

LABOUR AGREEMENT

-Between-

INTERNATIONAL ASSOCIATION OF MACHINISTS
AND AEROSPACE WORKERS, LODGE 771

Hereinafter called the "Union"

-and-

ABITIBI-CONSOLIDATED COMPANY OF CANADA
Fort Frances Division

Hereinafter called the "Company"

May 1, 2004 to April 30, 2009

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LABOUR AGREEMENT

This Agreement is made and entered into this **27th day of January, 2005**, by and between **Abitibi-Consolidated Company of Canada**, Fort Frances, Ontario, hereinafter referred to as the "Company" and International Association of Machinists and Aerospace Workers, Lodge No. 771, hereinafter referred to as the "Union".

100 PREAMBLE

The mutual interest of the parties 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, 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 Company and the Union to co-operate fully, individually and collectively, for the advancement of these conditions. It is further the purpose of this Agreement that the parties concerned desire to co-operate in establishing and maintaining proper and suitable conditions in the Company which will tend to secure uniform and equitable terms of employment and conditions of labour satisfactory to the Company and the Union, and to insure a proper conduct of the business and relations between the Company and the Union.

Words importing the masculine gender shall include the feminine and vice versa.

200 RIGHTS OF PARTIES

- 201 The Union has all rights which are specified in the subsequent provisions of this Agreement and retains all rights granted by law.
- 202 The Company retains all rights except as those rights are limited by the subsequent provisions of this Agreement. Nothing in this **Agreement shall be** construed to impair the right of the Company to conduct its business in all particulars except as modified in this Agreement.

203 It is understood that none of the foregoing shall detract from the right of an employee or the Union to lodge a grievance in the manner and to the extent provided in Article 1200 - Grievance Procedure.

300 UNION RECOGNITION AND SECURITY

301.1

- (a) The Union is recognized as the exclusive bargaining agent for all employees assigned to perform work such as that described in 301.1(b), 301.2 and 301.3.
- (b) It is hereby agreed and understood that Lodge 771 of The International Association of Machinists and Aerospace Workers has jurisdiction within the mill premises, power houses and any other property associated with the Company within the town limits of Fort Frances over the work of erecting, dismantling, assembling, repairing, maintaining and installing of all machinery and parts thereof and the operation of all machines in connection therewith, and all other work generally recognized as work of the work classifications in the bargaining unit, performed by the Company. It is agreed that this rule shall not be applied in such a manner as to prevent the assignment of employees in the Rigger Crew to perform the same work as has been generally recognized as the work of this crew in the past. Such employees, however, will not be assigned to work generally recognized as the work of millwrights and millwright helpers to the extent of displacing, or excluding the re-employment of any employee now holding seniority as such.
- (c) The Company will not contract out work which is normally performed by employees working under the jurisdiction of the Union. If contracting out becomes necessary, the Company will advise and discuss with the Union in advance of any such proposed contracting out of work.
- (d) The Company will continue to recognize the crafts set forth in Appendix A to the agreement in the assignment of work normally performed by employees in such crafts in

accordance with past practice. Assignment of work contrary to the foregoing shall be by mutual agreement between the Company and Union.

- 301.2 Lodge No. 771 of the International Association of Machinists and Aerospace workers is also recognized as the exclusive bargaining agent for all employees engaged in installation, maintenance, dismantling, repairing and assembling all pneumatic, hydraulic and fluidic instrumentation in the Fort Frances mill.
- 301.3 The Union shall have jurisdiction over all operating and repairing positions in the Steam Plants, including Power and Recovery Boilers, Waste Bark Fired Boilers, Turbines, Air Compressors portable and stationary, Refrigeration Units, Lime Kiln operation, Recast operations and all related equipment to the aforementioned operations. Lodge 771 shall have jurisdiction over the maintenance and repairs as presently recognized under the maintenance classifications listed in Appendix A. The Union shall have jurisdiction over sectionmen listed under Appendix A.
- 301.4 Lodge 771 of the International Association of Machinists and Aerospace Workers is also recognized as the exclusive Bargaining Agent for all employees of the International Bridge and Terminal Company who are employed in the classifications listed in Appendix A Wage Schedule.
- 302 The dividing point between the jurisdiction of Lodge 771 and the jurisdiction of other mill Unions shall be in accordance with presently established jurisdictional lines.
- 303 Jurisdictional disputes shall be dealt with by the Unions involved in conformity with the regulations covering such matters as fixed by the A.F.L., C.I.O. (CLC) or the Ontario Labour Relations Act and shall be resolved as to not adversely affect the efficiency of Company operations.
- 304 Superintendents, salaried foremen, watchmen and office forces are part of the Management of the Company.
- 305 The Company will update IAM members' addresses if the Union will

supply a membership list once per year.

400 HOURS OF WORK

401 Normal Working Hours

401.1 Day Workers (See Clause 402.4)

The regular hours of employment for day workers shall be five continuous days of work, eight hours per day, forty hours per week, between the hours of 8:00 a.m. to 4:00 p.m., inclusive of a thirty (30) minute lunch break and one fifteen (15) minute coffee period in the a.m. For maintenance day workers the days of work shall be consecutive, except that instrument mechanics may be so scheduled as to provide required weekend coverage.

401.2 Tour Workers (See Clause 902.3)

- (a) The schedule of hours for tour workers and hours at which tours shall change shall be from 8:00 a.m. to 4:00 p.m., 4:00 p.m. to 12:00 midnight, 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 to avoid any interruptions in normal operations, it being agreed that in some cases it is necessary to effect an "average" shall mean the workweek schedule agreed upon by the Company and the Union.
- (c) Tour workers may agree to depart from normal shift change hours set forth in 401.2(a). When such changes are agreed upon, the shift changes shall occur at 7:30 a.m. - 3:30 p.m., 3:30 p.m. - 11:30 p.m., 11:30 p.m. - 7:30 a.m.
- (d) When a spare tour millwright is swinging back to day work after relieving a tour worker on the 12:00 Midnight- 8:00 a.m. shift, he may, at his option, elect to come in to work the following day from 4:00 p.m. - 12:00 Midnight. Straight-time rates will be paid.

(e) Tour Millwright Assignments

- (i) Junior Millwrights will be assigned to work as Tour Millwrights.
- (ii) Senior Millwrights may be assigned this work if they express a preference for this work.
- (iii) It is understood and agreed that whenever a Millwright becomes a Tour Millwright, it will not be considered to be a promotion to a higher rated job.

402 Workday and Workweek

- 402.1 (a) The workday shall begin at the beginning of the first (day) shift and shall end at the beginning of the first shift on the following day.
- (b) The workweek shall commence with the first (day) shift on Sunday and shall end at the beginning of the first shift on the following Sunday. This provision is not intended to change the work or vacation schedules presently in effect and merely defines the pay period.
- 402.2 Normal day or days off will be shown for employees on the weekly schedule posted by 3:00 p.m. Thursday. If a day worker scheduled to commence work on Monday in accordance with this schedule is subsequently called in to work on Sunday and works less than six (6) hours, either on normal repair or on a breakdown, the employee's schedule will remain unchanged and the employee will work his scheduled five days, Monday through Friday in accordance with the posted schedule at the straight-time rate. In the case of reported absence of a tour worker following posting of the schedule, the Company may arrange for a replacement to fill such vacancy up to 8:00 a.m. Sunday on seven day operations and 8:00 a.m. Monday on operations of six days or less without application of the premium pay requirement of Section 704.1. In the case of maintenance day workers, the regularly scheduled days of work shall be consecutive starting on Sunday or Monday.

10

402.3 A day employee required to work six hours or more on Sunday will be given a day off without pay the following Friday.

402.4 Saturday Coverage by Maintenance Day Workers

To resolve the question of Saturday coverage by maintenance day workers, the parties hereby agree as follows:

- (a) It is understood that the Company shall not require more than four (4) maintenance day workers to work on any one Saturday.
- (b) The Company will request the Union to provide such maintenance day workers as herein agreed to work on Saturdays, and the Union hereby undertakes to provide such qualified maintenance day workers on a voluntary basis.
- (c) In the event that the Union should be unable to fulfil its undertaking to provide qualified maintenance day workers on a voluntary basis, the Company shall use the following procedure to obtain such maintenance day workers to work on a Saturday:
 - (i) A man who is scheduled to work on Sunday may be rescheduled to work the preceding Saturday.
 - (ii) If a man refuses to be rescheduled from Sunday to the preceding Saturday, there shall be no liability upon him, and the Company may then reschedule a man who is scheduled to work on Monday, Tuesday, Wednesday or Thursday to work the preceding Saturday.
 - (iii) If a man refuses to be rescheduled as outlined in paragraph (c) (ii), there shall be no liability upon him, and the Company may then request any maintenance day worker to work on a Saturday, commencing with the most senior qualified man, and on a voluntary basis.
 - (iv) Should the Company still be unable to obtain the services of the requisite number of qualified

maintenance day workers, it shall schedule the requisite number of qualified maintenance day workers starting with the most junior qualified man, subject to the appropriate overtime rate applying on Saturday for men who would be scheduled for six days.

403

Reporting With No Work Available

Employees reporting for work on their regular shifts without having been notified before leaving their last regular shift or by telephone notification one hour before the usual beginning time of their shift, that their services will not be required, shall be given four (4) hours' work at their regular pay or four (4) hours' straight-time pay. This does not apply to an employee who does not have a listed telephone number.

404

Change in Scheduled Days Off

404.1

Employee Request

When an employee wishes to change his scheduled or designated days off, he will notify his supervisor at least twenty-four (24) hours in advance and if such a change is mutually agreed upon by the employee and his supervisor, then the employee will work at straight-time rates on the day or days originally scheduled as his scheduled or recognized days off.

405

Normal Operating Hours

405.1

Operations

The Company shall have the right to schedule the operation of any or all departments without restriction up to and including seven days per week except for shutdown holidays as set forth in 801.1 and such other shutdowns as may be necessary in the judgement of the Company.

405.2 Temporary Shutdowns

When an occupation ceases by reason of shutdown of any part of the mills for some unavoidable cause, the Company will, insofar as is possible, endeavour to retain the employees affected at other occupations; it being understood that the rate of pay of such occupations will be as covered by the wage scale attached hereto.

406 Temporary Night Crew Transition

To facilitate the transition of a temporarily assigned night crew back to day work after completion of emergency work, and prior to a scheduled workday, the night crew will work on 4 - 12 shift at time and one-half rate before returning to their regular day work on the following day.

407 Coffee Break

There will be a paid fifteen (15) minute coffee break in the morning of an employee's regular shift, at a time designated by supervision, and at reasonable intervals thereafter during overtime work.

500 VACANCIES, PROMOTIONS AND NEW POSITIONS

501.1 Vacancy

A vacancy shall be considered to exist whenever the Company determines that employees are required in any of the classifications listed in Appendix A to this agreement. When an employee leaves the employ of the Company and the Company does not intend to make a replacement, the Union will be informed through a meeting with the Union Committee.

501.2 Filling Vacancies (See Clause 503.3)

All vacancies in jobs or positions coming under the jurisdiction of any of the AFL-CIO (CLC) unions with which the Company has an agreement, shall be filled in the following manner:

- (a) Members of the Union having jurisdiction over the vacant job or position, whether employed by the Company or laid off, shall have priority over any other employee for the job or position to be filled.
- (b) In the event members, either employed or laid off, of the Union having jurisdiction over the vacant job or position are not available, then members in good standing of other AFL-CIO (CLC) unions with which the Company has an agreement who have been in active service for the Company for at least one year and who are qualified (or equally as qualified as any other applicant) for the job or position to be filled, shall be given preference.
- (c) In the event members of the Union having jurisdiction over the vacant job or position are not available and in the event members of other AFL-CIO (CLC) unions are not qualified, then such applicants as the Union having jurisdiction over the vacant job or position may recommend shall be given preference in the filling of the final job or position.

501.3 Posting of Vacancies, Promotions and New Positions

- (a) Notices of vacancies, promotions and new positions will be posted for seven (7) calendar days on bulletin boards and the positions will not be permanently filled until seven (7) days thereafter. Employees who are on vacation or on a normal absence will have three days in which to apply after returning to work.
- (b) In case of vacancies, promotions and new positions the oldest employee in point of service shall be given preference provided he has the necessary qualifications to perform the work.

501.4 Automatic Promotion of Journeymen

Journeyman "A" will be promoted to the A-1 classification following completion of three (3) years service as Journeyman "A" .

501.5 Union Membership During Probationary Period

Any employee coming under the jurisdiction of this Union in a probationary status must be accepted into membership by this Union within 15 calendar days after starting work under this jurisdiction.

502 Layoffs

- (a) In each craft the oldest employee in point of service, in that craft, shall be retained.
- (b) Recalls will be in the reverse order of layoffs.
- (c) An employee who has been laid off or transferred from a craft shall be recalled to that craft before any other employee is transferred or hired into that craft.

503 Seniority

- 503.1
- (a) A new employee, upon being hired or transferred to a position coming under the jurisdiction of the Union, shall be employed on a probationary basis for a period of 60 days worked which may be accumulated over succeeding periods of time. The decision of the Company shall be final within this probationary period regarding continuation of employment.
 - (b) During the probationary period referred to in Section 501.1(a), the employee shall not accumulate seniority. If the employee is retained after completion of his probationary period, his seniority shall be computed from the first day of employment, or 90 calendar days prior to the date he completed his probationary period whichever is the lesser.
 - (c) Apprentices shall accrue seniority from date of hire in their craft. In the event of layoff, seniority shall apply provided the ratio of journeymen to apprentices retained does not drop below 1 to 1 ratio in any of the crafts.
 - (d) Except as specified in 501.3, Journeyman ranks shall be filled

by graduates of an appropriate apprentice program or by applicants with equivalent training or qualifications.

- 503.2 (a) Any employee who voluntarily leaves the employ of the Company or is discharged for just cause shall lose his seniority rights.
- (b) Any employee who has been laid off and fails to report for duty within fifteen (15) days after being called back to work shall lose his seniority rights, unless excused for just cause by mutual agreement of the Company and the Union.
- (c) Absence on approved leave shall not interfere with seniority rights provided that such leave does not exceed ninety (90) days except by approval of both the Company and the Union.
- (d) When a man has secured an operating position on the basis of his qualifications he shall have priority on that particular position over any other man who may qualify for the position at a later date on a permanent set-up only, provided he has filled that position for at least 30 working days.

503.3 Craft Seniority

- (a) No member of Lodge 771 shall hold seniority in more than one craft.
- (b) Any member of Lodge 771, working in their regular crafts, wishing to transfer from one craft to another craft, shall have a maximum period of 90 days in which to decide to which craft he wants to hold his rights and seniority.
- (c) Define Crafts:
- (i) Kraft Mill Power and Recovery
Paper Mill Steam Plant to include Boiler House
repairmen and helpers and Tall Oil Plant Operator.
 - (ii) Kraft Mill Oilers, Screen Room, *Woodroom* Oilers,
 - (iii) Section Men employed by IB&T
 - (iv) Millwrights (foremen) (tool crib man) (Apprentices)

- (v) Welders
 - (vi) Machinist (Foreman) (Apprentices)
 - (vii) Tinsmiths (Apprentices)
 - (viii) Pipefitters (Foreman) (Apprentices)
 - (ix) Instrumentation (Foreman) (Apprentices)
 - (x) Garage Mechanic (Foreman) (Apprentices)
- (d)
- (i) Members who are working out of craft and are recalled to the craft to which they hold rights shall, at that time, decide which craft they wish to hold their rights in.
 - (ii) No transfer shall be made unless an employee is recalled to his proper craft. In the event that one member has the opportunity to transfer to another craft, all other members working out of craft shall have equal rights to transfer if they so desire, and each one will be contacted.
- (e) Any member who quits his job or refuses employment under Lodge 771 Jurisdiction shall lose all his rights in Lodge 771 excepting an established (Journeyman) who may refuse a sectionman labour or helper job. In the event a member is employed out of town, he will be given a reasonable length of time to return to his job under Lodge 771 jurisdiction.
- (f) Members of this Lodge out of work in good standing shall have preference for work in other crafts over any nonmember and can be working at other than their own craft for an unlimited period of time without jeopardizing their seniority and rights in the craft to which they belong.
- (g) In the event of layoff, the employees that are declared redundant who have worked 60 consecutive days shall receive 7 calendar days' notice of layoff or pay in lieu thereof. Employees who are brought into the crew for a specific period of time will not qualify for this notification requirement.

The Company has the right to adjust all or any of its crews as a result of change in process or a change in equipment, and to make such technical and other changes in its manufacturing processes as it deems necessary for efficient operation.

In recognition of the impact that such changes may have upon employees and the concern of the parties regarding employees who may be affected, the following will apply:

- (a) The Company undertakes to advise the Union at least thirty (30) days in advance of such changes which the Company has decided to introduce which will result in significant change in the employment status of employees.
- (b) The Company agrees to discuss with the Union the effect of such changes on the employment status of employees and to consider practical ways and means of minimizing the adverse effect on employees displaced by such change. Such measures as early retirement, retraining and transfers to other existing jobs will be considered.
- (c) If a permanent employee with one year's continuous employment is set back to a lower paid job due to a permanent job elimination under conditions set forth above, his rate shall be maintained for a period of three (3) months from date of setback. For an additional period of three (3) months an adjusted rate will be established midway between his previous rate at time of setback and the rate of his "home" job for each workweek, which depends upon the operating schedule for each such week, i.e., 5 days, 6 days, 7 days. At the end of the six (6) month period the rate of the job to which he is assigned will apply. (interpretation of this Section shall be based upon the following. A permanent employee with one year's continuous employment is an employee who has worked a twelve-month period of no less than four (4) days per week without interruption due to lack of work, resignation or discharge.)
- (d) A permanent employee with one year's continuous service who will be laid off from work due to a permanent job

elimination will be given notice of the impending change in employment status at the earliest possible time in keeping with the notification to the Union as set forth in (a) above.

505 Severance Pay

A permanent employee with one year's continuous service who is laid off from work due to a permanent job elimination or because of a temporary curtailment of six (6) weeks duration, shall be eligible for Severance Pay in accordance with the following:

- (a) Severance Pay shall be one (1) week's pay (a week's pay shall be the employee's classified rate of pay times 40) for each year of continuous service. Continuous service for Severance Pay purposes shall be broken only by retirement, resignation (quit), discharge, or death. Severance Pay will not be paid to employees who retire, resign, are discharged or deceased. One half of this Severance Pay is payable after the employee has been laid off from work for a period of six weeks. The second half is payable after the employee has been laid off for a total of three months.

Effective February 1, 2005 If the duration of a lay-off exceeds twelve (12) consecutive months, an additional one-half (0.5) week of pay will be paid per year of continuous service.

Permanent layoff

In the event of a permanent paper machine, department or mill closure, the total amount of severance pay will be one and one-half (1.5) weeks of pay per year of continuous service.

The total amount of severance pay that an employee may receive will not exceed one and one-half (1.5) weeks of pay per year of continuous service, for any reason, for any time.

It shall be the responsibility of the employee to make application for such Severance Pay.

- (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 layoff.
- (d) If an employee is recalled after having received a **portion** 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.

600 WAGES

601 Rates

The classifications & hourly wage schedule as agreed upon between the Company and the Union is attached hereto as Appendix A and forms a part of this Agreement. Eight hours of work in any work day shall be paid at the straight-time rate except as provided otherwise in Article 700.

602 Minimum Hours of Pay

No employee required to go on duty shall receive **less** than four hours' straight-time pay.

603 New Positions

When a new job classification is established, the Company will determine and assign the appropriate wage rate to such new classification and the classification and rate shall be added to Appendix A. This wage rate will be subject to adjustment under provisions of Section 2700 of this Agreement. Any upward adjustment will be retroactive to the start-up date of the new classification up to a maximum of **six** months. The six-months maximum will be extended an additional three months if the

classification is under discussion at the end of the six-month period. The Company agrees to meet the local Union when new job classifications are established and to give full consideration to the Union request at that time.

604 Union Representative Wages at General Negotiations

- (a) The Union may designate and the Company shall recognize not more than five (5) members who are employees of the Company covered by this Agreement and who shall constitute a negotiating committee. The function of such committee shall be to meet with Company Representatives for the purpose of negotiating a collective agreement.
- (b) The Company will handle the payment for wages lost by Union Representatives for attendance at wage negotiations in connection with the reopening of the Labour Agreement or for attendance at official Union conferences through the Company Payroll Department even though the cost of such wage payment shall be borne by the Union. The Union will reimburse the Company for such payment. The rate of pay shall be an amount specified by the Union.

700 PREMIUM TIME

701 Over 8 Hours of Work

Work done in excess of eight (8) hours between 8:00 a.m. Sunday and 8:00 a.m. Monday will be paid for at the double time rate and work done in excess of eight (8) hours in any other workday by employees covered by Sections 401.1 and 401.2 shall be paid for at the time and one-half rate, except:

- (a) On shutdown holidays when double time shall apply to all hours worked, or
- (b) When such work in excess of 8 hours is caused by an exchange of shifts by employees with approval of their supervisor, or

- (c) When such work of up to two hours in excess of a tour worker's regular shift is to replace an employee who is tardy, or
- (d) When a tour worker swings to another shift under a normal swing schedule and thereby works 16 hours in one day.

702 An employee who, due to being late for work, has worked less than eight hours by the end of his scheduled shift, and is requested by the Company to work beyond the end of such shift shall be paid at the rate of time and one-half for such additional hours.

703 Over 16 Hours of Work

Any employee required to work on maintenance or repair work for more than 16 hours shall receive double time at the 16th hour of work and double time shall continue until the job is completed. It is understood and agreed that in the application of this clause double time will be paid after the 16th hour of work in any one day between 8:00 a.m. and 8:00 a.m. or after the 16th hour of continuous work.

704 Outside of Regular Hours

704.1 Maintenance Tour Workers, Steam & Recovery Department Tour Workers

- (a) When a tour worker is assigned to a shift other than the one for which he was scheduled on the weekly schedule (other than on the basis of receiving a promotion to a higher rated job) shall receive time and one-half for all such changed shifts for the balance of the workweek.
- (b) Tour workers called in at times when regular tours are not being worked shall take the status of day workers during such times.

704.2 Night Work by Maintenance Day Workers

Maintenance day workers assigned to work nights other than as

tour workers shall work continuous hours with a paid lunch period. All such scheduled night work shall be at the rate of time and one-half.

704.3 Call-Ins

- (a) Call-in time is payable when an employee has been required to report for work before the beginning of his regular hours of employment without having been advised of the call in:
 - (i) Before he has completed his shift and left the plant, or
 - (ii) 24 hours before he is required to report on the call-in, whichever is the lesser notice.
- (b) The provisions of (a) above apply only to employees on regularly scheduled shifts.
- (c) Call-in time is to be paid for at time and one-half rates, computed to the nearest half-hour of time worked with four (4) hours' straight-time pay as a minimum. When an employee is called in for a breakdown and the job continues into his regular hours of employment he is to be paid at overtime rates until the job for which the employee was called in is completed.
- (d) Call-in time on regular scheduled days off, Sundays and shutdown holidays is to be paid for at the applicable overtime rate computed to the nearest one-half hour of time worked with six (6) hours straight-time pay as a minimum. When the job for which the employee is called in has been completed and if he is required to work on one or more unrelated jobs the employee will be paid at the overtime rate until such additional work is completed.

704.4 Work on Wires (See Clause 704.5)

- (a) All workers called in or required to remain after their regular shift for the purpose of a wire change shall receive six hours straight-time pay for such work or time and one-half for hours actually worked, whichever is greater. If workers commence to put on a wire before their shift or day begins or continue

such work after their tour or day ends, they shall receive six hours straight-time pay or time and one-half for hours worked outside their regular shift, whichever is greater.

- (b) Day workers engaged in putting on wires will receive six (6) hours wire pay and two (2) hours will be deducted from their regular hours of work.
- (c) Employees called in on a wire change shall receive the applicable overtime rate for time worked on such wire in excess of 2 hours.
- (d) Work on the wire will be considered completed when the wire is installed on the machine, has been inspected and the wire crew is released by the supervisor.
- (e) Twin Wire Machine
If an employee is called in on a wire change and two wires are required to be changed, two wire calls will be paid. If on a single wire change, the second or twin wire is damaged during the first wire change and has to be replaced, only one wire call will be paid.

704.5 Wire Schedule

- (a) The following wire call procedure shall apply subject to change with advance notice to the Union, should the Company alter its wire change methods or technology:

Wire schedule for tour millwrights and spare tour millwrights working on 5, 6 or 7 paper machines call-ins.

- (i) Monday through Friday
 - (a) paper machine millwright
 - (b) from 8 a.m. to 12 noon -- 12-8 tour millwright
 - (c) 12 noon to 4 p.m. -- 4-12 tour millwright
 - (d) 4 p.m. to 8 p.m. -- 8-4 tour millwright
 - (e) 8 p.m. to 12 midnight -- 12-8 tour millwright
 - (f) 12 midnight to 4 a.m. -- 4-12 tour millwright

(g) 4 a.m. to 8 a.m. -- 8-4 tour millwright

(ii) Saturday and Sunday

Tour millwright will call in two tour millwrights in the following order of call-ins.

(a) Tour millwright except the tour millwrights on days off

(b) Designated spare tour millwrights

(c) Paper machine millwrights

(d) Any day millwrights

The tour millwright whose shift begins nearest the wire change time shall be called in when two tour millwrights are to be called; they will be the millwrights whose shift precedes or follows the shift in which the wire is being put on the paper machine.

(iii) Wire change schedule for pipefitters.

The tour millwright will call in two (2) pipefitters on scheduled or unscheduled wire changes for 5, 6 or 7 paper machines.

705 Work on Scheduled Days Off

Employees assigned to work on their scheduled days off shall be paid at the rate of time and one-half except as provided in Section 404.

706 Sundays and Holidays

706.1 All work performed on Sundays and floating holidays (see Section 803.2) is to be paid for at the rate of time and one-half except as otherwise provided in Article 700.

706.2 The time interval for Sundays shall be from 8:00 a.m. to 8:00 a.m.

706.3 All work performed on shutdown holidays listed in Section 801.1 shall be paid for at the double time rate. Employees working less

than eight (8) hours on a shutdown holiday will not be required to take a day off during that workweek or at a later date as a result of having worked on such holiday, but an employee who requests at the time of such work to have a day off later shall be granted such request. An employee granted such request shall be paid for the day off for the applicable number of paid hours as set forth in Section 801.1. Employees who do not request a day off as a result of working on a shutdown holiday shall work their normal schedule for such week and all regular scheduled shifts shall be worked at straight-time. Employees who work a full shift or more on a statutory holiday shall take a day off later with the applicable number of paid hours as set forth in Section 801.1

707 Hours of Rest

- (a) Any employee working in excess of sixteen (16) hours in a 24-hour period shall receive time off with pay from his next regular shift to the extent such work exceeds sixteen (16) hours. Such time off shall not apply if the starting time of the employee's next regular shift is eight (8) hours or more after the end of the work period.
- (b) A day worker who is called in to work following his day shift and who works a minimum of two (2) hours on the call-in shall be entitled to receive time off with pay with employee option as to when on the following day to the extent that the hours worked on the call-in fall between the hours of 12:00 midnight and 4:00 a.m.

Day workers who are called in and have not been scheduled to work on Sunday and who meet the other requirements set out above will be eligible for sleep time.

708 No Pyramiding

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

709 Hot Meals

When an employee is required to work one (1) hour or more beyond

his scheduled shift or day of work, he will be provided a hot meal or a meal allowance. An employee required to work five (5) hours or more beyond his scheduled shift or day of work will be eligible for an additional hot meal or a meal allowance, and a hot meal or a meal allowance will be provided every four (4) hours thereafter.

In the event that a hot meal is furnished, the price of the meal may not exceed the current menu price for a Rainy Lake Hotel roast beef dinner complete with soup, beverage and dessert. In the event that the employee wishes to receive a meal allowance instead of a hot meal, the value of the meal allowance will be \$12.00. Present practice with respect to meal policy will be continued.

Volunteers in Recovery working on statutory shutdowns will qualify for hot meals or meal allowances as per maintenance trades.

Meal allowances will be added to employee's regular pay cheque

800 HOLIDAYS

801 Shutdown Holidays

- 801.1 (a) The following paid holidays shall be recognized as shutdown holidays on which plant production shall not be scheduled except through terms of 801.1 (b). Maintenance, installation and repair work may be scheduled on all but Christmas shutdown (48 hours starting at 8:00 p.m. December 24th and ending at 8:00 p.m. December 26th) and New Year's Day under the terms of clause 806 of this Agreement.

<u>Holiday</u>	<u>Shutdown Period</u>	<u>Unworked Straight Time Holiday Pay</u>
Canada Day	24 hrs optional	8 hrs
Labour Day	24 hrs optional	8 hrs
Christmas	48 hrs optional	24 hrs
New Years Day	24 hrs optional	8 hrs
Easter Sunday	24 hrs optional	8 hrs
Total	144 hrs optional	(or as per present 12 hour shift agreements)

- (b) (i) New Year's Day, Easter Sunday and Canada Day will be recognized as run through holidays. When production is maintained during one of these run through holidays, maintenance tour workers and production tour workers will be scheduled as per regular operation. Should additional employees be required, the Company shall post for the necessary volunteers. Preference will be given by seniority. If the company is unable to obtain the minimum number of volunteers as per the regular weekend coverage, then the Company will assign by reverse seniority.
- (ii) The mill will operate on a continuous basis unless the Company notifies the local union of its intention to shut down. Reasonable notice will be given.

Statutory Holidays- Group 1	Statutory Holidays- Group 2
Staffed on a voluntary basis	Run through at Company's discretion
Labour Day- 24 hours	New Year's- 24 hours
Christmas-48 hours	Easter Sunday-24 hours
	Canada Day- 24 hours

Voluntary Staffing Procedure for Group 1 Statutory Holidays

Labour Day and Christmas will be run through holidays where the required staffing will be done on a voluntary basis. When production is maintained during Labour Day and Christmas, workers will be scheduled as per their regular schedule. A regularly scheduled employee who chooses not to work will notify his supervisor no later than twenty (20) days in advance of the holiday. Should additional employees be required, the Company will post for the required volunteers. Preference for voluntary work will be given to employees by craft seniority, schedule permitting. If the Company is unable to obtain the sufficient number of volunteers, production will not be scheduled. This staffing procedure can be modified locally by mutual agreement between the parties.

Pay practices as follows:

- Statutory Holiday pay
- Double time for all hours worked
- One day off with pay for work performed between the fourth and twelfth hours
- Two days off with pay if twelve hours or over is worked
- Twelve hour shift agreements will be as follows:

12 hour shift payment– an employee covered under a 12 hour shift agreement working a 12 hour shift on a statutory holiday will receive one day off with 12 hours pay at a later date.

These days will become shutdown holidays when the Company notifies the Union of their intent to shut down.

Should the company notify the union of its intention to shutdown on the following holidays, the shutdown period will be as follows:

New Years Day	24 hours
Easter Sunday	24 hours
Canada Day	24 hours
Labour Day	24 hours
Christmas	48 hours

- (c) The hours from 8:00 a.m. Sunday to 8:00 a.m. Monday shall not be counted toward the shutdown period above when the mill is on six days or less, except in the case of Easter Sunday when such Sunday hours shall in all cases be the shutdown period.
- (d) It is agreed that the exact shutdown times for each of these holidays will be mutually agreed upon each year.

801.2 Eligibility

Employees who have accumulated a minimum of 90 calendar days of service with the Company will be eligible to receive holiday pay set forth in Section 801.1 providing:

- (a) They have not been absent without permission on their last scheduled workday preceding or their first scheduled workday

following the holiday, and

- (b) They are not absent on official leave of absence on the holiday (sick leave shall not be considered as official leave of absence, see Section 805), and
- (c) They have worked in the thirty calendar days preceding the holiday.

801.3 An employee who does not qualify for a paid holiday under Section 801.2 solely because he has not completed ninety (90) calendar days of service, will upon completion of said ninety (90) day period, receive a day off with the applicable holiday pay as set forth in Section 801.1. Any days off under this Section will be scheduled at the convenience of the Company.

802 Additional Paid Holidays

802.1 After completion of ninety (90) calendar days with the Company and a minimum of sixty (60) days of work, an employee shall be entitled to six (6) additional holidays each with eight (8) hours' straight-time pay at his regular rate, except as provided in Section 802.2. These holidays are to be taken at the convenience of the Company and without interruption of production. These holidays do not apply to those employees on official leave of absence or who are absent from their work without permission on their last scheduled workday preceding or on their first scheduled workday following such holiday.

802.2 Employees hired for summer work or vacation replacement will not be eligible for the additional paid holidays referred to in Section 802.1 until they have completed ninety (90) days of work in a position subject to jurisdiction of the Union.

An employee shall not qualify for more than six (6) floating holidays in any contract year.

802.3 If an employee requests an H. Day or Floater and gives notice seven days in advance, such requests will be given priority based on departmental manning guidelines. A floating holiday will not be

withheld if it has been granted on the weekly schedule.

In the Steam and Recovery Department, the employee will be advised within seven (7) days of his written request of the supervisor's decision to grant or deny the request for time off.

803 Work on Paid Holidays

803.1 Any employee who works on a holiday set forth in Section 801 shall receive unworked holiday pay as set forth in Section 801.1 in addition to pay at the applicable overtime rate for hours actually worked as shown in Article 807.

803.2 Any employee required to work on a holiday provided under Section 802, after definite dates had been agreed upon, will in addition to being paid at the applicable overtime rate for such work, receive a day off at a later date with eight (8) hours' straight-time pay.

803.3 Any employee who would otherwise be scheduled to work on a statutory holiday and who is granted a floating holiday on such statutory holiday shall be paid 8 hours at the straight-time rate. Such an employee shall take a day off later with pay for the number of hours set forth in 801.1 for such statutory holiday.

804 Holiday Falling During Paid Vacation Period

An employee who is absent on paid vacation on a recognized holiday for which he would otherwise be eligible for holiday pay shall receive a day off later with applicable holiday pay. This day off must be taken within the twelve months following the holiday.

805 Holiday Pay During Absence Due to Illness or Injury

An employee who is absent due to illness or injury on a recognized holiday for which he would otherwise be eligible for holiday pay, shall receive the applicable holiday pay for any holidays falling during the first six (6) calendar months of such absence.

806 Work on Statutory Shutdown Holidays

Maintenance, installation and repair work or production may be scheduled on a voluntary basis on Easter Sunday, Canada Day, and Labour Day where the Company and Union Shop Committee mutually agree that the scheduled work is of such a nature that it would involve:

- (a)
 - (i) Total loss of kraft mill production of 8 hours or more, or
 - (ii) Loss of power to the Town of Fort Frances, or
 - (iii) Total loss of production of three paper machines if the work were not performed on the holiday.
- (b) Work which is normally performed on repair days and will not create the situations specified in paragraphs (a) (i), (a) (ii) or (a) (iii) will not be performed on shutdown holidays except on a voluntary basis.
- (c) Subject to (b) above, if in the event the two parties mutually agree on the work to be done, then the Company may request qualified personnel, on a voluntary basis, commencing with the most senior, to perform the required work. If no voluntary personnel are available, the Company may assign sufficient qualified personnel to perform the work commencing with the most junior qualified employee in the required classification.
- (d) The parties agree that representatives of the Company and the Union Shop Committee shall meet prior to the shutdown holiday and discuss both the nature of the work and the number of employees necessary to perform the required work. Suggestions submitted by the Union Committee concerning how the work can be performed and the number of employees required will be given serious consideration.
- (e) In the event of disagreement on the work to be performed under this section, the Company may state the number of employees required, and the procedures outlined in paragraph (c) shall be used to attain the required employees, and the Union may submit the matter to arbitration as per the terms of the Collective Agreement.

- (f) Any maintenance work performed on statutory holidays, excluding work on run through days which will be scheduled in accordance with 801.1(b), will be on a voluntary basis with senior employees given preference. The Union will not instruct any member not to volunteer to work on statutory holidays.

807 Employees working under the applicable sections of 801.1(b) and 806, shall be paid at double time rate for all hours worked plus normal holiday pay if eligible, and in addition employees who work four hours or more on the holiday will receive an additional day off with eight (8) hours' straight-time pay. Employees who work twelve (12) hours or more in the shutdown period will receive two days off with eight (8) hours' straight-time pay for each such day off.

However, employees covered under a 12 hour shift agreement and working a statutory holiday will receive one day off with 12 hours pay at a later date or as per existing language.

808 Employees scheduled to report for work two hours preceding the expiry of a statutory holiday to prepare for the start-up of paper machines will be paid six (6) hours' pay at their regular straight-time rate.

Clarification of item 808 - if a boiler is down that constitutes eligibility for pay under Section 807.

809 Early Start-Up of Recovery Boiler

Recovery crews and supporting trades will be scheduled to report for work four (4) hours preceding the expiry of a statutory holiday to prepare for the start-up of the Recovery Boiler.

900 VACATIONS

901 Eligibility

901.1 Employees with less than twelve (12) months of credited service as of May 1 of any year shall be eligible during the contract year to pro rata vacation for service to May 1 with vacation pay equal to 4.8 per

cent of gross earnings during the previous year.

- 901.2 (a) Employees with twelve (12) months but less than four (4) years of credited service as of May 1 of any year shall be eligible during the contract year to two (2) weeks' vacation, with vacation pay equal to 4.8 per cent of gross earnings during the previous contract year.
- (b) An employee eligible for vacation under Section 901 (b) who completes four (4) years of credited service during the contract year commencing on such May 1, shall become eligible for one additional week of vacation to be taken during the balance of the contract year following completion of four (4) years of credited service, and shall receive vacation pay for this week equal to 2.4 per cent of gross earnings during the previous contract year.
- 901.3 (a) Employees with four (4), but less than nine (9) years of credited service on May 1 of any year shall be eligible during the contract year to three (3) weeks' vacation with vacation pay equal to 7.2 per cent of gross earnings during the previous contract year.
- (b) An employee eligible for vacation under Section 901.3(a) who completes nine (9) years of credited service during the contract year commencing on such May 1, shall become eligible for one additional week of vacation to be taken during the balance of the contract year following completion of nine (9) years of credited service, and shall receive vacation pay for this week equal to 2.4 per cent of gross earnings during the previous contract year.
- 901.4 (a) Employees with nine (9) but less than eighteen (18) years of credited service on May 1 of any year shall be eligible during the contract year to four (4) weeks' vacation with vacation pay equal to 9.6 per cent of gross earnings during the previous contract year.
- (b) An employee eligible for vacation under Section 901.4(a) who completes eighteen (18) years of credited service

during the contract year commencing on such May 1, shall become eligible for one (1) additional week of vacation to be taken during the balance of the contract year following completion of eighteen (18) years of credited service and shall receive vacation pay for this week equal to 2.4 per cent of gross earnings during the previous contract year.

(c) Effective May 1, 2005 five (5) weeks of vacation after seventeen (17) years of service.

- 901.5 (a) Employees with eighteen (18), but less than twenty-three (23) years of credited service on May 1 of any year shall be eligible during the contract year to five (5) weeks' vacation with vacation pay equal to 12 per cent of gross earnings during the previous contract year.

(b) Effective May 1, 2005 five (5) weeks of vacation after seventeen (17) years of service.

- (c) An employee eligible for vacation under Section 905.1(a), who completes twenty-three (23) years of credited service during the contract year commencing on such May 1, shall become eligible for one (1) additional week of vacation to be taken during the balance of the contract year following completion of twenty-three (23) years of credited service, and shall receive vacation pay for this week equal to 2.4 per cent of gross earnings during the previous contract year.

- 901.6 (a) Employees with twenty-three (23) years of service or more on May 1 of any year shall be eligible during the contract year to six (6) weeks' vacation with vacation pay equal to 14.4 per cent of gross earnings the previous contract year.

- (b) Employees with twenty-five (25) years of service who continue such Company service without resignation, retirement or discharge, shall upon attainment of the following ages, receive the following additional paid vacations to be taken within the twelve month period following attainment of each prescribed age, with vacation pay equal to 2.4 per cent of gross earnings during the

previous calendar year for each additional week of paid vacation to which such employees are entitled:

<u>Age</u>	<u>Additional Weeks Paid Vacation</u>
60	1
61	2
62	3
63	4
64	5

No employee shall receive the additional week/s of paid vacation for each attained age more than once, and such vacation shall not apply to any other ages.

- 901.7 If the vacation pay of 2.4 per cent of gross earnings for any week of vacation under the above subsections of this Section 901.1, is less than forty-two (42) times the rate of the job the employee last worked just prior to starting vacation and the employee is on an "average workweek, the employee shall receive vacation pay equal to forty-two (42) times the rate of the last day worked just prior to starting vacation for each week of vacation, reduced on a pro rata basis for any months in which the employee did not receive vacation credits in accordance with Section 903. Employees on a forty (40) hour schedule shall receive forty (40) hours' vacation pay in accordance with the above.
- 901.8 Any employee who qualifies for an additional week of vacation during the month of April will have the first month in the following contract year in which to take the additional week of vacation and such vacation will be charged against the eligibility in the previous contract year.
- 901.9 The term "contract year" shall apply to the period May 1 of any year through the following April 30th of the **next** year. The term "gross earnings" shall apply to the gross earnings figure for the previous contract year as shown on the Company payroll.
- 902 Vacation Scheduling
- 902.1 Vacation taken during the summer months, June 1 to September 30,

will be limited to three weeks.

- 902.2 (a) In preparing the vacation schedule for the year, the Company will endeavour to meet the wishes of individual employees to the extent feasible. If more employees request vacation for a given week than the Company determines can be spared from the operations, considering both numbers and classifications of employees requesting such period, preference will be given to employees having the greatest length of service unless too many employees in the same classification have requested the vacation week, in which case, the youngest employee in such classification in point of service may be denied vacation in that week.
- (b) When an employee has posted for a vacation period near the end of a vacation year and at management's request he agrees to defer his vacation and there remains insufficient time for him to complete his accrued vacation before May 1st, he will be permitted to complete his untaken vacation as early as possible following May 1st.
- (c) Vacation schedule lists by craft are to be posted by January of each year. The maximum number to be on vacation in any week under present operation shall be as follows:
- 8 Millwrights (includes shift millwright)
 - 6 Pipefitters
 - 3 Machinists
 - 3 Welders
 - 1 Tinsmith
 - 2 Garage Mechanics
- (d) Seniority under Lodge 771 shall govern in choice of vacation weeks up to May 1 of each year. After May 1, any vacancies in the vacation schedule may be filled on a first come, first served basis. To the extent vacancies will allow, employees may be permitted to take more than three weeks' vacation during the period June 1 - September 30.
- (e) Employees on vacation shall not be called in to work.

- (f) Any vacation not taken or scheduled within the manning guidelines set forth in this clause as of February 1 of any vacation year may be scheduled by the Company at its discretion.

902.3 Compressed Work Week - Steam and Recovery Department

- (1) Where either party discovers a problem with this arrangement, that party shall bring the problem to the other party for mutual agreement on its resolution. Should resolution not be attained, either party may serve notification of cancellation on the other.
- (2) Either party may cancel the compressed work week upon 30 days notification to the other party. If the 30 day notice is served, the parties will refer to Clause 902.3 and Letter of Understanding #3 contained within the 1987-1990 Collective Agreement and revert to that language and that scheduling practice on the 31st day.
- (3) Scheduling abnormalities will not be the Company's responsibility coming into or going out of twelve (12) hour shifts with respect to eight (8) hour shifts, furthermore no overtime hours shall be paid as a result of transferring to or reverting from 4 on 4 off Compressed Work week.
- (4) For the purpose of this agreement, the Tall Oil Plant, Boiler House Repairman and Steam and Recovery departments shall be considered separate bulletins to which no employee, whether spare or classified, may hold more than one (1) at a time.
- (5) An employee who secures a new bulletin shall have a maximum period of 90 calendar days in which to decide on which bulletin he wishes to retain his rights.
- (6) Hours of work on the CWW will be between the hours of 7:00 a.m. and 7:00 p.m. and 7:00 p.m. and 7:00 a.m., the latter being the evening shift.

- (7) Spares to the Steam and Recovery Department will continue to be called on a priority basis as is the case now. However, for calls to the evening shift, spares who worked that day shift or are working the afternoon shift elsewhere will be bypassed.
- (8) For calls to the day shift, spares who are working the preceding midnight shift will be bypassed.
- (9) Where a spare to the Steam and Recovery works thirty-six (36) hours in that department, this will be considered a full week but the spare will be eligible to work one (1) further eight (8) hour shift elsewhere in the mill at straight-time rates. Furthermore, forty-eight (48) hours will be considered a full week in the Steam and Recovery Department and under these circumstances the spare will be ineligible for further shifts elsewhere in the mill.
- (10) Full tours, to the extent they are available, will be assigned from the most senior spare on down. Once all available full tours are occupied, random vacancies will be filled by the remaining spares.
- (11) Where more random coverage is required to a maximum of 48 straight-time hours in any one week, those spares who have been randomly scheduled, as above, will be further scheduled up to 48 hours straight time hours before any of the senior spares are scheduled beyond their full tour and in no case more than 48 straight-time hours in any one week.

(12) Stated another way, overtime is as follows:

<u>SPARE WORKS</u>	<u>ELIGIBLE FOR ELSEWHERE</u>	<u>TOTAL</u>	<u>OVERTIME</u>
1 - 12 hr. Shift	4 - 8 hr. Shifts	44 hrs.	45 hrs. or more
2 - 12 hr. Shifts	2 - 8 hr. Shifts	40 hrs.	41 hrs. or more
3 - 12 hr. Shifts	1 - 8 hr. Shift**	44 hrs.	45 hrs. or more
4 - 12 hr. Shifts*	0	48 hrs.	49 hrs. or more

* On a letter or covering for H-Days.

** Employee must inform Steam and Recovery Superintendent

- (13) H-days revert to four (4) twelve (12) hour H-days which must be scheduled, taken and paid in the Steam and Recovery Department with quotas. H-days which have not been shown on the weekly schedule as of any Thursday at three o'clock (3:00 p.m.) will be treated as short notice requests and granted at the Shift Superintendent's discretion.

The maximum number to be on vacation under present operation shall be six (6), with no more than two (2) off per shift. However, this may be altered at the discretion of Management to accommodate additional vacations.

The scheduling practice shall be in accordance with the following.

Vacation Guidelines

When a 4 day tour of vacation 'straddles' a weekend, this formula will apply.

Example: Vacation quota: 6. If less than 5 %tours: under quota. If 5 $\frac{3}{4}$ to 6 $\frac{1}{2}$ tours: within quota. If 6 $\frac{3}{4}$ tours and over: over quota.

- (14) Vacations not booked and shown on the weekly schedule as in (13) above will not be granted.
- (15) Mutuals must be documented, agreed to and signed by supervisory staff at least one (1) shift prior to the mutual occurring.
- (16) Vacations will be scheduled tour to tour, i.e. a four (4) day work period plus the four (4) days off following. Statutory holidays falling within this eight (8) day vacation period will be administered in accordance with Section 804.
- (17) It is understood and agreed that supervisors will post the time and place of crew meetings once per month as in the

past and in good faith the members of this department will be expected to attend.

- (18) Shift differential will be paid in accordance with the following:
- | | |
|------------------|--------|
| 8 a.m to 8 p.m. | \$0.00 |
| 8 p.m. to 8 a.m. | \$0.67 |
- Effective February 1, 2005 8 p.m. to 8 a.m. \$0.80**
- (19) In case of bereavement leave of three (3) day duration, a maximum of two (2) scheduled shifts will be substituted within the eight (8) day period stated in the current Collective Labour Agreement.
- (20) In case of bereavement leave of five (5) days duration, a maximum of four (4) scheduled shifts will be substituted **(maximum pay 48 hrs.)** within the eight (8) day period as above. The employee may choose only three (3) scheduled shifts off with thirty-six (36) hours pay. All hours paid are at straight time.
- (21) Statutory holiday arrangements will be worked as in 902.3 (27).
- (22) Where bulletined spares are not available for any reason, coverage crews will be required to work as called.
- (23) Company sick pay will be based on 70% of what the employee would have been scheduled in the seven (7) day period.
- (24) However, the total number of accumulated sick days allowed will be reduced to ten (10) working days. Also the waiting period will be reduced from three (3) days to two (2) days.
- (25) When a vacancy of twenty-eight (28) days or less occurs, the setup shall be made on the shift that the vacancy occurs, and the spare men will be called in. When a known vacancy occurs of over **twenty-eight (28)** days the senior

qualified employee will fill the vacancy. Vacations are not included in the term "vacancy".

(26) Coverage Arrangements

It is the Company's intent to continue to employ spares as we do presently. The supervisor shall fill the temporary vacancy by moving up on shift if qualified employees are available. If this is not possible, then efforts shall be made to call in an employee in that classification from his day off to work the entire shift. If this is not possible, then in order to provide coverage for unforeseen absences, coverage crews will rotate as follows: (see coverage schedule circled on work schedule)

GROUP I - Lead Recovery Operator Spoutman
 GROUP II - Steam Plant Operator Recaust and Kiln Operator
 GROUP III - Field Operator Steam Plant Fireman

These employees must, subject to disciplinary action, be available for call one (1) hour before and after shift change.

If the employee on call is unavailable due to, but not limited to, vacation, H-day, bereavement leave or jury duty, the person covering that job on that shift will automatically become responsible for the absent employee's call coverage.

When called, the Lead Recovery Operator, Steam Plant Operator and Field Operator will fill that vacancy. When called, the Spoutman, Recaust & Kiln Operator and Steam Plant Fireman will fill that vacancy.

In the event an employee wishes to exchange his call coverage with another employee he must:

- (a) Obtain written approval from his supervisor at least one (1) day in advance of the exchange.

(b) Ensure that the other employee has the same qualifications.

(27) Coverage on Shutdown Statutory Holidays

The coverage crews will consist, per present practice of rotating crews, of

	STATUTORY HOLIDAYS					
	1	2	3	4	5	6
LEAD OPERATOR 1	X			X	X	X
FIELD OPERATOR 1	X	X			X	X
SPOUTMAN	X	X	X			X
LEAD OPERATOR 2	X	X	X	X		
FIELD OPERATOR 2		X	X	X	X	
RECAUST KILN OPERATOR			X	X	X	X

Within the framework of these titles and to the limitations of training and tickets, the employees will **be** assigned to either the Steam Plant or Recovery.

(28) Statutory Holidays

Statutory holiday pay will be allocated as follows:

New Years	12 hours
Christmas	12 hours
July 1	12 hours
Easter	12 hours
Labour Day	8 hours if not scheduled to work 12 hours if scheduled to work

The rotation of skeleton crews will remain unchanged

A twelve (12) hour shift on skeleton coverage will generate a day off later with twelve (12) hours pay. (To be taken prior to next statutory holiday on which it was earned)

Employees working voluntarily during a statutory holiday will work to a maximum of twelve (12) hours and receive a

day off in lieu with twelve (12) hours pay.

Employees working voluntarily on a statutory holiday and who work eight (8) hours or more will receive a twelve (12) hour shift off at a later date with twelve (12) hours pay. These days off to be taken prior to the next holiday on which they were earned.

The balance of the night shift crew will come in for the last four (4) hours of that shift for early start-up. That whole crew will then start up the Recovery. This four (4) hours work will produce a day off with twelve (12) hours pay.

(29) JURY DUTY

Employees working 12 hour shifts will be paid the difference between the payment received for such duties and the regular pay they would have received for each scheduled 12 hour workday lost. An employee scheduled to work the 8:00 p.m. to 8:00 a.m. shift immediately prior to jury roll call or duty shall, upon request, be excused from work and receive jury duty pay from the Company for such shift. The employee is expected to report for work on his/her scheduled night shift immediately following discharge from jury duty or roll call if released prior to 2:00 p.m. An employee scheduled to work the day shift shall be excused from work with pay, if the employee is discharged from jury duty by the court after 12 midnight.

902.4 All Employees Except Steam and Recovery Dept. Tour Workers

Vacations shall be scheduled to commence at the start of the day shift on Sunday or Monday or as mutually agreed.

902.5 Vacations may not be carried over to a following vacation year, except as provided in sub-section 901.8.

903 Vacation Credits

903.1 Credited service as used in Section 901 shall be computed

in accordance with this Section 903. An employee shall not receive credit for vacation purposes for any month in which he is compensated for less than twelve (12) days, ninety-six (96) hours, except that the following unworked time shall be credited for vacation purposes:

- (a) Time lost due to occupational injury shall be credited up to a maximum of 24 months.
- (b) Employees absent from work due to sickness or non-industrial accident shall be credited up to a maximum of nine (9) months.
- (c) Ten (10) calendar years from his date of hire with the Company an employee's anniversary date will be his date of hire for vacation benefits. Full vacation credits shall be granted to all employees who have ten (10) or more calendar years with the Company.

904 Continuous Service for Vacation Purposes

904.1 Continuous Service for vacation eligibility purposes shall be broken only by:

- (a) Retirement
- (b) Quit
- (c) Discharge
- (d) Layoff for 24 consecutive months.

905 Employees who have unused vacation due to sick leave immediately prior to the end of a contract year may carry such unused vacation into the next contract year. Any such unused vacation shall be taken after the employee is fit for work and before the employee returns to work.

906 Employees on vacation shall not be called back to work; however, if they are called back, they will be paid at time and one-half for each day they are required to work and vacation days missed will be rescheduled at a date satisfactory to the employee.

907 An employee shall receive an additional four (4) hours' pay, at his regular rate for each week of vacation entitlement taken during the

period December 1 to April 1 except for the week in which Christmas falls and the week of the mid-term school break.

1000 HEALTH AND WELFARE PROVISIONS

The cost of health care plans is paid by the Company.

- 1001 Sick Leave
- 1001.1 Upon completion of twelve (12) months of employment with the Company an employee shall be credited with five (5) days of sick leave credit. To receive credit for a month of employment for this purpose an employee must work twelve (12) days or ninety-six (96) hours during the month.
- 1001.2 An employee who has fulfilled the eligibility requirements of section 1001.1 shall at that time, and in each calendar year thereafter, be eligible to receive five (5) days sick leave pay in accordance with the following:
- (a) Each claim for sick leave pay must be supported by a certificate from a doctor licensed to practice medicine or a licensed chiropractor.
 - (b) Sick leave benefits will not be paid for absences due to any reasons other than illness or noncompensable accident.
 - (c) The employee must have been off work due to certified illness for three (3) or more days in which case payment shall be made retroactive to the employee's first scheduled workday of such absence.
 - (d) If within three (3) working days following return to work from sick leave an employee is compelled to be absent again due to the same or related cause, the waiting period in (c) above will not apply for any remaining portion of the five (5) days' sick leave credit provided for in 1001.2 above.
- 1001.3 Sick leave pay will be equal to seventy (70) percent of weekly earnings. Weekly earnings for this purpose shall be forty (40) times

the employee's classified rate of pay.

1001.4 An employee having unused sick leave credit as of any December 31 will carry forward into the following year a maximum of ten (10) days, i.e., the maximum sick leave credit an employee can have as of any January 1 shall be fifteen (15) days.

1002 Funeral/Memorial Leave

- (a) Persons who have been employees of the Company for a minimum of thirty (30) calendar days shall be entitled to funeral/memorial leave. When death occurs to a member of an employee's immediate family 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 day period beginning with the date of death.
- (b) Members of the immediate family are the employee's wife or husband, mother, father, brothers, sisters, sons, daughters, step-mother, step-father, grandmother and grandfather, mother-in-law, father-in-law and legal ward or guardian. Funeral/memorial leave will be five (5) days in case of death of the following persons: husband, wife, son, daughter or stepchildren. Pay will be at straight-time even though one or more of the days of funeral/memorial leave occur on Sunday or a paid holiday. 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 funeral/memorial leave.
- (c) Application for this payment must be made by the employee within thirty (30) days after the time lost. Common-law spouse is covered as "spouse".
- (d) If the death of one of the relatives specified in the Collective Agreement occurs while an employee is on vacation, the vacation will be interrupted so that the employee gets the benefit at the end of the vacation period.

1003 Group Medical, Surgical & Hospitalization Insurance

1003.1 The Company will pay the cost of Standard Ward coverage for medical, surgical and hospitalization insurance for each employee who is at work and who has worked for at least thirty (30) days in a position subject to the jurisdiction of the Union, except as noted in Section 1003.3.

1003.2 Employees who have qualified by having worked thirty (30) days will receive the Company contribution for a calendar month if they have been at work at some time within that month.

1003.3 Employees hired for summer work or vacation replacement will not receive the contribution referred to in Section 1003.1 until they have completed ninety (90) days of work in a position subject to jurisdiction of a Mill Union.

1003.4 Absence on Workers' Compensation Board, Weekly Indemnity and L.T.D. Claims

The Company will continue to pay O.H.I.P., and the Company portion of Group Life Insurance, Dental Plan and Drug Plan for a period of up to twelve (12) months for an employee who suffers a compensable injury and is in receipt of Workers' Compensation Board benefits, Weekly Indemnity or L.T.D. benefits. The Company may, after investigation, continue to pay O.H.I.P. and the Company portion of Life Insurance, Dental Plan and Drug Plan premiums beyond the twelve (12) months specified above for an employee who suffers a compensable injury and is in receipt of Workers' Compensation Board benefits.

If an employee ceases to draw W.C.B. benefits but is not capable of returning to work he will be eligible to apply for L.T.D. benefits under the present benefit program.

1003.5 Semi-Private Coverage

Effective first of the month following date of ratification and for the term of this agreement the Company will pay 100% of the premium cost of semi-private coverage.

1003.6 Welfare Plans for Dependents

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reasons of their own employment the Company will extend the coverage under the medical-surgical plan, the extended health benefit plan, and the dental plan for a period of six (6) months, commencing on the first of the month following the month in which the death occurs.

1003.7 Children ~~With~~ Disabilities

Insured children suffering from a **physical** or **mental** disability **will** continue to be covered beyond the maximum age as long as they are dependents of employee.

1004 Group Life Insurance

1004.1 The following amounts of Group Life Insurance are available to employees, effective the first of the month following ratification:

<u>Basic Insurance Paid For by the Company</u>	<u>Supplemental Ins. Available</u>	<u>Monthly Cost to Employees</u>
\$65,000.00 Life	\$40,000.00 Life	\$10.50
\$20,000.00 AD&D	\$20,000.00 AD&D	

1004.2 Participation in this Supplementary Contributory Group Life Insurance schedule shall conform with the conditions as set forth in Appendix B to this Agreement.

Effective February 1, 2005 **Basic Life** Insurance paid for by the Company will increase **from \$65,000.00 to \$75,000.00.**

Effective February 1, 2005 Accidental Death and Dismemberment Insurance paid for by the Company will increase from **\$20,000.00 to \$50,000.00.**

Optional Life insurance

Effective March 1, 2005, optional life Insurance, fully paid by

the employee, **will** be made available to employees less than **65** years old. **This optional life Insurance will be available** to a maximum of **\$200,000** in increments of **\$25,000**. With **notification** to the Human Resources Department, employees **will** be permitted once a year to amend **their** level of coverage. Formal **notification** of such change must be made by November **30th** of the preceding year to **be effective** January 1st of the **following** year or later, upon acceptance **from** the Insurance carrier **following** proof of good health.

Coverage **premiums** will be based on sex, age and smoker or non-smoker status; **restrictions** and **exclusions** will be subject to the insurance **provider's** plan policies. Associated premium costs will be administered through payroll deductions. Coverage will end at **termination** or upon retirement.

Existing additional **life** insurance coverage is no longer **available** to new applications.

- 1004.3 The Company will provide fully paid Group Life Insurance in the amount of **\$4,000.00** for employees retiring under Sections 7.01, 7.02 or 7.04 of the **Abitibi-Consolidated** Company of Canada Pension Plan for Mill Hourly Employees. The **\$4,000.00** coverage will become effective at the expiration of the coverage provided by the Group Life Insurance which is in effect at the time of his retirement.

For employees **retiring** after February **1, 2005** the death benefit coverage will be increased from **\$4,000.00** to **\$5,000.00**.

- 1004.4 Employees hired for summer work or vacation replacement will not be insured under this Section until they have completed ninety (90) days of work in a position subject to jurisdiction of the Union.
- 1004.5 Effective February **1, 2005**, the Company agrees to provide Accidental Death and Dismemberment coverage in the amount of fifty thousand dollars (**\$50,000.00**) at no cost to the employee.

1004.6 Dependent Life Insurance

Effective January 1, 1999 the Company will make available the following dependent life insurance coverage to hourly employees. Cost of coverage is to be paid by the Company.

Spouse: \$10,000.00

Each unmarried child:

- (1) 14 days but less than 1 year of age, \$5,000.00
- (2) 1 year but less than 19 years (25 years when a student full time) wholly dependent on the employee for support, \$5,000.00

Effective February 1, 2005 life insurance for spouse will increase from \$10,000.00 to \$15,000.00 and for children from \$5,000.00 to \$7,500.00.

Life insurance for dependents will terminate upon the employee's retirement or death.

1005 Weekly Indemnity

- (a) The Company shall provide accident and sickness weekly indemnity benefits in accordance with the insurance policy covering the benefits.
- (b) If an employee covered by the Weekly Indemnity Plan suffers a disability, payment for which is in dispute with the Workmen's Compensation Board, Weekly Indemnity payments under the Weekly Indemnity will be paid retroactive if requested by the employee and provided he has been off work at least ten (10) calendar days due to the disability without Workmen's Compensation Board having accepted the claim. If the Workmen's Compensation Board claim is subsequently established, the employee will then repay the Weekly Disability payment to the insuring Company.
- (c) An employee who is on an active claim arising from a

disability that commenced before the effective date of a negotiated general wage increase and such weekly indemnity claim continues after the effective date of the negotiated general wage increase, the said employee shall have his benefit adjusted to reflect the increased rate.

- (d) If, after thirty (30) calendar days an employee, whose W.C.B. claim is not in dispute, has not received his first payment and has not yet returned to work, the Company will assist the employee by paying Weekly Indemnity benefits retroactively as above.
- (e) **Weekly indemnity benefits shall be effective upon the exhaustion of the Sick Leave benefit. Weekly Indemnity is provided for at 8-26-70% (8th day of disability, maximum of 26 weeks at 70% of wages).**

1006 Long Term Disability Plan

The Company shall provide a Long Term Disability Plan in accordance with the insurance policy covering the benefits. This plan shall contain the following provisions:

(a) Monthly Earning Calculation

Monthly earning shall be 4.4 times weekly earnings. Weekly earnings shall be calculated as forty (40) times the rate for the job the employee was on his last day worked prior to disability for which benefits are paid. The Company agrees to upgrade Long Term Disability payments for all employees who have been continuously disabled for five (5) years or more to reflect the **May 1, 2004, May 1, 2005, May 1, 2006, May 1, 2007, May 1, 2008** general wage increases.

(b) Amount of Benefit

Fifty-five percent (55%) of (a) reduced by any disability payments made under the C.P.P., W.C.B., or any group disability income plan. Benefits are not affected by

individually purchased policies. The disability payment under Canada Pension Plan for dependent children will not be offset for any new claim.

LTD premiums will not be diminished by future increases in CPP payments. New LTD claims will be offset by the then current CPP payment and thereafter will not be diminished by future increases in CPP payments.

(c) Commencement of Benefits

Eligibility for Long Term Disability Benefits shall commence upon exhaustion of Accident and Sickness benefits or 180 days from last day worked prior to disability, whichever is the later.

(d) Duration of Benefits

Benefits shall be paid for the number of months equal to the employee's months of credits for vacation purposes or to age 65, whichever is the lesser.

For new Weekly Indemnity claims after January 28, 2005 that lead to L.T.D., the monthly L.T.D. benefit will cease at the earliest of the following occurrences:

- (I) The date at which the disability ceases,**
- (II) The date at which the employee reaches 65 years of age,**
- (III) The death of the employee.**

(e) Definition of Disability

- (i) Disability means that during the first twenty-four (24) months of any disability, the employee be unable, solely because of disease or injury, to work at any occupation within the bargaining unit, and thereafter, during the continuance of such period of disability that the employee is unable, solely because of disease or injury to work at any reasonable occupation.

- (ii) Reasonable occupation is an occupation to which an employee is reasonably suited by training, education or experience, which would not be degrading. Assignment of work will be subject to approval by the Company Medical Director after consultation with the employee's doctor.
- (iii) Proof that the employee continues to be totally disabled will be required at reasonable intervals by the Insurance Company. If the employee fails to furnish such proof or if the employee refuses to be examined by a physician, (designated and paid by the Insurance Company), the employee will no longer be considered totally disabled.

Effective January 28, 2005 this replaces e(i) and the first sentence of e(ii):

An insured employee is considered totally disabled if, after having completed benefits under the Weekly indemnity Plan, he is unable because of disease or Injury to perform the duties of his regular occupation, for the ensuing twenty-four (24) months, and thereafter he 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.

(f) Exclusions

Coverage is not provided for self-inflicted injuries, future war or in the wilful commission of a felony.

(g) Pension Accrual

While receiving benefits under this Plan the employee will continue to accrue full pension credits as though still actually working, at no cost to the employee based on the earnings used to establish the amount of his Long Term Disability.

(h) Long Term Disability coverage shall apply to any employee actually at work on the first of the month following signing of the Agreement and for those not actively at work on their return to work.

- (i) The Company agrees to change the Insurance Booklet where necessary to provide that any employee who goes on LTD benefits on or following the date of ratification, will not have his company-paid life insurance reduced.
- (j) The Company will make arrangements to pick up any cost charged by Medical Doctors for completing Return to Work slips required by the Company and Weekly Indemnity and Long Term Disability forms, up to a maximum of \$10.00 per form.

Effective January 27, 2005 change \$10.00 to \$15.00.

- (k) Waiver of premium for all life insurance plans ceases at age 65. Employees who are on waiver of premium on or before Dec. 15, 1998 will maintain this benefit until death provided they meet the eligibility requirements.

1007 Dental Plan

Effective **May 1, 2004**, the Company will provide a Dental Plan based on the **2003** Ontario Dental Association Schedule of Fees. In addition, the Company will provide a 50% co-insurance on orthodontic treatment, including correction of malocclusion as outlined in Schedule C of the Dental Plan. Details of Dental Plan will be included in an Appendix to the Agreement.

**For calendar year 2005, apply the 2004 schedule of fees.
 For calendar year 2006, apply the 2005 schedule of fees.
 For calendar year 2007, apply the 2006 schedule of fees.
 For calendar year 2008, apply the 2007 schedule of fees.
 For calendar year 2009, apply the 2008 schedule of fees.**

1008 Drug Plan

- (a) The Company will provide a Prescription Drug Plan. The Plan will provide 100% usual and customary expenses with a \$10.00 single deductible per calendar year, and a \$20.00 family deductible per calendar year.
- (b) **Effective January 28, 2005, brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs**

and drugs with no generic. the reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

1009 Prescription Eyeglasses

At present time the Company provides safety prescription eyeglasses to an employee at no cost to the employee, except for a fitting fee. Effective May 1, 1984, the Company agrees to include a fitting fee cost of twenty dollars (\$20.00) for non-bifocal and twenty-five dollars (\$25.00) for bifocal safety prescription glasses for each regular employee, limited to one (1) fitting fee every two (2) years.

1010 Vision Care

The following vision care expenses incurred by an employee and/or his covered dependents when recommended by a physician or an optometrist as follows:

Frames, lenses, and the fitting of prescription glasses, including contact lenses up to a total payment of \$125.00 per family member, in any two consecutive calendar years.

Effective February 1, 2005, the maximum reimbursement per insured individual will be increased to \$150.

1011 Pregnancy Leave

Pregnancy leave is designed to protect a woman against a break in company service and the loss of benefits due to absence from work by reason of pregnancy. Up to 17 weeks of pregnancy leave is available if the employee has been continuously employed by the Company for at least one year. Pregnancy leave may begin no earlier than 11 weeks before estimated delivery date.

To apply for pregnancy leave, the employee must provide a medical certificate indicating the expected date of birth and notify her

supervisor at least two weeks in advance. However, she should provide as much advance notice beyond the minimum as possible to allow the Company time to find a temporary replacement during her absence.

The employee is eligible for a fixed post-natal leave of six weeks after the actual date of birth, or no more than 17 weeks from the beginning of the leave, whichever is greater.

At the end of the leave, if the employee is unable to return to work for medical reasons, the Company may extend the leave to ensure complete recovery. If the employee wishes to return to work less than six weeks after birth, she must provide a medical certificate stating that she is fit to return to work and must provide one week's advance notice.

The employee's service with the Company is unbroken during a pregnancy leave and she will be returned to her position or return to a position which her seniority entitles her to. Pregnancy leave is unpaid, but she may be eligible to receive Employment Insurance Benefits under provisions of the Employment Insurance Act.

The Company will pay all customary benefits and any employee paid benefits can be maintained by the employee by direct payment.

Should an employee require special consideration prior to the commencement of the maternity leave the Company will work with the employee and Union to fit her into a job she can safely perform, seniority considered.

1012 Maternity / Parental Leave

in the case of maternity leave and parental leave, the eligible employee will be granted a leave of absence in accordance with the Federal and/or Provincial laws.

1013 Retiree Benefits

Effective May 1, 1993 the Company will set up a separate retiree benefit plan for future retirees and eligible dependents. The supplementary health care plan will include drugs and dental.

The full cost of the monthly premium will be borne by the retiree except for a monthly Company contribution of ten dollars (\$10.00) per participating retiree.

Fifty percent (50%) of eligible retirees must enroll in this plan or the plan will be discontinued.

For employees that retire after December 2, 2004; effective February 1, 2005 brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the reimbursement will be 100%. Brandname drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

1014 Surviving Spouse Health Care Coverage

in the event of the death of a retiree covered under the health care benefit plan, the surviving spouse will have the option to continue to be covered by the plan provided the spouse pays the total cost of the premiums.

If there is no pension payment from which to deduct the premiums, the spouse will have to supply to the Company post dated cheques covering the coming year's premium payments. To maintain the coverage, the spouse will have to submit required information and payment as stipulated by the Company's procedures.

The coverage will cease effective the date this benefit plan coverage would have expired for the retiree, or earlier if there is a change to the surviving spouse's marital status.

1100 JURY DUTY

1101 Any employee who serves on jury duty or reports for jury duty roll call or who is subpoenaed as a Crown witness shall be paid the

difference between the pay received for such service and eight (8) times the rate of the job he would otherwise have been scheduled on for each day of such jury service subject to the following conditions:

- (a) The employee must have completed at least twelve months of employment with the Company. A month of employment is any month in which the employee has worked at least ninety-six **(96)** hours.
- (b) An employee scheduled to work the 4 - 12 shift who is released from jury duty or roll call one or more hours prior to his shift's starting time shall be required to work that day.
- (c) An employee scheduled to work the 12 - 8 shift or the 8:00 p.m. to 4:00 a.m. shift immediately prior to jury roll call or duty shall, upon request, be excused from work and receive jury duty pay for such shift. The employee is expected to report for work on his scheduled shift immediately following discharge from jury duty or roll call if released prior to 6:00 p.m.
- (d) The employee presents a voucher from the Clerk of Court showing the fees received.
- (e) Allowances received for travel and living expenses will continue to be retained by the employee.
- (f) An employee scheduled to work the day shift shall be excused from work with pay if the employee is discharged from jury duty by the court after 12 midnight.

1200 GRIEVANCE PROCEDURE

- 1201 Should any difference arise between the parties bound by this Agreement concerning its interpretation, application or any alleged violation thereof, including any questions as to whether any matters are arbitrable, there shall be no interference with the progress of the work, and the differences shall be finally and conclusively settled as hereinafter provided. Either party may initiate grievances with the procedure pursued as expeditiously as possible. A grievance

shall be submitted within five (5) working days from the time the employee and or the Union receives knowledge of the alleged infraction.

(a) Step I

An employee seeking adjustment of a complaint coming under the scope of this agreement shall in the first stage, confer with the appropriate immediate supervisor, either alone or accompanied by his Shop Steward in an attempt to resolve the complaint. The appropriate supervisor's verbal reply will be given within three (3) working days.

(b) Step II

If the supervisor's decision is not acceptable, then within five (5) working days, the grievance committee shall present the grievance in writing to the Superintendent: otherwise the matter will be closed. Such written grievances shall be signed by the grieving party. The Superintendent will give his answer in writing to the member of the grievance committee within five (5) working days of receipt of such written grievance.

(c) Step III

If the reply of the Superintendent does not adjust the grievance, a meeting with the Resident Manager may be requested within five (5) working days of the Superintendent's answer, otherwise the matter will be closed. The Resident Manager or his designate will meet the committee in an attempt to resolve the grievance within ten (10) working days of receipt of a request for such meetings. The international Representative of the Union or his designate may be present at this stage. The Resident Manager shall give his written decision within five (5) working days following the aforementioned meeting.

(d) Any of the time limits provided above may be extended by mutual consent of the parties hereto.

- (e) Matters concerning the application, interpretation or administration of the Agreement that concern a group of employees or that would not normally fall within the authority of the local supervisors referred to in Steps 1 and 2 may be submitted as a grievance in Step 3.

1202 Union Representation

- (a) The Union may name a Grievance Committee of not more than five members who shall be employees of the Company covered by this Agreement.
- (b) The Union may designate and the Company shall recognize Shop Stewards in such numbers as shall be agreed by the parties here to be reasonable and proper. The Union shall keep the Company informed of the name of each Shop Steward and the work area(s) he represents.
- (c) The Company agrees to compensate, at straight-time rates up to five stewards or grievance committee men for time lost during normal working hours for attendance at grievance meetings held under the provisions of Article 1200, Grievance Procedure. The Company will also pay Union Representatives for time lost during normal working hours for attendance at meetings called by the Company. Shop Stewards in attendance at grievance meetings at Step #1 shall be paid the appropriate rate.
- (d) It is understood and agreed that Union officers, grievance committee men and Shop Stewards must obtain the permission of their immediate supervisor to be absent from their place of work. Permission will not be unreasonably withheld.

1300 ARBITRATION

- 1301 In the event the parties are unable to reach a settlement of a grievance involving interpretation or application of any provision

of the Labour Agreement under the provisions of the Grievance Procedure the aggrieved party may within thirty (30) calendar days after the date of the Resident Manager's written answer in Step 3, notify the other party of a desire to have the dispute arbitrated by a third party. Failure to provide such notification within such thirty (30) day period shall constitute waiver by the aggrieved party to further consideration of the case.

- 1302 Within fifteen (15) days after referral to Arbitration, the parties will attempt to select an Arbitrator.
- 1303 If the parties fail to appoint an Arbitrator within fifteen (15) days, the matter will be referred to the Minister of Labour of Ontario, who will be requested to make the necessary appointment.
- 1304 The Arbitrator shall not be authorized to render any decision inconsistent with the terms of this agreement, nor shall he alter, add to, or amend any of its provisions. He shall, however, have the right to make a just and equitable award.
- 1305 The decision of the Arbitrator will be binding on the parties to this Agreement.
- 1306 Each of the parties will bear one-half the expenses of the Arbitrator.

1400 TECHNOLOGICAL CHANGE

- 1401 The Company has the right to adjust all or any of its crews as a result of change in process or a change in equipment, and to make such technical and other changes in its manufacturing processes as it deems necessary for efficient operation.

In recognition of the impact that such changes may have upon employees, and the concern of the parties regarding employees who may be affected, the following will apply:

- (a) The Company undertakes to advise the Union as far in advance as is feasible of such changes which the Company

has decided to introduce which will result in significant change in the employment status of employees.

- (b) The Company agrees to discuss with the Union the effect of such changes on the employment status of employees and to consider practical ways and means of minimizing the adverse effect on employees displaced by such change. Measures such as early retirement, retraining and transfers to other existing jobs will be considered.

1500 STRIKES OR LOCKOUTS

- 1501 No strikes or lockouts shall occur during the life of this Agreement.

1600 DISCIPLINE

- 1601 It is agreed that disciplinary action or discharge taken by the Company will be for just cause.

- 1602 If an employee is suspended or discharged and is of the opinion that such suspension or discharge was without just cause, he may within five (5) working days of the date of the written notice file a written grievance at the Resident Manager stage of the grievance procedure. Within seven (7) working days, the Resident Manager will give his decision. Suspension or discharge relating to absenteeism shall be processed through the normal grievance procedure.

- 1603 In all cases of suspension or discharge, the Company shall notify the employee concerned and the Secretary of the Union promptly in writing, indicating the reason for the said suspension or discharge.

The Company will give the employee affected and the Union a copy of any letter of discipline or a written memorandum of a verbal reprimand issued to an employee that is placed in their personnel file.

1700 SAFETY EQUIPMENT

- 1701 Effective the date of ratification, the Company will contribute to the cost of safety shoes in the amount of \$100.00 per pair once a year provided the employee wears these shoes while working in the mill. Employees regularly scheduled to work will be supplied with an additional pair of safety shoes each year, if required, and the Company will contribute \$100.00 per pair toward the invoice cost of such shoes, if they are damaged during the course of performing his normal work. The employee shall present the damaged shoes to the Storeskeeper at the time of his request for a second pair of safety shoes under this provision. If an employee furnishes doctor certification for the necessity of wearing orthopedic shoes, the Company will contribute 50 percent (50%) of the difference between the orthopedic shoe and the standard safety shoe. Other mandatory safety equipment and apparel will be provided as at present.

1800 OPERATION CHANGES

- 1801 The Company undertakes to advise the Union as far in advance as is feasible, of major changes in operating schedules, equipment installation, etc., which will result in significant change in the employment status of employees. The Company agrees to discuss with the Union the effect of such changes on the employment status of employees and to consider practical ways and means of minimizing any adverse effect on employees displaced by such changes. Measures such as retraining, transfers to other existing jobs and early retirement will be considered. The Company agrees to recognize established jurisdictional lines in the implementation of this Article 1800.

1900 CONFERENCE ROOM NEGOTIATIONS

- 1901 The Company will pay the cost of the main conference room for negotiations. All other expenses will be to the account of the party who incurred them.

2000 DOMINION AND PROVINCIAL STATUTES

- 2001 Nothing in this Agreement shall conflict with any Dominion or Provincial law.

2100 PENSION PLAN

- 2101 Pension benefits shall be provided in accordance with the Collective Agreement covering the **Abitibi-Consolidated Company of Canada** Pension Plan for Ontario Hourly Employees. Subject to approval by the Ontario Pension Commission and Revenue Canada, the **Abitibi-Consolidated Company of Canada** Pension Plan for Ontario Hourly Employees will provide:

- (a) Mandatory retirement will be age 65.
- (b) The 1/24 formula for the period October 1, 1964, to January 1, 1973; the \$2.00 per month supplement from October 1, 1966 to January 1, 1973; and the \$7.50 per month per year of service for the period from October 1, 1964, to September 30, 1966, will continue in effect.
- (c) Pre-Retirement Spouse Death Benefit

Upon the death of a participant at least age 55 with 15 years of service who was an active employee at the time of his death and who was married at least one year at the time of his death, in lieu of a refund of the deceased employee's contributions, his spouse shall be entitled to a monthly retirement benefit calculated as if the participant had retired on his date of death and elected a 50% (100%) joint and survivor option.

Such computation shall include the adjustment for early retirement and the election of the joint and survivor option, the spouse would then receive 50% (100%) of such reduced amount.

An "active employee" for purpose of this section is an

employee actively at work, on Weekly Indemnity benefits, on L.T.D. benefits or on W.C.B. benefits.

(d) Early Retirement Bridging Supplement

If a Participant retires on or after May 1, 1987, after attaining age 58 with 20 years of service he shall be entitled to receive a supplementary payment commencing on his early retirement date and ending on the earlier of the first day of the month following the attainment of age 65, or the first day of the month following the date of death of the Participant. The amount of such supplementary payment shall be calculated as follows:

1. For those who retire on or before the attainment of age 60, \$33.00 times the number of years Credited Service not exceeding 30, with proportional allowance for completed months, reducing on the first day of the month following the attainment of 60 years of age to \$15.00 times such service.
2. For those who retire after the attainment of 60 years of age, \$16.00 times the number of years of Credited Service not exceeding 30, with proportional allowance for completed months.
3. For participants retiring after May 1, 1987, and who have attained age 62 or over on May 1, 1987, and who have also completed at least 20 years of service on May 1, 1987, shall receive a bridging supplement of \$18.00 per month for each year of credited service up to a maximum of 30 years. Such bridging supplement shall cease when the participant reaches age 65.
4. Participants over age 55 with 20 years of service who retire before age 58 will be eligible for the bridging supplement with a reduction of 2/3 of 1% per month for each month that retirement precedes age 58.

5. Effective May 1, 2009, the pension plan rules will be modified such that an active employee retiring at age 57 or more with at least 20 years of continuous service will be entitled to an unreduced bridge benefit, subject to the **minimum** reductions imposed under the **regulations** of the income Tax Act (Rule of 80).

(e) Early Retirement

1. Participants who retire after age 55 and prior to age 58 with 20 or more years of service are eligible for early retirement with a percentage reduction of 1/2% per month for each month their retirement precedes age 58 (subject to minimum reductions required under the Income Tax Act).
2. Effective May 1, 2009, the pension plan rules will be modified such that an active employee retiring at age 57 or more with at least 20 years of continuous service will be entitled to an unreduced pension, subject to the minimum reductions imposed under the regulations of the Income Tax Act (Rule of 80).

(f) Administrative and Legislative Changes

During the term of this Labour Agreement, the Company will be making certain administrative changes to the pension plan regarding the way management responsibilities are carried out. These changes in no way affect the participant's benefits nor affect the responsibilities of the Pension Committee.

Certain changes are required from time to time as a result of Federal and/or Provincial legislation in the pension area. Our pension plan texts are reviewed on a periodic basis and where necessary changes are made to meet current legislation.

The Company agrees to discuss changes in the pension text with the pension committee recognizing that any changes required by law will be complied with by the Company.

(g) Employee Mandatory Contributions

Each mill group participant who is a member of a participating mill group union shall contribute to the plan, 4.5% of his earnings as defined in the Plan up to the Year's Maximum Pensionable Earnings, and 6.0% of his earnings as defined in the Plan in excess of the Year's Maximum Pensionable Earnings. Employee's earnings for regularly scheduled hours at the employee's classified rate of pay will be the total of all regularly scheduled straight time hours of work including those hours scheduled and worked on Sundays and Statutory Holidays (calculated at straight time for the purpose of this calculation) plus all monies paid for vacation.

Effective January 1, 2005, the employee contribution changes to 6% of his earnings as defined in the Plan.

Effective May 1, 2007, the employee contribution changes to 6.5% of his earnings as defined in the Plan.

Effective May 1, 2008, the employee contribution changes to 7% of his earnings as defined in the Plan.

Effective May 1, 2009, the employee contribution changes to 7.5% of his earnings as defined in the Plan.

(h) Pension Formula

The pension benefit formula for years of service after December 31, 1972, shall be:

2% of Final Average Earnings for regularly scheduled hours worked after December 31, 1972, times years of credited service after December 31, 1972, less 2.2/10 of 1% of Final Average Earnings or, if less, the average of the Canada Pension Plan Earnings levels for the last five (5) calendar years of employment, multiplied by Credited Service after December 31, 1972, to a maximum of 35 years.

Final Average Earnings for regularly scheduled hours worked at the employee's classified rate of pay shall be the highest five consecutive calendar years of accumulated earnings during the employee's last 15 years of employment. Earnings for the purpose of this calculation shall be the accumulation of earnings for regularly scheduled hours worked calculated in (h) above.

Effective May 1, 2005, the CPP offset will be 1.5/10 of 1%.

Effective May 1, 2009, the CPP offset will be 0.8/10 of 1%.

(i) Minimum Pension

Subject to approval by Pension Commission of Ontario and Revenue Canada the **Abitibi-Consolidated** Company of Canada Pension Plan for Ontario Hourly Employees will be amended so as to provide: Effective May **1, 2004**, the minimum pension provided under the Plan shall be effective until the later of April **30, 2014** or the date the applicable Labour Agreement covering the period May **1, 2004**, through April **30, 2014**, is terminated under the provision thereof:

1.65% of the employee's average base earnings during the five years prior to May **1, 2014**, for which his earnings were highest times years of credited service prior to retirement.

Effective May **1, 2005**, the Pension Plan will be amended so that for an active participant retiring on or after May **1, 2005**, the minimum pension will be calculated as follows: **1.70%** of average base earnings as defined in the Pension Plan multiplied by the number of years of service recognized under the Plan.

Effective May **1, 2009**, the Pension Plan will be amended so that for an active participant retiring on or after May **1, 2009**, the minimum pension will be calculated as follows: **1.75%** of average base earnings

as defined in the Pension Plan multiplied by the number of years of service recognized under the Plan.

Earnings for purposes of this calculation shall be the employee's classified rate of pay as of May 1 times his number of hours normally scheduled during the following 12 months. The number of hours shall be 2080 for employees who work 40 hours per week, 2184 for employees who work an average of 42 hours per week and 1885 for employees who work 36 1/4 hours per week.

In the event that an employee's earnings in any of the five 12-month periods immediately preceding retirement do not reflect a normal annual schedule of hours for that period for reasons other than a leave of absence, the employee's earnings for that period will be adjusted to reflect his normal annual schedule of hours, provided the employee has been actively at work for at least three months during that 12-month period.

"Best Five Year Average Earnings" shall mean the average of the Participant's earnings in his highest 5 earnings years prior to the expiry of the May 1, 2004 to April 30, 2009 Labour Agreement, while he was employed by the Company as a Qualified Employee. (For Pension purposes the expiry is April 30, 2014.)

(j) Post-Retirement Adjustment

Effective January 1, 2005, the Pension Plan will be amended to provide a post-retirement adjustment on January 1, 2005 and on January 1, 2007. Effective January 1, 2009, the Pension Plan will be amended to provide a post-retirement adjustment on January 1, 2009, January 1, 2011 and January 1, 2013. Participants eligible for these adjustments are those who were eligible for the post-retirement adjustment provided by the collective agreement that expired on April 30, 2004, as well as all active participants who will retire on or after May 1, 2004.

The post-retirement adjustment is equal to the amount of the minimum pension of the participant, excluding

the bridging benefit, multiplied by 50% of the increase of the Consumer Price Index for the 12-month period ending in October of the preceding year (rounded to the nearest tenth of one per cent), subject to a maximum 5% adjustment. For calculation purposes, the Consumer Price Index means the all-items index (1992=100) published by Statistics Canada.

The calculation of the adjustment is prorated based on the number of months since the commencement of pension payments if the commencement occurred in the twelve (12) months preceding the date of the adjustment.

The Company agrees to administer the pension plan in accordance with the Teplitzky arbitration award dated 4/18/89.

(k) Maximum Pension

The maximum pension will be increased to the maximum permitted by the Income Tax Act and Regulations at the time and increased in accordance with the applicable indexing provisions of the Income Tax Act and Regulations or any other changes to the maximum benefits permitted by the Income Tax Act and Regulations as amended from time to time.

(l) When an employee retires while receiving a long-term disability benefit, his pension benefit will be calculated based on the greater of:

1. His rate at the time of disability as defined in his collective agreement or
2. The base rate in the mill (labour rate) in each of the years used to calculate his pension.

(m) Pension Portability

Effective the first day of the month following ratification of the collective agreement, active employees participating in Abitibi-Consolidated pension plans that are transferred within the

Company, with no interruption in employment, will be eligible for pension portability. For an employee who has been laid off for a period of less than twelve (12) consecutive months, the Company will proceed with his pension transfer if he has not terminated employment and received his severance pay or withdrawn his pension entitlement. In cases where the former mill and the new mill have different registered pension plans, the following will apply:

The employee will enter into the pension plan of the new mill. This plan will recognize the service completed under the former pension plan for purposes of eligibility for ancillary benefits (early retirement and bridge benefit).

The employee will stop accruing years of credited service in the former plan. Years of service and pensionable earnings at the new mill will be recognized in the former plan for purposes of eligibility for ancillary benefits and calculation of final average earnings.

Such employee will therefore have pension entitlements in two different registered pension plans.

2200 UNION LEAVE OF ABSENCE

- 2201 (a) The Company will grant short term leave of absence without pay for the purpose of carrying out business for the Local on written or verbal request provided his position can be covered without penalty to the Company.
- (b) For the purpose of attending a convention or conference, upon written request by the Union, at least ten days in advance, the Company may grant a leave of absence without pay to not more than five (5) employees provided their positions can be covered.
- (c) On written request from the Union, leave of absence without

pay for full time Union work will be granted to one member of the Union. Upon completion of his mission or five years, whichever is less, he will be given re-employment on the basis of his continuity of seniority in his former position or in similar position at the rate prevailing at the time of such re-employment. Continuity of seniority will only be granted to such members upon resumption of employment with the Company.

During these leaves of absence the employee will not be eligible for holidays or vacations.

- 2202 The Company will continue to co-operate in permitting employees to engage in worthwhile community organization activities.

2300 HAZARDOUS CONDITIONS

- 2301 The Company will pay a premium of \$0.15 per hour:
- (a) on temporary scaffolds or exposed exterior locations not normally accessible (mill roofs and the like excepted), where the vertical drop is 50 feet or more;
 - (b) Raceways;
 - (c) when working in digesters under conditions which require the use of a safety belt.
 - (d) when an employee is using a metallizing gun;
 - (e) fibreglassing;
 - (f) welding or burning galvanized material;
 - (g) brazing;
 - (h) when handling Pyrenol in open vessels;
 - (i) handling chlorine:

- (j) **Hilti** guns:
- (k) when working inside paper machine dryers
- 2302 Employees working inside lime kilns, kraft mill liquor tanks, precipitators and evaporators, will be paid a premium of twenty cents (\$0.20) per hour.
- 2303 Employees paid the above premium in 2301 and 2302 shall be paid a minimum of eight (8) hours.
- 2304 It is agreed that time and one-half will be paid for the day of the climb, to employees required to climb and work on water tanks, and radio towers. In order to **qualify** for this premium an employee must climb to a height of fifty (50) feet or more.

2400 GENERAL

2401 **Apprenticeship & Certification Qualification Allowance**

The Company will pay for books and/or materials required by Apprentices taking the Provincial Courses necessary for certification. During the period of time Apprentices are away for such courses, the Company will pay **40 times the Apprentice's** hourly rate of pay for each week of such training. The parties to this Agreement recognize the **current Ontario Statutes and Regulations for Trades and Apprenticeships**, as it applies to employees covered by this Labour Agreement.

Effective the date of ratification, the Company agrees to increase the present living allowance of sixty-five dollars (\$65.00) per week to one hundred dollars (\$100.00) per week for Apprentices while attending provincial Government Trades courses while away from home. The Company agrees to further discussions on apprenticeship allowance while at school away from home following ratification of **Labour Agreement**

The Company and the Union agree to discuss the apprenticeship program during the term of the 1998 – 2004 Labour Agreement.

2402 Examinations for Certification

Employees writing final examinations for a Stationary Engineer's Certificate or a Hoisting Certificate shall be eligible for the following:

- (a) Up to eight (8) hours' pay at their classified rate of pay for time lost from work when writing examinations locally.
- (b) Up to sixteen (16) hours' pay at their classified rate of pay for time lost from work when writing examinations out of town.
- (c) The Company agrees to support the Union in an effort to obtain local examinations.
- (d) The Company and the Union hereby agree that the training of stationary engineers shall be a subject for review and modification by mutual agreement, as soon as adequate training programs have been established by the Ontario Government for the upgrading and training of persons within the classifications covered by our Collective Agreement.

Either party may serve written notice of its desire to meet on the above matter, and the meeting shall be convened by the parties within one (1) month of date of notification.

- (e) Time off with pay will be provided to maintenance employees writing qualifying examinations for initial certification required in their occupation during scheduled working hours. Such pay will be at the employee's straight-time rate and limited to time lost from work up to a maximum of eight hours.

2403 Premium Waivers - Group Insurance

It is understood that any Company Policy changes in this regard will apply equally to employees subject to the jurisdiction of Lodge 771, I.A.M.

2500 SPECIFIC PERFORMANCE

- 2501 The waiver of any of the provisions of this Agreement or the breach of any of its provisions by either of the parties shall not constitute a precedent for any further waiver or for the enforcement of any breach.
- 2502 It is understood and agreed that all previous agreements, whether oral or written, by and between the Company and the Union are superseded by this Agreement.

2600 DURATION AND REOPENING

- 2601 This Agreement is effective from **May 1, 2004**, and shall remain in full force and effect through **April 30, 2009**, and shall be subject to amendment by mutual agreement between the parties. It shall remain binding from year to year thereafter unless notification in writing to amend, modify or change the Agreement is served by either of the parties hereto on the other. Such notification to be served at least thirty (30) but not more than ninety (90) days prior to the expiration of this Agreement.

2700 DISCUSSION OF INDIVIDUAL RATES

- 2701 Either party shall have the right to discuss local adjustments prior to **May 1, 2005, May 1, 2006, May 1, 2007, May 1, 2008, and May 1, 2009**. Discussions will be limited to those items submitted prior to April 1st each year. It is understood that "local adjustments" are construed to mean the consideration of individual job rates in cases of gross inequality or major changes in job responsibility. Failure to agree on any such cases shall in no way interfere with the terms of the Collective Agreement concerned.

2800 MILL RULES

It is understood that rules governing mill employees, as issued by the Company and attached hereto as Appendix C, become a part of this

Agreement and the application of these are subject to **Articles 1200** and **1300**.

2900 LOCKERS

The Company agrees that adequate double lockers will be provided for each workman for his clothing and personal effects.

3000 FIRST AID TRAINING

First Aid classes will be arranged as instructors and sufficient applicants become available. Attendance during class hours outside working hours will be paid for at straight-time rates.

3100 TOOLS

Workmen generally will be expected to provide the tools of their trade. The Company will supply test equipment, heavy socket sets 1/2" drive and over, and such tools as those not generally expected to be provided by the workmen.

The Company will supply spare parts for the repair of pipe and crescent wrenches. Tools may be purchased at cost through Mill stores. The Company will supply one set of metric tools in the Tool Crib.

3101 LOST OR BROKEN TOOLS

Tools lost in an inaccessible place or broken in the course of performing regular work for the Company will be replaced as is our customary practice. Any such loss or damage must be brought to the attention of the employee's immediate supervisor as soon as practical and before the end of the day during which the loss or damage occurred, so that a proper claim for replacement can be processed.

3200 TRADES INSTRUCTION

When instruction on new equipment is required and such instruction is carried on outside of regular hours, such instruction time will be paid for at straight-time rates.

3300 SAFETY APPAREL

The Company supplies such safety apparel as safety goggles, hard hats in areas requiring their use, welders equipments, cotton gloves for use in abrasive jobs and coveralls for protection from heat when working on paper machine dryers. The supplying of coveralls is contingent on no future abuse of their use.

3301 COVERALLS

The Company will supply one (1) set of acid-resistant coveralls for the use of the 2nd assistant and two (2) pairs per year regular coveralls to the spoutman.

3400 POWER AND RECOVERY OPERATORS STATIONARY ENGINEER CERTIFICATION PROCEDURE

A new system for Power and Recovery Operators to attain 4th Class and 3rd Class stationary engineer tickets is as follows:

- (i) Mandatory attainment of a 4th Class ticket within 4500 hours worked within the department.
- (ii) Mandatory attainment of a 3rd Class ticket within 9000 hours worked within the department.
- (iii) The time limits outlined in (i) and (ii) above are provided that the current government guidelines for testing remain status quo. Upon any changes in the testing guidelines, the above time frames will be revisited and changes mutually agreed upon by the parties.

- (iv) Study books and material will be made available as deemed necessary by the company.
- (v) Recovery Operators who fail to attain a 4th or a 3rd in the prescribed time frames will lose all rights to the Power and recovery Department and within 30 days will be relocated elsewhere.
- (vi) The new system applies to all Power and Recovery Operators with priority dates of April 24, 1998 and later.
- (vii) The grandfathering of all current Power and Recovery Operators with priority dates earlier than April 24, 1998.

The Company will, for the following positions: Lead Operator 1, Lead Operator 2, Field Operator 1, Field Operator 2, Reconst/Kiln Operator, Spoutman, Spare Spoutman, Tall Oil Operator, Spare Tall Oil Operator, and Boilerhouse Repairman

- a) Pay the full cost of registration fees for stationary engineer exams (1 time fee per exam), for 4th, 3rd, 2nd and 1st Class tickets.
- b) Pay the full cost of the initial and annual renewal fees for 4th, 3rd, 2nd and 1st Class tickets.

3500 CONTRACT BOOKLET PRINTING

The Company will print enough contract books for the Union in a number equal to its current membership plus enough for the local union's administration (to be declared by the local union prior to printing) provided there is a signed copy for printing within the 90 day period following date of ratification. After the 90 day period, the obligation on the Company to print ceases. If there is a dispute as to the correctness of the revised text, such may be grieved through the grievance procedure and the ninety (90) days will be extended until a final decision is reached.

SIGNED at Fort Frances, Ontario, this **27th** day of **January, 2005**.

Abitibi-Consolidated Inc.

International Association of
Machinists and Aerospace
Workers, Lodge 771

Len Robinson (signed)

Gerald Hinrichs (signed)

David Berry (signed)

Rod Savage (signed)

Robert Schulz (signed)

Herman Pruys (signed)

**I.A.M. LODGE 771
APPENDIX A
HOURLY RATE SCHEDULE**

	Straight-Time Rates					
	Apr 30 2004	May1 2004	May1 2005	May1 2006	May 1 2007	May 1 2008
		\$0.70	2.50%	\$0.60	2.0%	\$0.60
MECHANICS						
Master Journeyman	30.56	31.26	32.04	32.64	33.29	33.89
Senior Mechanical Foreman	30.56	31.26	32.04	32.64	33.29	33.89
Senior Mechanic Journeyman	29.81	30.51	31.27	31.87	32.51	33.11
Lead Hand - Millwrights	29.34	30.04	30.79	31.39	32.02	32.62
Lead Hand - Pipefitters	29.34	30.04	30.79	31.39	32.02	32.62
Lead Hand - Machinists	29.34	30.04	30.79	31.39	32.02	32.62
Lead Hand - Welders	29.34	30.04	30.79	31.39	32.02	32.62
Lead Hand, P.M. Millwrights	29.39	30.09	30.84	31.44	32.07	32.67
Lead Hand - P.M. Pipefitters	29.39	30.09	30.84	31.44	32.07	32.67
Millwrights, Pipefitters, Machinists, Welders, Tinsmiths, Fire Inspectors Garage Mechanics						
Base Rate B	24.43	25.13	25.76	26.36	26.89	27.49
After 1st Year A	29.00	29.70	30.44	31.04	31.66	32.26
Preferred Rate A-1 at Company Option or After 3 years as A	29.29	29.99	30.74	31.34	31.97	32.57
Helpers						
Class 3 Base Rate (Incl. 3-month trial)	23.09	23.79	24.38	24.98	25.48	26.08
Class 2 After 1 Year	23.41	24.11	24.71	25.31	25.82	26.42
Class 1 After 3 Years	24.08	24.78	25.40	26.00	26.52	27.12
Tool Crib Man - depends on who does the work - paid at his qualified rate						
Other	26.13	26.83	27.50	28.10	28.66	29.26

Tour Millwright to receive ten cents (10¢) per hour above classified rate.

Lead Hand rate is five cents (5¢) per hour over A-1 rate. (As per list of 10 in Local Issues Memorandum of 1980 negotiations.)

Lead Hand P.M., Millwright and P.M. Pipefitter rate is ten cents (10¢) per hour over A-1 rate.

Machinist - When performing all duties of the "Roll Grinderman" - rate plus 39¢.

Garage Mechanics holding two tickets to receive twenty-five cents (25¢) adjustment in rate.

	Straight-Time Rates					
	Apr 30 2004	May 1 2004	May 1 2005	May 1 2006	May 1 2007	May 1 2008
Instrument Department		\$0.70	2.50%	\$0.60	2.0%	\$0.60
Instrument Mechanic Foreman	29.99	30.69	31.46	32.06	32.70	33.30
Instrument Mechanic A-1 (after 3 years as A)	29.29	29.99	30.74	31.34	31.97	32.57
Instrument Mechanic A (after 1st year)	29.00	29.70	30.44	31.04	31.66	32.26
Instrument Mechanic B	24.43	25.13	25.76	26.36	26.89	27.49
Chart Changer	22.94	23.64	24.23	24.83	25.33	25.93

Instrument Mechanics performing weekend coverage will act as a Lead Hand and will receive a premium of ten cents (10¢) per hour for that week.

	Straight-Time Rates					
	Apr 30 2004	May 1 2004	May 1 2005	May 1 2006	May 1 2007	May 1 2008
Maintenance Department – Apprentices		\$0.70	2.50%	\$0.60	2.0%	\$0.60
1 st Year - 75% of Mech A Rate	21.75	22.28	22.83	23.28	23.75	24.20
2 nd Year - 80% of Mech A Rate	23.20	23.76	24.35	24.83	25.33	25.81
3 rd Year - 85% of Mech A Rate	24.65	25.25	25.87	26.38	26.91	27.42
4 th Year - 95% of Mech A Rate	27.55	28.22	28.92	29.49	30.08	30.65

	Straight-Time Rates					
	Apr 30 2004	May 1 2004	May 1 2005	May 1 2006	May 1 2007	May 1 2008
Steam plant		\$0.70	2.50%	\$0.60	2.0%	\$0.60
Boiler House Repairman Class B	26.21	26.91	27.58	28.18	28.74	29.34
Boiler House Repairman Class A	29.87	30.57	31.33	31.93	32.57	33.17
Class A-1 at company option or 3yrs as A	30.16	30.88	31.65	32.25	32.90	33.50
Repairman's Helper - 3rd Class	25.52	26.22	26.88	27.48	28.03	28.63
3 rd Class (Below 3rd Class Papers)	23.11	23.81	24.41	25.01	25.51	26.11
3 rd Class (Below 4th Class Papers)	22.65	23.35	23.93	24.53	25.02	25.62
Repairman's Helper - 2nd Class	25.86	26.56	27.22	27.82	28.38	28.98
2 nd Class (Below 3rd Class Papers)	23.27	23.97	24.57	25.17	25.67	26.27
2 nd Class (Below 4th Class Papers)	22.97	23.67	24.26	24.86	25.36	25.96
Repairman's Helper - 1st Class	26.30	27.00	27.68	28.28	28.85	29.45
1st Class (Below 3rd Class Papers)	23.78	24.48	25.09	25.69	26.20	26.80
1st Class (Below 4th Class Papers)	23.33	24.03	24.63	25.23	25.73	26.33
Labourer	22.05	22.75	23.32	23.92	24.40	25.00

An employee taking the position of Boiler House Repairman Helper who holds a Third Class ticket or better shall be paid the First Class Repairman Helper rate.

Boiler House Repairman Helpers who serve a full three (3) years at Helper Class I will at the discretion of the Company, be promoted to the "B" Repairman status.

	Apr 30 2004	Straight-Time Rates				May 1 2008
		May 1 2004	May 1 2005	May 1 2006	May 1 2007	
Sleam & Recovery Department		\$0.70	2.50%	\$0.60	2.0%	\$0.60
Lead Operator I (2nd) (req ticket)	31.24	31.94	32.74	33.34	34.01	34.61
Lead Operator II (2nd) (req ticket)	30.42	31.12	31.90	32.50	33.15	33.75
Steam Plant Operator (2nd) (req ticket)	30.17	30.87	31.64	32.24	32.88	33.48
Field Operator (3rd)(req ticket)	26.53	29.23	29.98	30.56	31.17	31.77
Fireman (3rd) (req ticket)	27.70	28.40	29.11	29.71	30.30	30.90
Recast a Kiln(3rd)						
(4th) (req ticket)	26.11	26.88	27.55	28.15	28.71	29.31
Spouls (3rd)	24.93	25.63	26.27	26.87	27.41	28.01
(4th) (req ticket after 1 yr)	24.99	25.29	25.92	26.52	27.05	27.65
No ticket	23.27	23.97	24.57	25.17	25.67	26.27
Tall Oil Plant Operator 3rd Class Ticket	22.98	23.68	24.27	24.87	25.37	25.97
Tall Oil Plant Operator 4th Class Ticket	24.91	25.61	26.25	26.85	27.39	27.99
Tall Oil Plant Operator No ticket required	24.06	24.76	25.38	25.98	26.50	27.10
	23.81	24.51	25.12	25.72	26.23	26.83

The Company will pay, in addition to the regular rate for any steam plant or recovery job classification, a premium of twenty-five cents (25¢) per hour for each license held by the individual in excess of that required for the job classification.

A person qualifying for a 2nd class stationary engineer certificate who is in the line of progression shall receive **seventy-five cents (\$0.75)** per hour over his classified rate provided he doesn't deadhead. This does not apply to the Lead Operator I, Lead Operator II or Tall Oil Plant Operator.

	Apr 30 2004	Straight-Time Rates				May 1 2008
		May 1 2004	May 1 2005	May 1 2006	May 1 2007	
International Bridge & Terminal		\$0.70	2.50%	\$0.60	2.0%	\$0.60
Section Man	22.27	22.97	23.54	24.14	24.62	25.22

Section Man, while operating Swing Loader- **\$1.15** per hour above Section Man's rate, 4 hrs. minimum or 8 hrs. if worked over 4 hrs.

Section Men on small machine operator - 10¢ above rate,

SHIFT DIFFERENTIAL

The shift differential is 0-40-60.

Effective February 1, 2005 the shift differentials 0-50-70.

For 12 hour shifts the shift differential is 0-67.

Effective February 1, 2005 for 12 hour shifts the shift differential is 0-80.

SUPERVISORY REPLACEMENT

During any period that an employee replaces a salaried supervisor at the request of the company he shall receive fifty cents (50¢) per hour above the highest rate supervised.

SENIOR MECHANIC JOURNEYMAN

Journeymen A-1 who successfully complete a prescribed course will be assigned to the Senior Mechanic Journeyman classification. Journeymen A who take the prescribed course will not be eligible for the Senior Mechanic Journeyman status and the assigned rate until the employee attains A-1 status.

The parties agree that the courses of instruction are designed to upgrade the skills of A-1 Mechanics in some specialized technologies or skills whereby interested A-1 Journeymen can then qualify for the senior Mechanic Journeyman rate. It is further understood that employees who receive the Senior Mechanic Journeyman rate may be required to use these special skills as necessary.

The Joint Committee composed of two Journeymen from each Lodge and two members of Supervision from each Mill will determine the courses available in the trade.

METRIC TOOLS (See Clause 3100)

At present the Company is making metric tools available to employees on a loan and return basis where these are required. Should a presently classified Tradesman be required, as a condition of employment, to purchase his own metric tools to duplicate his present tools, the Company will notify the Government so that the employee may benefit from the Government subsidy of 50% of the replacement cost. In addition, the Company will pay 50% of the remaining replacement cost.

CONTRACTING OUT

The Company's response to the Contracting Out issue is outlined as follows:

With the procedure we agreed to last march on dealing with Contracting Out issues, we will endeavour to have more meaningful discussion with the Local Executive and a sound information exchange. In these discussions we will search out the soundest way to do the work, taking into account the nature of the job, time limits, the needs of the Company, the individual and the Union. This will be done prior to the Company making a decision in this area.

TRADES TRAINING (See Clause 3200)

The Company agrees to set up a joint committee of two (2) members of the Union and two (2) members of management to discuss and make recommendations on upgrading craft and apprenticeship programs.

Master Journeyman

The intent of this clause drafted in 1981 was to replace six non-working hourly foremen with six master journeymen while at the same time assuring the company that the master journeymen will work with the tools of their respective trades.

- a) Master journeymen are represented as follows:
 - two (2) from pipefitters
 - two (2) from millwrights
 - one (1) from garage mechanics
 - one (1) from machinists/welders/tinsmiths
- b) The most senior tradesmen in those crafts will become master journeyman.
- c) Master journeyman will be paid as per Appendix A. Master journeyman will work with the tools of their trade. Master journeyman will be eligible for overtime. Relief for master journeyman will take on the status of master journeyman. Relief will be provided immediately upon absence.
- d) The Company retains the right to choose any member of the I.A.M. for the purpose of relief supervision where the Company deems relief is required,

assuming that the employee chosen agrees to take on the job.

Instrument Mechanic Foreman

- e) The next senior qualified Instrument Mechanic shall receive the Instrument Mechanic Foreman rate "Red Circled" and shall function as a working Foreman, except when relieving a Salaried Supervisor.
- f) The Union acknowledges that the Hourly Foremen are part of the mill supervisory force and that they take direction only from Management and that the Union has no authority to encroach upon this direction.
- g) This agreement applies only to the Instrument Shop and is not to be used as a precedent in other areas. Past practice with regard to foremen in other departments and crafts shall be continued.

APPENDIX B

RULES GOVERNING PARTICIPATION IN THE SUPPLEMENTARY
CONTRIBUTORY GROUP LIFE INSURANCE POLICY

1. New employees will be enrolled for "basic" group life insurance coverage at the time of hire. Employees will be eligible for the contributory group life insurance at the same time they are covered under the "basic" group life. If the additional contributory insurance is waived, the employee shall sign a waiver card. **Such employee may apply for the contributory supplementary Insurance by November 30th of the preceding year to be effective January 1st of the following year or later, upon acceptance from the Insurance carrier following proof of good health.**
2. Employees who do not initially sign up for or who cancel the contributory coverage may re-enroll not less than thirty (30) days prior to each ensuing **November 30th** and must produce evidence of insurability when applying.
3. If an employee is off work because of illness or accident, his contributory insurance coverage will be continued for three (3) months providing his own portion of the premium is paid each month, extendable in three (3) month intervals with Company approval to a maximum of twelve (12)

months.

4. Employees who wish to take advantage of contributory insurance coverage must apply for and accept no less than **\$25,000.00 additional coverage. This optional life insurance will be available to a maximum of \$200,000 in increments of \$25,000.**
5. **January 1st** each year is the effective date and the anniversary date of the Group Life Policy.

APPENDIX C

MILL RULES

1. REPORTING FOR WORK

1.1 General

It is the duty of every worker to report for his regular shift unless he has previously arranged with his supervisor for a leave of absence.

1.2 Starting

(a) DAY WORKERS

Day workers shall be at their respective posts of duty and ready to begin work at 8:00 a.m. and 12:30 p.m.

(b) NIGHT WORKERS

The same provision as contained in paragraph (a) of this rule shall apply to night workers on regularly assigned schedules (not tour workers) except that the hours specified shall be the regular times of starting and ending work.

(c) TOUR WORKERS

Tour workers shall be at their respective posts of duty at the scheduled beginning of their shift or tour.

1.3 Unable to Report

- (a) Should a tour worker be unable to report for work at the beginning of his shift he shall make satisfactory arrangements with his partners and notify the supervisor on duty at least four (4) hours before his shift begins. If arrangements cannot be made he must report for duty except in case of emergency.
- (b) If unavoidably prevented from reporting, he must give notice to his supervisor or to the employment office at least four (4) hours before his tour goes on duty, and the person receiving this notice must complete the standard report provided for recording such notice.

2. LEAVING THE JOB OR PLANT

2.1 On Arrival of Mate

- (a) At the end of a shift, no tour worker shall leave his place to wash and dress until his mate has changed his clothes and reported to take on his responsibility of the position.
- (b) If a tour worker does not report for his regular shift, his mate shall notify the department superintendent or supervisor. He shall then remain at his post until a substitute is secured.

2.2 During Working Hours

No employee shall leave the plant during working hours without the permission of the head of the department.

3. RESPONSIBILITY OF THE INDIVIDUAL

Each employee will be held responsible for the condition of that part of the plant under his control and everything in and about the plant shall be kept clean and in good order.

4. ACCIDENT PREVENTION

4.1 Instructions

It is the duty of the supervisor to instruct every new employee exactly as to how machinery around which he regularly works may be stopped.

4.2 Clothing

Employees must not wear clothing which can readily become entangled in machinery. When not in use, clothing must be kept in lockers provided for that purpose. Shoes shall be worn while on duty. Employees are required to see that their lockers are kept in a clean and neat condition.

4.3 Safeguards

It is a violation of the laws of the Province of Ontario to remove safety guards and anyone so doing without the permission of his superintendent or supervisor is liable to penalty provided by law.

4.4 Accidents

Reports of all accidents must be made to the Supervisor at once by all witnesses and by the injured employee when possible; the supervisor will make up an accident report in duplicate for the superintendent.

5. FIRE PREVENTION

All employees must assist in preventing destruction of the Company's property in case of fire. Fire apparatus must not be removed from its place or used except in the case of fire or by order of the superintendent.

6. EMPLOYEES RECOMMENDATIONS

Recommendations and suggestions from employees tending to improve the operation, efficiency, safety or other conditions throughout the plant are welcomed by the Management and will receive every consideration.

7. BULLETIN BOARDS

Bulletin boards for the sole use of the Unions will be provided in and about the mill and no Union notices shall be posted elsewhere.

8. ABSENCE FROM WORK

8.1 Reducing Absenteeism

The Unions undertake to co-operate with Management in reducing absenteeism.

8.2 Penalties

- (a) Employees who fail to report for work or who in any way penalize their mates or the Company under the overtime arrangement of Article 600 (Premium Time), will be subject to the applicable Mill Rules. Disciplinary action under these rules and regulations shall be subject to the grievance procedure.
- (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 days layoff
 - (iii) Third case - Instruction and layoff subject to discharge.
- (c) It is understood that should an employee have a clear record for a full twelve-month period between steps 1 and 2, or steps 2 and 3, or after stage 3, his record shall be considered clear.
- (d) Should an unarranged absence of an employee be of

sufficient length, or the reasons for the absence be of such nature to indicate irresponsibility in the individual concerned, management may discipline the offending employee with a layoff 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 on each case by the Superintendent concerned. A copy of this report will be sent to the individual and secretary of the Union concerned.

8.3 Returning to Work

If an employee has been absent from work a day or more he shall give adequate notice to his supervisor 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.

If an employee has been absent from work without arrangement, or without notice under clause 1.3, paragraph 2, he shall report to his superintendent for instructions before returning to work.

APPENDIX D DENTAL EXPENSE INSURANCE (For Employees and Dependents)

HOW BENEFITS BECOME PAYABLE

While insured, you or your dependent-incurred covered dental expenses (as defined below) as a result of a nonoccupational injury or a nonoccupational disease.

HOW MUCH IS PAYABLE

1. Effective **May 1, 2004**, for each procedure in Schedule A, the

benefit percentage is 100% of the amount payable according to the **2003** Ontario Dental Association Schedule of Fees for Dental Procedures by General Practitioners.

For calendar year **2005**, apply the **2004** schedule of fees.
 For calendar year **2006**, apply the **2005** schedule of fees.
 For calendar year **2007**, apply the **2006** schedule of fees.
 For calendar year **2008**, apply the **2007** schedule of fees.
 For calendar year **2009**, apply the **2008** schedule of fees.

2. Effective May **1, 2004**, for each procedure in Schedule B, the benefit is 50% of the amount payable according to the **2003** Ontario Dental Association Schedule of Fees for Dental Procedures by General Practitioners.

For calendar year **2005**, apply the **2004** schedule of fees.
 For calendar year **2006**, apply the **2005** schedule of fees.
 For calendar year **2007**, apply the **2006** schedule of fees.
 For calendar year **2008**, apply the **2007** schedule of fees.
 For calendar year **2009**, apply the **2008** schedule of fees.

3. For all procedures in a calendar year, the total benefit payable shall not exceed the calendar-year maximum of **\$1,500**.

EXTENSION OF BENEFITS

If you or your dependent are wholly disabled as a result of a dental condition for which benefits are payable under this coverage on the date dental expense insurance is terminated and if charges are incurred as a result of that dental condition within one year after the year in which insurance terminates and during continuance of that disability, the same benefits shall be payable for charges so incurred that would have been payable if incurred while insured.

WHAT ARE "COVERED DENTAL EXPENSES"

The charges made for any of the following:

1. Extractions.

2. Fillings.
3. Oral surgical procedures and necessary preoperative treatment during hospital confinement and customary postoperative treatment furnished in connection with oral surgical procedure.
4. Anesthesia and its administration in connection with oral surgical procedure, extractions or other covered dental services.
5. Dental X-rays.
6. Treatment of periodontal and other diseases of the oral cavity.
7. Root canal therapy.
8. Initial installation of a removable partial or full denture including adjustments after three months following insertion.
9. Replacement of an existing removable partial or full denture or the addition of teeth to an existing removable partial or full 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.
10. Repair or relining of removable partial or full denture.
11. Emergency treatment for relief of pain only.
12. Charges for service performed by a Denturist
13. Oral examinations including prophylaxis, scaling and cleaning and diagnostic X-rays but not more than one examination in any period of six consecutive months.
14. Oral hygiene instructions.

EXCLUSIONS

Covered Dental Expenses[®] does not include charges for or in connection with the following:

1. Original installation of the repair and/or replacement of onlays, inlays and fixed bridgework.
2. Services or supplies that are primarily for beautification.
3. Orthodontia or correction of malocclusion.
4. Any item received before you or your dependent became insured under this coverage.
5. Any item furnished by or through any government or any subdivision or agency thereof or the charge for which is paid or payable or reimbursable by or through any plan or program of any government or subdivision or agency thereof other than a plan or program established for the civilian employees of government or subdivision or agency thereof.
6. Any charge that would not have been made in the absence of insurance or that the employee or dependent is not legally obligated to pay.
7. Any charges excluded under General Exclusions.

DENTAL CHARGE LIMITATION:

No payment shall be made unless a dental chart satisfactory to the insurance carrier and without expense to it is submitted. Such dental chart shall indicate prior extractions and shall be completed by the attending dentist at the time you or your dependent first visit the dentist on or after the date you or your dependent become insured.

PREDETERMINATION OF BENEFITS

If a course of treatment can reasonably be expected to involve dental expenses in excess of \$250, a description of the procedures to be performed and an estimate of the dentist's charges must be filed prior to starting treatment.

Predetermination requirement does not apply to courses of treatment

under \$250 or to emergency treatment, oral examinations including prophylaxis, scaling and cleaning and diagnostic X-rays.

A course of treatment is a planned program of one or more procedures or services for the correction of a dental condition diagnosed by the attending dentist as a result of an oral examination. The total of the fees for the course of treatment will include the charges for oral examinations including prophylaxis, scaling and cleaning and diagnostic X-rays.

DENTAL CLAIMS

When you *or* one of your dependents incur expenses that qualify for Dental Expense insurance benefits, you may submit a claim. Claim forms are available from your dentist.

DENTAL PLAN

The Company will provide a dental plan to permanent employees and their eligible dependents effective October 1, 1975.

An employee will qualify after completion of ninety (90) calendar days with the Company and a minimum of sixty (60) days of work.

The definition of a "dependent" is the same as that in the present Group Hospital Plan except children over 21 who are regularly attending school and dependent upon subscribers for support will be covered to age 23.

Children with disabilities

insured children suffering from a physical or mental disability will continue to be covered beyond the maximum age as long as they are dependents of employee.

SCHEDULE APROCEDURE Column 1

Periodontal Services
(Diagnosis & Treatment of
Gum Tissue)

Treatment planning &
consultations

Application of dressings

Suprangingival & sub-
gingival scaling (above
and below gum line)

Root planing

Polishing

Emergency treatment of
periodontal abscess

Treatment of oral infections

Desensitization of tooth
surface (a temporary
measure to relieve pain)

Splinting-provisional

Provisional occlusal splint
(night guard)

Gingival scaling (deep scaling
below gum)

Gingivoplasty & Gingivectomy
(reshaping tissue to help
periodontal condition)

PROCEDURE Column 2

Mucogingival surgery (Moving
healthy tissue to cover healthy
tissue)

Post surgical treatment
(dressings)

Endodontic Services
(Diagnosis & Treatment of
Pulp and Root Canals)

Emergency endodontic
procedures

Incision & drainage -
thorough pulp canal

Pulp capping

Pulpotomy (partial removal
of nerve)

Smoothing

Repositioning of displaced
tooth

Replantation of totally
displaced tooth

Pulpectomy (removal of
nerve)

Biomechanical (instrumental)
preparation of root canal

Chemotherapeutic (chemical)
treatment of root canal

SCHEDULE APROCEDURE Column 1

Gingivectomy with
Osteoplasty (reshaping tissue
& bone)
Gingivectomy with Curettage
(reshaping tissue & deep
scaling)
Flap surgery (laying tissue
open and deep scaling)
Amputation of roots
Intentional extraction root
canal obliteration and
repositioning of tooth
Endodontic management of
primary teeth
Surgical services
Alveoplasty - reshaping
bone arch to prepare for
dentures
Frenoplasty-reshaping of
tissue that connects the lip
with the gingiva
Exposure of tooth for
repositioning

PROCEDURE Column 2

Obliteration of root canal
Endodontic services involving
Periapical root surgery
Root end fillings and silver
points
Bleaching of treated tooth
Post surgical treatments
Removal of root or foreign
body from Sinus
Examinations
Initial examination of a new
patient
Reexamination of a previous
patient
Specific examination
Emergency examination and/
or consultation
Consultations
With patient
With another dentist

SCHEDULE A

<u>PROCEDURE Column 1</u>	<u>PROCEDURE Column 2</u>
Enucleation of toothfollicle (removal of uneruptedtooth)	Specific diagnostic procedures
Repair of soft tissue	Biopsy
lacerations (placing stitches to repair gum tissue)	Oral Pathology Cytology Report
Incision & Drainage (drainage of infection by surgical incision)	Cytological Examination Dental Caries Susceptibility Test
Fractures-- consultation & repair jaw fractures	General Vitality Test Specific Vitality Test
Removal of growths- including biopsy	Bacterial examination Radiographic Examination and Interpretation (X-Ray)
Treatment of Temporomandibular joint (repositioning of dislocated jaw)	Soft tissue coverage Bone tissue coverage
Sialolithotomy (opening of salivary duct)	Anaesthesia Services General anaesthesia- separate anaesthetist
Intramuscular injection (antibiotics, etc.)	First unit of time
Preventive Services	Each additional unit of time
Scaling and Polishing	General anaesthesia- using auxiliary personnel First unit of time Each additional unit of time

SCHEDULE APROCEDURE Column 1

Topical Fluoride Treatment
 Oral Hygiene Instruction
 Occlusal Equilibration
 Treatment of Dental Caries (fillings)
 Removal of carious lesion and dressing
 Amalgam Restorations
 Permanent Molars
 Silicate cement and direct resin restorations
 Surgical Services – Removal of teeth
 Single tooth
 Removal of single erupted tooth (complicated)
 Pit and Fissure treatment

PROCEDURE Column 2

Amalgam Restorations
 Bicuspid, permanent anteriors all primary teeth
 Plastic Composite Restorations
 Removal of Erupted tooth (uncomplicated)
 Each additional tooth in same quadrant
 Removal of single unerupted tooth
 Removal of residual ~~mots~~

SCHEDULE BPROCEDURE Column 1

Prosthetic Services
 Complete maxillary (upper) or
 mandibular (lower) denture
 Complete maxillary and
 mandibular dentures
 Remount & equilibration
 - (dentures repaired to
 establish new bite)
 Immediate Dentures
 - (inserted immediately
 following the extraction of
 teeth)
 Maxillary and mandibular
 partial dentures
 One complete denture and
 one partial denture
 Maxillary or mandibular
 partial denture

PROCEDURE Column 2

Provisional denture
 (temporary)
 Unilateral -- (a type of
 denture)
 Stressbreaker -- (relieves
 stress on clasped tooth
 holding partial denture)
 Denture adjustments (after 3
 months from insertion)
 Denture repairs
 Denture relines - temporary
 and permanent
 Tissues conditioning -
 (treatment) for inflamed, sore
 gum tissues
 Maxillary or mandibular
 denture with precision
 attachments

SCHEDULE C
INSURED ORTHODONTIC SERVICES

To the extent that such Dental Care is necessary according to the standards of good dental practice.

Payment will be made on the basis of 50% of the Dentist's usual charge or 50% of the suggested fee guide for general practitioners issued by the Ontario Dental Association as shown on your certificate, whichever is less. Orthodontic services are subject to the limitations of your Dental Care Plan 7. The maximum payment under this rider is \$1,500 in total per person effective January 1, 1999.

ORTHODONTIC SERVICES

Consultations
 Pretreatment diagnostic Services
 Diagnostic Models, X-rays
 Cephalometric work-up
 Preventive and Interceptive Orthodontics
 Habit Inhibiting
 Space Regaining
 Space Maintenance
 Cross Bite Correction, etc.
 Corrective Orthodontics
 Removable and Fixed Appliance Therapy
 Retention

PLEASE NOTE:

Orthodontic treatment plans should be submitted for consideration and review to establish the extent of payable benefit. Prior to commencement of orthodontic treatment the dentist should prepare a report to the insurance Carrier outlining the details with respect to malocclusion, diagnosis, treatment plan and applicable fees.

MEMORANDUM OF AGREEMENT

- BETWEEN -

ABITIBI-CONSOLIDATED COMPANY OF CANADA
FORT FRANCES DIVISION

- AND -

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
WORKERS, LODGE 771

The bargaining committee representing the above parties, all of whom have been duly authorized to negotiate and settle, and do hereby confirm settlement of all outstanding matters between them and agree to extend the terms and conditions of the current Collective Agreement which expires on April 30, 2004 for an additional five (5) years, through to April 30, 2009 subject to the following amendments contained in this Memorandum of Agreement.

Subject to ratification by the Union under their internal rules and procedures, this Memorandum of Agreement will, upon such ratification change the current Collective Agreement, which will become the new Collective Agreement between the Union and Company in accordance with the terms herein.

All terms will become effective on the date of ratification except as herein specified to the contrary.

(Words importing the masculine gender shall include the feminine and vice versa)

All language in each collective agreement (referred to herein as the "collective agreement") will remain unchanged unless: (1) amended in this document; or (2) amended by local bargaining on contract language and local issues.

Term of Agreement

May 1, 2004 to April 30, 2009
 (Amend Article 2700 accordingly)

Memorandum of Agreement

The new Memorandum of Agreement will replace the current Memorandum of Agreement.

General Wage Increases

\$0.70 effective May 1, 2004
 2.50% effective May 1, 2005
 \$0.60 effective May 1, 2006
 2.0% effective May 1, 2007
 \$0.60 effective May 1, 2008

Shift Differential

Effective the first day of the month following ratification of the collective agreement, the shift premiums for hours worked between 4:00 p.m. and 12:00 p.m. and for hours worked between 12:00 p.m. and 8:00 a.m. will be increased by \$0.10.

Effective May 1, 2005 five (5) weeks of vacation after seventeen (17) years of service.

Layoff and Severance

Each collective agreement will be amended to include the following language:

Permanent Lay-off

In the event of a permanent paper machine, department or mill closure, the total amount of severance pay will be one and one-half (1.5) weeks of pay per year of continuous service.

Lay-off – 12 Consecutive Months

If the duration of a lay-off exceeds twelve (12) consecutive months, one-half (0.5) week of pay will be paid per year of continuous service in addition to the current provisions.

The total amount of severance pay that an employee may receive will not exceed one and one-half (1.5) weeks of pay per year of continuous service, for any reason, for any time.

The number of continuous years of service shall be calculated from the last lay-off period for which the employee received severance pay.

This is effective the first day of the month following ratification of the collective agreement.

Pension

A long term agreement of ten (10) years, from May 1, 2004 to April 30, 2014.

The Company and the Union will jointly approach the government authorities with the objective of getting permission to extend the amortization period of the solvency deficit payment. A letter of intent supporting this commitment is attached as Appendix A.

The Union will have full participation in the process of attempting to extend the period of solvency funding including putting such package or presentation together, participation in the actual presentation of the package or presentation to the appropriate authorities and having meaningful input and consultation in the process.

The Union will be represented in the process by both their Local and International representatives.

All costs born by the Local will be paid by the Company including lost time, travel and hotel expenses, and meals and any other reasonable expenses. (This covers only meetings between Union and Company officials including meetings with the authorities where both the Union and Company are present.)

The current offset of 0.22% will be reduced as follows:

1.70% formula = 0.15% offset up to YMPE effective May 1, 2005
1.75% formula = 0.08% offset up to YMPE effective May 1, 2009

In addition, the Company agrees to update the minimum pension provisions.

Portability

Effective the first day of the month following ratification of the collective agreement, active employees participating in **Abitibi-Consolidated** pension plans that are transferred within the Company, with no interruption in employment, will be eligible for pension portability. For an employee who has been laid off for a period of less than twelve (12) consecutive months, the Company will proceed with his pension transfer if he has not terminated employment and received his severance pay or withdrawn his pension entitlement. In cases where the former mill and the new mill have different registered pension plans, the following will apply:

- ~ The employee will enter into the pension plan of the new mill. This plan will recognize the service completed under the former pension plan for purposes of eligibility for ancillary benefits (early retirement and bridge benefit).
- ~ The employee will stop accruing years of credited service in the former plan. Years of service and pensionable earnings at the new mill will be recognized in the former plan for purposes of eligibility for ancillary benefits and calculation of final average earnings.

Such employee will therefore have pension entitlements in two different registered pension plans.

Effective May 1, 2009, the pension plan rules will be modified such that an active employee retiring at age 57 or more with at least 20 years of continuous service will be entitled to an unreduced pension and bridge benefit, subject to the minimum reductions imposed under the regulations of the Income Tax Act (Rule of 80).

be calculated as follows: 1.75% of average base earnings as defined in the Pension Plan multiplied by the number of years of service recognized under the Plan.

Post-retirement Adjustment

Effective January 1, 2005, the Pension Plan will be amended to provide a post-retirement adjustment on January 1, 2005 and on January 1, 2007. Effective January 1, 2009, the Pension Plan will be amended to provide a post-retirement adjustment on January 1, 2009, January 1, 2011 and January 1, 2013. Participants eligible for these adjustments are those who were eligible for the post-retirement adjustment provided by the collective agreement that expired on April 30, 2004, as well as all active participants who will retire on or after May 1, 2004.

The post-retirement adjustment is equal to the amount of the minimum pension of the participant, excluding the bridging benefit, multiplied by 50% of the increase of the Consumer Price Index for the 12-month period ending in October of the preceding year (rounded to the nearest tenth of one per cent), subject to a maximum 5% adjustment. For calculation purposes, the Consumer Price Index means the all-items index (1992=100) published by Statistics Canada.

The calculation of the adjustment is prorated based on the number of months since the commencement of pension payments if the commencement occurred in the twelve (12) months preceding the date of the adjustment.

Employee Contribution

Effective January 1, 2005, the employee contribution changes to 6% of his earnings as defined in the Plan.

Effective May 1, 2007, the employee contribution changes to 6.5% of his earnings as defined in the Plan.

Effective May 1, 2008, the employee contribution changes to 7% of his earnings as defined in the Plan.

Effective May 1, 2009, the employee contribution changes to 7.5% of his earnings as defined in the Plan.

Pension Plan Solvency

The Company agrees to continue to share pertinent funding information with the Unions.

BenefitsSECTION A – FOR ACTIVE EMPLOYEES

The Company confirms that the cost of health care plans will be paid 100% by the Company.

Dental Plan Benefits

The existing provisions of the dental care plan coverage will be maintained for the duration of the collective agreement. Furthermore, Schedule A expenses will be reimbursed at 100% up to the applicable limits.

Dental Plan – Schedule of Fees

For 2004, the 2003 schedule of fees will apply starting May 1, 2004.
For calendar year 2005, apply the 2004 schedule of fees.
For calendar year 2006, apply the 2005 schedule of fees.
For calendar year 2007, apply the 2006 schedule of fees.
For calendar year 2008, apply the 2007 schedule of fees.
For calendar year 2009, apply the 2008 schedule of fees.

Long Term Disability

The monthly benefit will cease at the earliest of the following occurrences:

- a) The date at which the disability ceases,
- b) The date at which the employee reaches 65 years of age,
- c) The death of the employee.

Current provisions will not be reduced by this proposal.

Long Term Disability Definition

An insured employee is considered totally disabled if, after having completed benefits under the Weekly Indemnity Plan, he is unable because of disease or injury to perform the duties of his regular occupation, for the ensuing twenty-four (24) months, and thereafter he 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.

Amend 1006 (a); update dates to reflect the term of the new agreement

Supplementary Health Care

Effective the day after ratification, brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

The parties recognize that the use of generic drugs is an important element for containing costs in a health care plan. Consequently, the parties agree to meet and develop a mutually agreed upon plan to increase the use of generic drugs. This initiative will take place within 12 months of the ratification of the collective agreement. The plan could include promotional campaigns to improve doctors and pharmacists' awareness regarding generic drug use.

Basic Life Insurance

Effective the first day of the month following ratification of the collective agreement, Basic Life Insurance will increase by \$10,000 and the improvement will be fully paid by the Company. The adjustments will be made as per past practice.

Accidental Death & Dismemberment

Effective the first day of the month following ratification of the collective agreement, Accidental Death and Dismemberment Insurance will increase by \$5,000 and will be at a minimum coverage level of \$50,000 for all eligible employees. This improvement will be fully paid by the Company.

Optional Life Insurance

Effective March 1, 2005, optional life insurance, fully paid by the employee, will be made available to employees less than 65 years old. This optional life insurance will be available to a maximum of \$200,000 in increments of \$25,000. With notification to the Human Resources Department, employees will be permitted once a year to amend their level of coverage. Formal notification of such change must be made by November 30th of the preceding year to be effective January 1st of the following year or later, upon acceptance from the insurance carrier following proof of good health.

Coverage premiums will be based on sex, age and smoker or non-smoker status; restrictions and exclusions will be subject to the insurance provider's plan policies. Associated premium costs will be administered through payroll deductions. Coverage will end at termination or upon retirement.

Existing additional life insurance coverage is no longer available to new applications.

Dependent Life Insurance

Effective the first day of the month following ratification of the collective agreement, life insurance will increase by \$5,000 for spouse and \$2,500 for children and the improvement will be fully paid by the Company.

Weekly Indemnity

Article 1005 (e):

Weekly Indemnity benefits shall be effective upon the exhaustion of the Sick Leave benefit. Weekly Indemnity is provided for at 8-26-70% (8th day of disability, maximum of 26 weeks at 70% of wages).

Maternity / Parental Leave

In the case of maternity leave and parental leave, the eligible employee will be granted a leave of absence in accordance with the Federal and/or Provincial laws.

Medical Forms

Amend 1006 (j); change \$10.00 to \$15.00 perform.

Vision Care

Effective the first day of the month following ratification of the collective agreement, the maximum reimbursement per insured individual will be increased to \$150.

Children With Disabilities

Insured children suffering from a physical or mental disability will continue to be covered beyond the maximum age as long as they are dependents of employee.

Memorial Leave

Amend the 12 hour shift agreements to change 40 hours to 48 hours.

SECTION B - FOR FUTURE RETIREES

For employees retiring after the first day of the month following ratification of the collective agreement, the death benefit coverage will be increased by \$1,000.

Effective February 1, 2005, brand name prescription drugs will be reimbursed at 80%. For generic prescription drugs and drugs with no generic, the

reimbursement will be 100%. Brand name drugs will only be reimbursed at 100% provided there is a medical justification from the treating physician for its generic equivalent not being recommended, not tolerated or cannot be administered given the medical condition of the insured participant.

Surviving Spouse Health Care Coverage

In the event of the death of a retiree covered under the health care benefit plan, the surviving spouse will have the option to continue to be covered by the plan provided the spouse pays the total cost of the premiums.

If there is no pension payment from which to deduct the premiums, the spouse will have to supply to the Company postdated cheques covering the coming year's premium payments. To maintain the coverage, the spouse will have to submit required information and payment as stipulated by the Company's procedures.

The coverage will cease if there is a change to the surviving spouse's marital status.

The current provisions for group insurance as well as the cost sharing will be maintained for the duration of the collective agreement.

SECTION C - FOR CURRENT RETIREES

The current provisions for group insurance as well as the cost sharing will be maintained for the duration of the collective agreement.

Surviving Spouse Health Care Coverage

In the event of the death of a retiree covered under the health care benefit plan, the surviving spouse will have the option to continue to be covered by the plan provided the spouse pays the total cost of the premiums.

If there is no pension payment from which to deduct the premiums, the spouse will have to supply to the Company postdated cheques covering the coming year's premium payments. To maintain the coverage, the spouse will have to submit required information and payment as stipulated by the Company's procedures.

The coverage will cease if there is a change to the surviving spouse's marital status.

Appendix A

Pension Plan for Ontario Hourly Employees of Abitibi-Consolidated Company of Canada

The Company and the International Association of Machinists and Aerospace Workers Lodge 771 agree to present a joint request to the Financial Services Commission of Ontario, and to the Canada Revenue Agency. The objective of the joint request will be to obtain from the government authorities permission to amortize starting in 2004, any pension plan solvency deficit over a period of 10 years instead of the prescribed periods under the law and the applicable regulations.

For Abitibi-Consolidated Company of Canada, Fort Frances Division

Len Robinson (Signed)

David Berry (Signed)

For the International Association of Machinists and Aerospace Workers Lodge 771

Gerald Hinrichs (Signed)

Rod Savage (Signed)

Robert Schulz (Signed)

Herman Pruys (Signed)

Appendix B

LETTER OF INTENT
 BETWEEN ABITIBI-CONSOLIDATED COMPANY OF CANADA
 FORT FRANCES DIVISION
 AND THE
 INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE
 WORKERS LODGE 771

The Company agrees to hold an annual meeting on the Pension Plan for Ontario Hourly Employees with union representatives chosen by each local union.

Current local agreements and practices related to attendance to the annual meeting shall remain.

Each mill representative will be paid as follows: for each regular working day lost, he will be paid his straight-time rate for the number of hours he would have worked.

Reasonable expenses related to transportation and hotel, if necessary, will be reimbursed for each mill representative. The Company will also contribute \$35 per day for incurred living expenses.

SIGNED at Fort Frances, Ontario, this 20th day of January, 2005.

For Abitibi-Consolidated Company of Canada

 Len Robinson (Signed)

 David Berry (Signed)

For the International Association of Machinists and Aerospace Workers
 Lodge 771

 Gerald Hinrichs (Signed)

 Rod Savage (Signed)

 Robert Schulz (Signed)

 Herman Pruys (Signed)

MEMORANDUM OF AGREEMENT FOR LOCAL ISSUES

- BETWEEN -

ABITIBI-CONSOLIDATED COMPANY OF CANADA
FORT FRANCES DIVISION

- AND -

INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, LODGE 771

The bargaining committee representing the above parties, all of whom have been duly authorized to negotiate and settle, and do hereby confirm settlement of all outstanding local matters between them and agree to extend the terms and conditions of the current Collective Agreement which expires on April 30, 2004 for an additional five (5) years, through to April 30, 2009 subject to the following amendments contained in this Memorandum of Agreement for Local Issues.

Subject to ratification by the Union under their internal rules and procedures, this Memorandum of Agreement for Local Issues will, upon such ratification change the current Collective Agreement, which will become the new Collective Agreement between the Union and Company in accordance with the terms herein.

While weekly indemnity is self-administered, the Company will provide a minimum of three (3) working days notice of intent to cease benefits, in writing to the employee, outlining the reasons for cessation." (For Memorandum of Agreement for Local Issues only)

Amend the first paragraph of page 90 of Collective Agreement to read: "Section Man, while operating Swing Loader - \$1.15 per hour above Section Man's rate, 4 hrs. minimum or 8 hrs, if worked over 4 hrs."

Amend the last full paragraph of page 89 of Collective Agreement to read: "A person qualifying for a 2nd class stationary engineer certificate who is in the line of progression shall receive seventy-five cents (\$0.75) per hour over his classified rate provided he doesn't deadhead. This does not apply to the Lead Operator I, Lead Operator II or Tall Oil Plant Operator."

Place the Letter of Understanding for Apprentices/Co-ops into the back of the Collective Agreement as Letter of Understanding# 5.

Place the Oilers Proposal Agreement, with amended first line, into the back of the Collective Agreement as Letter of Understanding# 3. Amend the first line to read: The following represents the agreement between the parties that resulted in a fifty (50) cent per hour adjustment to the Oiler wage rate which is presently reflected in Appendix " A " to this Collective Agreement.

Re-sign Letters of Understanding # 1 (12 Hour Shifts for Tour Millwrights) and Letter of Understanding# 2 (Flexibility).

The Company and Union agree to meet within sixty (60) days of ratification of this agreement to address the serious concerns raised by the Union regarding the scheduling of Recovery spares. (For Memorandum of Agreement for Local Issues only.)

Place the Tall Oil -Twelve (12) Hour Shift Agreement, with amended paragraph 17 and paragraph 18 deleted, into the back of the Collective Agreement as Letter of Understanding# 4. Amend paragraph 17 to read: The effective date of this Letter of Understanding was May 1, 2000.

Amend Appendix " A to reflect the following rates effective May 1, 2003:

Tall Oil Plant Operator with 4th Class Ticket: \$24.06

Tall Oil Plant Operator with 3rd Class Ticket: \$24.91

Replace the old Memorandum of Agreement with the new Memorandum of Agreement.

Replace the old Memorandum of Agreement for Local Issues with the new Memorandum of Agreement for Local Issues. (Preamble to Memorandum will remain as is currently on page 120 with appropriate date changes.)

Delete 704.6 Work on Wires in its entirety.

Remove the following from 2401: "The parties to this Agreement recognize the Apprenticeship and Tradesman Qualification Act, 1964, as it applies to employees covered by this Labour Agreement." and add the following: "The parties to this Agreement recognize the current Ontario Statutes and Regulations for Trades and Apprenticeships, as it applies to employees covered by this Labour Agreement."

Change Abitibi-Consolidated Inc. to Abitibi-Consolidated Company of Canada.

Amend section 2101 by removing paragraph (b) and by removing the first line of paragraph (c).

Wage Adjustment For Rigging

Effective the date of ratification, increase the wage rates of the following classifications by \$0.15: IAM trades, Oilers, Track crew, Recovery Operators and Tall Oil Plant Operators (apprentices will remain a percentage of the A rate).

The parties agree that all Rigging work and Rigging jurisdiction is shared by all Unions.

LETTER OF UNDERSTANDING
(For Memorandum of Agreement for Local Issues Only)
between
Abitibi – Consolidated (Fort Frances Division)
and
I.A.M. Local Lodge 771

The parties acknowledge that there are presently issues surrounding the functions of the job classification of "rigger".

The job classification of "rigger" is presently within the jurisdiction of CEP Local 92.

Notwithstanding the fact that IAM Local Lodge 771 members are currently being instructed to perform work that was within the jurisdiction of the "rigger" classification, and is now shared with the IAM through collective bargaining, the parties will meet to attempt to agree on an appropriate wage adjustment for employees who then may be required to perform historic "rigger" duties.

These discussions will begin within sixty (60) days of ratification of this agreement.

The failure to reach an agreement on the issue may be brought forward and addressed to a sole Arbitrator for final decision.

Any arbitration on the matter shall be conducted within the parameters of the attached Appendix "A" to this Letter.

APPENDIX " A

The Union shall notify the Company in writing within thirty (30) days, or a longer period if by mutual agreement, of a failure to reach agreement on the issue of a wage adjustment.

The parties shall within thirty (30) days of notification under Item 1 above, agree on a sole Arbitrator to hear the matter. The Arbitrator shall be agreed upon from the following list:

M. Mitchnick
W. Kaplan
R. Herman

Each party shall within thirty (30) days of any Arbitration hearing submit to the other party a preliminary position which they plan to present to the Arbitrator specifying the wage adjustment being sought.

The framework for the wage adjustment will be between \$0.15 per hour and \$1.86 per hour. The wage adjustment, if greater than the \$0.15 already being paid, will be paid retroactive to the date of ratification.

It is agreed between the parties that the Arbitrator shall first attempt to mediate an agreement with the parties prior to hearing full submissions and making a ruling.

The decision of the Arbitrator shall be final and binding on the parties unless otherwise agreed to by the parties.

The costs of any Arbitration shall be dealt with in the normal practice of Grievance Arbitration as recognized between the parties.

LETTER OF UNDERSTANDING#1
Compressed Work Week
Tour Millwrights
(12 Hour Shifts)

The 1998 Collective Agreement will be amended, if necessary, prior to printing to incorporate any subsequent changes to this document.

- (1) Where either party discovers a problem with this arrangement the Company and the Union shall meet to resolve the problem by mutual agreement. Should resolution not be attained either party may serve notice of cancellation on the other.
- (2) Either party may cancel the C.W.W. upon 30 days notification to the other party. If the 30 day notice is served the parties will revert back to the existing language of the 1990-1993 collective agreement regarding tour millwrights and that scheduling practice on the 31st day.
- (3) Scheduling abnormalities will not be the Company's responsibilities coming into or going out of 12 hour shifts with respect to 8 hour shifts.
- (4) Hours of work for the C.W.W. will be 7:00 a.m. to 7:00 p.m. and 7:00 p.m. to 7:00 a.m. or as mutually agreed.
- (5) H-days will be 4 twelve hour shifts.

H-days which have not been shown on the weekly schedule as of Thursday at 3:00 p.m. will only be granted at the discretion of the area Maintenance Superintendent. Present H-day and Vacation quotas will apply.
- (6) Vacations not booked and shown on the weekly schedule as in 5 above will only be granted at no penalty to the Company.
- (7) Mutuels must be approved by the Supervisor in charge of Tour Millwrights.
- (8) The working schedule shall be 4 on 4 off.

- (9) (i) Vacations will be scheduled tour to tour ie, a 4 day work period plus the 4 days off following. Statutory Holidays falling within this 8 day vacation period will be administered in accordance with Section 804.
- (ii) When a tour millwright's vacation starts on a Friday, then on that Friday and the following Monday the vacation quota will be as presently practised plus that one Tour Millwright.
- (10) Shift Differential will be paid in accordance with the following:
- 8 a.m. to 8 p.m. \$0.00
 8 p.m. to 8 a.m. \$0.67
Effective February 1, 2005 8p.m. to 8 a.m. \$0.80
- (11) In case of Funeral/Memorial leave of 3 day duration a maximum of 2 scheduled shifts will be substituted within the 8 day period stated in the current collective agreement.
- (12) In case of Funeral/Memorial leave of 5 days a maximum of 4 scheduled shifts will be substituted (**48 hrs pay**) within the 8 day period. The employee may choose only 3 scheduled shifts off at 36 hrs pay. All pay is at straight time rates.
- (13) Company sick pay will be based on 70% of what the employee would have been scheduled in the 7 day period.
- The total number of accumulated sick days will be reduced to 10 working days.
- The waiting period will be reduced from 3 days to 2 days.
- (14) Work on a Statutory Holiday will be as shown in the current collective agreement.

(15) Unworked Statutory Holiday Pay will be:

New Years	12 hrs
Easter	12 hrs
Canada Day	12 hrs
Labour Day	8 hrs if not scheduled to work 12 hrs if scheduled to work
Christmas Day	12 hrs

Pay for working on a run through holiday will be as per current collective agreement.

A Tour Millwright who volunteers to work on a statutory holiday shutdown as a day worker and who works 8 hours will be given one 12 hour shift off with 12 hours pay. If he works 12 hours or more he will be given one 12 hour shift off with 16 hours pay. This time off is to be taken within one year of earning it.

- (16) Relief for Tour Millwrights will be as presently practised and clause 401.2(d) will apply in the transition from night shift to day shift.
- (17) Should the tour relief person have only 36 hours worked due to tour relief he may at his option elect to work 4 or 8 hours on another day within that week. This would be at straight time rates. However, should the Company request that the relief person work the remaining 4 hours, premium time would apply to those 4 hours.
- (18) Junior Millwrights will be assigned to work as Tour Millwrights including spare Tour Millwrights. When a vacancy occurs a Senior Millwright may be assigned the job if he so requests it.
- (19) Wire Call schedule for Tour Millwrights and spare Tour Millwrights working on the Paper Machines is as follows:
- (i) Monday through Friday
 - (a) Paper Machine Millwright
 - (b) From 7:00 a.m. to 7:00 p.m. - the 7:00 p.m. to 7:00 a.m. Tour Millwright

- (c) From 7:00 p.m. to 7:00 a.m. - the 7:00 a.m. to 7:00 p.m.
Tour Millwright
 - (d) Designatedspares
 - (e) Tour Millwright on days off
- (ii) Saturday and Sunday
Tour Millwright will call in two Millwrights in the following order of call-ins.
- (a) Tour Millwright (opposite shift)
 - (b) Designatedspare tour millwright
 - (c) Paper Machine Millwright
 - (d) Tour Millwright on days off
 - (e) Any day Millwright

(20) JURY DUTY

Employees working 12 hour shifts will be paid the difference between the payment received for such duties and the regular pay they would have received for each scheduled 12 hour workday lost. An employee scheduled to work the 8:00 p.m. to 8:00 a.m. shift immediately prior to jury roll call or duty shall, upon request, be excused from work and receive jury duty pay from the Company for such shift. The employee is expected to report for work on his/her scheduled night shift immediately following discharge from jury duty or roll call if released prior to 2:00 p.m. An employee scheduled to work the day shift shall be excused from work with pay, if the employee is discharged from jury duty by the court after 12 midnight.

- (21) Upon mutual agreement this Letter of Understanding will be placed in the body of the Collective agreement as Clause 401.3 with title 12 Hour **Shifts** for Tour Millwrights.

LETTER OF UNDERSTANDING#2
FLEXIBILITY

The 1998 Collective Agreement will be amended, if necessary, prior to printing to incorporate any subsequent changes to this document.

1. (a) Any member of Lodge 771 working alone or as part of a group shall perform any work within his/her Lodge's jurisdiction in accordance with the main elements of this summarized Letter of Understanding below.
- (b) An employee's primary job duties will continue to be tasks associated with his/her bulletin classification, trade, craft and department with the following restricted skills. The Company and the Union agree there are certain tasks that require specialized skills, certification or licensing and will be restricted to qualified employees.

RESTRICTED SKILLS

Welders

- (1) Certified pressure welding
- (2) Welding of major structural components
- (3) Welding on high pressure applications (steam & air)
- (4) Welding on hazardous material lines eg. (chlorine, sulphuric acid, caustic)
- (5) Alloy welding.

Machinists

- (1) Machine repair work on roll journal heads etc.
- (2) Milling
- (3) Close tolerance turning
- (4) Roll and slit grinding

Millwright

- (1) Equipment alignment and assembly, carpenter work
- (2) Installations of major bearings (press roll, grinders, etc.)

- (3) Gear boxes, reducers, gear trains and couplings

Pipefitter

- (1) Steam up and shut down procedures of paper machines, steam and heating systems.
- (2) Installation, fabrication and repair of hazardous substance piping (gas, chlorine, sulphuric acid, etc.)
- (3) Installation, fabrication and repair of steam, condensate, hydraulic and air systems
- (4) Replace and repair wire and felt guides
- (5) Fire protection as per present practice

Garage Mechanics

- (1) Brake and steering systems overhauls
- (2) Engine and transmission rebuilds
- (3) Propane operated equipment
- (4) Fuel injector systems

Tinsmiths

- (1) Patterns and layouts and sheet metal fabrication
- (2) Use major shop equipment

Boiler House Repairman

Will maintain current practice and include expanded skills

Power and Recovery

Will maintain current practice of operating, opening & isolation of equipment. Also cleaning up within Power & Recovery. (refer to expanded skills)

Instrument Mechanic

Will maintain current practice and include expanded skills

I.B. & T Will maintain current practice
(refer to expanded skills)

Oiler Will maintain current practice
(refer to expanded skills)

EXPANDED SKILLS

1. (a) Any I.A.M. tradesperson can heat, cut, burn and tack weld.
(b) I.B. & T. can heat, cut and burn
2. Welders can do structural layout work.
3. Any I.A.M. tradesperson can grease or oil to complete the job.
4. Any I.A.M. tradesperson, including oilers can replace grease nipples, grease hoses, and adjust pump packings.
5. Any I.A.M. tradesperson can remove or replace guards.
6. Any I.A.M. tradesperson can be assigned to assist Journeymen in any task.
7. Steam and Recovery Operators can tighten valve packing, hoses and clamps.
8. Any I.A.M. tradesperson can perform minor carpentry work.
9. (a) Effective the date of ratification each tradesperson (non-tour) will receive an adjustment of \$0.50 per hour.
(b) (i) Apprentice rates shall remain as a percentage of the Journeyman's base rate.
(ii) The rates of pay for Helpers as of the date of implementation of flexibility shall be as follows:

Class 3	19.03
Class 2	19.33
Class 1	19.91
- (c) I.B. & T. Sectionmen when heating, cutting or burning will receive a \$0.50 per hour add-on (minimum of 8 hours).

- (d) Oilers when assigned to assist tradespersons will receive a \$0.50 per hour add-on (minimum of 8 hours).
 - (e) I.B. & T. Sectionmen will be paid Helper Class 3 rate when assigned to assist Journeymen.
10. (a) Tools and equipment required to perform duties outside of his/her regular job classification but within his/her Lodge's jurisdiction will be made available on an as-needed basis.
- (b) A joint committee of the Company and Union executive will be established to discuss training requirements. Training will be done by craft or department seniority with most senior person being trained first unless agreed to by joint committee.
- (c) Upon successful completion of training as outlined by the Joint Training Committee, the tradesperson may be assigned to the restricted skills outside of their normal craft to the extent of their training provided that all tradespersons in that craft are gainfully employed.
11. The Company will continue to recognize the existing crafts as outlined in Appendix A Wage Schedule and clause 503.3 of I.A.M. Collective Agreement.
12. (a) Arranged overtime and call ins will be by primary craft.
- (b) When an employee is assigned to a new task he/she will receive the hourly rate of the job being performed or his existing rate, whichever is greater.
13. Employment Security

All I.A.M. 771 members as of date of ratification will be protected from layoffs as a result of the implementation of the Maintenance and Operating Flexibility Concept.

An agreed to list of protected employees will be supplied to the Union prior to ratification.

All reductions as a result of the Maintenance and Operating Flexibility Concept will be accomplished through attrition.

14. The above provisions replace all practices and/or verbal or written agreements which contravene or prevent the application of this flexibility agreement. The above provisions are not intended to amend existing Collective Agreement provisions which do not relate to flexible work assignments, as called for by this Letter of Understanding.
15. Any interpretation to implementation and or working of this Letter of Understanding on Flexibility shall be subject to the grievance procedure.
16. Remove Article 3400 Trades Flexibility.

LETTER OF UNDERSTANDING#3
Oilers Proposal

The following represents the agreement between the parties that resulted in a fifty (50) cent per hour adjustment to the Oiler wage rate, which is presently reflected in Appendix " A to this collective agreement:

1. That as well as greasing or oiling to complete a job, any I.A.M. trade can add lubricant to I.A.M. jurisdiction equipment to diagnose a problem, or on a short term basis to keep equipment operational.
2. An oiler's primary job duties will continue to be tasks associated with his/her bulletin classification and will retain current practice regarding I.R.D., however oilers can be assigned to assist I.A.M. trades persons if they can be released from oiling duties.

If oilers are working on a regular oiling job and this job requires a continuation into the next shift in order to complete the job, then the oiler will have the opportunity to complete the job.

3. I.A.M. oilers duties in regards to minor lubrication repairs is as follows:
 - (a) Replace grease fittings and automatic oilers, unplug or change oil reservoir components. Replacement of grease hoses as per flex agreement.
 - (b) I.A.M. oilers open and close oil filler covers (excluding couplings) and replace gasket if required.
 - (c) I.A.M. oilers will do all minor maintenance on portable lubrication equipment used in oiling and greasing assignments in I.A.M. jurisdiction i.e. grease gun nozzles, hoses, fittings, and hand guns on electric grease pumps.
 - (d) I.A.M. oilers to remove and replace pipe caps and install short pipes for taking oil samples. (Pipefitters to install appropriate valves and piping to accommodate this).
 - (e) I.A.M. oilers to remove and replace pipe caps and connect and disconnect hoses for portable oil clearing equipment. (Pipefitters

to install appropriate valves and piping to accommodate this).
Equipment to have oil cleaned must be in I.A.M. jurisdiction.

- (f) Oilers will not be used to displace any I.A.M. tradespeople on overtime or call-ins. However, oilers may work/assist with tradespersons on overtime if no other tradespersons are available.

LETTER OF UNDERSTANDING #4
Tall Oil Plant Operators
(12 Hour Shift)

The Tall Oil Plant Operator and/or the Field Operator will be responsible for manual soap recovery. The parties agree that working together to increase soap recovery will ensure efficient operation of the Tall Oil Plant.

- (1) Where either party discovers a problem with this arrangement the Company and the Union shall meet to resolve the problem by mutual agreement. Should resolution not be attained either party may serve notice of cancellation on the other.
- (2) Either party may cancel this agreement upon 30 days notification to the other party, If the 30 day notice is served the parties will revert back to eight (8) hour shift schedules at the beginning of the first week following such (30) days.
- (3) Scheduling abnormalities will not be the Company's responsibilities coming into or going out of 12 hour shifts with respect to 8 hour shifts.
- (4) Hours of work for the Tall Oil Plant Operator will be 7:00 a.m. to 7:00 p.m. The spare Tall Oil Plant Operator may be scheduled outside these hours, at straight time rates.
- (5) H-days will be 4 - twelve hour shifts

H-days which have not been shown on the weekly schedule as of Thursday at 3:00 p.m., will only be granted at the discretion of the area Superintendent. Vacation quota will remain at one (1).
- (6) Vacations not booked and shown on the weekly schedule as in 5 above will only be granted at no penalty to the Company.
- (7) The area Shift Superintendent must approve all **mutuals**.
- (8) The working schedule shall be 4 on 4 off.
- (9) Vacations will be scheduled from the 4 on 4 off work schedule, i.e. 4 days of work plus the 4 days off following. Statutory Holidays falling within this

8 day vacation period will be administered in accordance with Section 804.

- (11) Shift Differential will be paid in accordance with the following:
- | | |
|------------------|--------|
| 7 a.m. to 7 p.m. | \$0.00 |
| 7 p.m. to 7 a.m. | \$0.67 |
- Effective February 1, 2005 7p.m. to 7 a.m. \$0.80**
- (12) (a) In case of Funeral/Memorial leave of 3 day duration a maximum of 2 scheduled shifts will be substituted within the 8 day period as stated in the current collective agreement.
- (b) In case of Funeral/Memorial leave of 5 days a maximum of 4 scheduled shifts will be substituted (**48 hrs pay**) within the 8 day period. The employee may choose only 3 scheduled shifts off and receive 36 hours pay. All pay is at straight time rates.
- (13) Company sick pay will be based on 70% of what the employee would have been scheduled in the 7 day period.

The total number of accumulated sick days will be reduced to 10 working days.

The waiting period will be reduced from 3 days to 2 days.

- (14) Work on a Statutory Holiday will be as shown in the current collective agreement.
- (15) Unworked Statutory Holiday Pay will be:

New Years	12 hrs
Easter	12 hrs
Canada Day	12 hrs
Labour Day	8 hrs if not scheduled to work 12 hrs if scheduled to work
Christmas Day	12 hrs

Pay for working on a run through holiday will be as per current collective agreement.

(16) JURY DUTY

Employees working 12 hour shifts will be paid the difference between the payment received for such duties and the regular pay they would have received for each scheduled 12 hour workday lost. An employee scheduled to work at 7:00 a.m. shall be excused from work with pay, if the employee is discharged from jury duty by the court after 12 midnight.

(17) The effective date of this document was May 1, 2000.

LETTER OF UNDERSTANDING #5

It is recognized and understood by the parties hereto that the purpose of this agreement is to allow the utilization of students of the Confederation College Mechanical Engineering Technician Program (Co-op Students) to eventually enter further employment with Abitibi-Consolidated Fort Frances Division as apprentices.

Co-op Students are required to complete two co-op work placements. The parties agree to support the placement and training of Co-op Students at the Fort Frances Division.

It is further recognized and understood by the parties hereto that it is not the purpose of this agreement to have Co-op Students replace I.A.M. bargaining unit members or to have the employment of Co-op Students replace I.A.M. bargaining unit work in whole or in part.

It is further recognized and understood by the parties that the sole intent of the utilization of Co-op Students within the context of this agreement is to eventually have these Co-op Students employed as apprentices and that they are not in fact apprentices until hired by the Company upon graduation from their Program inclusive of the Co-op placements.

Within the context of the above the parties hereby agree to the following:

1. The Company agrees to take apprentices from the existing I.A.M. membership as of the date of the signing of this agreement, based on approved apprenticeship numbers (currently 5 for 2003) and mill manning requirements. All existing I.A.M. members as of the date of the signing of this agreement are eligible for apprenticeships in accordance with current apprenticeship entry requirements and accepted mill past practice. The education requirements for all apprentice applicants (beyond those that are existing I.A.M. members as of the date of the signing of this agreement) will include either of the following:
 - (a) accreditation with the Ontario Association of Certified Engineering Technicians and Technologists (OACETT) as a Certified Engineering Technician or Technologist (C.E.T.) or

- (b) graduation from the Confederation College Mechanical Engineering Technician Co-op Program. Preference for apprenticeships will be given to IAM members with either of those qualifications.

No Co-op Students will be allowed until the five (5) I.A.M. apprentices are at work in their new craft.

2. After the fulfilling of these five (5) apprenticeships, all apprenticeship requirements will be filled on a 50 / 50 basis between I.A.M. members and either graduates of the Confederation College Mechanical Engineering Technician Program (Co-op Graduates) or CET graduates. For example if there is a further requirement for 2 apprentices, the first will be afforded to the senior, qualified I.A.M. member and the next to a graduate of either of the two above-noted programs. That rotation will be maintained for as long as this agreement remains in effect. If no qualified I.A.M. member bids for an apprenticeship when it was determined that it was to be afforded to the I.A.M. membership, the Company may elect to offer that apprenticeship to a qualified member of another mill union, a Co-op Program graduate or the company may hire from outside. If the I.A.M. is skipped over as a result of no qualified I.A.M. member bidding and another mill union member or Co-op Graduate is hired, or the Company hires from outside, then the next apprenticeship will be offered to the I.A.M. bargaining unit. If an apprenticeship is to come from the above noted Co-op program and an I.A.M. member is a graduate of that program, it is agreed that he/she will be the person afforded the apprenticeship.
3. The Company shall determine the types of apprenticeships being offered and will make reasonable efforts to accommodate individual preferences based on seniority. The types of apprenticeships will be communicated to the I.A.M. as soon as they are determined.
4. It is agreed that these apprenticeships and future I.A.M. apprenticeships will continue to be offered in accordance with the provisions of the collective agreement. (Bulletin Procedure)
5. Study time will be reviewed on a case-by-case basis, for the existing I.A.M. members at the date of signing of this agreement, to be

determined by the Apprenticeship Committee.

6. The Union agrees to maintain the practice of co-operation and a willingness to train for all apprentices and Co-op Students. It is understood that the responsibility of assigning tradesmen to work with apprentices and Co-op Students will reside with the Company and will conform to all regulations. It is understood that tradesmen so assigned will participate in ongoing evaluations of the apprentices and Co-op Students in conjunction with Company supervision.
7. Co-op Students will be considered temporary employees for the purpose of this agreement only. This agreement in no way is to be construed as an acceptance of an employment status of "temporary employee" other than for the purposes specifically stated herein.
8. Co-op Students will not be entitled to benefits except for all statutory benefits, including vacation and holidays and those specifically stated within this agreement. All such statutory benefits including vacation and holidays will be in accordance with the Employment Standards Act.
9. Co-op Students will pay union dues to the Union as determined by I.A.M. Lodge 771 and shall be represented by the Union in matters arising from their employment consistent with those of regular Union members.
10. Co-op Students will be subject to all Mill Rules.
11. Co-op Students will be considered the most junior employees in the event of a lay-off and in no way will be retained ahead of any other I.A.M. member.
12. Co-op Students will not be issued nor shall they carry tools during the period of their employment as Co-op Students. Each Co-op Student will have access to tools through the Journeyman he/she is assigned to for training purposes. It is understood that Co-op Students shall not nor shall they be requested to work by themselves. They must be assigned to work with a Journeyman at all times. The intent of the Co-op placement is to enable Co-op Students to gain credited hours towards their first year apprenticeship under the MTCU

apprenticeship guidelines and that such apprenticeship would continue with the Fort Frances Division.

13. The Company shall not incur any costs related to the co-op program and student placement except as specifically provided for within this agreement. For clarification, the Company will not pay for any portion of the costs for tuition, books, travel, exams, certification, etc.
14. Co-op Students, during their first work term, shall be paid the rate of a 1st year apprentice in accordance with the collective agreement. Should Co-op Students work a 2nd term, they shall continue to be paid the rate of a 1st year apprentice in accordance with the collective agreement. Should Co-op Students be hired as apprentices after graduation, they will be hired at the rate of 2nd year apprentices in accordance with the collective agreement.
15. Co-op Students shall not be offered any overtime work before any I.A.M. bargaining unit members.
16. Co-op Students shall not be offered any work on Stats before any I.A.M. bargaining unit members.
17. All existing collective agreement language and practices with respect to apprentices will continue unless otherwise specified or modified within this agreement.
18. The Company agrees to provide the Union proof that Co-op Students are registered participants in the Confederation College Mechanical Engineering Technician Program.
19. The Company agrees that hiring preference for Co-op Students will be given to those Co-op Students from the district, if available.
20. Nothing agreed to herein shall be considered a commitment by the Fort Frances Division to hire graduates of the co-op program nor is it to be considered as a commitment by the Union to anything other than the specific terms of this agreement.
21. The parties hereby agree that this Letter of Understanding exists only for as long as the Confederation College Mechanical Engineering

Technician Program exists or until this Letter of Understanding is either amended or **done** away with in future collective bargaining or **by** mutual agreement.

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