING NO. 11
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

Re: Clean Layers/Pumice

During the negotiations for the renewal of this Collective Agreement, the parties discussed the current position of Clean Layers/Pumice and agreed they should be listed separately. Furthermore, it was agreed to rename these positions as Outer Layer Prep and Solder Mask Prep respectively.

July 8, 2011

LETTER OF UNDERSTANDING NO. 12
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

Re: Plant Closure

The Company agrees to make every reasonable effort to give six (6) months notice of plant closure. The Company agrees to meet with the Union Plant Committee at that time to negotiate a closure agreement for the members of the Bargaining Unit.

July 8, 2011

LETTER OF UNDERSTANDING NO. 13
Between
FTG, CIRCUITS DIVISION
And
NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS UNION OF CANADA

Re: RRSP Contribution

The parties have agreed to the following letter of understanding:

The Company will make a contribution into an RRSP Plan for all active bargaining unit employees that have successfully completed their probationary period. It is further understood that all bargaining unit employees will be required to make an identical contribution to be paid into this RRSP Plan through the Company and will be divided appropriately by pay check. Contributions by both the Company and Employee as follows:

- Year 1 - \$225.00
- Year 2 - \$275.00
- Year 3 - \$325.00

Wage Rate Structure

(Applicable to employees with 3 years or more of service as of July 8, 2011)

Wage Rate on July 7, 2011	Wage Rate on July 8, 2011	Wage Rate on July 8, 2012	Wage Rate on July 8, 2013
\$15.50	\$16.30	\$16.65	\$16.95

Wage Rate Structure for Maintenance (Unlicensed)

Wage Rate on July 7, 2011	Wage Rate on July 8, 2011	Wage Rate on July 8, 2012	Wage Rate on July 8, 2013
\$24.35	\$25.15	\$25.90	\$26.60

Wage Rate Structure for Maintenance (Licensed)

Wage Rate on July 7, 2011	Wage Rate on July 8, 2011	Wage Rate on July 8, 2012	Wage Rate on July 8, 2013
\$25.85	\$27.02	\$28.17	\$29.32

Wage Rate Structure for a Certified CNC Operator (Grade 1)

Wage Rate on July 7, 2011	Wage Rate on July 8, 2011	Wage Rate on July 8, 2012	Wage Rate on July 8, 2013
\$19.50	\$20.60	\$21.60	\$22.60

Wage Rate Structure for a Certified CNC Operator (Grade 2)

Wage Rate on July 7, 2011	Wage Rate on July 8, 2011	Wage Rate on July 8, 2012	Wage Rate on July 8, 2013
\$17.50	\$18.60	\$19.60	\$20.60

****The scales below apply to employees with less than 3 years of service*

Wage Rate Structure for New Operators

Date	Trainee Rate	6 Month Rate	12 Month Rate	18 Month Rate	24 Month Rate	36 Month Rate
07/08/11	\$13.30	\$13.80	\$14.30	\$14.80	\$15.30	\$16.30
07/08/12	\$13.65	\$14.15	\$14.65	\$15.15	\$15.65	\$16.65
07/08/13	\$13.95	\$14.45	\$14.95	\$15.45	\$15.95	\$16.95

Wage Rate Structure for Maintenance (Unlicensed)

Date	Trainee Rate	6 Month Rate	12 Month Rate	18 Month Rate	24 Month Rate	36 Month Rate
07/08/11	\$20.15	\$21.15	\$22.15	\$23.15	\$24.15	\$25.15
07/08/12	\$20.90	\$21.90	\$22.90	\$23.90	\$24.90	\$25.90
07/08/13	\$21.60	\$22.60	\$23.60	\$24.60	\$25.60	\$26.60

Wage Rate Structure for Maintenance (Licensed)

Date	Trainee Rate	6 Month Rate	12 Month Rate	18 Month Rate	24 Month Rate	36 Month Rate
07/08/11	\$22.02	\$23.02	\$24.02	\$25.02	\$26.02	\$27.02
07/08/12	\$23.17	\$24.17	\$25.17	\$26.17	\$27.17	\$28.17
07/08/13	\$24.32	\$25.32	\$26.32	\$27.32	\$28.32	\$29.32

****The scales below apply to employees with less than 3 years of service*

Wage Rate Structure for CNC Operator (Grade 1)

Date	Trainee Rate	6 Month Rate	12 Month Rate	18 Month Rate	24 Month Rate	36 Month Rate
07/08/11	\$15.60	\$16.60	\$17.60	\$18.60	\$19.60	\$20.60
07/08/12	\$16.60	\$17.60	\$18.60	\$19.60	\$20.60	\$21.60
07/08/13	\$17.60	\$18.60	\$19.60	\$20.60	\$21.60	\$22.60

Wage Rate Structure for CNC Operator (Grade 2)

Date	Trainee Rate	6 Month Rate	12 Month Rate	18 Month Rate	24 Month Rate	36 Month Rate
07/08/11	\$13.60	\$14.60	\$15.60	\$16.60	\$17.60	\$18.60
07/08/12	\$14.60	\$15.60	\$16.60	\$17.60	\$18.60	\$19.60
07/08/13	\$15.60	\$16.60	\$17.60	\$18.60	\$19.60	\$20.60