

COLLECTIVE AGREEMENT

BETWEEN

**CASCADES FINE PAPER GROUP
THUNDER BAY INC.**

AND THE

**COMMUNICATIONS, ENERGY, AND
PAPERWORKERS UNION**

LOCAL 279

November 1, 2002 - October 31, 2006

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INTRODUCTION

The general purpose of this agreement is to establish mutually satisfactory relations between the Company and its employees, to provide machinery for the prompt and equitable disposition of grievances, to establish and maintain satisfactory working conditions, hours and wages for the employees who are subject to the provisions of the agreement.

The mutual interest of employer and employee is recognized by this agreement for the operation of the entire plant under methods that will promote, to the fullest extent, safety to the employee, economy of operation and quality and quantity of output, cleanliness of plant and protection of property; and it is recognized by this agreement to be the duty of the parties to this agreement and of all employees to cooperate fully, individually and collectively for the advancement of these conditions.

1 PARTIES

1.1 This Agreement is between Cascades Fine Paper Group Thunder Bay Inc. referred to herein as the Company, and the Communications, Energy and Paperworkers Union, C.L.C., and its Local 279, referred to herein as the Union, covering the Cascades Fine Paper Group Thunder Bay Inc. mill located at Thunder Bay, Ontario.

2 UNION RECOGNITION

2.1 Cascades Fine Paper Group Thunder Bay Inc. recognizes the Communications, Energy, and Paperworkers Union as the exclusive bargaining agent for the employees under its jurisdiction.

2.2 Cascades Fine Paper Group Thunder Bay Inc. recognizes the Communications, Energy, and Paperworkers Union as the sole bargaining agent for all employees under their jurisdiction engaged in the operation, maintenance, repair and installation of electronics and metering equipment. Should any disagreement arise, it will be discussed with Management and the Union concerned.

3 UNION SECURITY

3.1 The Company, when hiring new employees, shall give preference to members of the Union.

3.2 All employees whose rates are fixed by this Agreement shall become members of their respective Local Union within fifteen (15) days after entering the Company's employ and shall be so instructed by the Human Resources Department and shall maintain membership in good standing and shall, upon hiring, sign a Union

deduction card for monthly dues at the Human Resources Department for the respective Union concerned.

- 3.3 The payroll deduction authorization for monthly dues will become effective fifteen (15) days after the employee starts to work.
- 3.4 In consideration of this deduction and forwarding service by the Company, the Union agrees to save the Company harmless against any claim or liability arising out of or resulting from the collection and forwarding of these dues.
- 3.5 All new employees shall serve a probationary period of ninety (90) worked days during which period the Union shall represent such employees in every capacity except as to discharge.

4 JURISDICTION

- 4.1 No employee is to be required to become a member of more than one Union. Questions of jurisdiction shall conform to the regulations covering such matters as fixed by the Canadian Labour Congress and the Company will not be asked to act upon any matters of jurisdiction between Unions. However, when the respective Unions are unable to agree on the Union a man is required to join, then the Company will specify the Union in which they will recognize the specific position, and shall consider him a member of that Union until such time as the respective Unions agree.
- 4.2 The Company recognizes the jurisdiction of individual Local Unions in the mill. For the purposes of the efficient utilization of manpower, the Company can temporarily assign an employee to any mill department.
- 4.3 Members of C.E.P. Local 279 will have primary responsibility for operating equipment in the Paper Mill, Groundwood Mill and Pulp Mill. It will also have primary responsibility for mechanical maintenance and repair work throughout the mill, except for work contracted out.

Members of O. & P.E.I.U. Local 236 will have primary responsibility for the clerical and general office functions throughout the mill.

Members of I.U.O.E. Local 865 will have primary responsibility for the installation, operation, maintenance and repair of air compressors, combustion heating, steam generators, water and fuel systems and related equipment.

Members of I.B.E.W. Local 1565 will have primary responsibility for the installation, operation, maintenance and repair of all electrical and electronic equipment and communication equipment which is owned by the Company and operated by mill personnel.

To maintain efficiency of the mill, the Company maintains the right to assign any employee to a temporary task provided the employee has the necessary skills to do the job safely.

Operators are permitted to make adjustments to the equipment under their control, which is not considered to be maintenance or repair work. Notwithstanding the above, operating and maintenance employees will assist one another.

The purpose of this agreement is not to make tradesmen production workers and vice versa.

All parties agree in good faith to identify and resolve perceived abuses of the intent of this clause.

The Communications, Energy and Paperworkers Union Local 279 will commit to promote and practice flexibility and polyvalency in regards to jobs.

5 CONTRACTING OUT

5.1 The Company will not contract out work that is regularly performed by the crews for which crews are available and which employees are capable of doing. The Company will advise the Unions of its intention to contract out prior to the final agreement being reached with a contractor.

6 INTERRUPTION OF WORK

6.1 No strikes or lockouts shall occur during the life of this agreement.

6.2 Prior to a legal strike, the parties shall meet to discuss procedures to ensure the essential services and complete security of the mill property and facilities. With implementation and continuance of the above, insurance benefits, excluding Weekly Indemnity and Long Term Disability Benefits, will be maintained subject to the employees or the Union paying the full cost of such coverage upon return to work. Weekly Indemnity and Long Term Disability Benefits being paid at the commencement of a strike, supported by proper medical evidence when requested, will be continued.

7 PROMOTIONS & TRANSFERS

7.1 When vacancies occur in a department, then the Company shall post on bulletin boards throughout the mill a notice concerning the bottom job in the department affected. Such notice shall indicate the qualifications essential to promotion within that department. Such posting shall be for a period of ten (10) working days and the Company shall have the right to make a temporary appointment without penalty. In all cases of promotion, the Company will give consideration to

seniority, ability and qualifications. When the last two factors are relatively equal, seniority will govern.

- 7.2 In cases of promotion where the man to be promoted is not the senior man in the department concerned, the Company will present the alternative name to the Union, who will have the opportunity to discuss with the Company the qualifications of the senior man. The Company shall take such presentation into consideration in making its decision, which decision may be subject to the grievance procedure outlined in Article 33 of this Agreement.
- 7.3 When transferring employees, either permanently or temporarily, such employees will be paid at the rate that is attached to the position to which they are transferred.
- 7.4 A successful applicant for a job posting will not be permitted to apply for subsequent job postings for a period of eighteen (18) months from the date of engagement in the newly posted position, except when there are new postings for the Trades Apprenticeship Plan.
- 7.5 If a promotion or transfer resulted from a job posting, job seniority will date from the date that the employee was accepted for the posted opening. If he is not capable of performing his new work satisfactorily, or he requests to revert to his former job, for a valid reason, he shall within six (6) months be returned to his former job without loss of seniority. In the event that the successful applicant to a job posting is returned to his former position as described above, the next most qualified applicant on the original job posting will be awarded the job.
- 7.6 Any employee accepting a promotion to a permanent position within the Company, over which the Union has no jurisdiction, may be returned, by the Company or at his own request, to his former position within six (6) months and shall have all his former standing re-established providing he pays six (6) months of regular established Union dues.
- 7.7 Job freezing will not be allowed in line of progression except when an employee is not capable of performing the duties of a higher position or for health reasons supported by medical documentation.
- 7.8 Vacancies that occur after the weekly crew list has been posted will be filled by moving up on shift. However, when this procedure cannot be followed, moves will be made up the line of progression in accordance with departmental seniority.
- 7.9 The purpose of spare postings is to provide relief coverage for employees with permanent postings in the department. Employees in spare positions may therefore be placed on varying shift schedules so as to most effectively and efficiently provide such relief coverage. The senior posted spare will have the least fluctuation to a regular schedule. It is the intent of the parties that the

purpose of spare postings is not to have junior employees working ahead of senior employees.

- 7.10 Posted spares will be assigned to the department in which they hold a spare posting and this will be their home department. The employee will be assigned work in accordance with his/her qualifications and mill seniority and the needs of the operation if sufficient work is not available in their department. Except in the event of a department shutdown resulting in permanent layoffs from the department, in which case such permanent layoffs will take place in accordance with the Collective Agreement.
- 7.11 Each department shall have posted spares that will fill into the bottom job in the department when a vacancy occurs. Spares will be posted as per Article 7.1 and 7.2 of this article. Where an established line of progression is established in a department and a position opens, people move up the line of progression and the senior posted spare will fill and become the permanent job holder in the bottom of the line of progression, and the spare position will be reposted. The number of spares will be adjusted as per the needs of the operations.

8 LAY-OFFS

- 8.1 When laying off help, Union men shall be retained in preference to those not members. Among equally efficient employees, the older in point of service will be given preference of employment.
- 8.2 In cases of lay-offs, plant wide seniority, with due regard to jurisdiction of each of the signatory unions, shall apply. In making transfers under this rule it is understood and agreed that in moving between departments, the senior man must have the necessary qualifications to enter the department and shall have access only to the bottom job in the line of progression in the department to which he is being transferred.
- 8.3 If the number of senior employees involved in a permanent lay-off exceeds the number of junior employees holding bottom jobs in the lines of progression, the Company, if requested by the Union, will locate other job openings in jobs held by junior employees above the bottom jobs so as to assure continued employment for senior employees. Training will be given, if necessary, to the senior employees.
- 8.4 When employees are laid off, they shall be recalled in the reverse order of their lay-off, provided that:
- (a) they report to work within five (5) days of having been contacted by telephone or by registered mail of recall, Saturdays, Sundays and Statutory Holidays named in this Agreement excluded;

- (b) they have not been on layoff for more than two (2) years, and
- (c) they keep the Company notified of their current addresses and telephone numbers.

8.5 An employee will lose his employment status if the employee:

- (a) quits voluntarily;
- (b) is terminated for cause;
- (c) is on layoff in excess of two (2) years; and
- (d) is recalled and does not report for work in accordance with Article 8.4(a).

9 JOB SECURITY

9.1 The Company and the Union recognize that technological change, automation, changes in methods of process and reduction of the workforce have an impact on employees.

The Company is, therefore, prepared to make the following commitment. Immediately following a public announcement by the Company of its intention to proceed with a major project or lay-off (for reasons other than market conditions) affecting the employment status of permanent employees, the Company will meet with the Union to discuss:

- (a) Special early retirement provisions;

and will implement;

- (b) Freeze on the hiring of permanent employees;
- (c) Retraining;
- (d) Transfers to other job vacancies;
- (e) Exercise of the bumping provisions of Agreement;
- (f) Attrition (death, retirement, voluntary resignation, discharge for cause).

10 SEVERANCE PAY

10.1 A permanent employee with at least one year's continuous service who is laid off due to job elimination by Management decision for such causes as more efficient operation, change or elimination of a process, lack of orders, shall be paid Severance Pay. Severance Pay shall not be paid due to job elimination for such causes as fire, flood, explosion or "Act of God". Severance pay shall be paid in accordance with the following:

- (a) Severance Pay shall be one week's pay for each year of an employee's last full period of service without interruption due to lack of work. Severance Pay will not be paid to employees who resign or are discharged. One-half of this severance pay is payable after the employee has been laid off due to job elimination for a period of six (6) weeks. The second half of the severance pay is payable after the employee has been laid off a total of three (3) months.
- (b) If recalled to work before the Severance Pay payment is payable, no such payment will be made. Any employee refusing a recall shall forfeit his right to Severance Pay.
- (c) If an employee is recalled after having received all of the Severance Pay due him, he will, as of the date of return, commence a new period of accumulation which will be credited toward any future lay-off.
- (d) If an employee is recalled after having received half of the Severance Pay due him, he will, upon return to work, retain the right to the unpaid portion which will be added to any new accumulation of Severance Pay.

11 TECHNOLOGICAL CHANGE

- 11.1 The Company undertakes to advise and to discuss with the Union in advance as far as is possible any technological changes which the Company has decided to introduce which will result in significant changes in the employment status of employees.
- 11.2 The Company agrees to discuss with the Union the effect of such technological changes on the employment status of employees and to consider practical ways and means of minimizing the adverse effect on employees displaced by such changes. Such measures as early retirement, retraining and transfers to other existing jobs will be considered.
- 11.3 If a permanent employee with one year's continuous employment is set back to a lower paid job due to job elimination under conditions set forth above, he shall retain the rate of the permanent payroll position for an initial period of six (6) months. For an additional period of six (6) months an adjusted rate will be established midway between this rate and the rate for his new job for each workweek. At the end of the twelve (12) month period the rate for the job to which he is assigned will apply. Seasonal or temporary employees are not covered by this clause.
- 11.4 A permanent employee with one year's continuous service who will be laid off due to job elimination under conditions set forth above will be given notice of the impending change in employment status at the earliest possible time in keeping with the notification of the Union as set forth in 11.1 above.

12 PAPER MILL SCHEDULE

- 12.1 The normal scheduled operation of the Paper Mill will be continuous for seven (7) days per week except for scheduled shutdowns as considered necessary by the Company. The workweek shall commence at 8:00 a.m. Sunday.

13 PULP MILL SCHEDULE

- 13.1 The normal scheduled operation of the Pulp Mill will be continuous for seven (7) days per week except for scheduled shutdowns as considered necessary by the Company. The workweek shall commence at 8:00 a.m. Sunday
- 13.2 When paper machines are operated less than seven (7) days per week and when deemed necessary by the Company to provide stock to keep the paper mill running, or to provide experimental pulps for use in our mills, pulp mills shall operate Sunday. The company will take effective measures to reduce hours required for maintenance and other work on Sundays and paid Statutory Holidays by improved planning and scheduling.

14 HOURS OF WORK

- 14.1 Normal hours of employment for Day Workers covered in the attached schedule shall be eight (8) hours per day, or such hours that are mutually defined. Day Workers shall be at their respective places to begin work at the hour required for each individual department and shall remain in their places until the corresponding hour for stopping in that particular department.
- 14.2 When a Day Worker is required to carry on through all or part of his lunch period, he shall take the full lunch period from the time the job is completed.
- 14.3 The foregoing applies only to Day Workers who occasionally are required to work through their lunch period. The regular hours of work for Day Workers shall be from 8:00 a.m. to 4:00 p.m., with one fifteen (15) minute paid rest period in the morning and a thirty (30) minute paid lunch break.
- 14.4 Normal hours for Day Workers shall not exceed forty (40) hours per week, or such hours that are mutually defined.
- 14.5 (a) The schedule of hours for Tour Workers and hours when tours shall change shall be 8:00 a.m. to 4:00 p.m.; 4:00 p.m. to 12:00 midnight and 12:00 midnight to 8:00 a.m. or as mutually agreed.
- (b) Shifts shall be arranged to suit the running schedule of the mill and to avoid any interruptions in normal operations. It is agreed that in some cases it is

necessary to effect an "average " workweek. The word "average" shall mean the workweek schedule to be agreed upon.

- 14.6 Normal hours of employment for Tour Workers shall not exceed forty (40) hours per week, except as mutually defined.
- 14.7 For emergency shutdowns of twenty-four (24) hours or less (includes the shift in which the shutdown occurs and the two shifts following) and all normal shutdowns occasioned by normal clean-up, clothing changes and scheduled normal maintenance, operating crews will be provided with work and will be paid at the rate of their regular occupation. Employees will be expected to do work assigned. Tour workers may be scheduled to work with day crews during these shutdowns and if so scheduled will work day work hours.

15 PREMIUM PAY - DAY WORKERS

- 15.1 Time and one-half shall be paid for all hours worked between 8:00 a.m. Sunday and 8:00 a.m. Monday. Work done in excess of eight (8) hours on Sunday will be paid for at the rate of double time.
- 15.2 Work done in excess of eight (8) hours in any weekday shall be paid for at the rate of time and one-half.
- 15.3 A Day Worker who, on the completion of a shift, is called in during the hours from 4:00 p.m. to 7:00 a.m., shall be guaranteed a minimum of four (4) hours' pay and shall perform only that emergency work that required the call-in. If, upon completion of the emergency work that necessitated the call-in, the employee is required by the Company to perform any subsequent additional work, it shall be treated as an added call-in. The employee shall clock out and clock back in between such call-ins. When a Day Worker is called in on a breakdown before 7:00 a.m. and continues to work on that breakdown after his normal starting time, the time and one-half rate will apply to the completion of the job. If called in between 7:00 a.m. and 8:00 a.m., he shall receive time and one-half for the period worked.
- 15.4 A Day Worker called in on his designated day off shall receive time and one-half for the hours worked with a minimum of four (4) hours' pay for each call. If called in on a Sunday or Statutory Holiday a Day Worker shall receive time and one-half for the hours worked with a minimum of six (6) hours' pay for each call.
- 15.5 A Day Worker who reports for duty at the beginning of his normal day and finds his work schedule has been changed, and if he has not been contacted previously by telephone or messenger, shall receive two (2) hours' pay and will be allowed to return home.

15.6 Overtime shall not be pyramided nor shall more than one basis of calculating overtime be used to cover the same hours.

16 PREMIUM PAY - TOUR WORKERS

16.1 Time and one-half shall be paid for all hours worked between 8:00 a.m. Sunday and 8:00 a.m. Monday. Work done in excess of twelve (12) hours on Sunday will be paid for at the rate of double time.

16.2 Tour workers shall be paid at the rate of time and one-half for all work performed beyond their regular daily hours of work with the following exceptions:

(a) When such work is caused by the change of shifts;

(b) Overtime work by special arrangement between a tour worker and his mate to exchange shifts with the approval of his supervisor and when this can be accomplished without additional cost or penalty to the Company.

(c) When required to replace an employee for tardiness up to two (2) hours.

16.3 Employees who fail to report for work or who in any way penalize their mates or the Company under this overtime arrangement will be subject to the applicable rules as contained in Article 34. Disciplinary action under these rules and regulations shall be subject to grievance procedure.

16.4 Except as noted above tour workers called on duty after regular working hours or prior to the commencement of a regular shift (except when reporting early as scheduled for start-up), or on their scheduled days off shall receive time and one half for all overtime work and in no case shall they receive less than four (4) hours pay at regular rates for the work performed on each call. If called in on Sundays and Statutory Holidays time and one half will apply, and in no case shall they receive less than six (6) hours at regular rates.

16.5 Overtime shall not be pyramided nor shall more than one basis of calculating overtime be used to cover the same hours.

16.6 A Tour Worker who reports for duty at the beginning of his normal shift or tour and finds his work schedule has been changed, and if he has not been contacted previously by telephone or messenger, shall receive two (2) hours' pay and will be allowed to return home.

17 DAYS OFF

17.1 Schedules shall be posted in each department not later than 3:00 p.m. Friday each week showing the crews for the following week. Where feasible, the

Company will post the schedules on Thursday. Such schedules shall show the day or days off for each man in the crew.

17.2 When an employee is required to work on his scheduled or designated day or days off, he shall be paid for all hours worked on such day or days at an overtime rate of one and one-half times the straight time rate. It is also agreed that the following exceptions apply to the above:

(a) When an employee or the Company wishes to change scheduled or designated days off, the party will notify either the employee, in the case of the Company, or the appropriate supervisor, in the case of the employee, at least twenty-four (24) hours in advance and, if such a change is mutually agreed upon by the parties involved, then the employee will work at straight time rates on the day or days originally scheduled as his scheduled or recognized days off. On the other hand, if he is required to work on the alternate days mutually agreed upon as his days off, he shall be paid at the overtime rate.

(b) In the event of a major breakdown an employee may be required to work on his scheduled or designated day or days off for which he will be paid at straight time rates provided he has been given at least twenty-four (24) hours advance notice and granted another day or days off as mutually agreed upon for which he will be paid at the overtime rate if required to work on these days.

(c) Any worker called in on Sunday who works the equivalent of a normal shift or more and was not scheduled to work on that day, shall not have to take a designated day off during the week or work cycle, and shall work on his last scheduled day in the week or work cycle at time and one-half if he so desires.

17.3 If a Statutory Holiday falls on an employee's scheduled day off, it will not be necessary for the employee to take another day off in lieu of the Statutory Holiday. If, however, the employee requests an additional day off, it will be scheduled at a mutually acceptable time.

18 REST PAY

18.1 A day worker working in excess of sixteen (16) hours, lunch time included, in any twenty-four (24) hour period, provided he is scheduled to work the following day, shall receive time off with pay to the extent that such work exceeds sixteen (16) hours. This will not apply to excessive hours worked as a result of an arrangement between employees.

18.2 Any day worker called in who works two (2) hours or more after midnight, shall receive time off (at straight time) to the extent of all the time worked between

midnight and 8:00 a.m. provided he is scheduled to work at 8:00 a.m. the following day and reports at the deferred starting time.

- 18.3 On a Sunday, such rest pay shall be paid at one and one-half times an employee's regular rate provided the employee is scheduled to work that day.

19 STATUTORY HOLIDAYS

- 19.1 The parties agree that, on dates to be determined locally, one shutdown and start up per year will be eliminated by moving one statutory holiday shutdown to combine it with another existing statutory holiday (as per the New Year's holiday below).

Holidays are as follows:

Victoria Day - Twenty-four (24) hours from 8:00 a.m. Monday to 8:00 a.m. Tuesday;

Canada Day - Twenty-four (24) hours from 8:00 a.m. of the day of the holiday to 8:00 a.m. of the day following the holiday.

Labour Day - Twenty-four (24) hours from 8:00 a.m. Monday to 8:00 a.m. Tuesday.

Christmas - Forty (40) hours from 4:00 p.m. of the day preceding the holiday to 8:00 a.m. of the day following the holiday.

New Year's Day - Twenty-four (24) hours to be the day preceding Christmas or the day following Boxing Day, provided the mill is shutdown for Christmas and Boxing Day. The Union will inform the Company of its preference each year before December 1. Failure to advise the company before December 1 will allow the company the option of making the decision unilaterally according to its preference.

Boxing Day - Twenty-four (24) hours from 8:00 a.m. the day of the holiday to 8:00 a.m. of the day following the holiday.

"Sunday excluded" will apply to the following statutory holidays when operating less than seven (7) days: Canada Day, Christmas Day and New Years Day.

- 19.2 For each of the six Statutory Holidays, namely New Year's Day, Victoria Day, Canada Day, Labour Day, Christmas & Boxing Day eight (8) hours' pay will be allowed to hourly paid workers when they do not work.

- 19.3 For each of the Holidays (as stated above 19.1) the Company will have the option of scheduling employees to work to meet the needs of the operation on all statutory holidays. This does not alter the agreed method of payment for employees who work on a Statutory Holiday.
- 19.4
- (a) Employees who work on a statutory holiday will receive statutory holiday pay in accordance with the Collective Agreement.
 - (b) In addition to (a) above, employees who work will be paid at the rate of double time.
 - (c) For each hour worked, the employee will receive an additional payment of one (1) hour at the rate paid for the job performed.
 - (d) An employee who works a complete shift during the twenty-four (24) hours of a statutory holiday can take a compensatory holiday without pay before the following month of May at a date approved by the employee's supervisor.
 - (e) This agreement does not apply to employees who must perform regular work during statutory holidays when the mill is not in operation.
- 19.5 On statutory holidays when the mill is not in operation, the Company will ask for volunteers to do work that the Unions agree is emergency work and which has been discussed with the Local Union Committee, it being understood that emergency work is not accumulated maintenance work.
- 19.6 Holiday pay shall be calculated at eight (8) times the regular hourly rate paid on the day worked prior to the holiday or the rate of his permanent payroll position, whichever is greater.
- 19.7 When an employee is scheduled to work on one of these holidays, he shall be entitled to a day off with pay, calculated as above at some later date when mill operations make such absence possible. However, such day off must be taken within a four (4) week period after the holiday, including the week in which the holiday occurred.
- 19.8 To be eligible for such paid holidays an employee must:
- (a) have been in the employ of the Company for a minimum of thirty (30) days. Such thirty (30) days may be accumulated within the immediately preceding twelve months provided there is no break in service. A break in service for this purpose shall be defined as:
 - (i) voluntary separation;
 - (ii) discharge for cause;

- (iii) a lay-off of more than four (4) months' duration (time before and after a lesser lay-off may be counted);
 - (b) have been at work on the work day preceding the holiday and must return to work as scheduled immediately following the holiday, unless excused as indicated below.
- 19.9 Employees may be relieved from the provision of Article 19.8(b) under the following conditions:
- (a) If away on vacation;
 - (b) If laid up by accident or illness. Any employee, if absent due to illness or accident, must have been at work at some time within the ninety (90) day period previous to the holiday.
 - (c) If work not available due to curtailed operation of the plant;
 - (d) If he has applied for and received special official leave;
 - (e) If rehired within thirty (30) days of date of termination, employees will be paid for statutory holidays falling within that thirty (30) day period.
- 19.10 Employees whose annual vacation period includes one of these holidays shall be entitled to an extra day with pay as may be arranged.
- 19.11 The Company agrees to six (6) further paid holidays for which eight (8) hours' pay each will be given without loss of production.
- 19.12
- (a) When production is maintained during a statutory holiday, work crews will be kept to a minimum.
 - (b) The weekly work schedule will be respected when the mill operates on a statutory holiday.
 - (c) During total mill shutdowns for a statutory holiday, mill shutdown and start-up procedures take place during total shutdown hours.

20 FLOATING HOLIDAYS

- 20.1 Six (6) days holidays with pay shall be allowed at a time suitable to the employee and the Company so that there will be no loss of production.
- 20.2 The wages will not be paid under this Agreement unless the employee actually takes the time off.

- 20.3 Holiday Pay shall be calculated at eight (8) times the regular hourly rate paid on the last day worked prior to the holiday or the rate of his permanent payroll position whichever is greater.
- 20.4 To be eligible an employee must have worked for eighty (80) days or more.
- 20.5 To be eligible for such paid holidays, an employee must have been at work on the day preceding the holiday and must work as scheduled immediately following the holiday, unless excused as indicated below.
- 20.6 Employees may be relieved from provisions of Article 20.5 under the following conditions:
- (a) If away on vacation or a Statutory Holiday.
 - (b) If laid up by accident or illness. Any employee, if absent due to illness or accident, must have been at work some time within the ninety (90) day period previous to the holiday.
 - (c) If work not available due to curtailed operations at the plant.
 - (d) If he has applied for and received special official leave.
- 20.7 If a man is required to work on any one of his holidays after definite dates have been designated, he shall be paid time and one-half.
- 20.8 If, after the Company has arranged to provide a relief man, these arrangements break down due to the absence of one of the three (3) men scheduled to work, straight time will be paid except when the absence is due to a bona fide sickness.
- 20.9 A floating Holidays' Day Book will be issued for each department, on the first day of the first full week in January of each year, and the first employee who applies for each day will be guaranteed that day as a floating holiday.
- 20.10 Any floaters that have not been scheduled or taken by November 1st of each year may be scheduled at any time during November and December at the discretion of the Company.

21 VACATIONS WITH PAY

- 21.1 All employees on permanent payroll positions shall be entitled to two weeks' vacation with pay following the completion of one (1) year of continuous service.
- 21.2 Employees with four (4) years or more of continuous service shall be entitled to three (3) weeks' vacation with pay in each calendar year.

- 21.3 Employees with nine (9) years or more of continuous service shall be entitled to four (4) weeks' vacation with pay in each calendar year.
- 21.4 Employees with twenty (20) years or more of continuous service shall be entitled to five (5) weeks' vacation with pay in each calendar year.
- 21.5 Employees with twenty-five (25) years or more of continuous service shall be entitled to six (6) weeks' vacation with pay in each calendar year.
- 21.6 Supplementary Plan - Employees with twenty-five (25) years or more of continuous service shall receive the following additional vacation in the calendar year in which they attain:
- Age 60 - Additional one weeks' vacation
 - Age 61 - Additional two weeks' vacation
 - Age 62 - Additional three weeks' vacation
 - Age 63 - Additional four weeks' vacation
 - Age 64 - Additional five weeks' vacation
- 21.7 (a) If three, four, five and/or six weeks are taken at one time they must be taken within the period from September 15th to June 15th.
- (b) Vacations taken during the summer months, June 16th to September 14th, will be limited to two (2) weeks, with the third, fourth, fifth and/or sixth weeks to be taken in the period September 15th to June 15th as agreed between the employee and the Company.
- (c) During the period of September 15th to June 15th the number of consecutive weeks of vacation that an employee may take shall be limited to four (4).
- (d) Necessities of operation must be given full consideration. Every effort will be made to maintain existing vacation schedules.
- 21.8 (a) Each week of vacation pay will be calculated at 2.4% of gross earnings in the previous calendar year, or forty (40) hours' pay at the employee's regular rate, whichever is greater.
- (b) An employee shall receive an additional four (4) hours' pay at his regular rate for each week of vacation entitlement taken during the period January 1 to April 30.
- 21.9 (a) The Union agrees to cooperate with Management in scheduling vacations in such a manner that maximum production may be maintained.

- (b) Vacations will be booked in the department in which the employee holds a posted spare.
 - (c) Unposted employees and employees holding a posted spare position will take their vacation entitlement by calendar week. However where permitted by operational needs such employees will continue in their present schedule through their vacation period.
- 21.10 Vacations with pay are intended to enable each employee to enjoy a respite from routine duty with no financial worry to distract from their benefits. Vacations are in no way considered a bonus.
- 21.11 The privilege of taking vacations must be confined to permanent employees employed upon standard payroll positions.
- 21.12 In drawing up the vacation schedule, the management will endeavour to meet the wishes of the individual employee. It must be understood, however, that the necessities of operation must be given full consideration. In cases where vacation periods requested conflict, preference will be given to the older employees in point of service and within departments.
- 21.13 Working of long shifts while men are away on vacation is to be avoided whenever possible.
- 21.14 Taking vacations is to be compulsory. Vacations cannot be accumulated but must be taken in the year when they are due.
- 21.15 (a) To be eligible for vacations, employees must have worked at least two thirds of the available time during the qualifying year, except that time lost due to mill accidents or sickness (such sickness to be limited to four (4) months in any one year) does not count against employees' working time credits in the qualifying year .
- (b) If an employee works a minimum of four (4) months in a calendar year and is sick for four (4) months or more in the same year, the employee is considered to have completed the minimum qualifying period to be eligible for vacation in the following year. If an employee works less than four (4) months in any one calendar year in the following year his vacation pay will be calculated on the appropriate percentage of his earnings for the year in which the sickness occurred.
 - (c) Service for the purpose of vacation entitlement will continue to accrue for periods of absence while an employee is receiving Workers Safety Insurance Board benefits.

- (d) No employee may draw vacation pay in lieu of taking his vacation. However, if an employee is absent from work because of illness or accident at the end of a calendar year and has not exhausted his total vacation entitlement, the remaining day(s) of vacation will be carried over to the next year. Vacation pay for such days of vacation shall be equal to the pay he would have received had he taken time off before year-end.
- 21.16 The qualifying year in determining eligibility for vacations in the first year shall be the twelve (12) month period beginning with the date of employment; in subsequent years the qualifying year may be the calendar year. The main purpose in making the calendar year the qualifying year for the employee's second vacation is to enable an employee whose anniversary date of employment comes in the late fall to have his vacation during the desirable vacation period, that is, during the summer months.
- 21.17 (a) Each week of vacation pay will be calculated at 2.4% of the gross earnings in the previous calendar year or forty (40) hours pay at the employee's regular rate, whichever is greater .
- (b) An employee shall receive an additional four (4) hours pay at his regular rate for each week of vacation entitlement taken during the period January 1 to April 30.
- 21.18 Tour and shift workers shall not be entitled to the night shift differential while absent on vacation.
- 21.19 Employees with more than one year's service who are laid off due to lack of work, or who leave the Company's employ in good standing, shall be entitled to vacation pay based on the following formula:
- (a) Full vacation credit based on service in the preceding calendar year; plus
 - (b) 4.8%, 7.2%, 9.6%, 12% or 14.4% of gross earnings (depending on whether the employee is entitled to 2, 3, 4, 5, or 6 weeks' vacation) calculated from January 1 in the current year to date of leaving. If vacation has been taken in the current year based on the preceding calendar year's employment, (b) only shall apply.
- 21.20 Employees with less than one year of continuous service who are laid off for lack of work, or who leave the Company's employ in good standing, shall be entitled to vacation pay at the rate of 4.8% of gross earnings from date of employment to date of separation.
- 21.21 Employees who leave the Company's employ without giving the required notice or who are discharged for cause shall be entitled to vacation pay based only on

the formula set out in the Employment Standards Act. Notice of resignation during the last shift worked is considered adequate.

- 21.22 When a lay-off due to lack of work is of more than six (6) months' duration, continuity of service is broken until, after rehiring, an employee completes one year of continuous service. After this time his length of service can be restored, counting the time before and after, but not during the lay-off, and his vacation period started from the anniversary date of his returning. Such restoration of service, however, is contingent upon the man keeping the Company posted as to his current address and the man reporting back to work as soon as practical when recalled. His vacation pay would be granted on the basis of his restored length of service.
- 21.23 Employees may be paid, on leaving for vacation, for earnings to date of leaving plus vacation pay and less usual deductions for the period for which they are being paid.

22 BEREAVEMENT LEAVE

- 22.1 When death occurs to an employee's spouse, child, adopted child or stepchild, the employee will be granted leave of absence and will be paid for eight (8) hours at his regular straight time rate for up to five (5) consecutive scheduled working days lost in the eight (8) day period beginning with the date of death.
- (Spouse shall include common-law spouse as previously declared on the forms provided for health coverage.)
- 22.2 When death occurs to an employee's mother, father, foster parents, adoptive parents, brothers, sisters, mother-in-law, father-in-law, stepmother, stepfather, stepbrother, stepsister, grandfather, grandmother and grandchild, the employee will be granted leave of absence and will be paid for eight (8) hours at his regular straight time rate for up to three (3) consecutive scheduled working days lost in the eight (8) day period beginning with the date of death.
- 22.3 When distance prevents the employee from attending the funeral, one day of compassionate leave will be allowed within the six (6) day period beginning with the date of death.
- 22.4 Pay will be at straight time even though one or more of the days of the bereavement leave occur on Sunday or a paid holiday.
- 22.5 Pay will not be granted if the employee does not attend the funeral except as outlined above in Article 22.3.
- 22.6 The regular straight time rate means the straight time rate of the job at which the employee would have worked had he not been on bereavement leave.

23 JURY DUTY

- 23.1 An employee who is prevented from working his scheduled shift due to being on Jury Duty, reporting for Jury Roll-call or as a Subpoenaed Witness shall be paid the difference between the pay received for such Jury Duty or Subpoenaed Witness and eight times the straight time hourly rate he would otherwise have received.
- 23.2 An employee scheduled to work the midnight to 8:00 a.m. shift or tour immediately prior to reporting for Jury Duty, Jury Roll-call or Subpoenaed Witness on that date will be excused, upon request, and the terms of this Article will be applied.
- 23.3 In making application for such payment, the employee is required to submit supporting documents as to days of service and fee received.

24 LEAVE OF ABSENCE

- 24.1 (a) Leave of absence without pay, up to a maximum of three (3) months, may be granted at the discretion of Management for the following reasons:
- (i) Legitimate personal reasons;
 - (ii) Official Union business;
 - (iii) Candidacy for public office at the Federal or Provincial level. Such leave may be extended until seven (7) days have elapsed following the date of the election;
 - (iv) Military Service;
 - (v) Duties of an elected Municipal office;
- (b) Any leave of absence granted pursuant to Section (a) will not result in any loss of seniority.
- (c) Leave of absence without pay may be granted, at the discretion of Management, for service as an elected representative in the Federal or Provincial legislature. Such leave, if granted, shall normally expire thirty (30) days following conclusion of the period of elected office, but in no case shall it be in excess of five (5) years.
- (d) Leave of absence granted pursuant to Section (c) will not cause a break in continuity of service but the period of absence shall not be counted in calculating any service related benefit.
- (e) Employees, when granted a leave of absence in excess of one (1) month, will be required to prepay the full premiums for group life insurance and all

other insurance coverage in accordance with the provisions of the respective policies.

- (f) All leaves of absence must be applied for in writing.
 - (g) The Company may require an employee to exhaust his normal vacation entitlement before commencing a leave of absence.
- 24.2 (a) Time off with pay will be provided to an employee writing qualifying examinations during scheduled working hours for certificates required in his occupation.
- (b) Such pay will be at his straight time rate and limited to eight (8) hours.

25 BENEFITS

- 25.1 (a) The Company will pay the prevailing medicare premium rates established by the provincial government up to the rates in effect to October 31, 2006. These payments will be maintained for a twelve (12) month period when an employee is sick or disabled by accident.
- (b) The Company's contribution to employees' insurance shall be applied first on account of those plans to which the employer's contribution is not taxable in the hands of the employee.
- 25.2 The Cascades Fine Papers Group Thunder Bay Inc. Weekly Indemnity Plan forms part of this Agreement and is attached hereto as Appendix "A"(2). The premium cost will be borne by the Company. The 5/12 of the E.I. premium reduction will continue to be retained by the Company.
- 25.3 The Cascades Fine Papers Group Thunder Bay Inc. Long Term Disability Plan forms part of this Agreement and is attached hereto as Appendix "B". The premium cost will be borne by the Company.
- 25.4 The Company will pay the prevailing premium costs for the Supplementary Health Care Plan up to the rates in effect to October 31, 2006. This Plan forms part of this agreement and is attached hereto as Appendix "C".
- 25.5 The Dental Care Plan forms part of this Agreement and is attached hereto as Appendix "D". Employee contributions towards the cost of this Plan are \$1.10 per month for single coverage and \$3.85 per month for family coverage. The Company will absorb the remaining cost of this Plan including additional future premium increases through to October 31, 2006.

- 25.6 The Group Life Insurance coverage is 1.25 times annual earnings with a maximum coverage of \$60,000. The premium cost will be borne by the Company and the Plan is subject to insurance regulations.
- 25.7 The Company will maintain \$4,000 Group Life Insurance for retired employees at no cost to the Pensioner provided he was covered by Group Life Insurance during his employment.
- 25.8 Effective July 1, 1987, optional dependent life insurance at employees' cost will be provided on the following basis:
- (a) Spouse - \$5,000.00
 - (b) Each unmarried child:
 - (i) 14 days but less than 1 year of age, \$1,000.00.
 - (ii) 1 year but less than 19 years [twenty-five (25) years when a student full time], wholly dependent on the employee for support, \$2,000.00.

The spouse's life insurance will be reduced to \$1,000.00 upon the employee's retirement and cancelled on his death.

- 25.9 Changes in the level of an employee's insurance benefits due to the application of the wage increases will become effective on the first of the month following ratification of the Memorandum of Agreement for all employees actively at work on that date. For employees who are not actively at work on that date the changes will become effective on the date he returns to active employment.
- 25.10 (a) Insured employees who continue to be disabled for longer than twelve (12) months may continue their coverage in the Group Life Insurance and Dental Plans, at their option, until the expiration of the twenty-four (24) month period commencing with the date of disability. Such employees may continue coverage in the Supplementary Health Care Plan, at their option, until the earlier of retirement or age 65. The full premium costs for the above extension of benefits will be borne by the employees.
- (b) The Company will provide optional coverage under the Supplementary Health Care Plan to retirees between the ages of 58 and 65. The cost of such coverage shall be borne by the retiree.
- 25.11 (a) The Cascades Fine Papers Group Thunder Bay Inc. Pension Plan, which is registered in the Province of Ontario forms part of this Collective Agreement. It is understood and agreed that no amendments will be made to this pension plan until the expiration of this Agreement.

- (b) Information - The Company agrees to furnish the signatory Unions with an annual state ment showing for the pension fund:
 - (i) Income from investments;
 - (ii) Company contributions;
 - (iii) Total contributions;
 - (iv) Total paid-up annuities purchased and total pension payments made;
 - (v) Any other information necessary to properly evaluate the Retirement Income Fund (Plan) including a copy of any and all actuarial valuation made of the Plan;
- (c) Duration - Written request for changes to this Plan shall be filed no later than four (4) months prior to the expiry date.
- (d) Retirement Board - The Company shall be the administrator of the Plan. In order to assist with the administration, the Company shall establish a Retirement Board. The Retirement Board shall consist of 3 persons who shall be appointed by the Company and who shall hold office during the pleasure of the Company and 3 persons who shall be appointed by the Participating Unions and who shall hold office during the pleasure of the Unions. The Retirement Board shall hold at least two meetings per year. The Retirement Board shall determine all questions of length of service, eligibility, reinstatements, and the rates and amounts of Earnings of Members, Vested Terminated Persons and Retirees for purposes of the Plan and all matters relating to the administration, interpretation or application of the Plan, subject, however, to Applicable Legislation. The Retirement Board may at any time and from time to time establish rules and regulations governing its procedure and its administration of the Plan; which may be amended from time to time by the Retirement Board.
- (e) The Company will arrange and pay transportation and hotel expenses (when necessary) plus \$25.00 a day to cover meals and incidental charges for the Union Retirement Board members who are employees. Scheduled days lost will be paid for on the basis of eight (8) hours per day at the employees' regular rates.

26 MEALS

- 26.1 An employee who is required to work more than two (2) hours beyond the end of his regular shift will be provided with a hot meal. Thereafter, an additional hot meal will be supplied at four (4) hour intervals unless the fourth (4th) hour completes his work assignment.

27 PUNCH CARDS

- 27.1 If the Company changes, amends or alters an employee's punch card for any reason, the employee will be notified before the end of the current pay period.
- 27.2 Card rates will be updated to reflect the level of operation, permanent promotion or demotion.

28 METRICATION

- 28.1 The Company will pay the cost of all education related to the metric system if such education is deemed necessary by the Company.
- 28.2 In those cases where an employee already owns a tool in Imperial measure and the Company requires him to own the equivalent tool in metric measure, the Company will pay for 50% of the cost of the required metric tool.

29 SAFETY

- 29.1 An employee losing time during his normal day or shift because of an injury occurring on the job will receive his regular pay for that day or shift.
- 29.2 The Company will pay \$60.00 annually toward the purchase of protective footwear.
- 29.3 Effective January 1, 1995, for employees requiring outdoor boots, there will be a further allowance of \$60 per year for the second pair, providing proof of purchase is given.
- 29.4 On application to supervision, individual cases involving accidental contact with corrosive chemicals will be considered. Protective clothing is now provided for planned work with these materials.

30 JOINT HEALTH AND SAFETY CONFERENCE

- 30.1 During the term of this Collective Agreement, the members of the Joint Health and Safety Committee will be offered the opportunity to participate annually in a local health and safety conference.

The purpose of participation in such conferences is to develop the knowledge and understanding of committee members concerning matters of health and safety and to support joint participation in the Health and Safety Program for the mill.

The members will be compensated for scheduled hours lost as a result of attending the conference. Conferences fees will be paid by the company.

31 TRADES PROMOTION PLAN

31.1 The Trades Promotion Plan forms part of this agreement and is attached hereto as Appendix 'E'.

NOTE: FOR REVIEW BY STEERING COMMITTEE

32 FLEXIBILITY AND POLYVALENCY

32.1 The Union, its members and the Company are committed to promoting and practicing flexibility and polyvalency in regards to jobs. Full flexibility and polyvalency applies within both operations, and maintenance and also between operations and maintenance.

32.2 Tradesmen and Operating personnel working alone or as part of a group will perform any work for which they have the ability, regardless of their trade. The proposed changes will be implemented progressively and safely.

32.3 The preceding text replaces all existing agreements and/or practices in the mills represented by the signatory Locals that would be in conflict with it. Monetary compensation for the full flexibility and polyvalency is included in every current rate of pay.

32.4 Should the Company experience a work force surplus resulting from the implementation of Trade flexibility, necessary reductions will be carried out through attrition.

APPRENTICESHIP PLAN

- See Appendix "F"

NOTE: FOR REVIEW BY STEERING COMMITTEE

33 GRIEVANCE/ARBITRATION

33.1 In case of a grievance arising in the Mill, it shall be reported to the Departmental Manager, preferably in writing. If the Departmental Manager and the men are unable to arrive at a satisfactory settlement within forty-eight (48) hours, the question shall be referred to the General Manager of the Company and the Vice-President of the National Union concerned or their accredited representative, and on failure to agree, shall be left to arbitration.

33.2 Expedited Mediation/Arbitration

Where either party has a grievance arising out of the collective agreement and where such grievance is properly referred to arbitration following step two (2) of the grievance procedure, the parties may jointly and voluntarily agree to refer any such grievance for resolution to the following Mediation/Arbitration procedure. This is an alternative to the formal process as referred to in Articles 33.3 and 33.4. Where the parties do not agree to apply the expedited mediation/arbitration process as set out herein, the parties shall refer the grievance to the formal arbitration process as referred to in Articles 33.3 and 33.4.

A one-day Expedited Mediation/Arbitration session will be scheduled on a monthly basis if required.

- I. The Company and Union must be in agreement on the grievance(s) to be referred to this process.
- II. The Single mediator/arbitrator used for all expedited mediations/arbitrations shall be _____ *(to be decided by Steering Committee)*
- III. Each party shall share equally in the expenses and remuneration of the mediator/arbitrator.
- IV. Subject to the requirements of operations and upon written request from the Union, to be given not less than seven (7) days advance, the Local President will be granted time off, without pay, to attend the mediation/arbitration hearing for grievances within his Operation.
- V. The mediator/arbitrator will set a date for the hearing, within a reasonable time period, choose a neutral location, in Thunder Bay, Ontario, to conduct the hearing.
- VI. The parties agree that legal counsel will not be present at any expedited mediation/arbitration proceedings as referred to herein.
- VII. Each party shall put its version of the issues and facts in writing, and deliver a copy (and any supporting documentation) to the other party three (3) calendar weeks prior to the hearing. Either party may then request a meeting with the other party for the purpose of clarification and discussion of the information in their written submission
- VIII. Each party shall then put its full and final version of the issues and facts in writing, (if there are any amendments from #7) and deliver a copy (and supporting documentation) to the other party and to the mediator/arbitrator one (1) calendar week prior to the hearing. Neither party may subsequently introduce issues or facts not presented in the written submissions

- IX. Such written statement of issues and facts as enumerated in #VII and #VIII above may not be used or referred to in any form other than the hearing for which it is prepared, and is completely without prejudice to either party's position in proceedings other than the hearing for which it is prepared
- X. The mediator/arbitrator will confer privately and separately with each party and attempt to mediate a settlement. If the mediator/arbitrator so chooses, a joint meeting may be convened to clarify any matter at the discretion of the mediator, if so requested
- XI. The mediator/arbitrator shall possess the same jurisdiction as an arbitrator appointed under clauses 33.3 or 33.4 and in accordance with clauses 33.5 and 33.6, except that there will be no formal testimony or evidence.
- XII. When the mediator/arbitrator rules on the grievance, the parties will present final argument only, as the facts will be contained in the statement(s) of issues and fact. Such argument may be made orally or in writing. The normal onus of proof shall apply, as shall the normal order of presenting argument.
- XIII. If the mediator/arbitrator is unable to affect a settlement between the parties the mediator/arbitrator will rule on the grievance at the hearing or within 48 hours if requested. The mediator/arbitrator shall not be obliged to provide reasons for his or her decision, except as provided herein or where the mediator/arbitrator believes it may be instructive and helpful to the parties to provide such reasons. Notwithstanding the foregoing, either party may request that the decision be put in writing and be accompanied by the reasons for such decision. Such request must be made in writing to the arbitrator within five (5) calendar days following the hearing. The mediator/arbitrator shall respond in writing within thirty (30) calendar days of receiving such request, setting out the reasons for the decision. A copy will be provided to both the Company and the Union. The party making the request for the written decision will bear any additional cost of such written decision alone.
- XIV. All decisions of the mediator/arbitrator are to be limited in application to that particular dispute and are without prejudice. These decisions shall have no precedential value and shall not be referred to by either party unless mutually agreed that they will be instructive to the parties in reaching agreement in any subsequent proceeding before the expedited mediator/arbitrator
- XV. The parties may agree to change this process by mutual consent at any point in time.

33.3 Arbitration

Where the matter is to be referred to arbitration the General Manager of the Company and the Vice-President of the National Union or their accredited representatives shall mutually agree to a single arbitrator.

- 33.4 Upon failure to agree upon selection of a single arbitrator the matter shall be referred to the Provincial Minister of Labour with the request that he appoint the single arbitrator. The decision of the arbitrator shall be final and binding upon both parties, it being understood the function of the arbitrator shall be to interpret and apply this Agreement.
- 33.5 The Arbitrator however, shall have no authority to add to or subtract from or to modify or extend any of the items of the agreement or any agreement made supplementary hereto, except by mutual consent of the Company and Union. If an employee is unjustly discharged, his case shall be reported to the Manager within forty-eight (48) hours and, if on investigation it is found he was unjustly discharged, he shall be reinstated without lost time.
- 33.6 In determining any grievance arising out of discharge or other discipline, the arbitrator may dispose of the claim by affirming the Company's action and dismissing the grievance or by setting aside the disciplinary action involved and restoring the grievor to his former position with or without compensation or in such other manner as may, in the opinion of the arbitrator be justified. Such decision shall be final and binding on both parties to this Agreement.

34 MILL RULES

34.1 Starting and Stopping of Tour Workers

- (a) Each worker is required to be in his place when his tour begins and shall not leave his post to wash and dress until his mate relieves him and takes over the duties and responsibilities of the job.
- (b) If a tour worker does not report for his regular shift, his mate shall notify the department superintendent or foreman. He shall then remain at his post until a substitute is secured.
- (c) It is the duty of a tour worker to report for his regular shift unless he has already arranged with his foreman for a leave of absence. If unavoidably prevented from reporting, he must give notice to his foreman or at the office as early as possible before the beginning of his tour, and the person receiving this notice must complete the standard report provided for recording such notice.
- 34.2 (a) If an employee has been absent from work without arrangement, or without notice under the preceding paragraph, he shall report to his superintendent for instructions before returning to work.

- (b) Should investigation of a case of absenteeism fail to disclose a bona fide reason, management shall discipline the absentee as follows:
 - (i) First Case - Instruction and warning;
 - (ii) Second Case - Instruction and up to three (3) days lay-off.
 - (iii) Third Case - Instruction and lay-off subject to discharge.
 - (c) It is understood that should an employee have a clear record for a full twelve (12) month period between steps 1 and 2 or steps 2 and 3, or after stage 3, his record shall be considered clear.
 - (d) Should the unarranged absence of an employee be of sufficient length, or the reasons for the absence be of such a nature to indicate irresponsibility in the individual concerned, management may discipline the offending employee with a lay-off subject to discharge.
 - (e) All cases of unarranged absenteeism will be recorded on the employee's record by the employment supervisor who will be given a written report of each case by the superintendent concerned. A copy of this report will be sent to the individual and secretary of the union concerned.
 - (f) If an employee has been absent from work a day or more he shall give adequate notice to his foreman or superintendent of his intention to return. This notice should be given twenty-four (24) hours in advance, if possible, but at least in sufficient time to make the necessary arrangements prior to the beginning of the regular work period in which he intends to resume duty. If the employee fails to give the supervisor sufficient notice to enable him to adjust the shifts back to the original schedule, the supervisor may send the returning employee home when he reports for work.
- 34.3 (a) Individual Responsibility - Everything in and about the Plant shall be kept clean and in good order, and each employee will be held responsible for the condition of the part of the Plant under his control as far as is humanly possible. He is also required to see that his locker is kept clean and in neat condition.
- (b) It is understood and agreed that all records of discipline which date back more than three (3) years and which deal only with minor infractions involving disciplinary measures of less than a three (3) day suspension, will be considered clear from an employee's record. It is understood that the employee's record must be clear of any disciplinary measures for this three (3) year period.

34.4 Causes for Discharge

Incompetency;
Bringing intoxicants into the mill;
Smoking while on duty in prohibited areas;
Refusal to comply with Company rules;
Giving or taking a bribe of any nature as an inducement to obtaining work or retaining a position.
Reading of books or newspapers while on duty;
Reporting for duty under the influence of liquor.
Destruction, removal or waste of Company's property;
Disorderly conduct;
Dishonesty;
Disobedience;
Neglect of duty;
Deliberate sleeping on duty;
The disfigurement of bulletin boards and interference with Company notices.
Any offence sufficiently grave to warrant discharge.

34.5 Bulletin Boards - Notices shall not be posted in the mill except on the official bulletin boards, and permission of the Director, Human Resources must be obtained before the notice is posted.

34.6 Fire Service

(a) In case of fire, all employees must assist in preventing destruction of the Company's property. Fire apparatus must not be removed from its place or used except in case of fire.

(b) The Company will train employees in this area as it deems necessary.

34.7 Leaving the Plant - No employees shall be permitted to leave the plant during working hours without the permission of the head of his department. Employees stopping work and leaving the job are required to punch out on leaving and punch in again on returning to the job. This does not refer to men who are especially instructed by the Department Head to go out for special reasons having to do with the job.

34.8 Suggestion System - The making of suggestions by all employees is encouraged by the Management under the suggestion system. A Labour Management Committee with equal representation of Employees and Management meets once monthly to discuss mill improvements, safety, quality of products, etc. Any suggestions you may have, when submitted to this Committee, will receive every consideration.

34.9 Time Cards - The punching of any other employee's time card or the punching of your card by anyone other than yourself is strictly forbidden.

34.10 Safety System

- (a) All employees must cooperate to the fullest extent in promoting the safety of the mills in the Company. Safety is part of your job and, under no circumstances, does this Company require of its employees that they shall risk life or limb in carrying on its work.
- (b) For your protection and that of your fellow employees, you must make sure that you fully understand the nature and risk of any work assigned to you before attempting to proceed with it. If the instructions given you by your immediate superior, fellow worker and/or your foreman are not entirely clear, do not hesitate to ask for further information.
- (c) Unseemly conduct, including any form of horseplay or of making unnecessary noises, is dangerous and is positively forbidden.
- (d) Employees must not wear clothing, jewellery or footwear that can readily become tangled in moving equipment. Protective clothing must be worn when conditions necessitate, and all clothing not in use must be kept in lockers provided for this purpose. Protruding rags and loose clothing are a major cause of careless accidents.
- (e) "Hold - Do Not Start" tags are to be used by all mill personnel authorized to perform maintenance work or adjust equipment and, in all instances, before such duties are performed, the tag must be used. Employees using these tags must assure themselves that the proper switch, valve or control has been tagged out and, where possible, double check to be certain. In all cases where push buttons control equipment, said buttons should be pushed at least twice to make sure that the proper switch has been pulled and tagged.
 - (i) A "Hold - Do Not Start" tag shall be hung on any opened electrical switch to indicate that work is being done on equipment controlled by the switch. At no time shall the switch be closed while the tag is on it. Reliance for protection is not to be placed on tags on push buttons because of the possibility of accidental contact with the button and consequent energizing of equipment. There is also the possibility of control circuits becoming defective through moisture, breaking down of insulation, etc., which would also result in energizing of equipment without warning.
 - (ii) Each "Hold - Do Not Start" tag must bear the signature of the men who hung it on the switch. Workmen shall not borrow the "Hold - Do Not Start" tags bearing another person's signature.

- (iii) In case there are several men or crews performing different types of work independently on a motor or machine, each man or crew foreman shall use his own tag. The tag shall only be removed by these men or foremen when the job is completed after each one has assured himself that all of the men under his direction are in safe position. If the Supervisor thinks it necessary, on major repair work, each man may be required to use his own tag and personally remove it when he completes the work assigned to him.
- (iv) In case of long jobs extending from one shift to another, the man who tagged the equipment must, before leaving the mill, go to the control with the man who relieves him, remove his tag and see that his relief worker hangs his tag on the control. Failure to follow the proper tag removal procedure will result in the man who neglected to remove his tag before leaving the mill being called from home on his own time to remove it before the equipment can be started.
- (v) "Hold - Do Not Start" tags shall be removed only by the person whose name appears on the tag, except in the case of an emergency, in which event the Master Mechanic and Departmental Superintendent, or their appointees, must make an "on the spot" decision as to the tag removal, after all due safety precautions have been taken.
- (f) Safeguards must not be removed except for necessary repairs. If removed, they must positively be replaced as soon as work is completed and to prevent accidents where the job has been only partially completed.
- (g) Employees must not ride on freight elevators except when accompanying a load or otherwise authorized.
- (h) All accidents must be reported promptly to your foreman and all employees, when injured, even to a minor extent, must promptly avail themselves of the First Aid facilities provided at the mill.
- (l) In the interest of safety, every new employee shall be instructed how to stop machinery which he is required to work around regularly.
- (j) Eye injuries can be prevented and all employees using grinding equipment, portable or stationary, chipping hammer, using compressed air to clean machinery, etc., are absolutely forbidden to use such equipment without wearing goggles or face guards always available in mill stores for your protection.
- (k) Report unsafe work conditions at once to your foreman. Safety Committee meetings are held regularly. Raise your problem concerning safe work

methods and job hazards at these meetings through the Safety Committee Member in your department.

- (l) Good housekeeping at all times on every job is important and the wearing of safety shoes is strongly recommended.
 - (m) All electrical equipment is dangerous. Do not meddle with it. In case of trouble, call an Electrician.
 - (n) The use of compressed air for cleaning purposes should be held to a strict minimum. Never use compressed air for blowing off your clothing and never aim a compressed air hose in the direction of anyone.
 - (o) Familiarize yourself with the location of the nearest fire fighting equipment in your department and understand how to use it.
 - (p) Do not operate any equipment without proper authority to do so.
 - (q) Any unsafe work practices are absolutely forbidden.
- 34.11 Removal of Tools - Anybody leaving the employ of the Company shall not remove any tool from the premises until they are first inspected by the Head of his department or the Master Mechanic.
- 34.12 Use of Telephones - The mill telephones are primarily for Company business. When personal calls are necessary, a minimum of time should be used. Emergency calls only will be accepted for men on shift.
- 34.13 Smoking - Smoking is prohibited throughout the Mill Yard. Smoking will be permitted only in approved areas in accordance with Mill smoking policy.
- 34.14 Permit for Trucks, Inspection of Cars, Etc. - No trucks will be permitted to enter or leave the plant after 5:00 p.m. without a special permit signed by the Manager or his Deputy, and it is the duty of the Watchman to see that this rule is enforced. The Company also reserves the right at any time to examine all or any cars, or containers, leaving the mill in the presence of the owner.
- 34.15 Lockers - Lockers are supplied to each employee.
- 34.16 Parking Lots - The Company has provided parking space for cars and bicycles and all such vehicles must be kept in designated space and not taken to other parts of the mill.
- 34.17 Conference Room - The Conference Room in the office basement is available for the use of employees, and they are expected to use and treat same as if it were

their own property. Any employee wishing to entertain guests, other than mill employees, in the room, will have to obtain permission from the Management.

- 34.18 Drinking Water - Drinking fountains have been installed at various points in the mill for the use of employees. Water from such fountains has been approved by the Department of Health and other sources must be considered contaminated.
- 34.19 Insurance - All employees are required to enroll for group life insurance before the end of three months from the date of employment. Temporary employees must enroll at the end of six months. This insurance is carried by the Insurance Company. On leaving employment, prior to retirement, these policies may be retained without examination by making application direct to the Insurance Company but at rates established by them.
- 34.20 Physical Examination - Physical examination by the Company Doctor must be taken by all new employees and is optional without cost to all employees.
- 34.21 Retirement Income Plan - All new employees must become members of the Retirement Income Plan when eligible.
- 34.22 Discipline - When any disciplinary action is being taken by the Company, the employee will have Union representation, if he so desires.

35 JOB CLASSIFICATION PLAN -

- (a) The Job Classification Plan and Papermakers Wage Schedule are deleted. In-house committees will be established in each bargaining unit to address substantial changes that may occur in each job. These committees will be composed of an equal representation of both parties. In the event that the committee cannot reach an agreement, the matter will be referred to normal process as per the collective agreement.
- (b) Papermakers wage schedule: The Company will apply the rates that will reflect the highest class reached in the last twelve months.
- No.8P.M>Class38, No.6P.M>Class 40 &
No. 5 P.M> Class 25
- (c) Special Adjustments: Relating to special adjustments, we are going to recognize the present rates of pay, excluding positions no.121, 122, 156, 157 & 158.

36 WAGE SCHEDULE

- 36.1 The attached wage schedule in Appendix G shall be effective under this Agreement.

Effective November 1, 2003 and November 1, 2004, a general wage increase will be granted according to the following criteria:

- i) 1.5% if cash flow is between \$10 million and \$15 million or
- ii) 2.0% if cash flow is between \$15 million and \$20 million or
- iii) 2.5% if cash flow is between \$20 million and \$25 million or
- iv) 3.0% if cash flow is over \$25 million

Effective November 1, 2005

- i) 1.0% or
- ii) 1.5% if cash flow is between \$10 million and \$15 million or
- iii) 2.0% if cash flow is between \$15 million and \$20 million or
- iv) 2.5% if cash flow is between \$20 million and \$25 million or
- v) 3.0% if cash flow is over \$25 million

Cash flow is defined as Earnings before Interest and Taxes, Depreciation and Amortization (EBIT DA).

- 36.2 A shift differential of forty cents (40¢) per hour shall be paid for all hours worked on tour or shift occupations between the hours of 4 p.m. and 12 midnight and a shift differential of sixty cents (60¢) per hour shall be paid for all hours worked on tour or shift occupations between the hours of 12 midnight and 8 a.m. This shift differential shall not apply to day workers on overtime work.
- 36.3 Tour and shift workers absent on Vacation, Holidays with pay, paid Sick Leave, Funeral Leave or Jury Duty shall not be entitled to the night shift differential.
- 38.4 When equipment of a type new to the mill or a major change in the process system results in the creation of a new job or jobs, every effort will be made to determine a permanent rate for the job or jobs within three (3) months of the date at which the duties and responsibilities are definitely established.
- 36.5 The sole responsibility to decide the necessity of providing replacement for absent superintendents, salaried foremen, or other management personnel is vested with the Company. It is never considered mandatory that supervisors or other management personnel be relieved or replaced when they are absent. Only when an employee is officially designated to carry the responsibility of absent management shall he receive a premium of seventy cents (\$0.70) above their normal rate. In cases where the present policy is more generous than in the wording above, the particular policy will continue.
- 36.6 When hourly paid foremen are absent for one day or more, the position will be filled. Employees filling these positions will receive the foreman's classified rate.

36.7 When a Journeyman "A" is assigned the responsibility of working Supervisor over five (5) employees or more he will be classified as a Lead Hand.

36.8 When additional supervision is required on a continuous basis a Journeyman "A" will be appointed a Lead Hand.

37 GENERAL

37.1 Superintendents, Assistant Superintendents, Foremen, Watchmen and Office Staff, including General Office, Engineering and Chemical, are considered management under this Agreement.

37.2 Use of the masculine gender in this agreement shall be considered also to include the feminine.

37.3 The Company shall pay lost time for Local Union Officers and Stewards attending meetings called by Divisional Management.

38 PREGNANCY LEAVE – See Appendix ‘H’

39 LOCAL ISSUES

(a) The parties agree that local issues, which may arise during the term of the Collective Agreement, should be identified and discussed prior to commencement of joint bargaining. Accordingly it is agreed that the Union will submit to local management a complete listing of local issues no later than July 15th of the final year of the Agreement. It is understood that only those local issues that arise from situations occurring after July 15th may be subsequently raised as local issues prior to the commencement of negotiations.

(b) Management agrees to meet, discuss and attempt to resolve these items no later than September 15th in the final year of the agreement.

(c) It is understood that:

(i) Items that may or may not have monetary impact (such as improvements in working conditions), but which are unique to the location in which they are presented, and which would not apply directly to an operation in another location, are local issues.

(ii) Items which involve any change to Collective Agreement language are not local issues.

40 All relevant Letters of Understanding agreed to by both parties are to be re-signed within six (6) months from the signature of this Collective Agreement.

41 All employees from old (Abitibi Price) Provincial Papers who are on long Term Disability and/or Workers Compensation that have recall rights will maintain their recall rights with the new Rolland Inc. Group Cascades "Provincial Papers" when they are able to return to work.

42 All employees from New Provincial Papers (Employee-owned) who are on weekly Indemnity, LTD or Workers Compensation will maintain their recall rights with new Rolland Inc. Groups Cascades " Provincial Papers" when they are able to return to work.

43 TERM OF AGREEMENT

43.1 The Company and the Union agree that they will abide by the articles of this Agreement for the period of November 1, 2002 to October 31, 2006, and from year to year thereafter, subject to not less than thirty (30) days' notice in writing prior to October 31, 2006, and in any succeeding year, by either party desiring a change, and on failure to arrive at a satisfactory settlement, the Agreement will automatically terminate.

43.2 If an amendment, modification or addition to this Agreement should be mutually agreed to by the parties, or if any agreement is reached by the parties, it shall not be effective unless it is reduced to writing and duly signed by the parties signatory to this Agreement. It is understood that "local adjustments" are construed to mean the consideration of individual job rates in cases of major changes in job responsibility.

43.3 The Union and the Company shall have the right to discuss wage adjustments prior to October 31st of each year of this Collective Agreement, ending October 31, 2006. It is understood that "wage adjustments" are defined to mean the consideration of individual job rates in cases of substantial changes that may occur in a job responsibility. All requests for adjustments must be submitted in writing to the joint union-management in-house committee (with equal representation from both parties). In the event that the committee cannot reach an agreement, the matter will be referred to the normal grievance procedure of the Collective Agreement.

44 Pension

Formula

1.65% X F.A.E. X Years of Pensionable Service

Early Retirement

- a) Any member in service who elects to retire early upon his attainment of age 58 or after, provided he has accumulated at least 20 years of continuous service, will receive commencing on his early retirement date, a retirement income benefit he had accumulated to such early retirement date without actuarial reduction subject to minimum reductions required by Revenue Canada. Such employee will also be provided with a bridging supplement, commencing on his retirement date equal to thirty dollars (\$30.00) per month for each full year of continuous service (to a maximum of 30 years), reducing to fifteen dollars (\$15.00) per month for each year of continuous service (to a maximum of 30 years) on the first of the month next following the employee's 60th birthday. If such employee retires early on or after age 60 with at least 20 years of service, the bridging supplement will equal fifteen dollars (\$15.00) per month for each year of continuous service to a maximum of 30 years. The bridging supplement will reduce to zero on the first day of the month following the members 65th birthday or on his prior death.
- b) A member who has not attained age 58 or over, but who has accumulated at least 20 years of continuous service may, with the consent of the Company, retire on the first day of any month during the 10 year period immediately preceding his normal retirement day and will receive, commencing on his early retirement date, a retirement income benefit equal to the normal retirement income benefit he had accumulated to such retirement date, adjusted by applications thereto of an appropriate factor based on his attained age in accordance with the following table:

| <u>Attained Age</u> | <u>Adjustment Factor</u> |
|---------------------|--------------------------|
| 57 | 94% |
| 56 | 88% |
| 55 | 82% |

Such member will also be provided with a bridging supplement commencing on his early retirement date equal to thirty dollars (\$30.00) per month for each full year of continuous service with the Company to a maximum of 30 years, reducing to fifteen dollars (\$15.00) per month for each full year of continuous service (to a maximum of 30 years) on the first of the month next following the employee's 60th birthday. The bridging supplement will reduce to zero on the first day of the month next following the member's 65th birthday, or on his prior death.

The bridging supplements referred to above will be reduced by 2/3 of 1% each month (8% per annum) by which such early retirement precedes the attainment of age 58.

Post Retirement Adjustment (Indexing)

When the pension Plan becomes fully funded the 1% post retirement indexing returns for all retirees. (As per Letter of Intent provided to the Union on July 28, 2003)

Required Contributions By The Member

Each member shall contribute to the Plan, by payroll deduction, 3.5% of his Earnings up to the YMPE, and 5% of his Earnings in excess of the YMPE.

Signed this _____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

TWELVE (12) HOUR SHIFTS

This agreement is supplementary to the Collective Agreement between the parties and covers the special conditions applicable to shift workers who work a twelve (12) hour shift schedule (see Appendix 'A-1'). The main Collective Agreement continues to apply in all necessary respects not specifically provided for in this supplementary agreement.

1. Conditions of Implementation

- (a) Problems may be identified or may arise which are not covered by this letter of understanding, or which were not contemplated at the date of the signing of this letter of understanding. Should this occur, both parties will meet to resolve the problem(s) in the spirit of this letter of understanding to the end that no additional cost should be incurred by the company.
- (b) It is understood and agreed that either party has the right to cancel this agreement by providing thirty (30) days written notice to the other party, either on a departmental basis or the entire local.
- (c) It is understood that no premium time will be paid as a result of a change from an eight (8) hour to a twelve (12) hour shift schedule, or conversely as a result of a change from a twelve (12) hour to an eight (8) hour shift schedule.

b) Millwrights – Manning

Crews will be selected from solicited volunteers by trade seniority and will consist of 4 permanent employees and 4 designated reliefs.

Crews will be established for a one (1) year period and during November of each year the permanents and reliefs will have the option to withdraw or remain. Any vacancies will be filled through volunteers with the existing reliefs having the first choice of moving to the permanent position(s) by trade seniority. Vacancies that are not filled will be filled by millwrights with the least trade seniority.

2. Rules for Availability List

- (a) An availability list will be kept for each department indicating the number of employees required to ensure sufficient number of trained personnel are available for call. An honest effort will be made, when establishing the availability list, to arrive at a mutually acceptable system that will require the minimum number of crew members to be available. The availability list will be reviewed periodically as to the need to reduce or add to it or to determine whether it is necessary to continue with it at all.
- (b) Employees on the availability list must be able to be contacted two (2) hours before and one (1) hour after shift change and are compelled to come in if and when called to report.
- (c) Employees wishing to volunteer may do so by entering their name on the volunteer list
- (d) The Availability List will be posted in each department on the Monday the weekly schedule is posted and will be utilized for the week following.
- (e) Employees will be paid the rate of the position they work.

3. Call In Procedure

When Company personnel are calling an employee who is on the availability or volunteer lists, they will directly tell the employee that they are on the “list” and are required to come to work or be classed as “absent without leave” (AWOL).

It is important to note that employees on the availability and/or availability volunteer lists are required to be available two (2) hours before and one (1) hour after the normal departmental shift change time. As such, employees on these lists have no obligation to report for work if called outside this three (3) hour window.

If an employee so desires, he/she may request of the Company person making the call, details such as why they are being called to work, and what time the other employee initially booked off.

a) Lay-off List

Employees on the lay-off list, students, will be called first in accordance with seniority and training.

b) Availability Volunteer List

Qualified employees who sign the availability volunteer list will be called next. An employee may volunteer for only one (1) group at a time, and must be available for contact two (2) hours before and one (1) hour after normal departmental shift change time. Failure by the first volunteer in each group to report for work when called will result in that employee being classed as “absent without leave” (AWOL). If more than one employee signs the volunteer list, seniority will prevail.

c) 24 Hour Volunteer List

Employees may sign this list by 7:00 a.m. each day for that day's vacancies. The employee may not sign if they are on the Availability Volunteer List for that 24 hour period he/she is volunteering for. This list is to be administered by seniority and training. A copy of each days list will be kept in the HR. Department. One week duration of lists will be available for signing at the Gatehouse.

d) Days Off

Employees on days off will be called next in accordance with seniority and training.

e) Availability List

Finally, employees on the availability list will be called. An employee on the availability list must be available for contact two (2) hours before and one (1) hour after the normal departmental shift change time. Failure by the employee to report when called will result in that employee being

classed as “absent without leave” (AWOL). If there is at least one (1) volunteer on the **Availability Volunteer List** available for the group of jobs for which an employee is on the availability list then, the employee on the availability list is not obliged to report to work if called.

f) Assignment

It is understood and agreed between the parties that if, for any reason, the above procedure fails to result in an employee coming in to fill the position, the company will have the right to assign the most junior qualified employee on the job. Failure to reach the most junior qualified employee, the company will assign the second most junior qualified employee on the job, etc., continuing onwards until such time as the position is filled. Any employee called at this stage is obligated to report to work. The company will assign work in compliance with the legislation.

The assignment of an employee at this stage does not alleviate the obligation to report, if any, in the process used at this point. Employee in default will be subject to disciplinary measures.

4. Replacement Coverage for Overtime, Sickness or Injury During Shift

- a) Move up on shift (move ups will be made to the extent as possible)
- b) Layoff list and students
- c) Availability Volunteer List (to be used within three (3) hour window from normal departmental shift change)
- d) 24 Hour Volunteer List (Volunteer daily list to be used by training and mill seniority. This list will be used between the hours of 7:00 am. And 7:00 am.)
- e) Days off
- f) Availability List (Within the three (3) hour window from normal departmental shift change)

g) Assignment

It is understood and agreed between the parties that if, for any reason, the above procedure fails to result in an employee coming in to fill the position, the company will have the right to assign the most junior qualified employee on the job. Failure to reach the most junior qualified employee, the company will assign the second most junior qualified employee on the

job, etc., continuing onwards until such time as the position is filled. Any employee called at this stage is obligated to report to work. The company will assign work in compliance with the legislation.

The assignment of an employee at this stage does not alleviate the obligation to report, if any, in the process used at this point. Employee in default will be subject to disciplinary measures.

5. **Hours of Work**

- a) The schedule of hours of work for tour workers and hours when tours shall change shall be 8 a.m. to 8 p.m. and 8 p.m. to 8 a.m. except as mutually agreed.

Departments may elect to change shifts times as outlined in the department shift change time schedule (see Appendix "A").

Shift change times will have to be discussed and agreed upon by department to ensure coverage for start ups and shut downs.

The schedule of hours of work for tour workers and hours when tours shall change shall be 8 a.m. to 8 p.m. and 8 p.m. to 8 a.m. except as mutually agreed.

- b) **Relief Employees Hours of Work**

Relief employees will work at straight time during the following shift assignments in any calendar week:

E.g.: 4 twelve-hour (12) shifts at straight time
1 twelve hour (12) shift and 4 eight (8) hour shifts
2 twelve-hour (12) shifts and 3 eight (8) hour shifts
3 twelve-hour (12) shifts and 1 eight (8) hour shift
5 eight (8) hour shifts
or any equivalent shift combinations.

- c) In some cases relief from an eight (8) hour shift to a twelve (12) hour shift or from a twelve (12) hour shift to an eight (8) hour shift may result in more than or less than a forty-two (42) hour average work week
- d) When employees are required to move to a 12-hour shift from an 8-hour shift, they are not entitled to premium time after 8 hours, unless they are moved after they have started their 8-hour shift

6. Shift Differential

Shift differential will be paid as follows:

| | |
|--------------|-----------------------------------|
| 8 am – 8 pm | .00 cents/hour |
| 8 pm – 8 am | .67 cents/hour (night shift only) |
| 8 am - 4 pm | .00 cents/hour |
| 4 pm - 12 am | .40 cents/hour |
| 12 am - 8 am | .60 cents/hour |

7. Statutory Holidays

- (a) Employees who work a statutory holiday shift shall:
 - (i) be paid at the rates determined in the Collective Agreement.
 - (ii) have the option to being granted a day off with eight (8) hours' pay at a mutually agreed date or may elect to receive eight (8) hours in lieu of such day off.
- (b) Employees whose annual vacation period includes one of these holidays shall be entitled to an extra day with eight (8) hours' pay as may be arranged.

8. Floating Holidays

Floater will be paid on the basis of the employee's scheduled hours of work to a maximum of forty-eight (48) hours. Employees will have the option of taking six (6) 8-hour floaters or four (4) 12-hour floaters, or a combination to a maximum of forty-eight (48) hours. During the period of June 16th to September 14th floaters taken shall be on the basis of the employee's scheduled hours lost.

In cases where the time remaining is less than a scheduled day of work, the employee can waive the time off and receive pay for the hours outstanding or take a full scheduled day off resulting in loss of pay for the difference between the hours outstanding for floaters and the normal scheduled hours of work.

9. Vacations

Vacations will be granted and taken on the basis of the work cycle equaling one week's vacation. Each week of vacation pay shall be calculated at 2.4% of gross earnings in the previous calendar year, or forty (40) hours pay at the employee's regular rate, whichever is the greater.

Unposted employees and employees holding a posted spare position will take their vacation entitlement by calendar week. However where permitted by operational needs such employees will continue in their present schedule through their vacation period

10. Overtime

For employees on twelve (12) hour shifts, time and one-half will be paid for all hours worked in excess of twelve (12) hours per day Monday to Saturday inclusive and double time for all hours worked in excess of twelve (12) hours on Sundays or statutory holidays, except for late relief as per the Collective Agreement.

11. Bereavement Leave

- (a) When death occurs to an employee's spouse, child, adopted child or step child, the employee will be granted a leave of absence of up to five (5) scheduled work days falling within the eight (8) day period beginning with the date of death. For each scheduled working day during which the employee is absent he will be paid for twelve (12) hour or eight (8) hours at his regular straight time rate, whichever is applicable; however, the maximum bereavement leave payment shall be forty (40) hours' pay. (Spouse shall include common-law spouse).
- (b) When death occurs to an employee's mother, father, foster parents, adoptive parents, brothers, sisters, mother-in-law, father-in-law, stepmother, stepfather, stepbrother, stepsister, grandfather, grandmother or grandchild, the employee will be granted a leave of absence for up to three (3) scheduled working days lost within the eight (8) day period beginning with the date of death. For each scheduled working day so lost, the employee will be paid for twelve (12) hours or eight (8) hours at his regular straight time rate, whichever is applicable, to a maximum of twenty-four (24) hours.

When distance prevents the employee from attending the funeral, one day of compassionate leave with eight (8) hours' pay will be allowed within the six (6) day period beginning with the date of death.

12. Jury Duty

An employee who is prevented from working his scheduled shift due to being on jury duty, reporting for jury roll call or as a subpoenaed witness, shall be paid the difference between the pay received for such jury duty or subpoenaed witness and twelve (12) times or eight (8) times the straight time hourly rate he would have otherwise received, whichever is applicable.

13. Meals

Employees who are working a twelve (12) hour shift schedule will receive a meal if required to work more than two (2) hours beyond the end of their regular 12 hour shift. Thereafter, an additional hot meal will be supplied at four (4) hour intervals unless the fourth (4th) hour completes his work assignment.

14. Exchanging Day off or Shifts

Exchanging days off or shifts will not be permitted if an employee would work more than twelve (12) consecutive hours as a result of the change.

15. Meetings with Management

Union Executives required to attend meetings with management during their scheduled working hours will be provided relief when necessary and will be paid for the time required for the meeting after which they will return to work unless other arrangements are made to cover their shift.

16. Emergency Shutdowns

For emergency shutdowns of twenty-four (24) hours or less (includes the shift in which the shutdown occurs and the shift following) and all normal shutdowns occasioned by normal clean up, clothing changes and scheduled normal maintenance, operating crews will be provided with work and will be paid at the rate of their regular occupation. Employees will be expected to do work assigned. Tour workers may be scheduled to work with day crews during these shutdowns and if so scheduled, will work day worker hours.

17. Federal, Provincial and Municipal Elections

During the year in which any of the above elections are called, discussions will be held by the two parties to this agreement to develop a system that will allow all employees wishing to vote the opportunity to do so while still maintaining the continuity of operations at no cost to the company

18. Leaves of Absence

Time off with pay will be provided to an employee writing qualifying examinations during scheduled working hours for certificates required in his occupation. Such pay will be at his straight time rate and limited to twelve (12) hours.

19. Wage Schedule

The acceptable schedule is applicable to either eight (8) or twelve (12) hour shifts.

20. Joint Retirement Board

The Company will arrange and pay transportation and hotel expenses (when necessary) plus \$25.00 a day to cover meals and incidental charges for the Union Retirement Board members who are employees. Scheduled days lost will be paid for on the basis of twelve (12) hours or eight (8) hours per day, whichever is applicable, at the employee's regular rate of pay.

Signed this ____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

PROCEDURE FOR JOB POSTINGS

The parties agree to the following procedure which will ensure a fair and equitable job posting process.

1. When posting for full-time or posted spare positions, the number of positions will be stated.
2. If an additional number of positions is required after the posting has been circulated, an additional posting is required
3. Refer to Article 7 Promotions and Transfers.
4. All departments will consistently apply this job posting method.

Signed this ____ day of _____, 20__ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

EMPLOYEES ON WSIB & LTD BENEFITS IN EXCESS OF ONE YEAR

The parties agree to the following policy to provide for consistency and fairness in drawing up yearly standards.

It is agreed that employees collecting Worker's Safety Insurance Board (WSIB) Compensation Benefits in excess of one (1) year, or employees who are presently collecting Long Term Disability (LTD) Benefits at year end will be taken out of their appropriate line of progression to allow other employees their entitled move up in that line of progression

The employee on WSIB and LTD Benefits will retain their entitlement to their rightful position in the line of progression upon returning to work at the end of the calendar year. Employees who come back to work during the calendar year will be placed in their proper line of progression on the junior shifts.

Signed this ____ day of _____, 20__ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

YEARLY SHIFT CHANGES

To provide consistency and fairness the parties agree that when the mill operates during the Christmas and New Year's statutory holidays, the departmental standards for the new year will come into effect on the Sunday following New Year's Day.

If the mill shuts down for the Christmas and New Year's statutory holidays the departmental standards for the new year will come into effect when the Mill starts up.

Signed this ____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

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And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

ESTABLISHMENT OF STANDARD CREW LISTS

Departmental standard crew lists for the upcoming year shall be reviewed by November 30th by the Company on the following basis:

Employees who have been out of their posted department on a temporary basis for three (3) months or more at the time of the review, will be identified by the Company and will be removed from the appropriate standard crew list effective January 1st of the following year by the mutual agreement of both parties. If the move to another department is considered a permanent posting the six (6) month probationary period will commence on January 1st of the following year.

Signed this ____ day of _____, 20__ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

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And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

MUTUAL SHIFT CHANGES

The parties agree to the following conditions for making a mutual shift change:

1. Where possible, the request should be made twenty-four (24) hours in advance
2. Employees requesting a change must get their Departmental Supervisor's approval prior to the change.
3. Employees involved in a change must be equally qualified to perform the required work within the department, including any move-ups on shift.
4. An original copy of the official request form is to be given to the Crew Schedulers or left at the Gatehouse by the employee.
5. If either employee involved in the change is not available for work for any reason the employee involved will revert to their original shifts with no penalty to the Company. This includes circumstances when an employee is on Weekly Indemnity, Long-Term Disability, or W.S.I.B (including modified duty).
6. To ensure the most senior qualified employees on the lay-off list are given the opportunity to work, mutual shift changes cannot be made with employees on the lay-off list or with students. Employees on the layoff list that have a full complement

of shifts as set out in Article 5(b) of the 12 Hour Shift Letter of Understanding will be entitled to make mutuals.

Signed this ____ day of _____, 20__ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

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LOCAL 279

And

CASCADES FINE PAPERS GROUP
THUNDER BAY INC.

OVERTIME PROCEDURE – MECHANICAL DEPARTMENT

The following constitutes a mutually agreed to overtime procedure for all tradesmen.

It is further understood that this agreement shall not conflict with the collective agreement and all such articles in same shall prevail.

1. Overtime on Job Continued from Day Shift

Overtime required for a job an employee is already working on is to be offered to that employee.

2. Emergency Overtime (For jobs that come up between 3:40 pm and 4:00 pm)

- (a) Departmental tradesmen in the plant will have first option by trade seniority.
- (b) When no departmental tradesmen are available, then tradesmen required who are in the plant will be offered the work in order of trade seniority.

3. Pre-Planned Overtime

3.1 Repair work

- (a) Departmental tradesmen in the plant will have first option by trade seniority.
- (b) When insufficient departmental tradesmen are available, the other tradesmen will be offered the work in order of trade seniority.

3.2 Major Capital Work (i.e. new equipment or major modifications of Existing equipment)

Tradesmen will be offered the work in order of trade seniority.

4. Repair Days

Every effort will be made to utilize and rotate area department people on scheduled lengthy jobs.

5. Business Units

The Business Units are defined as:

- Furnish
- Coating and Stock Prep, No. 5 Paper Machine
- No. 6 Paper Machine and No. 2 Off-Machine Coater
- No. 8 paper Machine
- Finishing

When trades call list has been exhausted go to flex trades list.

Signed this _____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
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LETTER OF UNDERSTANDING

Between

COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279

And

CASCADES FINE PAPERS GROUP THUNDER BAY INC.

CALL-IN PROCEDURES FOR TRADESMEN

The parties agree to the following call-in procedures for Tradesmen shall not conflict with the Collective Agreement and all such articles contained in same shall prevail.

General Rules for Call-ins

1. For all call-ins, start calling from the top of the appropriate list and record results of the call. Let the phone ring at least six times before hanging up.
2. Busy Signal– recall number after making four additional calls
3. No answer – recall number after going through entire list if necessary.
4. Advise the tradesmen of all specific details of the job for which he is being called.
5. As a last resort, call people on their day off first, then those on vacation.
6. If not able to get the required tradesmen, then call the mechanical area supervisor.
 - o Area supervisor scheduled to work weekend
 - o Maintenance Manager
7. Advise the person requesting the call-in of the results.
8. When a tradesman requires the technical assistance of another tradesman and notification has been made to the supervisor an additional tradesman may then be called in by continuing the procedure.
9. Statutory Holidays:
 - (a) Call tradesmen who have been working on the statutory holiday by seniority.

- (b) (i) If the statutory holiday ties into the weekend, the most senior man is scheduled to work.

(ii) If unable to get the most senior man to work, then call the next senior person and continue down the seniority list until someone agrees to come in.
- (c) If a statutory holiday falls in the middle of the week, go to the seniority list starting from the top of the list.

10. Do not phone an apprentice unless he will be accompanied by a journeyman.

Other Call Ins

1. Call millwrights using the seniority list starting from the top of the list
2. If unable to get required number of millwrights using step 1., call shift millwrights first in the following order:
 - a) first half of shift – call millwrights on previous shift first, then millwrights on in-coming shift.
 - b) second half of shift – call millwrights on in-coming shift first then millwrights on previous shift.
3. As a last resort, call people on their day off first, then those on vacation.

MILLWRIGHTS Call-in List

Week days

Call beginning at the top of the millwrights call-in list and work to the bottom.

Weekends

Weekend coverage Friday from 4:00 pm , Saturday and Sunday, phone skeleton crew first. If no one is available from the skeleton crew, call beginning at the top of the millwrights seniority list and work to the bottom.

PIPEFITTERS

Weekdays

Call beginning at the top of the pipefitters call-in list and work to the bottom.

Weekends

Weekend coverage Friday from 4:00 pm, Saturday and Sunday, phone skeleton crew first. If no one is available from the skeleton crew, call beginning at the top of the pipefitters seniority list and work to the bottom.

Tradesmen Skeleton Crew List

In the event of a mutual trade, the pipefitter scheduled to work the weekend will be credited for working the weekend.

WELDERS

Weekdays

Call beginning at the top of the welders call-in list and work to the bottom.

Weekends

For weekend coverage Friday from 4:00 pm, Saturday and Sunday, phone skeleton crew first.

If no one is available from the skeleton crew, call beginning at the top of the welders seniority list and work to the bottom.

ALL OTHER TRADES

Call starting at the top of the seniority list.

Signed this ____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
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LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

RELIEF OF 12-HOUR SHIFT MILLWRIGHTS FROM DAY MILLWRIGHT CREW

The following constitutes a mutually agreed-to procedure for all mechanical department millwrights under the jurisdiction of C.E.P. Local 279.

It is further understood that this agreement shall not conflict with the Collective Agreement and all such Articles contained in same shall prevail.

1. There will be one (1) millwright per shift
2. Millwrights will be scheduled to fill a block (four 12-hour shifts) or blocks of shifts as required from the day crew block relief list. The second and subsequent consecutive blocks are at the option of the individual being scheduled.

(Note: Blocks referred to above are consecutive and from one shift worker.)

When more than one block is opted for, four (4) days must be taken off between blocks and the same option is used to start and finish those blocks of shift relief.

3. Individual shifts, i.e. floaters, sickness, etc., up to three (3) will be offered to shift millwrights on their days off on an overtime basis. If the shifts are not filled in this manner, then day crew millwrights will be scheduled to fill an individual shift or shifts (up to three (3) shifts -the second and third shifts at the option of the individual being scheduled) as required from the day crew shift relief list.

Note: Shifts referred to above are consecutive and from one shift worker.

4. In both cases above, the individual being scheduled shall select the option of days work/days off (if any available) from approved option lists or if none is selected, the standard days off will be scheduled.
5. In all cases, permanent shift relief millwrights will be scheduled first, giving priority to blocks, but allowing four (4) days off between blocks.
6. For the purpose of record:
 - (a) The day crew block relief list shall start with the junior man and end with the senior man.
 - (b) The day crew shift (i.e. floaters, sickness, etc.) Relief list shall start with the senior man and end with the junior man.
7. Shift relief is scheduled before skeleton crew.
8. All blocks and shifts that are requested after 3 p.m. Friday of the previous week will be filled on a voluntary overtime basis, in the order of shift millwrights (by the call list), permanent shift relief millwrights, then day crew millwrights by trade seniority.
9. On option lists for shift relief, all hours worked are at straight time except Sundays and statutory holidays.
10. Reliefs should indicate which option they want to the crew scheduling clerk by 2 p.m. Wednesday of the previous week - no changes after Friday at 3 p.m.
11. Any individual who has already been scheduled or asked which option he would like to work will be given the option on any earlier blocks appearing subsequently.
12. A day crew millwright will not be scheduled for skeleton crew weekends at the middle or end of the period when he is scheduled to work a block. Any millwright already scheduled to work the first weekend on the skeleton crew will have the option to work or be skipped.
13. Day crew millwrights going on holidays will not be assigned a shift or a block that requires them to work the Friday or Saturday before going on holidays or the week following their holidays.
14. Day crew millwrights with long weekends or floating holidays should not be scheduled for individual shifts the day before or during those days off.
15. When a day crew millwright next to be scheduled for a shift or a block is scheduled to be on holidays or floater(s) will be skipped for this time, but gone back to for the next available time.

- 16. When a mutual change is requested by one individual to take a shift or block that is scheduled to another, credit for the shift or block will go to the individual scheduled.
- 17. When a mutual change is requested by an individual who is scheduled to work a shift or a block for another to work, credit for the shift or block will go to the individual who worked, unless he requests otherwise.
- 18. When a shift relief is required and this results in a loss of normal scheduled hours, he will be provided with make-up hours at a mutually agreeable time.

Signed this ____ day of _____, 20__ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

TIME OFF FOR REST TIME

In recognition that in some circumstances it may be reasonable and mutually agreeable to postpone the taking of rest time, the parties agree to the following policy will govern such alternate time off for rest time.

The Company will allow employees time off for rest time, subject to the following conditions:

1. No other employee's holidays or floaters are adversely affected.
2. There is no premium time paid to cover this time off.
3. There are sufficient trained and available employees to allow for this time off.

The Company will continue to make every effort to allow employees reasonable time off.

Signed this ____ day of _____, 20__ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

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THUNDER BAY INC.**

POLICY ON VACATION CARRY-OVER

The following agreement between C.E.P. Local 279 and Cascades Fine Papers Group Thunder Bay Inc. details the appropriate procedure relating to the carrying-over of vacations:

Employees may carry unused vacation weeks until March 31st of the year following the year in which they should normally be taken.

Employees wishing to carry vacation beyond this March 31st deadline must submit a written letter to the Director, Human Resources prior to December 31st of the year in which the vacation was due. This letter must specify the employee's name, payroll number, length of service, a detailed reason for the extension, and the date by which the outstanding vacation will be used. Such requests are meant for special circumstances only.

If the extension is granted beyond the March 31st deadline (which is at the sole discretion of management), the employee concerned is responsible for working with the Crew Schedulers to find appropriate relief in order to take their vacation entitlement. The Company will not incur any premium time as a result of this arrangement. The employee may not take prior year vacations during the period between June 16th and September 14th and any carry-over vacation granted must be used by beyond December 31 of the carry over year.

Employees on Weekly Indemnity at year end can carry their unused floaters until March 31st of the subsequent year. On March 31st of each year any outstanding floaters would be paid out or canceled (if the employee remains on Weekly Indemnity).

Signed this ____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

LETTER OF UNDERSTANDING

Between

**COMMUNICATIONS, ENERGY, AND PAPERWORKERS UNION
LOCAL 279**

And

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

SCHEDULING PRACTICES FOR TEMPORARY SHUTDOWNS

In scheduling for temporary lay-offs, the Company will endeavor to follow the general principal that senior employees will receive preference for work over junior employees.

Senior employees who may otherwise be temporarily laid off, may require training/preparation so as to be qualified to bump into bottom jobs when their department or unit is shutdown for an extended temporary period or if it is anticipated that their department or operating unit will be operating on a sporadic basis over an extensive period of time.

In scheduling temporary shutdowns resulting in reduced operations in a department;

1. To the extent that employees are required in the department, the employee with the most mill seniority remains in the department to the extent that his training allows him to remain in the line of progression.
2. Following this, when vacancies occur that the scheduled employees are unable to fill, then the call-in shall be made by departmental seniority from the lay-off except where the senior employees through mill seniority are trained to do the job they are to be called first.

3. Bumping cannot occur until the day and time of the shutdown

- (1) Regular schedules will be maintained up to the day and time of the shutdown
- (2) Regular schedules will be followed on startup.
- (3) The company will ensure that changes in manning requirements are communicated to scheduling as soon as possible when these are known.

Signed this ____ day of _____, 20____ at Thunder Bay, Ontario.

Cascades Fine Papers Group
Thunder Bay Inc.

Communications, Energy and
Paperworkers Union, Local 279

APPENDIX 'A' (1)

DEPARTMENTAL SHIFT CHANGE TIMES

| | |
|-----------------------|--------------------------------|
| Clothing Crew | 7:00 am to 3:00 pm (No relief) |
| #8 Paper Machine | 6:00 am to 6:00 pm |
| #8 Bobcat | 6:30 am to 6:30 pm |
| #5 & #6 Paper Machine | 6:00 am to 6:00 pm |
| #2 Off Machine Coater | 6:00 am to 6:00 pm |
| Coating Plant | 6:00 am to 6:00 pm |
| Stock Preparation | 5:00 am to 5:00 pm |
| Roll Splitter | 5:30 am to 5:30 pm |
| Trimmers | 7:00 am to 7:00 pm |
| Carton Stenciller | 7:00 am to 7:00 pm (No relief) |
| Clerk Weigher | 7:00 am to 7:00 pm (No relief) |
| Skid Wrap | 7:00 am to 7:00 pm |
| Sheeters | 6:00 am to 6:00 pm |
| Supercalendars | 6:00 am to 6:00 pm |
| Rewinders | 6:00 am to 6:00 pm |
| Roll Wrap & Shipping | 6:00 am to 6:00 pm |
| Material Roll Trucks | 6:00 am to 6:00 pm |
| Coreroom | 6:00 am to 6:00 pm |
| Paper Mill Oilers | 5:00 am to 5:00 pm |
| Testers | 6:30 am to 6:30 pm |
| Pulpers | 6:30 am to 6:30 pm |
| Groundwood | 6:00 am to 6:00 pm |
| Slasher | 6:00 am to 6:00 pm |
| Volvo | 6:00 am to 6:00 pm |
| Front End Loader | 7:00 am to 3:00 pm (No relief) |
| Yard | 7:00 am to 3:00 pm (No relief) |
| Material Handling | 8:00 am to 4:00 pm (No relief) |
| Yard Foreman | 7:00 am to 3:00 pm (No relief) |
| Shift Millwright | 5:00 am to 5:00 pm |

NOTE: In the event an employee is scheduled to work in a department with a different shift change, it will be at no cost to the company re: Time and one half.

APPENDIX 'A'(2)

CASCADES FINE PAPERS GROUP THUNDER BAY INC.

WEEKLY INDEMNITY PLAN

1. DEFINITIONS

In this Plan, unless otherwise specifically provided,

- a. "Accident" is a bodily injury caused by external, violent means;
- b. "Disability" is a disability preventing an employee from pursuing any gainful occupation arising from any mental infirmity, bodily disorder, or bodily injury, verified to the satisfaction of the Company and/or insurer, and not otherwise excluded by this Plan;
- c. "Employee" means an employee in the active employment of the Company who participates in this Plan;
- d. "Insurer" means the insurance company or carrier appointed by the Company;
- e. "Plan" means the Cascades Fine Papers Group, Thunder Bay Inc. Weekly Indemnity Plan;
- f. "Wage" means an employee's regular weekly wage, based on 40 times his straight time average rate for the 40 hours worked prior to the start of disability, excluding any overtime premium or shift bonus. Employees who are regularly scheduled to work a 42 hour work week will have their benefits calculated on that base.

2. PARTICIPATION

- a. All employees of the Company listed on the attached participation schedule shall be eligible to participate in this Plan, in accordance with the provisions listed herein.
- b. Participation in this Plan is limited to eligible employees who have completed three months of continuous employment with the Company.

3. AMOUNT OF DISABILITY BENEFITS

a. The amount of disability benefits shall be seventy percent (70%) of an employee's wage, as defined in Section 1 (f), immediately preceding the date of disability with no maximum.

b. Change in Benefits

Any employee not actively at work on the effective date or dates of the changes in benefits will not be eligible for the increase in benefits until the date of his return to active employment.

c. A daily rate of payment for each calendar day of absence that qualifies for payment shall be one-seventh the weekly amount of disability benefit under Section (a) hereof.

4. ELIGIBILITY FOR PAYMENT

a. (i) Except in the case of disability arising out of an accident or illness requiring hospitalization, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding fifty-two (52) weeks for any illness, beginning after three (3) consecutive days of continuance of the disability.

(ii) In the case of a disability arising out of an accident or illness requiring hospitalization, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding fifty-two (52) weeks for any one accident or such sickness commencing from the date of the accident or first day of hospitalization.

b. An employee absent from work and in receipt of an amount of disability benefit, shall continue to receive such benefit, even though a work shortage develops which would have resulted in his being laid off had he been at work, provided that the employee remains disabled and continues to furnish evidence satisfactory to the Company and/or insurer, and verifies the continuance of disability.

c. An employee shall not be eligible for an amount of disability benefit under this Plan unless he is actively employed by the Company at the date that he becomes eligible or until he subsequently returns to active employment.

In the event of a lay-off an employee shall be considered as still employed for purposes of this benefit up to the end of the policy month next following the policy month in which the employee was laid off.

- d. An employee making a claim for an amount of disability benefit after lay-off or termination of employment, for disability established to the satisfaction of the Company and/or insurer as having occurred prior to his lay-off or termination, shall be eligible for an amount of disability benefit provided such disability was accompanied by a continuance of absence that commenced prior to actual lay-off or termination.
- e. Successive periods of disability separated by less than four consecutive weeks shall be considered one period of disability, unless the subsequent disability is due to an accident or illness entirely unrelated to the previous disability and commences after return to active employment on a full time basis.
- f. An amount of disability benefit under this plan shall not be paid in the event the absence is a result of,
 - (i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or
 - (ii) Any injury or illness entitling the employee to compensation under any Workers' Compensation or similar legislation, or
 - (iii) Self-destruction or any self-inflicted injury, while sane or insane, or
 - (iv) Any injury or illness resulting from insurrection or war, whether war be declared or not, or from participation in riot or civil commotion, or
 - (v) Disability for which the employee is not under the treatment of a physician except that authorization for benefits by a chiropractor shall be permitted for up to four weeks per insured person per calendar year, or
 - (vi) Alcoholism or Drug Addiction, unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and drug addiction or the employee is undergoing regular rehabilitative treatment approved by the insurer and a licensed physician.

- g. An amount of disability benefit will not be payable following the normal retirement date of an employee, other than retirement under the total and permanent disability provision of the Company pension plan.
- h. An amount of disability benefit will not be payable following the early retirement date of an employee, if early retirement was approved prior to the onset of disability.
- i. An amount of disability benefit will not be payable for those days for which the employee receives holiday pay, vacation pay, or more than one-half day's regular pay, from the Company.
- j. An employee on Weekly Indemnity, who is determined as being fit for "light duty" by a licensed physician and if no "light duty" work is available, shall remain on Weekly Indemnity Benefits in line with Section 4(a)(i).
- k.
 - (i) An amount of disability benefit under the plan shall not be paid in event the absence is a result of pregnancy-related disabilities when an employee is on pregnancy leave of absence or could be placed on such leave by the Company, in accordance with the pregnancy leave provisions of any relevant provincial or federal legislation.
 - (ii) For employees who fail to qualify for pregnancy leave of absence because of failure to meet the length of service requirements in the relevant provincial or federal law, any leave of absence agreed upon by the employer and employee will be considered a normal leave of absence for legitimate personal reasons.
- l.
 - (i) In computing the amount of disability benefits, disability will be considered as starting from the first day of disability; however, in the event of absence due to illness, an employee must be certified by a physician for the disability within the first three (3) days of disability. In the event that the employee is not certified within the first three days, disability will be considered as starting two (2) complete days prior to the day that the employee is actually certified by a physician.
 - (ii) When an employee becomes ill on a Friday, the three (3) day waiting period will be extended to the Monday. However, if the employee in this instance fails to see his doctor on the Monday immediately following the Friday, the grace period will revert to three (3) days only.

5. MISCELLANEOUS PROVISIONS

- a. An employee who is absent due to disability or on an authorized leave of absence, on the date he was to become eligible under this Plan, and is unable to return to active employment when eligible because of a

disability, shall, upon the date of his return to active employment, be eligible to participate in this Plan;

- b. An employee absent on an authorized leave of absence on the date he was to become eligible under this Plan, shall, upon the date of his return to active employment, be eligible to participate in this Plan;
- c. If an employee who has been covered under the terms of this Plan is granted an authorized leave of absence, such employee shall be considered as still covered under the terms of this Plan, but not beyond the end of the policy month next following the policy month in which such employee ceased work;
- d. If requested, the Company may make advance payments after receipt of formal claim, at normal pay intervals until the claim is processed.

The Company will be reimbursed by the claimant for any advance payments made prior to the Company's receipt of notification of the adjudication of the claim.

If a claim is denied, advance payments not repaid by the claimant within 30 days following receipt of notification by the Company of such denial, will be recovered by the Company from the claimant's normal pay.

6. GOVERNMENT DISABILITY PLANS

- a. The amount of disability benefit under this Plan will be reduced by the amount for which an employee and/or the employee's dependent up to the age of eighteen is eligible under the disability benefit provision of the Canada or Quebec Pension Plan or similar provisions in any other Government plans for disability, for which the employee is receiving an amount of disability benefit under this Plan, except for War Disability Pensions and Workers' Compensation Disability Pensions.
- b. The Company and/or insurer may require certification or verification of the amount of income from the Canada or Quebec Pension Plan or such other Government Plans.
- c. The amount of disability benefit in excess of the amount which should have been paid may be deducted from the amount of any future disability benefit, or repaid by the employee to the Company and/or insurer, as the case may be, through some other mutually satisfactory arrangement.

7. COMPANY PENSION PLAN DISABILITY BENEFITS

The amount of disability benefit under this Plan will be reduced by the amount of pension for which the employee is eligible under the total and permanent disability provision of the Company pension plan.

8. PHYSICAL EXAMINATIONS

The Company and/or insurer reserves the right to require periodic physical examinations throughout the duration of the employee absence due to disability. Such examinations shall be conducted by a physician or physicians designated by the Company and/or insurer.

Cost of physical examinations, transportation and reasonable out-of-pocket expenses related thereto will be paid by the insurer.

In cases where there is a dispute as to the validity of a claim or the continuance of a claim and where the physicians of the employee and employer fail to reach agreement after consultation, the dispute will be referred to a mutually agreed practising specialist who will render a final and binding decision.

Weekly Indemnity payments will continue until a final decision is reached.

9. ADMINISTRATION

- a. It shall be the obligation of the employee to notify immediately the Company of his absence due to disability, following which the Company will issue the necessary initial claim forms to him.
- b. Completed claim forms will be checked by the Company to determine whether or not an employee is a participant in the Plan, and the Company will forward the claim forms to the insurer for adjudication and processing.
- c. To assist the insurer in the proper adjudication and processing of claims, the Company and/or the insurer may establish claims control procedures.
- d. A Claims Committee will be established consisting of a union representative of each participating local and representatives of management, having a representative of management as Chairman, the purpose of which will be to discuss any problems relating to the administration of the plan, and to review claims experience. To assist in the function of the Claims committee, a representative of the insurer will attend meetings periodically, and claims experience will be made available.

- e. The Claims committee may assist in the establishment of claims control procedures which may be required from time to time.
 - f. The claims Committee will not seek, directly or indirectly, to abridge, modify, add to, or subtract from, the terms of this Plan, nor to secure benefits not payable under the terms of this Plan.
10. All of the foregoing provisions of this Plan shall be subject to the Grievance Procedure.

APPENDIX 'B'

CASCADES FINE PAPERS GROUP THUNDER BAY INC.

LONG TERM DISABILITY PLAN

The Long Term Disability Plan shall be administered in accordance with the terms of an insurance policy and shall contain the following governing provisions.

1. ELIGIBILITY

The Long Term Disability Benefit Plan shall be compulsory for all employees who are participants in and who are covered under the terms of the Weekly Indemnity Plan.

2. EFFECTIVE DATE OF COVERAGE

An eligible employee is entitled to benefits provided he is actively at work on the first day the Long Term Disability Benefit Plan becomes effective.

An eligible employee absent from work due to sickness or accident at the effective date of the Plan, shall only be eligible for Long Term Disability Plan benefits at the return to continuous active full-time employment over a thirty (30) calendar day period. An eligible employee absent from work due to lay-off at the effective date of the Plan, shall be entitled to Long Term Disability Plan benefits upon recall on reporting to work. The Company shall have the right to give medical examinations to employees returning from such lay-off to determine their eligibility under the plan.

3. QUALIFYING PERIOD

An insured employee shall be eligible to receive an amount of Long Term Disability benefit after fifty-two (52) weeks of benefit entitlement for the same disability under the Weekly Indemnity Plan. A benefit payment shall not commence during a lay-off or strike until the termination of the lay-off or strike.

4. DEFINITION OF DISABILITY

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

5. AMOUNT OF BENEFIT

- a. 55% of regular straight time hourly rate, multiplied by 2,080 and divided by 12, up to a maximum monthly payment of \$2,000. During the term of this agreement, effective November 1st of each year, general wage rate increases will be incorporated into the benefit up to the maximum monthly payment of \$2,000. The regular straight time hourly rate shall be the rate used to calculate Weekly Indemnity benefits.
- b. The amount of benefit shall be reduced by any payments on behalf of the employee made under any Government disability plan (except increases in such amounts occurring 12 months or more after disablement), Workers' Compensation, or any other non-private disability income plan.

6. DURATION OF BENEFITS

Benefits shall cease upon the occurrence of any one of the following:

- a. On the date the employee ceases to be disabled; or

(NOTE: If there is a recurrence of the same disability within four (4) months of return to work, a new qualifying period will not be required, and the disabled employee will be eligible for any balance of Long Term Disability benefit payments. This provision shall take precedence over any recurrent disability provision under the Cascades Fine Papers Group Thunder Bay Inc. Weekly Indemnity Plan.)
- b. On death; or
- c. On the earlier of retirement or age 65.

7. CONTINUATION OF GROUP LIFE INSURANCE DURING DISABILITY

An insured employee receiving Long Term Disability Plan benefits, who was a participant in the Company Group Life Insurance Plan at the commencement of his disability, will continue to enjoy Group Life Insurance coverage at no premium cost to him.

8. EXCLUSIONS

- a. Benefits under the Long Term Disability Plan will not be payable for claims resulting from:

- (i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or
 - (ii) Any injury or illness entitling the employee to compensation under any Workers' Compensation or similar legislation, or
 - (iii) Self-destruction or any self-inflicted injury, while sane or insane, or
 - (iv) Disability for which the employee is not under the treatment of a physician, or
 - (v) Alcoholism or drug addiction, unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and drug addiction or the employee is undergoing regular rehabilitative treatment approved by the insurer and a licensed physician.
- b.
- (i) An amount of disability benefit under this Plan shall not be paid in the event the absence is a result of pregnancy-related disabilities when an employee is on pregnancy leave of absence or could be placed on such leave by the Company, in accordance with the pregnancy leave provisions of any relevant provincial or federal legislation.
 - (ii) For employees who fail to qualify for pregnancy leave of absence because of failure to meet the length of service requirements in the relevant provincial or federal law, any leave of absence agreed upon by the employer and employee will be considered a normal leave of absence for legitimate personal reasons.

9. REHABILITATION

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

APPENDIX 'C'

CASCADES FINE PAPERS GROUP THUNDER BAY INC.

SUPPLEMENTARY HEALTH CARE PLAN

This description outlines the principal features of the Supplementary Health Care Group Insurance Plan. Insurance policies applicable to this coverage are held for Cascades Fine Papers Group Thunder Bay Inc.

1. ELIGIBILITY

Employees:

All employees are eligible upon completion of ninety (90) working days.

Dependents:

For purposes of dependents' coverage provided under the Plan, eligible dependents include the wife or husband and unmarried children from birth to their 21st birthday; in addition, unmarried children 21 years of age and over who are regularly attending school and depend upon you for support are eligible as dependents until their 25th birthday.

No person may be eligible for benefits both as an employee and as a dependent, or as a dependent of more than one employee.

Dependents become eligible on the same date as you do, or if acquired later, on the date they first become eligible dependents.

2. DESCRIPTION OF BENEFIT

If you incur Class I Covered Expenses, the plan will pay 100% of such expenses with no deductible.

If you incur Class II Covered Expenses in excess of your deductible in any calendar year, this plan pays you 100% of such excess expenses.

The deductible applies only once in any calendar year. The amount of your annual deductible is \$10.00 per insured individual with a maximum family deductible of \$20.00.

The Maximum Lifetime benefit for all Covered Expenses is \$10,000 for each insured family member. On January 1 of each year, up to \$1,000 of the maximum lifetime benefit previously utilized will be automatically restored. Further, the current lifetime maximum will be restored every three (3) years.

For example, if you receive \$1,700.00 in benefit payments in one calendar year, your maximum benefit will automatically be restored by \$1,000.00 on the next January 1, making your new maximum \$9,300.00. The next January 1, your maximum will be restored to \$10,000 provided benefits paid in that year were \$300.00 or less.

3. COVERED EXPENSES

Covered Expenses included under the Plan are the charges which you are required to pay for the following services and supplies received while you are insured, for the treatment of non-occupational injuries, diseases or for pregnancy.

Class I Expenses

Hospital Board and Room and Other Necessary Services and Supplies up to the difference between the hospital's daily charge for ward and average semi-private accommodations.

Vision Care expenses incurred by an employee and/or his covered dependents when recommended by a physician or optometrist as follows:

Frames, lenses, and the fitting of prescription glasses, including contact lenses up to a total payment of \$75.00 per family member, in any two consecutive calendar years.

Class II Expenses

Note: Any dollar limits referred to in the list of Class II Expenses are the charges recognized by the Plan and not the benefits payable since these charges are subject to the deductible as stated earlier.

Drugs and Medicines obtainable only upon a physician's prescription and dispensed through a registered pharmacist.

Professional Ambulance Service when used to transport the individual from the place where he is injured by an accident or stricken by a disease to the first hospital where treatment is given, or from a hospital to a convalescent hospital. No other expenses in connection with travel are included.

Out-Patient Hospital Services and Supplies in connection with:

- use of examination or operating room,
- drugs, dressings or casts
- anaesthesia in connection with the performance of a surgical procedure but not charges made by a resident physician or intern of a hospital.

Registered Graduate Nurse (R.N.) other than a nurse who ordinarily resides in your home, or who is a member of you or your spouse's family, provided such services have been ordered by a physician.

Convalescent Hospital Board and Room and Other Necessary Services and Supplies up to the difference between the hospital's daily charge for ward and average semi-private accommodations for as many as one hundred twenty (120) days during any one period of disability provided the individual is admitted to the convalescent hospital within fourteen (14) days following confinement in a hospital. All confinements in a convalescent hospital will be considered as one period of disability unless confinements are separated by at least ninety (90) days.

Treatment by a Provincially Licensed Osteopath, Naturopath, Podiatrist or Christian Science Practitioner up to \$7.00 per treatment and up to \$25.00 per disability for x-rays but not more than 30 visits in any calendar year for each type of practitioner. However, no benefit will be paid for any charges in excess of \$7.00 per treatment and no benefit will be paid while the individual is entitled to similar benefits under any Provincial health plan.

Treatment by a Provincially Licensed Chiropractor up to \$15.00 per visit and up to \$25.00 per disability for x-rays, subject to a maximum of \$300.00 per calendar year. No benefits will be paid while the individual is entitled to similar benefits under any Provincial health plan.

Physiotherapy by a person duly qualified and registered and legally engaged in the practice of physiotherapy, provided such services, by duration and type, have been prescribed by a physician.

Treatment by a Person Duly Qualified and Registered and Legally Engaged in the Practice of Psychology on the written recommendation of a physician up to \$25.00 for the first visit and \$10.00 for each additional visit, but not more than 30 visits in any calendar year.

Treatment by a Person Duly Qualified and Registered and Legally Engaged in the Practice of Acupuncture for not more than \$7.00 per visit, and not more than 30 visits per year.

Treatments by a Masseur who is duly qualified and registered and legally engaged in the practice of massage provided such services, by duration and type, have been prescribed by a physician but not more than \$7.00 per visit, and not more than 30 visits in any calendar year.

Speech Therapy by a person duly qualified and registered and legally engaged in the practice of speech therapy provided such services, by duration and type, have been prescribed by a physician but not more than 30 visits in any calendar year.

Psychoanalysis - Physician charges in connection with Psychoanalysis treatment are a covered expense where permitted by law.

Out-of-Province Emergency Treatment as described in (1) and (2) below incurred in connection with emergency treatment while the individual is outside the province in which he normally resides or outside the country.

- (1) Charges by a general practitioner or specialist in excess of the amount allowed under the Provincial Hospital and Medical Plans in the individual's normal province of residence, provided such charges are reasonable and customary in the area in which they were incurred.
- (2) Up to \$50.00 per day for charges for hospital confinement in excess of the allowance for ward accommodation payable by the Provincial Hospital Plan in the individual's normal province of residence. No charges will be considered unless all or part of the daily charge is payable under such Provincial Hospital Plan, nor for any type of accommodation for which the individual would not have been covered under this Plan had he been hospitalized in his normal province of residence.

Rental of Iron Lung, Wheelchair or other Durable Medical or Surgical Equipment.

Artificial Limbs and Eyes, Crutches, Splints, Casts, Trusses and Braces when prescribed or ordered by the attending physician.

Orthopaedic Shoes when prescribed by the attending physician, one pair per year, subject to a maximum payment of \$50.00.

Emergency Dental Work or Cosmetic Surgery performed by a physician or dentist for the prompt repair of natural teeth or other body tissue and required as a result of a non-occupational accident.

Anaesthesia, Oxygen, Blood and Blood Products.

Ileostomy, Colostomy and Diabetic Supplies.

Diagnostic Laboratory and X-Ray Expenses.

4. GENERAL DEFINITIONS

Definitions:

Definitions relating to this Plan shall be those set out in Maritime Life policy number 71957, effective January 1, 2004.

Continuation of Supplementary Health Care Benefits For Incapacitated Children:

- If your child is incapable of earning his own living because of mental retardation or physical handicap, and is dependent on you for support, coverage may be continued beyond age 21. Proof of incapacity must be submitted to the insurance company within 31 days after the child has reached age 21.

5. EXCLUSIONS

Your Supplementary Health Care Plan does not cover:

- (1) Medical or other expenses in connection with periodic health check-ups or examinations, travel for health or cosmetic surgery.
- (2) Dental services unless treatment is the result of a non-occupational accident. Service for accidental dental claim must be rendered within 6 months of the accident.
- (3) Any expenses for which a covered individual is not required to pay.
- (4) Any charges which are not permitted to be insured under legislation.
- (5) Any injury or sickness for which the insured is entitled to indemnity or compensation under any Workers' Compensation legislation.
- (6) Charges which are not recommended and approved by the attending physician.
- (7) Any injury or disease which results from an act of war or hostilities of any kind.

Co-ordination of Benefits

This Plan will pay either its regular benefits in full, or a reduced amount which, when added to the benefits available under the other plan, or plans, will equal 100% of covered expenses.

'Plan' means any plan under which medical or dental benefits or services are provided by:

- (1) Group insurance or any other arrangement of coverage for individuals in a group whether or not insured, or
- (2) Any prepayment arrangement, or
- (3) Any coverage for students which is sponsored or provided through a school or other educational institutions.

Termination of Benefits

Termination of Employment:

In the event of termination of employment, for any reason, benefits will cease on the date of termination of employment.

Workers' Compensation:

Disabled employees on Workers' Compensation will be eligible for benefits for up to 12 months after the date of disability.

Weekly Indemnity:

Disabled employees on Weekly Indemnity will be eligible for benefits for up to 12 months after the date of disability.

Leave of Absence:

If you are on Leave of Absence, your insurance will be continued until the end of the month following the policy month in which the Leave of Absence starts.

Lay-Off:

If you are laid off, your insurance will be continued until the end of the policy month following the policy month in which the lay-off starts.

Changes to Report

It is necessary to notify your employer of any change in the number of dependents which will result in a change from one to another of the following classifications:

- (1) Employee without dependents.
- (2) Employee with dependents.

This information is necessary so that the Insurance Company can adjust your coverage accordingly.

Payment of Claims

Your employer has the forms for submitting proof. When the form has been completed, return it to your employer. Benefits will be paid promptly upon receipt of required proofs.

APPENDIX 'D'

CASCADES FINE PAPERS GROUP THUNDER BAY INC.

DENTAL CARE PLAN

1. ELIGIBILITY

You, your spouse and your unmarried dependent children from birth to their 21st birthday. Also unmarried children 21 years of age and over, who are regularly attending school and depend upon you for support, are eligible as dependents until their 25th birthday.

Any mentally retarded or physically handicapped child who was covered up to the maximum age shall remain covered beyond such age, provided the child, upon reaching the maximum age and thereafter, is incapable of self-sustaining employment and relies upon the employee for support and maintenance.

2. EFFECTIVE DATE OF BENEFITS

Employee:

Your benefits are effective on the day following continuous employment for 90 working days, provided you are not absent from work due to disability, leave of absence or lay-off. If you are away from work because of disability, leave of absence or lay-off on the date that coverage would otherwise become effective, benefits will not start until you return to work.

Dependent:

Benefits for your dependents are effective on the same date as your own. If you are single and later acquire a dependent, please notify your employer immediately, in order that your coverage may be changed.

If you already have dependent coverage under the Plan, any additional dependents will be automatically covered from birth.

3. THE PLAN

The Plan provides you and your eligible dependents with reimbursement of:

- a. 100% of the cost of Class I covered expenses, and

- b. 50% of the cost of Class II and Class III covered expenses based on the Provincial Dental Association Schedule of Fees (effective January 1, 2002: the 2001 Provincial Dental Association Schedule of Fees; effective January 1, 2003, the 2002 Provincial Dental Association Schedule of Fees; effective January 1, 2004, the 2003 Provincial Dental Association Schedule of Fees; effective January 1, 2005, the 2004 Provincial Dental Association Schedule of Fees; effective January 1, 2006, the 2005 Provincial Dental Association Scheduled of Fees).

The maximum benefit per calendar year is \$1,000 per insured family member for Class I and II covered expenses. The lifetime maximum benefit is \$1,000 per insured family member for Class III covered expenses.

4. COVERED EXPENSES

Class I Procedures:

- Oral examinations, including scaling and cleaning of teeth;
- Topical application of sodium or stannous fluoride;
- Oral hygiene instruction;
- Dental x-rays;
- Extractions;
- Oral surgery, including excision of impacted teeth;
- Amalgam, silicate and plastic composite fillings;
- Anaesthetics administered in connection with oral surgery or other covered dental services;
- Injections of antibiotic drugs by the attending dentist;
- Treatment of periodontal and other diseases of the gums and tissues of the mouth;
- Endodontics treatment, including root canal therapy.

Class II Procedures:

- Initial installation (including adjustments after 3 months following original insertion) of partial or full removable dentures to replace one or more natural teeth;

- Replacement of an existing partial or full removable denture or the addition of teeth to an existing partial or full removable denture to replace extracted natural teeth, but only if evidence satisfactory to the Insurance Company is presented that the existing denture cannot be made serviceable;
- Repair or relining of dentures.

Class III Procedures:

- Orthodontic treatment, including correction of malocclusion.

Services and supplies, in the case of each dental expense, must have been rendered and dispensed by a legally qualified dentist except that:

- a. cleaning or scaling of teeth may be performed by a licensed dental hygienist if such treatment is rendered under the supervision and direction of such dentist, and
- b. installation, adjustments, repairs and relining of complete dentures may be made by a dental mechanic or denturist legally practising within the scope of his license, but any charges in excess of the amount specified for such services and supplies in the dental mechanics' or denturists' tariff of the Province where such services and supplies are received will be disregarded.

5. PRE-DETERMINATION OF BENEFITS

Usually, before starting extensive dental work, your dentist will tell you what he intends to do and the charge. If the cost of a course of treatment planned by the dentist for a covered family member is expected to exceed \$200.00, the proposed course of treatment must be filed with, and approved by, the Insurance Company prior to the commencement of treatment. The necessary forms are available from your Employer. After reviewing the proposed course of treatment, the Insurance Company will notify both you and your dentist of the estimated payment under the Plan.

Because of the difficulty of determining the necessity for the types of services involved after treatment has been received, failure to file and obtain approval may result in benefits of a lesser amount than would otherwise have been payable.

Occasionally a patient may select a more expensive procedure rather than a suitable alternate procedure. In such cases, reimbursement will be based on the

least expensive procedure, which as determined by the Insurance Company, will produce a professionally adequate result.

6. EXCLUSIONS

The Plan does not cover:

- Dental Services not listed under "Covered Expenses";
- Services not performed by a licensed dentist;
- Any eligible expenses for which coverage is provided or available (or would be if the Plan was not in effect) under any insurance or other contract, plan or law;
- Treatments received before the effective date of your benefits, or which commenced after lay-off or termination of employment;
- Dental services performed primarily for cosmetic purposes;
- Travel expenses to and from the place of treatment;
- Treatment brought about by conditions arising from war, riot or insurrection, or while serving in the armed forces of any country.

7. TERMINATION OF BENEFITS

Termination of Employment:

In the event of termination of employment for any reason, benefits will cease on the date of termination of employment.

Workers' Compensation:

Disabled employees on Workers' Compensation will be eligible for benefits for up to 12 months after the date of disability.

Weekly Indemnity:

Disabled employees on Weekly Indemnity will be eligible for benefits up to 12 months after the date of disability.

Leave of Absence:

Employees on authorized Leave of Absence will be eligible for benefits for one (1) month.

Employees may continue their coverage after one (1) month by paying the monthly premium.

Lay-Off:

Benefits will cease upon lay-off. In the event that an employee has a course of treatment approved by the insurance company prior to the lay-off, that course of treatment will be covered under the plan.

8. HOW TO CLAIM

After you or one of your dependents have made an appointment with the dentist, obtain a claim form from your Employer. The completed claim form should be returned, as soon as possible, for submission to the Insurance Carrier for processing.

In the event that the dentist demands payment from the claimant upon completion of treatment, it will be the claimant's responsibility to pay the dentist and then claim reimbursement from the Insurance Company. It will be necessary for the claimant to secure a completed claim form from the dentist.

NOTE: TO BE REVIEWED BY THE STEERING COMMITTEE

APPENDIX 'E'

CASCADES FINE PAPERS THUNDER BAY INC.

TRADES PROMOTION PLAN

1. TRADES AND CLASSIFICATIONS

There shall be two rates of pay for painters, 'A' and 'B'.

There shall be three rates of pay for mechanics' helpers, 'C', 'B' and 'A', except in the case of Painters' Helpers for whom there shall be one rate, 'A'.

It is the sole right and responsibility of management to determine the number of mechanics and mechanics' helpers required to take care of mill repair and maintenance requirements satisfactorily.

The Company agrees to promote qualified personnel from within before consideration is given to hiring tradesmen from the outside.

2. SCHEDULE OF RATES

The schedule of rates for journeymen and helpers appears in the main wage schedule.

No differential in rates between skills will be paid. A journeyman machinist will be paid the same rate as a journeyman electrician. A journeyman electrician will be paid the same rate as a journeyman millwright, etc.

3. PROMOTION AND DEMOTION

a. Helpers who enter the maintenance departments after the signing of this agreement must have a minimum of Grade X technical or academic education and must enter the departments through job posting and must successfully complete the Company's mechanical aptitude tests. Employees who are unsuccessful in their attempt to pass the mechanical aptitude test will not be permitted to rewrite the test until twelve (12) months have elapsed from the date of the initial writing. Only one re-write will be allowed.

b. A helper will remain at the 'C' rate of pay for a period not exceeding six (6) months. During this period, his progress will be reviewed to determine if he can progress satisfactorily in the trade in which he is employed and if his progress is

unsatisfactory he will be taken out of the maintenance department. If retained as a helper, he will be paid the 'B' rate of pay for the following eighteen (18) months.

- c.
 - i. After serving for eighteen (18) months at the 'B' rate of pay, the mechanic helper will be paid the 'A' rate of pay during the remainder of the time he is employed as a mechanic helper.
 - ii. When a helper, who has qualified as a journeyman and is waiting for promotion, is directed to do the work of a journeyman on a temporary basis he will be paid the journeyman rate while doing such work.
 - iii. When a helper, who has not qualified as a journeyman, is directed to do the work of a journeyman on a temporary basis he will be paid the rate equal to the first half fifth year apprentice rate while doing such work. Helpers will be promoted to 'A' journeyman when qualified and openings exist.
 - iv. The Company agrees to promote either the Helper or the Apprentice who has been first to qualify for the promotion in that trade.
- d. Effective the date on which the agreement on the Tradesmen Promotion Plan is signed, the accumulation of service as helper may be built up through temporary employment as helper, counting all periods of temporary employment which are of not less than five (5) consecutive working days. Effective May 1, 1975, all service as a helper will be accumulated.
- e. A helper may become a journeyman by:
 - i. Successful completion of the Apprentice Training Program, or
 - ii. Proving proficiency in his trade to the satisfaction of the Evaluation Committee after serving a minimum of seven (7) years in his particular trade. All of this service must have been with the Provincial Papers Inc. He must also have successfully completed a correspondence course equivalent to that presently being taken by apprentices and have passed all examinations set and marked by the correspondence school. The Company will supply a signed Certificate to each helper who meets these requirements. The Company agrees that Helpers who entered the Tradesman Promotion Plan prior to April 30, 1969, will not be required to meet the conditions of the Plan in connection with the I.C.S. Course of Instruction in order to be eligible for promotion to Journeyman classification when vacancies occur, provided they meet all other conditions of the Tradesmen Promotion Plan.

However, when employees are promoted in compliance with the above

provision, it is understood that for a 12-month period they will be on probation in a Journeyman "B" classification. During this 12-month period they will be expected to prove their ability to perform all the duties of a Tradesman. Failure on the part of the employee to perform all the duties of a Tradesman within the specified 12-month period will automatically mean that they will be reverted to the 'A' Helper classification.

Where a mill has a Mechanical Bull Gang, the employee's service in the Bull Gang may be credited toward his helper term of service but in no case shall the credit exceed one year.

- iii. Helpers on the payroll, and those subject to recall as of April 30, 1963, may become journeymen by proving proficiency in their trade after serving a minimum of seven (7) years in that particular trade with Provincial Papers Inc., subject to review by the Evaluation Committee.
- iv. A helper must have accumulated the tools for his trade, at yearly intervals as specified in the "Trade Apprenticeship" Plan, after he reaches the 'A' helper rate of pay. In addition, he must use these tools as necessary to perform his work.
- v. During the last twelve (12) months spent in the helper period the helper shall be periodically assigned jobs in his own trade, for a total time not to exceed ninety (90) working days.
- vi. A Committee consisting of the Mill Manager or his designated representative, the employee's superintendent and foreman will be established to evaluate the performance of each helper who has met the requirements outlined in Section e. (i.) to e. (v) above.

The Employment Supervisor will be present at Committee meetings to record the minutes of proceedings and to certify that the helper has fulfilled the time and technical training requirements for his trade, as outlined in Section e. (ii) and e. (iii).

Two representatives of the Union to which the employee belongs may be present during the evaluation meeting and may offer to the Committee any appropriate comments or assistance. In addition, the employee who is being evaluated may be present and may offer comments to the Union representatives.

The function of this Committee will be to assess the helper's performance on the job and to advise him if he is qualified for promotion to journeyman status. If he is not qualified for promotion, the reason will be explained at this time. In the event of disagreement, grievance procedure will apply.

The Committee will meet semi-annually about May 1st and November 1st. It is understood that a helper will be promoted to journeyman only when and if a vacancy exists. Once qualified for promotion a helper will not be evaluated again. Helpers who fail to qualify for promotion will be evaluated semi-annually.

vii. Correspondence courses for helpers will be purchased under the Provincial Papers Educational Assistance Plan but in the case of helpers the refund will be 100% of the net cost on successful completion of the course, providing the helper is enrolled after having completed his probationary period.

viii. The Company will provide study time with pay to Helpers under the following conditions:

- Helpers must be enrolled in the full I.C.S. Apprentice Course approved for their trade;
- Helpers must have satisfactorily completed 50% of the course on their own time and passed I.C.S. progress tests;
- Four (4) hours study time per week with pay will be provided for a maximum of 12 months for each of the last two sections of the course, each section amounting to 25% of the total number of lessons.

f. Upon promotion to journeyman status, a helper will be paid the 'A' journeyman rate of pay. Upon promotion to the Painter classification, a Painter helper will be paid the 'A' Painter rate. Painter Helpers will be paid the 'B' rate when spray painting.

g. Notwithstanding Article 4.4, if the Company hires a journeyman mechanic, he may be terminated at any time in the first six (6) months of employment as a journeyman if he is not considered sufficiently qualified for advancement in his trade. Journeymen hired from outside the mill may be paid 'A' journeyman rate or paid probationary rates equal to the fifth year, first or second half, apprentice rates. If hired at the first half, fifth year, probationary rate, they must be promoted to the second half fifth year rate after six (6) months and to the 'A' journeyman rate after one year.

h. In any case, where a journeyman has not been promoted, for any reason, above the present 'C' or 'B' class, he will remain at a rate equal to either the fifth year, first or second half, apprentice rate, until the reason for his not having been promoted has been removed.

4. HELPERS' QUALIFICATIONS

The qualifications for Helpers in the mechanical trades shall be as follows:

Instrument Helper Class 'C'

The minimum educational requirement for this job shall be High School Graduation or equivalent.

A Helper will be in this class a maximum of six months, on probation, to determine if he has the qualifications for advancement and is a safe worker. If satisfactory, this man will be promoted to a Class 'B' Helper; if not satisfactory, the man will be removed from this class.

Instrument Helper Class 'B'

Helper Class 'B' must be physically fit to carry out his duties effectively, and shall be expected to have sufficient mechanical aptitude for his trade and to have sufficient ability and educational background to pursue successfully a program of instruction that will qualify him eventually as a Journeyman Class 'A', 'B' or 'C'. A Class 'B' Helper must be willing to undertake some kind of instruction or training to obtain proficiency in his work and to have started to accumulate a number of tools required for his trade. A Class 'B' Helper shall be expected to carry out routine jobs such as changing charts, cleaning pens, etc.

Instrument Helper Class 'A'

A Helper Class 'A' shall be expected to have a minimum of one year's experience as a Class 'B' Helper; to have followed the requirements of Class 'B' Helper and to have demonstrated to his superiors that he has the potential ability to become a Journey man Class 'A', 'B' or 'C' and must have accumulated a number of tools required for his trade.

He should know nut and bolt sizes, tubing and fitting sizes, be able to check simple level, temperature and pressure recorders.

Mechanic Helper Class 'C'

A Helper will be in this class a maximum of 6 months, on probation, to determine if he has the qualifications for advancement and is a safe worker. If satisfactory, this man will be promoted to a Class 'B' Helper; if not satisfactory, the man will be removed from this class.

Mechanic Helper Class 'B'

A Helper in Class 'B' must be physically fit to carry out his duties effectively, and shall be expected to have sufficient mechanical aptitude for his trade, and to have sufficient ability and educational background to successfully pursue a program of instruction that will qualify him eventually as a Journeyman Class 'A', 'B' or 'C'. A Class 'B' Helper must be willing to undertake some kind of instruction or training to

obtain proficiency in his work and to have started to accumulate a number of tools required for his trade.

Mechanic Helper Class 'A'

A Helper Class 'A' shall be expected to have a minimum of one year's experience as a Class 'B' Helper; to have followed the requirements of Class 'B' Helper and have demonstrated to his superiors that he has the potential ability to become a Journeyman Class 'A', 'B' or 'C' and must have accumulated the number of tools required for his trade.

Painter Helper

A Painter Helper shall be expected to be physically fit, to be able to climb and to work safely high above floors or ground, to use cleaning equipment such as wire brushes, air hammers, electric hammers, hydro silica gun, etc., and to brush on paint as instructed.

5. MECHANICS' QUALIFICATIONS

The qualifications for Mechanics shall be as follows:

a. Machinist Class 'C'

A Machinist Class 'C' shall be expected to have served an apprenticeship of at least four years and be capable of semi-accurate machining on lathes, or of operating such machines as shapers, drill presses, slotters, and threading machines; to have some knowledge of working drawings but may need to have a sample of a job in order to obtain the product required, to be familiar with the care and maintenance of the tools he uses; to be able to grind his own tools if instructed in what is required; and to own sufficient tools for his classification; and he must be a safe worker.

b. Machinist Class 'B'

In addition to fulfilling the requirements of a Machinist Class 'C,' a Machinist Class 'B' shall be expected to have had a minimum of four years' general machine shop practice; to be highly skilled on one machine tool, such as a lathe; to understand working drawings after details have been explained to him; to take accurate measurements; to use and read micrometers; and to have a general working knowledge of all the machine tools in the shop, although he will not be required to turn out satisfactory work on every machine tool with equal skill. A Machinist Class 'B' is not required to be a Bench Hand, but a fully qualified Bench Hand who does not otherwise qualify as a Machinist Class 'B' will come within this classification.

c. Machinist Class 'A'

In addition to fulfilling the requirements of Machinist Class 'B', a Machinist Class 'A' shall be expected to have had a minimum of six years' practical machine shop experience; to understand and to read drawings without supervision; to turn out satisfactory and efficient work on any standard type of machine shop machine tool; to grind and sharpen all classes of tools; to know from practical experience what fits are required to various uses; and to be a first class Bench Hand.

d. Millwright Class 'C'

A Millwright Class 'C' shall be expected to have had a minimum of four years' practical experience as a Mechanic Helper or Trainee or as a Millwright in an outside organization; to have sufficient ability to undertake the dismantling and reassembly of the general type of paper mill machinery and the general replacement of parts; to be capable of lining up simple units, such as electric motors on reduction units and pumps; to be able to babbitt and scrape ordinary plain bearings, such as conveyor bearings, and to own sufficient tools for his classification; and he must be a safe worker.

e. Millwright Class 'B'

In addition to fulfilling the requirements of Millwright Class 'C', a Millwright Class 'B' shall be expected to have had a minimum of four years' practical experience; to understand working drawings after the details have been explained to him; to erect, line up and level any machinery normally used in the mill; to undertake the dismantling, repair and reassembly of equipment, including equipment requiring accurate workmanship; to have a general knowledge of the functions of plant machinery and be able to detect and repair defects which develop; and he must understand thoroughly the safe methods of handling heavy objects and be able to use safe types and sizes of slings or other equipment for lifting them.

f. Millwright Class 'A'

In addition to fulfilling the requirements of Millwright Class 'B', a Millwright Class 'A' shall be expected to have had a minimum of six years' practical experience; to have specialized knowledge and experience of at least one class of equipment which will enable him to detect and locate any incipient and recommend corrections; to read and understand drawings without supervision; to know from practical experience what fits are required for various uses, including antifriction bearings; to understand and to be responsible for provision of proper oil distribution and sealing in bearings and other moving parts; and to be capable of leading other millwrights in repair or installation work under the general supervision of a Foreman.

g. Carpenter Class 'C'

A Carpenter Class 'C' shall be expected to have had a minimum of four years' experience as a Mechanic Helper or Trainee or as a Carpenter in an outside organization; to use, sharpen, and care for the tools required for rough carpentry; to operate the woodworking machine tools required for rough carpentry; to be able to build simple forms and fabricate simple objects out of wood; to be able to work on the construction of woodyard conveyors; and to own sufficient tools for his classification; and he must be a safe worker.

h. Carpenter Class 'B'

In addition to fulfilling the requirements of Carpenter Class 'C', a Carpenter Class 'B' shall be expected to have had a minimum of four years' practical experience; to understand working drawings after details have been explained to him; to use, sharpen, and care for all the tools of his trade; to set up and operate woodworking machine tools in the shop and sharpen the cutters for these tools; to be able to fabricate all forms and any objects made from wood normally required for the paper manufacturing process; to identify the different species of wood and know their normal uses and characteristics; to be able to use ordinary wood substitutes; and to be able to build scaffolds in accordance with the Provincial Labour Code in effect.

i. Carpenter Class 'A'

In addition to fulfilling the requirements of Carpenter Class 'B', a Carpenter Class 'A' shall be expected to know and to be able to use the system of board measure; to be able to do every kind of cabinet making required in the mill; to read and understand drawings without supervision, and to be capable of leading other carpenters in repair or installation work.

j. Tinsmith Class 'C'

A Tinsmith Class 'C' shall be expected to have had a minimum of four years' experience as a Mechanic Helper or Trainee or as a Tinsmith in an outside organization; to use all the tools of his trade for general work; to solder tin, make seams, lay out and form simple shapes in any type of sheet metal; to own sufficient tools for his classification and he must be a safe worker.

k. Tinsmith Class 'B'

In addition to fulfilling the requirements of Tinsmith Class 'C', a Tinsmith Class 'B' shall be expected to have had a minimum of four years' practical experience; to read and work from drawings; to lay out and develop surfaces and patterns; and to use all the tools of his trade in an efficient and accurate

manner.

I. Tinsmith Class 'A'

In addition to fulfilling the requirements of Tinsmith Class 'B', a Tinsmith Class 'A' shall be expected to have had a minimum of six years' practical experience; to have a working knowledge of the principles of design for heating and ventilating duct work; and to be capable of leading other tinsmiths.

m. Pipefitter Class 'C'

A Pipefitter Class 'C' shall be expected to have had a minimum of four years' experience as a Mechanic Helper or Trainee or as a Pipefitter in an outside organization; to use all the tools of his trade for general work; to have a general knowledge of the various types of fittings commonly used in a paper mill; to measure, cut, assemble and install standard 125 pound pressure screwed pipe fittings; and to own sufficient tools for his classification; and he must be a safe worker.

n. Pipefitter Class 'B'

In addition to fulfilling the requirements of Pipefitter Class 'C', a Pipefitter Class 'B' shall be expected to have had a minimum of four years' practical experience; to use all the tools of his trade in an efficient and effective manner; to perform skilfully all operations required in the installation and maintenance of any pipe system normally required in a paper mill so as to ensure reliability of service and economy of materials; to understand working drawings after the details have been explained to him, to understand and be able to use normal jointing in an effective manner on any service required in a paper mill; to understand methods of supporting or hanging pipe adequately and be able to use them skilfully; to have a working knowledge of pumps, siphons, injectors, automatic valves and gauges; and to understand thoroughly the safe methods of handling heavy objects and be able to use safe types and sizes of slings or other equipment for lifting them.

o. Pipefitter Class 'A'

In addition to fulfilling all the requirements of Pipefitter Class 'B', a Pipefitter Class 'A' shall be expected to have had a minimum of six years' practical experience; to have a good working knowledge of the services and location of the pipe lines in the mill so as to be able to isolate quickly any broken or leaking pipes; to understand and read drawings without supervision; to undertake any job himself; and to be capable of leading other pipefitters under the general supervision of a foreman.

p. Painter, Class 'B'

A Painter Class 'B' shall be expected to have had a minimum of two years' experience as a Helper or as a Painter in an outside organization; to be able to rig staging; to have a fair knowledge of ropes, knots and tackle; to use paint guns effectively and do brush work; to care for all the tools of his trade, such as brushes, guns, hoses, hammers, etc., to conserve their life; to understand and be able to use paint removers, primers, fixatives, protective coatings for mill work; and to be able to glaze windows.

q. Painter Class 'A'

In addition to fulfilling all the requirements of Painter Class 'B', a Painter Class 'A' shall be expected to have had a minimum of four years' practical experience; to be able to do all types of interior decorating in offices or houses; to have a working knowledge of pigments, vehicles, oil thinners, dryers, mixing paints and colours, theory of paint colours, formulas for paint covering, capacities, graining, staining, sanding, painted work, calcimining, fuming, filling, varnishing or wax finishing; and to be capable of leading other painters under the general supervision of a Foreman.

r. Welder Class 'C'

A Welder Class 'C' shall be expected to have completed a recognized training course with two years' experience as a Helper or a total of three years' experience as a Helper; to handle efficiently the cutting of metals with oxyacetylene torch; to do position welding with the torch and electric arc; to carry out simple welding of broken machine parts and other structures which do not require a welder to be certified; to own sufficient tools for his classification; and he must be a safe worker. Workmen who are very proficient in either gas or electric welding but not both will be eligible for this class of welders.

s. Welder, Class 'B'

In addition to fulfilling all the requirements of Welder Class 'C', a Welder Class 'B' shall be expected to have had a minimum of four years' practical experience; to fabricate all classes of welded structures from drawings using all types of metals; to do gas and electric welding skilfully in all positions; to have a working knowledge of the metalizing process and to be able to operate metalizing equipment.

t. Welder, Class 'A'

In addition to fulfilling all the requirements for Welder Class 'B', a Welder Class 'A' shall be expected to have had a minimum of four years' practical experience; to have a thorough knowledge of the principle of making a

good weld; to have a working knowledge of the welding code; to recognize different metals and select the right procedure for welding each of them; to plan and carry out each job with the least possible expenditure of time and material; to secure good fusion and thorough penetration on every weld; to test his own work, recognize defects and overcome them; to read working drawings and work to specifications called for; to do electric arc as well as oxyacetylene welding and burning, lead burning, sweating, brazing, hard-surfacing, etc., vertical, overhead or in any position; and to hold a certificate of license for electric welding under prevailing Provincial Regulations or the equivalent permitting him to carry out welding on pressure vessels and piping up to 150 pounds pressure.

u. Instrument Mechanic Class 'C'

An Instrument Mechanic Class 'C' shall be expected to have completed an Apprenticeship or Helper Training program and be capable of accurate shop maintenance and calibration of pressure gauges, recorders, to make routine minor repairs and adjustments to controllers, to make brackets and simple instrument set-ups and to read working drawings and simple diagrams after details are explained. He will be expected to continue studying instrument operation; to own such tools as are required for routine repairs, small piping and tubing assembly and to work safely.

v. Instrument Mechanic Class 'B'

In addition to fulfilling the requirements of an Instrument Mechanic Class 'C' he must have a minimum of one year as a Class 'C' Mechanic. He must be able to dismantle, repair, assemble all common types of instrument, including pneumatic, simple electric and electronic and other such types as may be used for indicating, recording, or controlling process variables with only general supervision; to be reasonably familiar with mill layout and instrument installations, to be able to adjust recording and/or controlling instruments to give optimum results; to study instrumentation fundamentals such as proportional control, reset, derivative and preset; to own such tools as are necessary for this work and to work safely. He will be expected to be able to supervise Class 'C' Instrument Mechanics and Helpers.

w. Instrument Mechanic Class 'A'

In addition to fulfilling the requirements of an Instrument Mechanic, Class 'B', an Instrument Mechanic, Class 'A', shall be expected to have had a minimum of six years' experience in instrument work. He must be capable of leading other Instrument Mechanics and Helpers in instrument preventive maintenance, calibration, repair and installation; to read working drawings without supervision and wiring diagrams after details have been explained; to teach junior men the skills and knowledge of the trade, to be familiar with new instruments as

installed in the mill; to follow planned schedules of inspection and maintenance of all meters and instruments; to be a safe worker and to perform such other related duties as may be assigned from time to time.

NOTE: TO BE REVIEWED BY THE STEERING COMMITTEE

APPENDIX 'F'

CASCADES FINE PAPERS THUNDER BAY INC

APPRENTICESHIP PLAN

1. Provincial Papers Inc., as part of its employee development program, has established an apprenticeship system. In it, an employee with the necessary qualifications, interested in one of the trades practised in our mills, is given work experience by varied shop and mill assignments, and must complete a suitable course of instruction in drafting, blueprint reading and related theory. By so developing tradesmen, Provincial Papers Inc. prepares replacements for future retirement of its skilled older journeymen, while offering to some of its employees an opportunity to develop and increase their skill and knowledge by learning a trade. By being thus assured of an adequate supply of skilled tradesmen, the Company is better enabled to maintain its equipment in proper shape for efficient production.

2. REQUIREMENTS

- a. An applicant for apprenticeship must be at least 18 years of age. Individuals employed by the Company as Mechanic Helpers will be considered for apprentice training provided they have met all the other requirements.
- b. An applicant for apprenticeship must have a secondary school graduation diploma or equivalent.
- c. A graduate of a four-year Science, Trades and Technology course (who has specialized in the trade in which he is to be apprenticed) shall be granted one year's standing on his term of apprenticeship.
- d. A graduate of a three-year course at a College of Applied Arts and Technology or similar institution (who has specialized in the trade in which he is to be apprenticed) shall be granted two years standing on his term of apprenticeship.
- e. Time allowances for completion of various Government trade school courses or combination of courses will be 6 to 24 months depending on agreements reached with the approval of Provincial Apprenticeship Boards and Trade School authorities.
- f. Preference will be given to present employees who desire to become apprentices and meet the above-listed requirements.

3. SELECTION

- a. All applications for apprenticeship are to be sent to the Director, Human Resources or his designate.
- b. Senior applicants meeting the minimum requirement under the provisions of the Plan will be given preference.
- c. Prior to commencing the trade apprenticeship, the successful applicant will be thoroughly familiarized as to the Terms of Apprenticeship. He will then be required to sign an

Apprenticeship Indenture certifying that he has read, understands and agrees to all the terms and conditions of the Trade Apprenticeship of Provincial Papers Inc.

4. TERMS OF APPRENTICESHIP

- a. The period of Apprenticeship will be four (4) years, divided into eight (8) periods, each of six (6) months duration. After graduation, if retained, an apprentice will automatically proceed over a one (1) year period to journeyman status, as indicated in the Apprentice "Rates of Pay".
- b. Technical training pertaining to the trade will be provided by:
 - i. Wherever possible, through attendance at government trade schools. In such cases the number of hours of technical training an apprentice receives shall be determined by the authorities in charge of the trade school.
 - ii. If suitable government trade school training is not available, four hours per week of the apprenticeship term will be allowed for classroom instruction or correspondence course study.
- c. The first period shall be considered entirely a probationary period and his continuance as an apprentice depends upon ability, progress and attitude as demonstrated during this trial period.
- d. Where technical training cannot be taken at a trade school because suitable courses are not available, correspondence courses in the related subject will be used. Courses will be purchased under our Educational Refund Plan but in the case of an apprentice the refund for this course will be 100% of the net cost on successful completion of the course. The Human Resources Department will review course content for the various trades as provided by the government trade schools and if additional technical training is considered necessary, an apprentice may be required to take a correspondence course as well as attend a trade school.
- e. Except as indicated in sub-section (d) above, when an apprentice receives his

technical training at a government trade school, he will not be enrolled for a correspondence course and will not be allowed time for study during his regular hours of work. However, any employee who is already enrolled in a correspondence course shall complete such course under the conditions contained in this agreement.

- f. After an apprentice has completed his required correspondence course, all remaining study time, allowed on the basis of four (4) hours per week, will be available to him for further approved technical training, if he so desires.
- g. To be eligible for advancement at the end of any six (6) month period, an apprentice must have completed his shop work to the satisfaction of the shop management, his technical training to the satisfaction of the trade school, or in the case of a correspondence course he must have submitted the required number of lesson assignments and have satisfactory grades on those returned.
- h. An apprentice who does not qualify for advancement at the end of any six-month period shall be considered as re-entering upon a trial period, and shall be notified as to the nature of his unsatisfactory work by his immediate supervisor. If he does not qualify after three additional months, he shall be dropped from the apprentice course.
- i. A helper may apply for entry into the apprentice plan. If he is accepted into the plan an assessment of his skill and knowledge shall be made by the Apprenticeship Committee for which he may be given credit towards the apprenticeship time to be served. This credited time shall not exceed fifty percent (50%) of the applicant's service as a helper in the respective trade, and in no case shall it exceed two (2) years. When a helper enters the plan he shall be paid the apprentice rate stipulated for that particular period in which he enters. When a helper on the payroll at April 30, 1963, enters the plan with an hourly rate in excess of that paid for the apprentice period for which he has been accepted, his rate will not be reduced nor will an increase be granted until his apprentice period rate catches up.
- j. Tools are essential for tradesmen. At the 12, 24, 36 and 48 month completion points of the training program the apprentice will be required to submit proof to the Apprentice Committee that he owns and has in his possession a predetermined list of tools. Before graduation from the training program, complete list of tools will be checked against the tools owned. Tools may be purchased through the Company at cost using normal Company procedure.
- k. Rotation in the various trades for apprentices must be completed prior to the commencement of the last six months an apprentice spends in the plan.
- l. During the last six months of his apprenticeship period the apprentice will be periodically assigned jobs in his own trade.

- m. Provincial Papers Inc. does not guarantee employment upon completion of apprenticeship, but will endeavour to place the graduates in tradesmen's jobs.
- n. The Company will reimburse apprentices who attend a government trade school for the full cost to the employee (i.e. less any contribution made by a government agency) of required text books, upon successful completion of the course.
- o. For those apprentices who must live away from home to attend a government trade school, the Company will provide a living allowance supplement of \$300.00 per week less any comparable allowance from any government agencies.

5. GENERAL

Helpers

- a. The accepted way to become a tradesman will be by the apprentice route; however, the alternative route outlined in the Tradesmen Promotion Plan may be followed.
- b. Apprentice training does not mean the replacement of helpers, as they will always be needed as such, but it does mean that the main source of our future tradesmen will be through apprenticeship.

6. APPRENTICE COMMITTEE

- a. An Apprentice Committee will be formed in each mill composed of the Manager or his representative, and appointed representatives from the following: Engineering Department, Electrical Department, Mechanical Department, Human Resources Department and the Unions or Union concerned. This Committee will deal with such things as: checking on course coverage, progress of apprentices and solving of problems that may arise. The Unions will be advised how many management representatives will attend each meeting and the Unions will be entitled to an equal number of representatives in total.
- b. The final selection of an apprentice shall be done by the Apprentice Committee. The Union representatives on this Committee, while it is selecting an apprentice, may offer any appropriate comments or suggestions. The Apprentice Committee will meet at least once every three months.

7. RATIO OF APPRENTICES TO MECHANICS

During the next ten years, the ratio of apprentices to mechanics retiring will depend on the workload of the mill. Mechanics will continue to come from both helpers and apprentices.

8. WORKING CONDITIONS

In general, an apprentice will not be asked to work overtime except in exceptional cases and then he will not be left on the job alone; a journeyman will work along with him. An apprentice must comply with all the rules and regulations applicable to the department in which he serves.

9. SPECIAL WORKS

When a special job comes up, the apprentice in the department concerned will be given an opportunity to work wherever possible with the crew on the job.

10. CERTIFICATE

The Company will supply a signed certificate to each apprentice on completion of his apprenticeship. In addition, where applicable, a Certificate of Apprenticeship shall be presented by the Provincial Department of Labour to each apprentice who is registered with the Department and who completes his apprenticeship.

11. SENIORITY

When a man transfers from some other job to the status of an apprentice in one of the mechanical trades, he shall maintain his seniority in the job from which he transferred for a period of six (6) months. Following such probationary period, his seniority shall develop exclusively within the mechanical group to which he transferred. If, when the period of apprenticeship (4 years) is served there is a vacancy for a journeyman in the trade for which the apprentice is qualified, he will be retained and will be granted 2 years' seniority as a journeyman and will become eligible for promotion in accordance with the Tradesmen Promotion Plan.

12. RATES OF PAY

- a. The schedule of rates for apprentices appears in the main wage schedule.
- b. When an apprentice is attending a trade training course at a Government Trade School, the following pay arrangements will apply:
 - i. The apprentice may receive a weekly training allowance from the Provincial Department of Labour or the Federal Manpower Office while attending school. The Company will supplement this allowance to provide the apprentice with a total weekly income equal to forty (40) times his regular hourly rate of pay. Calculation of the Company's portion will be based on the Government allowance for an apprentice who is able to live at home while attending the Trade School.
 - ii. If the apprentice is required to live away from home in order to attend a trade

training course, he will receive the Company pay supplement referred to above, in addition to any increased allowance paid by the Department of Labour to a trade trainee living away from home.

- iii. Payment of supplementary pay will be made on regular pay days. To receive this pay the apprentice must maintain satisfactory attendance and performance records at school during his trade training course.
- iv. The Company will provide the foregoing weekly pay supplement for the number of weeks normally required to complete trades training courses. Should an apprentice be required to spend more than the normal number of weeks to complete a course he will not receive Company pay during the additional time in school.
- v. An apprentice's entitlement to Vacation with Pay, Statutory Holiday Pay, Sick Leave and Bereavement will not be affected by his attendance at a Trade School, nor will his participation in any employee welfare plans in which he is enrolled. Permission of the school authorities must be obtained for all absences.

13. LOSS OF WORKING TIME

An apprentice may lose up to a maximum of thirty (30) scheduled working days due to Sickness or accident, during his four (4) year term of apprenticeship, without having to serve additional time. Extension of the term of apprenticeship will be considered by the Apprenticeship Committee in the event that an apprentice loses more than thirty (30) working days.

APPENDIX 'G'

PROVINCIAL PAPERS INC., SUBSIDIARY OF ROLLAND INC.

WAGE SCHEDULE

November 1, 2002

Classifications

| <u>Woodyard and Yard Operations</u> | <u>Nov 1, 2002</u> | <u>June 29/04</u> | <u>Nov 1/05 (1.0%)</u> |
|--|--------------------|-------------------|----------------------------|
| Lead Hand | 19.5705 | | 19.7662 |
| Trackman | 18.1135 | | 18.2946 |
| General Labourer | 16.8510 | | 17.0195 |
| Bulldozer Operator | 17.6645 | | 17.8411 |
| Front End Loader Operator | 17.8963 | | 18.0753 |
| Carry Lift Operator | 18.1113 | | 18.2924 |
| Truck Driver | 17.6701 | | 17.8468 |
| Tandem Truck Driver | 17.6701 | | 17.8468 |
| <u>Slasher</u> | | | |
| Slasher Lead Hand | 18.8352 | 19.0852 | 19.2760 |
| Slasher Sorter | 17.2515 | deleted position | |
| <u>Groundwood Mill</u> | | | |
| Lead Hand | 20.1305 | | 20.3318 |
| Stock Runner | 17.6701 | | 17.8468 |
| Grinderman | 16.8499 | | 17.0183 |
| Pond Man | 16.8499 | | 17.0183 |
| <u>Bleach Plant & Pulper Operation</u> | | | |
| Bleaching & Pulping Lead Hand | 21.3270 | deleted position | |
| Bleach Plant Operator | 19.5154 | | 19.7105 |
| #3 Pulper Loader and Trucker | 17.8963 | | 18.0753 |
| #2 Pulper Loader & Trucker | 17.4608 | | 17.6354 |
| <u>Material Handling</u> | | | |
| Material Handling Lead Hand | 18.8330 | | 19.0213 |
| Material Trucker | 17.6645 | | 17.8411 |
| Material Handler | 16.8499 | | 17.0183 |

Chemical Control

| | | | |
|--------------------------|---------|---------|------------------|
| Quality Assurance Tester | 21.0006 | | 21.2106 |
| Effluent Tester | 19.0592 | 19.2092 | 19.4012 |
| Sampler Trimmer | 18.8330 | | 19.0213 |
| Paper Tester | 18.2923 | | 18.4752 |
| Stock Preparation Tester | 17.6645 | | deleted position |

Quality Control

| | | | |
|-------------------------|---------|--|------------------|
| Quality Control Trainer | 21.7924 | | deleted position |
| ISO 9000 Coordinator | 20.6905 | | 20.8974 |

Coating Preparation Department

| | | | |
|---------------|---------|--|---------|
| Starch Cooker | 20.6905 | | 20.8974 |
| Mixer Man | 19.3105 | | 19.5036 |
| First Helper | 18.1113 | | 18.2924 |

Furnish Preparation Department

| | | | |
|--------------------------------|---------|--|------------------|
| Beater Engineer | 24.1554 | | 24.3969 |
| Panel Board Operator | 19.9952 | | 20.1951 |
| Chemical Man | 17.6701 | | 17.8438 |
| #8 Paper Machine Pulper Loader | 18.2357 | | 18.4180 |
| Roll Splitter | 17.4608 | | deleted position |

No. 5 Paper Machine

| | | | |
|----------------|---------|---------|------------------|
| Machine Tender | 23.6009 | | 23.8369 |
| Back Tender | 22.3809 | | 22.6047 |
| Third Hand | 20.0520 | | 20.2525 |
| Fourth Hand | 18.3489 | 18.6489 | 18.8353 |
| Fifth Hand | 17.9191 | | deleted position |

No. 6 Paper Machine

| | | | |
|----------------|---------|---------|---------|
| Machine Tender | 24.1554 | | 24.3969 |
| Back Tender | 22.9354 | | 23.1647 |
| Third Hand | 20.6064 | | 20.8124 |
| Fourth Hand | 18.7787 | 18.9721 | 19.1618 |

No. 8 Paper Machine

| | | | |
|----------------|---------|--|---------|
| Machine Tender | 24.1554 | | 24.3969 |
| Back Tender | 22.9354 | | 23.1647 |

| | | | |
|-------------|---------|---------|---------|
| Third Hand | 20.6064 | | 20.8124 |
| Coater Man | 20.2267 | | 20.4289 |
| Fourth Hand | 18.7221 | 18.9721 | 19.1618 |
| Fifth Hand | 18.2358 | 18.4858 | 18.6706 |

No. 2 Off Machine Coater

| | | | |
|--------------------|---------|--|---------|
| Operator | 22.9354 | | 23.1647 |
| Re-Reeler Operator | 19.9410 | | 20.1404 |
| Paster Man | 19.3105 | | 19.5036 |
| Utility Helper | 17.6701 | | 17.8468 |

Supercalender

| | | | |
|--|---------|------------------|---------|
| #8 Machine Width Supercalender Operator | 21.7599 | | 21.9774 |
| #8 Machine Width Supercalender Helper | 18.4437 | deleted position | |
| #9 Machine Width Supercalender Operator | 21.7599 | | 21.9774 |
| #9 Machine Width Supercalender Helper | 18.4437 | | 18.6281 |
| #10 Machine Width Supercalender Operator | 21.7599 | | 21.9774 |
| #10 Machine Width Supercalender Helper | 18.4437 | | 18.6281 |

Rewinder

| | | | |
|--|---------|--|---------|
| #8 Machine Width Rewinder Operator | 20.0520 | | 20.2525 |
| #8 Machine Width Rewinder Helper | 17.8115 | | 17.9896 |
| #9 Machine Width Rewinder Operator | 20.0520 | | 20.2525 |
| #9 Machine Width Rewinder Helper | 17.8115 | | 17.9896 |
| #9 Machine Width Rewinder Utility Helper | 17.0649 | | 17.2355 |
| #10 Machine Width Rewinder Operator | 20.0520 | | 20.2525 |
| #10 Machine Width Rewinder Helper | 17.8115 | | 17.9896 |

Material and Roll Handling

| | | | |
|--------------------|---------|------------------|---------|
| Broke Trucker | 17.6701 | deleted position | |
| No. 1 Roll Handler | 17.6701 | | 17.8468 |

Roll Wrap and Shipping

| | | | |
|---------------------------|---------|--|---------|
| Loading Lead Hand/Shipper | 19.3126 | | 19.5057 |
| Inventory Controller | 18.5694 | | 18.7550 |
| Roll Wrap Operator | 18.5694 | | 18.7550 |

Sheeters

| | | | |
|--|---------|--|---------|
| Sheeter Loader | 16.8499 | | 17.0183 |
| Jagenberg Sheeter Operator (Precision Cut) | 20.0520 | | 20.2525 |

| | | |
|--|---------|---------|
| Jagenberg Sheeter Helper (Precision Cut) | 18.0666 | 18.2472 |
|--|---------|---------|

Trimming and Finishing

| | | |
|--------------------------------------|---------|---------|
| #3 Trimmer Operator | 18.5706 | 18.7563 |
| Carton Packing Operator | 18.8330 | 19.0213 |
| #3 Table Trimmer Finisher | 17.2459 | 17.4183 |
| Carton Packaging Helper #1 | 17.0592 | 17.2297 |
| Carton Packaging Helper #2 | 17.0592 | 17.2297 |
| Carton Packaging & Finishing Trucker | 17.0592 | 17.2297 |
| Carton Maker | 16.8499 | 17.0183 |

Sheet Finishing General

| | | |
|--------------------|---------|---------|
| Head Sheet Trucker | 18.1113 | 18.2924 |
|--------------------|---------|---------|

Sheet Processing General

| | | |
|-------------------|---------|------------------|
| Carton Stenciller | 16.8499 | deleted position |
| Clerk Stenciller | 17.6701 | 17.8468 |

Schedule of Mechanical Rates

Applying to such journeyman positions as Millwright, Pipefitter, Machinist, Welder, Instrument Mechanic:

Classification

| | | |
|------------------------|---------|---------|
| Journeyman A Lead Hand | | |
| Journeyman A | 22.8800 | 23.1088 |
| Journeyman Helper A | 15.2720 | 15.4247 |
| Journeyman Helper B | 15.0160 | 15.1661 |
| Journeyman Helper C | 14.7600 | 14.9076 |

Lead Hands

Will receive a premium of thirty-four cents (\$0.34) above the "A" Mechanic rate.

Mechanical Material Handling

| | | |
|--------------------------------|---------|---------|
| Mechanical Material Handling A | 18.1056 | 18.2866 |
|--------------------------------|---------|---------|

Apprenticeship Rates

| | | | |
|----------|-------------|---------|---------|
| 1st Year | First Half | 16.3353 | 16.4986 |
| 1st Year | Second Half | 16.3353 | 16.4986 |

| | | | |
|----------|------------------------|---------|---------|
| 2nd Year | First Half | 16.9914 | 17.1613 |
| 2nd Year | Second Half | 17.6589 | 17.8354 |
| 3rd Year | First Half | 18.3149 | 18.4980 |
| 3rd Year | Second Half | 18.9823 | 19.1721 |
| 4th Year | First Half | 19.6385 | 19.8348 |
| 4th Year | Second Half | 20.3060 | 20.5090 |
| 5th Year | First Half | 20.9619 | 21.1715 |
| 5th Year | Second Half | 21.6295 | 21.8457 |
| 6h Year | 100% Journeyman A Rate | | |

General

| | | |
|-------------------------|---------|------------------|
| Clothing Crew Lead Hand | 20.9392 | 21.1485 |
| Clothing Helper A | 18.7108 | deleted position |
| Clothing Helper B | 18.5412 | deleted position |
| Core Maker | 17.4608 | deleted position |
| Head Oiler | 20.1305 | 22.3318 |
| Oiler | 18.5694 | 18.7550 |
| Pulp Mill Oiler | 18.2923 | 18.4752 |
| Student Rate | 13.5750 | 13.7101 |

BEATER ENGINEERS

Beater Engineers, or by whatever name they might be called, shall receive either Class "A" or Class "B" rate.

Class "A" - In a mill where coloured paper (**NOT** shades of Standard White Newsprint) is manufactured, the hourly rate for the Beater Engineer, or by whichever name he might be called, shall equal the highest Machine Tender rate on the machine(s) to which he furnishes stock.

Class "B" - In a mill where any other paper, except coloured paper is manufactured, the hourly rate for the Beater Engineer, or by whatever name he might be called, shall equal the highest Back Tender rate on the machine(s) to which he furnishes stock.

HEAD CLOTHING MAN

The Head Clothing Man shall receive a rate not less than the highest Third Hand.

APPENDIX 'H'

CASCADES FINE PAPERS GROUP THUNDER BAY INC.

PREGNANCY LEAVE

1. On presentation of a medical certificate, an employee with at least one (1) year of service may be granted parental leave at any time within eleven (11) weeks of the expected date of birth. The Company may initiate the leave of absence at an earlier date if, in the judgment of the Company and her doctor, she cannot perform her normal duties adequately.
2. The employee must give two (2) weeks' notice in writing of the date she intends to begin her leave and such notice must include a medical certificate indicating the expected date of birth. The two (2) weeks' notice period is a minimum time. It is agreed that the mutual interest of the Company and the employee would be better served where the employee provides as much advance notice as is possible and practical considering the circumstances.
3. The employee is entitled to a fixed minimum post-natal leave of six (6) weeks after the actual date of the birth or ending after no more than seventeen (17) weeks from the beginning of the leave, whichever is the later.
4. If the employee wishes to return to work less than six (6) weeks after the birth, she must provide the company with a medical certificate stating that she is fit to resume work, along with one (1) week's notice of her intention to return.
5. An employee who has stated her intention of returning to work after her pregnancy leave and who does not do so within a flexible seventeen (17) week period shall be terminated. However, post-natal leave may be extended if arrangements satisfactory to the Company are made.
6. Pregnancy leave will be without pay and the following will apply:
 - (a) Participation in Group Medical and Life Insurance plans will be maintained provided the employee was covered by these plans prior to application for pregnancy leave and further provided that the employee continues her premium contribution where applicable.
 - (b) Seniority will accrue during the normal pregnancy leave.

- (c) Upon her return to work after pregnancy leave, the employee will be reinstated in her former position or a comparable one in terms of salary class and remuneration.
- 7. An employee who is pregnant and is regularly scheduled to work with video terminals, (CRT's) has the right to express, in writing, her desire for reassignment from her normal duties associated with the said terminals under the following conditions:
 - (a) Her position vacancy will be posted at the time of expressed concern;
 - (b) Should there be an existing (or resultant) opening of equal or lower salary class and she is qualified to perform the duties without formal training, then the Company will consent to a transfer of the pregnant employee to that position;
 - (c) Should there be no such alternative position available for the pregnant employee, then the employee has the option to advance the commencement of her pregnancy leave without pay.
- 8. The terms of Article 6 will apply to any employee who exercises a right to a seventeen (17) week adoptive leave under the Employment Standards Act.

APPENDIX 'I'

**CASCADES FINE PAPERS GROUP
THUNDER BAY INC.**

MERGER AGREEMENT

Memorandum of Agreement

BETWEEN:

Communications, Energy and Paperworkers Union
Local 40

- and -

Communication, Energy and Paperworkers Union
Local 239

WHEREAS by virtue of a document entitled *Appendix A* the parties have agreed to submit the issue of seniority rights within a merged local union (the "issue") to a process of mediation; and

WHEREAS the parties have participated in a process of mediation on 24 and 25 November 1997; and

WHEREAS the parties have worked in good faith to represent the interests of each Local and as well to recognize the value of cooperation to create a merged local; and

WHEREAS the parties have reached agreement through the process of mediation,

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. For the purposes of this agreement, and for the purposes of interpreting and applying the collective agreement between the merged local and the employer,

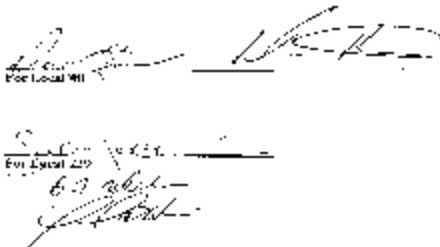
"permanent lay-off" means a lay-off of thirteen weeks or more, or the elimination of a job (whether the position held is permanent or not) caused by a major work force reduction resulting in a complete department or operating unit shutdown;

"temporary lay-off" means any lay-off other than a permanent lay-off;

"indefinite lay-off" means a temporary lay-off without a certain date of recall.

2. For the purpose of a permanent lay-off, separate Local 40 and Local 239 bargaining unit seniority, as established as at the merger date, shall apply until 31 October 2002, such that lay-offs, bumping rights, and recall rights, will be exercised solely within the previous respective Local jurisdictions.
3. On or after 1 November 2002, and subject to any collective agreement negotiated with the employer, full dovetailed seniority will apply for permanent lay-offs, such that lay-offs, bumping rights, and recall rights, will be exercised within the jurisdiction of the merged local.
4. It is understood and agreed that any permanently laid-off employee with recall rights as of 1 November 2002 will not be able to displace ("bump") an employee filling a position as of that day solely by virtue of the change to dovetailed seniority.
5. For all other purposes, such as job postings and temporary lay-offs, separate Local 40 and Local 239 bargaining unit seniority shall apply until 1 February 1998, and thereafter dovetailed seniority within the merged local shall apply.
6. Prior to 1 November 2002, where an indefinite lay-off exceeds or is expected to exceed four weeks, the merged local will meet not later than within thirty days of the lay-off with the employer to discuss the circumstances relating to the lay-off, and the employer will attempt to fix a date of recall at the meeting. If the date of recall means that the lay-off will be for fewer than thirteen weeks, the lay-off will be considered temporary. If the date of recall means that the lay-off will be for thirteen weeks or more, or if the employer is unable to fix a date of recall, the lay-off will be deemed to be permanent, and any laid-off employee who would not otherwise have been laid-off if the lay-off had originally been declared permanent will be reinstated immediately.
7. The parties agree that this agreement will be binding on the merged local and that both parties and the merged local will exercise their best efforts to reach agreement with the employer to have this agreement become attached to and form part of the collective agreement.

DATED this 25th day of November 1997.


For Local 40
For Local 239

CHERNIACK ALLEN
Barristers and Solicitors

Second Floor 100 Osborne Street Winnipeg Manitoba R3L 1Y5

| | | | |
|----------------------|---------------------|----------------|----------------|
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Facsimile Number: (204) 477-1856
4 December 1997

| | |
|----------------------|----------------------|
| Mr. Dave Frost | Mr. Bill Joblin |
| President | President |
| CEP Local 40 | CEP Local 239 |
| 496 Darwin Crescent | 96 Burriss Street |
| Thunder Bay, Ontario | Thunder Bay, Ontario |
| P7B 5S4 | P7A 3E4 |

Greetings:

Re: Mediation-Arbitration respecting merged seniority rights at Provincial Papers

As discussed at our last meeting on 25 November 1997, and pursuant to paragraph 12 of the *Mediation-Arbitration Agreement*, this letter, with the attached Exhibits, will constitute the *Award* in the matter.

Following the execution of the *Mediation-Arbitration Agreement*, attached hereto as Exhibit 1, representatives of both Local 40 and Local 239, including legal counsel, met with us on 24 and 25 November 1997. The parties fully canvassed a history of each local, and the practical ramifications of merging seniority rights. Each side presented its particular perspective, and vigorously advanced the interests of its members.

It was clear, in addition, that each side recognized the value of an agreed-to rather than imposed resolution in the interests of the new merged local. Each side was willing to attempt to meet the stated interests of the other side. Ultimately, through mediation, the two locals were able to agree on a method of merging seniority that accommodated and met, at least in part, the interests of both locals and their members. Attached as Exhibit 2 is the *Memorandum of*

Agreement, executed by the parties on 25 November 1997, that incorporated that agreement, and which we deem to be part of this *Award* and so order.

In order to assist the parties in the future, we wish to place on the record the clear understandings of the parties when they agreed to Exhibit 2. The following comments detail those understandings as discussed and acknowledged by each side during our meetings:

1. Because the parties eventually agreed that there would be dovetailed seniority based on years of service within each local¹ for all purposes other than permanent lay-offs (including an indefinite lay-off that turns into a permanent one), it was necessary to define the kinds of lay-off that might occur. These definitions apply not only to Exhibit 1, but also to the collective agreement between the merged local and the employer.

¹The parties agreed that those employees who had seniority within both locals would be credited with the longer of the two seniorities. Thus a person with ten years of seniority in Local 239 and four years of seniority in Local 40 would be considered to have ten years of seniority in a dovetailed list.

The definition of *permanent lay-off* is based on the *Employment Standards Act* and takes into account the commitment by the employer that it would not reduce the work force other than by attrition or through a major reduction resulting in a complete department or operating unit shutdown. A permanent lay-off can include the elimination of a job for a person who does not hold a permanent position.

2. Until the stated expiry date of the collective agreement—31 October 2002—the parties agreed that separate Local 40 and Local 239 bargaining unit seniority would be used for permanent lay-offs, including bumping rights and recall rights.

For example, if on 1 June 1998 a department in Local 40's historic jurisdiction is shut down, the employees in that department will be able to bump only into other Local 40 jobs, and those ultimately laid-off will be able to be recalled only into Local 40 jobs when and if work becomes available.

3. As of 1 November 2002 there will be complete dovetailed seniority. This is naturally subject to any collective agreement that may be negotiated.

For example, if on 5 November 2002 there is a shut down in a department in Local 40's historic jurisdiction, the employees in that department will be able to bump throughout the merged local's jurisdiction, and those ultimately laid-off will be able to be recalled into any job within that merged local's jurisdiction when and if work becomes available.

4. This paragraph deals with the right of recall of an employee permanently laid off before 31 October 2002. That employee cannot solely by virtue of the dovetailing of the lists for permanent lay-offs as of 1 November 2002 displace or “bump” a junior employee who was kept on.

For example, in the case of a Local 239 employee permanently laid off on 1 June 2001: because it was a permanent lay-off, that employee-according to paragraph 2-would have been laid-off according to the Local 239 seniority list only. On 1 November 2002 that employee would not have the right to displace a junior Local 40 member who is working. After 1 November 2002, however, if that junior Local 40 employee is laid-off, then the Local 239 employee would have the right to be recalled in priority over the junior Local 40 employee, since the lists would by then be dovetailed.

In other words, although the recall rights after 1 November 2002 will be broadened because of a dovetailed seniority list, the mere fact of that dovetailing does not trigger a right to displace a junior person on that day.

5. This paragraph means that for other than permanent lay-offs, in other words for all other purposes, the dovetailing of the seniority lists will begin on 1 February 1998. Before that time temporary lay-offs and job postings will be conducted on the basis of separate seniority lists; and after that time on the basis of dovetailed seniority lists.
6. This paragraph is designed to deal with the infrequent occasion in which a lay-off appearing to be short-term at the beginning (and thus based on *dovetailed* seniority) continues beyond thirteen weeks (thus based on *separate* seniority). It is designed to require the employer to address its mind to the length of lay-off within thirty days after the lay-off.

For example, if an employee in Local 40’s historic jurisdiction is laid off in what appears to be a temporary lay-off, dovetailed seniority would apply, and a Local 239 employee might be displaced by the Local 40 employee. If, after four weeks, that Local 239 employee is still laid-off, the employer will be required to meet with the merged local and fix a date for recall. If the employer cannot fix a date for recall, or if the date of recall results in the total lay-off being greater than thirteen weeks, then the lay-off will be considered to be permanent such that the Local 239 employee would not have been laid-off, since for permanent lay-offs separate seniority should have applied. The Local 239 employee would be immediately reinstated. The Local 40 employee will have whatever rights he or she would have had to bump within Local 40.

7. This paragraph deals with two issues. The first is to make certain that the *Agreement* respecting merged seniority rights is binding on Locals 40 and 239, as well as on the new merged local. This was considered to be important in order to provide for enforcement of this agreement when the executive of the

new merged local is elected. The new merged local executive will have the clear obligation to ensure that the understandings set out herein are enforced.

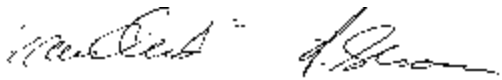
The second is to require the two locals and the merged local to exercise their best efforts to reach agreement with the employer to have Exhibit 2 attached to and form part of the collective agreement. Since having a merged local and ultimately merged seniority rights is in the best interests of the employer, and given that only paragraph 6 creates minimal obligations on the part of the employer, and that dovetailing the lists for temporary lay-offs and job postings gives the employer flexibility in the day-to-day operations, the parties agreed that Exhibit 2 would likely be acceptable to the employer.

We trust that with the clear wording of Exhibit 2, and with the further understandings detailed in this *Award*, there will be no problem implementing the *Award*, but we retain jurisdiction to deal with any problems or issues that might arise in this regard.

We want to thank the parties and their counsel for their contribution in providing background information, elucidating the issues, vigorously advancing their respective members' interests, and working hard to effect a resolution.

We enclose our *Statement of Account* for fees and disbursements, one-half of which is payable by each Local.

Yours truly,



Lawrie Cherniack

David M. Shrom

Attachments

CHERNIACK ALLEN
Barristers and Solicitors

Second Floor 100 Osborne Street Winnipeg Manitoba R3L 1Y5

Lawrie Cherniack Laurie P. Allen, QC Marta J. Smith

CASCADES FINE PAPERS GROUP INC.

Unionized Plant Employees of C.P.U. Local 279

April 2005

INTRODUCTION

This information booklet has been prepared to give you an informal summary of the main features of your group insurance program.

This booklet is not an insurance policy, and does not grant or confer any contractual rights. All rights under this program shall be governed by the provisions of the Master Policy and by applicable law.

This booklet is for your reference. Please read it carefully and keep it for future use.

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CASCADES FINE PAPERS GROUP INC.

Unionized Plan Employees of C.P.U. Local 279

Policy Number: 71957

Plan Effective Date: January 1, 2004

Plan Description as been revised as of August 1, 2004

ELIGIBILITY

Permanent, full-time employees will become eligible for coverage:

- on the Plan Effective Date, if employment commenced on or prior to the Plan Effective Date;
- following 90 days of continuous, active employment, if employment commenced after the Plan Effective Date.

Retired employees are only eligible for Basic Employee and Spouse Life Insurance coverage.

Please refer to the General Provisions section in the back of this booklet for further information, including

WHEN YOUR INSURANCE STARTS
WHEN YOUR INSURANCE TERMINATES
HOW TO CLAIM

SUMMARY OF BENEFITS

LIFE INSURANCE

Active employees are eligible for an amount of insurance equal to 1.25 times their annual earnings. The benefit is rounded to the next higher \$1,000 if not already a multiple thereof and is subject to a maximum of \$60,000.

Pre-retired employees on or after August 1, 2004 have the choice to elect an amount of insurance equal to:

- 1.25 time their annual earnings, rounded to the next higher \$1,000 if not already a multiple thereof, up to a maximum of \$60,000; or
- \$4,000.

Pre-retired employees prior to August 1, 2004 have the choice to elect an amount of insurance equal to:

- 2.5 time their annual earnings, rounded to the next higher \$1,000 if not already a multiple thereof, up to a maximum of \$60,000; or
- \$4,000.

Retired employees are eligible for an amount of insurance equal to \$4,000.

Coverage terminates upon your death, and as outlined in the General Provisions section.

DEPENDENT LIFE INSURANCE (this benefit is optional for pre-retired and retired employees)

For active employees:

| | | |
|--|---|---------|
| Spouse | ➤ | \$5,000 |
| Each Child over 14 days old but less than one year old | ➤ | \$1,000 |
| Each Child age one year old and over | ➤ | \$2,000 |

For pre-retired and retired employees:

Spouse ➤ \$1,000

Coverage terminates upon your death, and as outlined in the General Provisions section.

WEEKLY DISABILITY INCOME

Your benefit is equal to 70% of weekly earnings. Benefits begin on the 1st day of a disability due to an accident and on the 4th day of a disability due to sickness (1st day of a disability due to surgery on an out-patient basis).

The maximum duration of benefits is 52 weeks, however the maximum duration of benefits is 4 weeks if the treatment is rendered solely by a chiropractor.

Coverage terminates on the date you attain age 65 or the date you retire, whichever is earlier, and as outlined under the General Provisions section.

LONG TERM DISABILITY

Your benefit is equal to 55% of monthly earnings, subject to a maximum benefit of \$2,000 per month. Your monthly benefit may be reduced subject to the All Source Maximum described under Offsets in the Long Term Disability section later in this booklet.

The qualifying disability period starts when you first become totally disabled and ends after 52 weeks, provided your disability is continuous and you are under age 65. If the disability is not continuous, the days you are disabled will be accumulated to satisfy the qualifying disability period provided:

- no interruption is longer than 4 weeks;
- the disabilities arise from the same or related disease or injury.

Coverage terminates on the date you attain age 65, pre-retirement or retirement, whichever is earlier, and as outlined in the General Provisions section.

SUPPLEMENTARY HEALTH EXPENSE (this benefit is optional for pre-retired employees)

- Deductible
- \$10 per individual per calendar year.
 - \$20 per family per calendar year (satisfied by 2 or more members of the family unit).

All eligible expenses are subject to the deductible excluding:

- Vision Care, and
- Preferred Accommodation in a Canadian Hospital.

- Coinsurance
- 100% of eligible expenses in excess of the Deductible are paid by Manulife Financial.

- Lifetime Maximum Benefit (applicable to active employees)
- \$10,000 per individual per 3 consecutive years, less any benefit paid over the last 2 calendar years. Once the maximum of \$10,000 is reached, an amount of \$1,000 is reinstated on the next January 1.

- Lifetime Maximum Benefit (applicable to retired employees)
- \$10,000 per individual. However, on January 1 of each year, up to \$1,000 of the maximum lifetime benefit per family member, per calendar year previously utilized will be automatically restored.

Coverage terminates on the first day of the month coincident with or immediately following the date you reach age 65 or the date you retire, whichever is earlier, and as outlined in the General Provisions section.

DENTAL EXPENSE INSURANCE

| | | |
|-------------|---|----------------------------|
| Deductible | ➤ | Nil. |
| Coinsurance | ➤ | 100% for Minor Procedures. |
| | ➤ | 50% for Major Procedures. |
| | ➤ | 50% for Orthodontics. |

Fee Guide - Benefits are paid in accordance with the fee guide of the preceding year for the province where the service is rendered. Specialist's fees are covered. Please see the Dental Expense section for a list of eligible expenses.

Maximum Benefit per Individual:

- \$1,000 per calendar year for Minor and Major Procedures combined.
- Lifetime Maximum of \$1,000 for Orthodontics.

Notwithstanding the above, if you apply for dental coverage for yourself and/or your dependents more than 31 days following the date you are eligible to apply, the maximum benefit for the first twelve consecutive months of coverage is \$200 for Minor and Major Procedures combined. No coverage is provided for Orthodontic treatment for the first twelve consecutive months. After such twelve consecutive months, the maximum benefit will be as outlined above.

Coverage terminates on the first day of the month coincident with or immediately following the date you attain age 65 or the date you retire, whichever is earlier, and as outlined in the General Provisions section.

EMPLOYEE LIFE INSURANCE

In the event of your death while insured, the amount of your Life Insurance is payable to your beneficiary. You may change your beneficiary at any time by written notice to your Employer, subject to any policy or legal limitations.

CONVERSION PRIVILEGE

Your Life Insurance continues for 31 days following either the termination of your employment, or your classification changing to one in which you are not insured. During this 31-day period you may convert the amount of your Group Life Insurance, provided you are under 65 years of age, to any individual whole life or convertible one-year term or term to age 65 plan without submitting evidence of health.

The amount of the individual policy shall not exceed the amount of insurance for which you were insured when coverage was discontinued, subject to a maximum of \$60,000 less any amount you become eligible for under a replacing contract of group life insurance.

The premium rate will be determined from your age and class of risk at the time of conversion.

Note: The conversion privilege does not apply for loss of insurance as a result of:

- i) any age reduction specified in the Summary of Benefits;
or
- ii) if insurance terminates when you reach the age specified in the Summary of Benefits section or upon your retirement.

DEPENDENT LIFE INSURANCE

In the event of the death of your spouse and/or dependent children while insured, the amount of Dependent Life Insurance is payable to you.

CONVERSION PRIVILEGE

The Dependent Life Insurance continues for 31 days following your death, your classification changing to one in which you are not insured or your termination of employment. During this 31-day period your spouse's amount of Dependent Life Insurance may be converted, provided the spouse is under 65 years of age, to any individual whole life or convertible one-year term or term to age 65 plan without submitting evidence of health. The premium rate will be determined from your spouse's age and class of risk at the time of conversion.

The maximum amount of insurance that may be converted shall be \$5,000 less any amount your spouse becomes eligible for under a replacing contract of group life insurance.

Note: The conversion privilege does not apply for loss of insurance if your spouse's insurance terminates when you reach the age specified in the Summary of Benefits section or upon your retirement.

WEEKLY DISABILITY INCOME

In the event that you become totally disabled due to injury or sickness you will receive a disability benefit, provided you are under the continual treatment of a qualified and licensed physician.

Benefits for any one disability are payable from the 1st day of disability for injury resulting from an accident and the 4th continuous day of disability for sickness (1st day of a disability due to surgery on an out-patient basis). Your benefit will be payable for not more than 52 weeks during any one period of disability. However your benefit will be payable for not more than 4 weeks if the treatment is rendered solely by a chiropractor.

If following a period of disability, you return to active work for at least four weeks, a recurrence of this disability will be considered a new period of disability.

OFFSETS TO BENEFITS

The amount payable to you under this benefit is calculated by deducting from your benefit any other sources of income as specified in the master policy, which includes any other disability or pension programs of your company.

EXCLUSIONS

Benefits are not payable for the following:

- disabilities arising from intentionally self-inflicted injuries;
- disabilities arising from voluntary participation in a war, riot or insurrection;

- for the portion of a period of disability during which you are
 - a) imprisoned in a penal institution; or
 - b) confined in a hospital, or similar institution, as a result of criminal proceedings;
- any period of disability, or portion thereof, during any leave of absence (including maternity leave) as defined in the General Provisions section of this booklet;
- for a disability which commences on or after the date a strike or layoff begins, except as outlined in the Master Policy;
- for the portion of your period of disability during which you are eligible to receive benefits under any Workers' Compensation Law or any similar law; unless you provide proof to Manulife Financial that you have been disqualified for such benefits.

SUBROGATION

If you are entitled to recover compensation for loss of income from a third party as a result of the incident which caused or contributed to the disability, for which benefits are paid or payable, the Insurer will be subrogated to all your rights of recovery for loss of income, to the extent of the sum of benefits paid or payable by the Insurer. You shall execute such documents as required by the Insurer.

In the event that you provide proof to the Insurer that you have not recovered full compensation for loss of income, the Insurer shall determine the proportion of damages actually recovered and share pro rata in that amount.

Should you choose to settle the matter prior to judicial determination, it is understood that the sum reached in settlement will be deemed to be full compensation for loss of income, and the Insurer's right of subrogation will apply.

The term compensation shall include any lump sum or periodic payments which you receive or are entitled to receive on account of past, present or future loss of income.

LONG TERM DISABILITY

EMPLOYEE LONG TERM DISABILITY BENEFITS

In the event that you become totally disabled for the required period of time known as the Qualifying Disability Period and you are under the continual treatment of a legally qualified physician deemed appropriate by the Insurer, you will receive a monthly income benefit.

Qualifying Disability

Period ➤ As described in the Summary of Benefits.

Monthly Benefit ➤ As described in the Summary of Benefits.

Maximum Disability

Period ➤ to age 65.

Benefits will not be payable beyond age 65, unless you satisfy the Qualifying Disability Period while age 64, in which case benefits will be payable for a maximum of 12 months.

TOTAL DISABILITY

You are considered totally disabled, during the first 12 months in which you receive benefits, if you are unable to perform any and every duty of your occupation. After this period you are considered totally disabled if you are unable to perform any and every duty of any occupation or employment in the mill for which you are reasonably qualified by training, education or experience.

RECURRENT DISABILITY

If a disability recurs and it is due to the same or related causes, it will be considered as one continuous disability and will not be subject to the Qualifying Disability Period unless you have returned to active, full-time employment for a period of 4 consecutive months or longer.

If your new disability is due to causes unrelated to your prior disability you may be eligible for a new disability period, subject to the Qualifying Disability Period, if you have returned to active work for at least one full day.

OFFSETS

The amount payable under this benefit for total disability is calculated by deducting from your benefit any other sources of income. These are specified in the Master Policy and include the following:

- wages or retirement benefits payable from your employer or employer's pension or retirement plan;
- any payments on account of your disability from any workers' compensation law or similar law;
- payments received from the Canada or Quebec Pension Plan, excluding payments made in respect of dependent children;
- any income or benefit payable under any other plan or program of any government or the crown or of any subdivision or agency of the government or the crown, including any plan or program established pursuant to a provincial automobile insurance act.

All Source Maximum: Your total monthly income while disabled (Long Term Disability benefit plus any income listed above) cannot exceed 100% of your gross monthly earnings as of the date your disability commenced. If your total income exceeds 100%, your Long Term Disability benefit will be reduced accordingly.

EXCLUSIONS AND LIMITATIONS

Benefits are not payable for the following:

- for any portion of a period of disability unless you are receiving ongoing supervision/treatment by a physician deemed appropriate by the Insurer for the impairment which is causing the disability. You will not be paid for any portion of a period of disability during which you do not participate in the treatment program recommended by said physician;
- for any work for wage or profit except as approved by the Insurer;
- for any absence from Canada longer than 4 months due to any reason, unless Manulife Financial agrees in writing in advance to pay benefits during the period;
- for any portion of a period of disability during which you are receiving treatment by a therapist unless such treatment is recommended by a physician deemed appropriate by the Insurer;
- for any portion of a period of disability resulting from substance abuse, including alcoholism and drug addiction, unless you are participating in a recognized substance withdrawal program;
- disabilities resulting from self-inflicted injuries or attempted suicide;

- disabilities as a result of participation in a war, riot, insurrection or criminal act;
- for any participation in a civil commotion;
- for the portion of a period of disability during which you are
 - a) imprisoned in a penal institution; or
 - b) confined in a hospital, or similar institution, as a result of criminal proceedings;
- any period of disability, or portion thereof, during any leave of absence (including maternity leave) as defined in the General Provisions section of this booklet;
- for a disability which commences on or after the date a strike or layoff begins, except as outlined in the Master Policy. If a disability occurs while on strike, the qualifying disability period will begin on the scheduled date of return to work;
- to an insured individual who refuses to participate in a rehabilitation program which is deemed appropriate by the Insurer, the attending physician or on the advice of independent medical opinion.

SUBROGATION

If you are entitled to recover compensation for loss of income from a third party as a result of the incident which caused or contributed to the disability, for which benefits are paid or payable, the Insurer will be subrogated to all your rights of recovery for loss of income, to the extent of the sum of benefits paid or payable by the Insurer. You shall execute such documents as required by the Insurer.

In the event that you provide proof to the Insurer that you have not recovered full compensation for loss of income, the Insurer shall determine the proportion of damages actually recovered and share pro rata in that amount.

Should you choose to settle the matter prior to judicial determination, it is understood that the sum reached in settlement will be deemed to be full compensation for loss of income, and the Insurer's right of subrogation will apply.

The term compensation shall include any lump sum or periodic payments which you receive or are entitled to receive on account of past, present or future loss of income.

DISABILITY CASE MANAGEMENT PROGRAM

Manulife Financial has developed a disability case management program. The purpose of this program is to assist you, in the event that you become totally disabled and qualify for benefits, to return to productive employment. Our disability case management team includes medical consultants, claim adjudicators and a field coordinator. This team will work with you, your employer and your physician to assist you to recover and return to the workplace.

REHABILITATIVE EMPLOYMENT

If you are disabled, the Insurer may recommend that you undergo some suitable rehabilitative training program which would take into account the nature and limitations of your disability. Further details on this aspect will be provided in the event that you become disabled.

SUPPLEMENTARY HEALTH EXPENSE

EMPLOYEE AND DEPENDENT COVERAGE

In the event that you incur in a calendar year any of the Eligible Expenses listed below, you will be paid a percentage of such expenses in excess of the Deductible for that year. The percentage (coinsurance) and Deductible are specified in the Summary of Benefits.

DEDUCTIBLE

The Deductible is that portion of the Eligible Expenses which you are required to pay in any year before you receive benefits. The Deductible is specified in the Summary of Benefits. However, if all or part of the Deductible is satisfied through any expenses paid during the last three months of any calendar year, the Deductible applicable to the following year will be reduced by the expense amount as applied to the Deductible.

LIFETIME MAXIMUM BENEFIT

The total lifetime benefit payable in respect of you or your dependents is limited to the Lifetime Maximum Benefit specified in the Summary of Benefits.

ELIGIBLE EXPENSES

The following is a list of eligible expenses.

Preferred Accommodation in Canadian Hospitals

The difference between the charges made for ward and semi-private room and board in a licensed Canadian hospital. Such charges shall be subject to the Lifetime Maximum.

Outpatient Expenses

Charges made by a hospital for:

- use of an examination or operating room;
- drugs, dressings or casts; or
- anaesthesia in connection with the performance of a surgical procedure.

Drug Expenses

Reasonable and customary charges incurred for medically necessary drugs and medicines which

- 1) are dispensed by a licensed pharmacist or physician legally authorized to dispense such drugs and medicines, and
- 2) are prescribed by a physician or other professional authorized by provincial legislation to prescribe drugs for the treatment of an illness or injury and are either
 - a) drugs requiring a prescription in accordance with the Food and Drugs Act, Canada, or
 - b) other specified drugs and medicines which have been identified by the Insurer as covered expenses and are by convention usually not dispensed without a prescription, or
 - c) injectable preparations identified by the Insurer, insulin preparations and supplies, and allergy serums.

Notes:

- Nicotine patches are covered, subject to a lifetime maximum of 1 treatment per individual.
- Fertility drugs, laboratory tests and x-rays including ultrasound are covered, subject to a maximum benefit of \$2,500 per calendar year, per individual. General supplies, as well as fees for the services of physicians, nurses, technicians, anesthetists, and administrative staff are not covered.

- Vitamin K for the treatment of hemophilia is covered.

No benefit shall be payable for:

- weight loss drugs;
- erectile dysfunction drugs;
- any single purchase of drugs which would not reasonably be used within 90 days from the date of purchase.

Out of Province Expenses

Note: Only insured individuals under age 65 are eligible for coverage. Coverage is limited to a period of 60 days from the date you leave your province of residence.

If, while travelling outside your province of residence, hospitalization or medical treatment is required due to emergency and nonelective reasons, the following expenses in excess of any provincial government plan allowance are covered, provided they are eligible for reimbursement in whole or in part by any provincial government plan.

1. reasonable and customary charges for semi-private accommodation in a Canadian hospital;
2. charges for ward accommodation, subject to a maximum of \$50 per day, with respect to hospitalization outside Canada;
3. reasonable and customary charges for the services of a physician;
4. reasonable and customary charges for hospital services and supplies furnished during hospitalization, and for x-ray examinations and laboratory tests related to medical treatment rendered without hospitalization.

Extended Health Expenses

- Charges for licensed Convalescent Care Facility, subject to a daily maximum benefit equal to the charge made for semi-private accommodation for not more than 120 days of confinement per disability. Confinement must begin following a minimum of 5 consecutive days of hospital confinement and prior to the insured's 65th birthday.
- Charges per individual, in excess of the provincial plan, for the services of the following paramedicals are covered:
 - Chiropractor: \$15 per visit, up to an overall maximum benefit of \$300 per calendar year. X-rays are covered, subject to a maximum of \$25 per disability. Chiropractor charges are reimbursed only after the OHIP maximum is reached;
 - Christian Science Practitioner: \$7 per visit, up to a maximum of 30 visits per calendar year. X-rays are covered, subject to a maximum of \$25 per disability;
 - Naturopath: \$7 per visit, up to a maximum of 30 visits per calendar year. X-rays are covered, subject to a maximum of \$25 per disability;
 - Massage Therapist: upon physician's written recommendation, \$7 per visit, up to a maximum of 30 visits per calendar year;
 - Speech Therapist: upon physician's written recommendation, limited to 30 treatments per calendar year;
 - Acupuncturist: \$7 per visit, up to a maximum of 30 visits per calendar year;
 - Osteopath: \$7 per visit, up to a maximum of 30 visits per calendar year. X-rays are covered, subject to a maximum of \$25 per disability. Osteopath

charges are reimbursed only after the OHIP maximum is reached;

- Physiotherapist: upon physician's written recommendation, limited to reasonable and customary charges;
 - Psychologist: upon physician's written recommendation, limited to a maximum benefit of \$25 for the first treatment and \$10 for any subsequent treatments to an overall maximum of 30 treatments per calendar year;
 - Podiatrist: \$7 per visit, up to a maximum of 30 visits per calendar year. X-rays are covered, subject to a maximum of \$25 per disability. Podiatrist charges are reimbursed only after the OHIP maximum is reached;
 - Psychoanalyst: limited to reasonable and customary charges.
- Reasonable and customary charges for the medical services (excluding custodial care, psychological or personal counselling) provided by a Registered Nurse (R.N.), Nursing Assistant (C.N.A., R.N.A., R.P.N., L.P.N. or L.N.A.) or a member of the Victorian Order of Nurses (V.O.N.) which are rendered while the insured is not confined to a hospital, provided such nurse is not a resident in your home or a relative of your family. These charges will be considered eligible expenses only if recommended by a physician and only if medically necessary. For the purpose of this policy, custodial care is defined as assistance with daily living or tasks which a layperson could perform.
- Charges for rental (or, at the Insurer's option, purchase) of durable medical or surgical equipment required for therapeutic purposes and as approved by the Insurer.

- Charges for rental (or, at the Insurer's option, purchase) of braces and crutches and the purchase of prostheses, artificial limbs and eyes, excluding myoelectric appliances.
- Reasonable and customary charges for necessary dental treatment required as the result of an accidental injury to natural teeth provided the accident occurred while insured under this coverage. As determined by the Insurer, only such charges directly related to such an accidental injury are considered a covered medical expense. The dental work must be completed within 6 months of the accident to be considered a covered medical expense.
- Charges for professional ambulance service, other than airline, to and from the nearest hospital qualified to provide the necessary treatment.

Emergency transportation by airline to and from the nearest hospital qualified to provide the necessary treatment. Such emergency transportation is subject to a maximum benefit equal to the economy airfare for the insured, and, if medically required, a medical attendant who is neither a resident in your home nor a relative of your family.

- Charges for orthopedic shoes and orthotics which have been specially designed and molded for the insured individual and are required to correct a diagnosed physical impairment:
 - upon physician, podiatrist or chiropodist's written recommendation, charges for orthopedic shoes are limited to a maximum of one pair per individual per calendar year and an overall maximum benefit of \$50 in any calendar year;
 - upon physician, podiatrist or chiropodist's written recommendation, reasonable and customary charges for orthotics.

- Charges for laboratory tests, including blood samples, and x-rays not covered by any provincial government plan.
- Charges for surgical brassieres, limited to a maximum of 2 bras per calendar year, per individual.
- Charges for breast prosthesis, limited to a maximum benefit of \$200 per calendar year.

Vision Care Expenses

Charges for vision care as follows:

- Lenses and frames for eyeglasses or contact lenses, or laser eye surgery, subject to a maximum benefit of \$75 per person in any period of 24 consecutive months.

EXCLUSIONS

The foregoing list of eligible expenses shall not include any of the following:

- charges which are considered an insured service of any provincial government plan;
- charges which were considered an insured service of any provincial government plan at the time this plan/benefit was issued and subsequently were modified, suspended or discontinued;
- charges for general health examinations, and examinations required for use of third party;
- charges for eye examinations, except where included as an eligible expense;
- charges for a surgical procedure or treatment performed primarily for beautification, or charges for hospital confinement for such surgical procedure or treatment;

- charges for medical treatment or surgical procedure by a physician other than as provided under Out of Province Expenses;
- charges for transport or travel, other than as specifically provided under eligible expenses;
- charges not specified in the foregoing list of eligible medical expenses;
- charges for services or supplies which are furnished without the recommendation and approval of a physician acting within the scope of his license;
- charges which are not medically necessary to the care and treatment of any existing or suspected injury, disease or pregnancy;
- charges which are from an occupational injury or disease covered by any Workers' Compensation law or similar legislation;
- charges which would not normally have been incurred but for the presence of this insurance or for which you are not legally obligated to pay;
- charges which the Insurer is not permitted, by any law or regulation, to cover;
- charges for dental work where a third party is responsible for payment for such charges;
- charges for bodily injury resulting directly or indirectly from war or act of war (whether declared or undeclared), insurrection or riot, or hostilities of any kind;
- charges for services or supplies resulting from any intentionally self-inflicted wound;

- charges for drugs, sera, injectable drugs or supplies which are not approved by Health Canada or are experimental or limited in use whether or not so approved;
- charges for experimental medical procedures or treatment not approved by the Canadian Medical Association or the appropriate medical specialty society;
- charges made by a physician for travel, broken appointments, communication costs, filling in of forms, or physician's supplies;
- charges for drugs, sera, injectable drugs or supplies when administered in a hospital setting, whether administered on an inpatient or outpatient basis, except as provided under the Outside Canada Expenses or Outside Canada Referral sections, where provided under the Supplementary Health Expense.

DENTAL EXPENSE BENEFIT

EMPLOYEE AND DEPENDENT COVERAGE

You must apply for Dental Expense insurance within 31 days of your date of eligibility to be covered for maximum dental coverage.

As the wording of this dental coverage is technically oriented Manulife Financial suggests you take this booklet with you when you visit your dentist.

In the event that you incur any of the Eligible Expenses listed below, you will be paid a percentage of such expenses as specified in the Summary of Benefits.

MAXIMUM BENEFIT

The total benefits payable are subject to the maximums specified in the Summary of Benefits.

EXTENSION OF BENEFITS

No benefits for Eligible Expenses will be paid for claims incurred after the termination of the Master Policy or after your insurance under this coverage ceases.

DENTAL CLAIM FORMS

Paper claims will not be processed unless a Dental Claim Form, satisfactory to the Insurer, is submitted to a claim office of the Insurer.

Alternatively, electronic claims can also be submitted by participating dentists via Electronic Data Input (EDI).

ALTERNATE BENEFITS AND SUBMISSION OF TREATMENT PLAN

Where there exists more than one customarily employed and professionally adequate method of treating injury or disease to the teeth, Manulife Financial reserves the right to determine eligible expenses on the basis of an alternate benefit.

As a service to you, Manulife Financial will advise you in advance of the amount of its liability when a proposed course of treatment exceeds \$200. To use this service, simply have your dentist complete a treatment plan on forms available from your employer, including pretreatment x-rays if the proposed treatment involves crowns or bridgework.

ELIGIBLE EXPENSES

Charges for the following supplies and services are considered Eligible Expenses if they do not exceed the Fee Guide for General Practitioners of the Dental Association as outlined in the Summary of Benefits. Further details may be found in the Master Policy.

MINOR PROCEDURES

- Diagnostics: oral examinations; complete oral exam and diagnosis; x-rays: single diagnostic x-rays; complete series or equivalent; study casts: once per year; consultations.
- Preventive Therapy: polishing, scaling; topical fluoride, passive space maintainers for dependent children.
- Basic Restorative Dentistry: The basic procedures used to restore the natural teeth to their normal functions by the use of silver amalgam, silicate, or synthetic restorations (fillings). In addition, sedative dressings are covered.



Extractions: Uncomplicated removal of teeth.

- Endodontics: Emergency endodontic procedures and conservative root canal therapy.
- Periodontics:
 - (a) Adjunctive Services as follows: root planing, acute infections, occlusal adjustment, provisional splinting;
 - (b) Surgical Services as follows: gingival curettage, gingivoplasty, gingivectomy or osseous surgery;
 - (c) Special Periodontal Appliances.
- Oral Surgery: Routine oral surgical procedures as follows: surgical removal of impacted teeth, residual roots and associated post-operative care.
- Anaesthesia: Anaesthesia where reasonably and customarily required in connection with other covered procedures.

MAJOR PROCEDURES

Repairs, Relining, and Rebasing of Dentures: Repair or relining and rebasing of dentures, including addition of new teeth, but not including the cost of dentures, their replacement or duplication.

Removable Prosthetic Devices: The initial installation of partial or full dentures, subject to the pre-existing condition limitations on teeth missing, extracted or fractured prior to becoming insured.

Replacement of existing dentures is not covered except if:

- the replacement is required because of extraction, loss or fracture of one or more sound natural teeth after the individual became insured under this plan; or
- a proof is provided that the existing denture is no longer serviceable.

Replacement of lost or stolen dentures, the duplication of dentures and personalization or characterization of dentures is not covered.

ORTHODONTICS

The diagnosis or correction of teeth irregularities and malocclusion of jaws, by wire appliances, braces or other mechanical aids, commonly known as "straightening of the teeth". These include active space retainers, or orthodontic appliances, for the purpose of repositioning or moving of the teeth.

EXCLUSIONS AND LIMITATIONS

Payments will not be made for any dental procedure in respect of any injury or dental disease for which the employee or dependent was advised to receive treatment or for which treatment first began before the employee or dependent became insured for that dental procedure. Payments will not be made for any dental procedure in respect of teeth extracted, missing, or fractured before the employee or dependent became insured for that procedure except for appliance replacement as specifically stated under Eligible Expenses.

No benefit will be payable for the initial installation (or addition) of prosthetic devices unless such installation (or addition) is required primarily due to teeth that were missing, extracted or fractured after becoming insured under this plan for prosthetic devices.

No benefit is payable for the following:

- Services or supplies that are primarily for cosmetic dentistry;

- Charges which were considered an insured service of any provincial government plan at the time this plan/benefit was issued and subsequently were modified, suspended or discontinued;
- Services or supplies which are not furnished by a legally qualified dentist or denturist acting within the scope of his license;
- Any charge for an injury resulting from war, riot, insurrection or participation in a criminal act;
- Any miscellaneous charges such as counselling, travel, broken appointments, communication costs or filling in of forms;
- Any charge resulting from any intentionally self-inflicted injury;
- Any services covered in whole or in part by any government plan, services for which no charge is made, or services which the insurer is not permitted by law to cover;
- Any charge for services which would not normally have been incurred, but for the presence of this insurance, or for which you are not required to pay;
- Any hospital charges for board and room and related services and supplies;
- Any dental examinations required by a third party;
- Services or supplies which are not medically necessary to the care and treatment of any existing or suspected injury, or disease;
- Diagnostic procedures in connection with any benefit categories excluded as eligible expenses;
- Services or supplies for implantology;

- Any services or supplies in connection with the following dental procedures:
 - extensive restorative dentistry;
 - fixed prosthetic devices.

GENERAL PROVISIONS

WHEN YOUR INSURANCE STARTS

Your insurance comes into effect on the later of the following dates if you are actively at work on that date.

- the date you become eligible;
- the date you apply;
- if Evidence of Insurability is required the date it is approved by the Insurer.

EVIDENCE OF INSURABILITY

Evidence of Insurability is required if:

- you apply for insurance more than 31 days after becoming eligible to apply;
- you reapply after your insurance has terminated due to non-payment of premium; or
- your amount of insurance exceeds or increases beyond the No-Evidence Limit.

WHEN YOUR INSURANCE TERMINATES

Your insurance terminates on the earliest of the following:

- non-payment of premium;
- a change in your classification to one not insured;
- termination of your employment;
- termination or amendment of the Master Policy;
- your commencing active duty in any armed forces; or
- the date outlined in the Summary of Benefits.

For insurance purposes, employment shall be deemed to terminate on the date you cease active work with an employer, subject to any provincial Employment or Labour Standards Act. However, such employment shall be deemed to continue under the circumstances described below until

the earliest of a) the end of the specified period or b) the date the employer terminates your employment for insurance purposes; c) the date the policy or coverage terminates.

If you are absent from work due to sickness or injury:

| Benefit | Employees disabled prior to the contract effective date (January 1, 2004) | Employees disabled on or after January 1, 2004 |
|------------------------------|---|--|
| Life Insurance | Maintained until age 65, provided the required premiums are paid to the Insurer. | |
| Supplementary Health Expense | Maintained until age 65, provided the required premiums are paid to the Insurer. | |
| Dental Expense | Maintained for a maximum period of 24 months, provided the required premiums are paid to the Insurer. | |
| Weekly Disability Income | N/A (Employees remain covered by the prior carrier) | Required premiums should be paid to the Insurer until the Long Term Disability qualifying period is completed. |
| Long Term Disability | N/A (Employees remain covered by the prior carrier) | Waiver of premium applies. In addition, if employees are covered under the provincial Worker's Compensation benefit, Weekly Disability Income and Long Term Disability premiums are waived until the employee returns to active work. |

However, if you are covered by the Worker's Compensation benefit of your province of residence and have been disabled for 2 years, you will be considered permanently disabled and the employer will be allowed to terminate employment and therefore insurance coverage will be terminated.

If you are absent from work due to temporary layoff or strike, employment shall be deemed to cease as of the date layoff or strike begins for long term disability income benefit. Employment shall be deemed to continue until the end of the month next following the month in which the layoff or strike began for all other coverages, provided the required premiums are paid to the Insurer.

If you are absent from work due to a leave of absence, employment shall be deemed to continue for insurance purposes until the end of the leave of absence if required by any applicable provincial or federal statute. In the case of legislated continuation of coverages, premium is required to be paid during the leave of absence. For provinces without applicable legislation, employment is deemed to continue for insurance purposes until the end of the leave of absence, provided the required premium is paid to the Insurer. Continuation of such coverage is at the option of the employer and is subject to approval by the Insurer.

If you are absent from work due to a compassionate care leave of absence, in Provinces or Territories with compassionate care legislation or you are employed by a federally regulated company, employment is deemed to continue for insurance purposes until the end of the legislated leave of absence. The leave of absence must qualify according to the terms of the legislation and premium is required to be paid during the leave of absence. If the leave of absence extends beyond the legislated period then any extension is subject to approval by the Insurer.

Note: Coverage for Outside Canada Expenses under Supplementary Health Expense is not available during a leave of absence.

COORDINATION OF BENEFITS

Payment of Supplementary Health, Emergency Travel Assistance and Dental benefits (where provided under this plan) shall be coordinated so that benefits from all plans do not exceed 100% of the eligible claim. For this purpose, the Insurer has a right to receive and release information on benefits and if necessary, collect any overpayments made by it.

ELIGIBLE DEPENDENTS

- Unmarried children who are under age 21, or under age 25 if attending an accredited school, college, or university as a full time student. Dependent children must be dependent on you for support and not employed at a regular full-time job. With respect to dependent life insurance, dependent children must be at least 14 days old.
- Functionally impaired children who are totally dependent upon you for support. For the purposes of this plan, functionally impaired shall mean an unmarried person who was insured as a dependent prior to becoming functionally impaired who is wholly dependent upon you for support and maintenance within the terms of the Income Tax Act.
- A child of your spouse provided,
 - i) he/she is also your biological child; or
 - ii) your spouse is living with you and has custody of the child.
- Your spouse as the result of a valid civil or religious ceremony, or a person who is in common-law relationship with you.

Divorced or separated spouses (with or without a court order or separation agreement) are not eligible for coverage, unless you and your former spouse have been separated for less than 3 months.

CHANGE IN AMOUNTS OF INSURANCE

A change in the amount of your insurance shall become effective on the date of change, if you are actively at work for that full scheduled working day, otherwise on the first day thereafter on which you are actively-at-work.

CHANGE IN GOVERNMENT SPONSORED PROGRAMS

The medical, dental and hospital benefits under this group insurance plan are provided in conjunction with government sponsored provincial programs. In the event coverage under any provincial program is modified, suspended or discontinued, the group insurance plan will not automatically assume responsibility for any services or products previously covered under the provincial programs.

DEFINITIONS

- Earnings
- with respect to Life Insurance benefit, shall be your regular straight time hourly rate, excluding bonus, overtime, commissions and shift differentials, as classified on the November 1st immediately preceding the employee's last day of active employment multiplied by:
 - 2080 for day workers whose normal weekly work schedule is 40 hours;
 - 2184 for shift workers whose normal weekly schedule is 42 hours.
 - with respect to Weekly Indemnity, weekly basic earnings, shall be your regular straight time hourly rate, excluding bonus, overtime, commissions and shift differentials, multiplied by:

- 40 for day workers;
- 42 for shift workers.

- with respect to Long Term Disability benefit, monthly basic earnings shall be your regular straight time hourly rate, excluding bonus, overtime, commissions and shift differentials, multiplied by:
 - 2080 and divided by 12 for day workers;
 - 2184 and divided by 12 for shift workers.

Full-time
Employee

- a permanent Employee who works a regularly scheduled work week of at least 20 hours.

Leave of
Absence

- shall mean a period of time away from work mutually agreed to by you and your employer. In the case of maternity leave of absence, the leave shall begin and finish on dates agreed to by you and your employer or as required by Provincial or Federal law.

HOW TO CLAIM

In order to quickly process a claim, the following information is required:

- **your full name and address;**
- **the name of your Employer;**
- **your Certificate (Identification) Number;**
- **your Group Policy Number (71957).**

Contact your Employer who will supply you with the proper forms with instructions for completion.

If you require assistance with previously submitted health or dental claims, contact Manulife Financial at 1-800-667-5165.

TIME LIMITATIONS

A claim for disability income benefits must be submitted within 6 months of the end of the qualifying disability period.

A claim for a waiver of premium benefit must be submitted within 12 months of the date disabled.

A claim for any other loss must be submitted within 15 months following the date the loss is incurred. However, in the event of termination of insurance, a claim must be submitted within 90 days following the date of termination of your insurance or the date following termination of a coverage or the policy.

MEDICAL INFORMATION BUREAU (MIB)

MIB Group, Inc. (MIB) is a non-profit membership organization of life insurance companies, which operates an information exchange on behalf of its members.

Manulife Financial or its reinsurers may periodically report information to the MIB. If you apply to receive life, disability or health insurance coverage from another MIB member company or submit a claim for benefits to such a company, the MIB upon request will supply the other insurer with the information on file.

Manulife Financial or its reinsurers may also release information in its file to other life and health insurance companies to whom you may apply for insurance or submit a claim for benefits. All Information obtained will be treated as confidential.

Upon your request, the MIB will arrange disclosure of any information it may have in your file. If you question the accuracy of information in the MIB file, you may contact the MIB and seek a correction. Their address is: MIB, 330 University Ave., Suite 501, Toronto, Ontario, M5G 1R7. Tel: (416) 597-0590.