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A G R E E M E N T

Between

KIMBERLY-CLARK FOREST PRODUCTS INC.

Hereinafter referred to as "The Company"

and

LOCAL 2693, IWA CANADA

Hereinafter referred to as "The Union"

September 1, 1998 to August 31, 2001

ARTICLE I - PURPOSE

1.01 The purpose of this Agreement is to secure for the Company and the Union the full benefits of orderly and legal collective bargaining in respect to hours, wages, working conditions, and living conditions as specified in Article X of this Agreement, and to ensure to the utmost extent possible the safety and physical welfare of the employees, economy of operation, quality and quantity of output and protection of property. This Agreement, moreover, seeks to provide for fair and peaceful adjustments of all disputes that may arise between the parties. It is recognized as a duty of the parties hereto and of all employees to cooperate fully, individually and collectively, for the advancement of the conditions set forth herein.

ARTICLE II - PERIOD

2.01 The Company and the Union agree one with the other that they will abide by the Articles of this Agreement from September 1, 1998 to August 31, 2001 inclusive, and from year to year thereafter unless either party desires to change or terminate the agreement, in which case the party desiring the change or termination shall notify the other party, in writing, at least sixty (60) days prior to September 1 of the particular year that such is its desire. Either party opening the Agreement in the manner provided above shall notify the other party in writing as to the changes desired.

ARTICLE III - RECOGNITION - JURISDICTION

3.01 (a) The Company recognizes the Union as the sole collective bargaining agency for all of its employees who are engaged in woods operations on the limits, and on the work sites, of the Company. For purposes of this Article, Company employees shall be all those employed in the job classifications set out in the Wage Schedule attached to and forming a part of this Agreement, including those who are employed on job classifications which may be established and become part of the attached Wage Schedule during the term of this Agreement.

3.01 (b) The employees of contractors engaged by the Company on the limits and work sites of the Company shall be considered employees within the terms of this Agreement, save and except the employees of contractors and/or the contractors who are engaged to perform occasional special services not commonly performed by employees covered by the terms of this Agreement, employees of contractors where such contractors are engaged for the purpose of erecting structures and where such a contractor is bound by an Agreement with a Union or Unions affiliated with a central labour body covering such work.

3.01 (c) The Company and the Union agree that an operator who enters into a third party agreement with the Company and the Ministry of Natural Resources, and produces forest products for the Company or any of the negotiating companies, shall have an agreement with the Union covering such operations. See Attached Letter in Appendix A.

3.01 (d) Employees shall be permitted to own mechanical equipment in all phases of the operation subject to the following conditions:

1. It will not interfere with the application of seniority. Operators will be assigned to equipment in accordance with the provisions of the Collective Agreement;
2. Employee-owned equipment will be on a voluntary basis. No employee shall be required to own or lease any equipment as a condition of employment;
- 3(i) Senior employees will be given first opportunity to lease or purchase such equipment subject to Article XII - Seniority 12.01, paragraph 1. This opportunity will be posted for a maximum of five (5) working days on all Bulletin Boards. This will apply to all equipment vacancies.
- 3(ii) The number of employees owning or leasing equipment will not exceed 20 percent of the number of employees on the seniority list submitted in accordance with Article 12.06 and to be calculated each year at that time. It is agreed that this does not include the truck fleet.
- 3(iii) Repairs shall be carried out by Company tradesmen employed in the job classifications of the wage schedule of the Collective Agreement. No mechanics or welders on the payroll will be laid off due to the introduction of employee owned equipment. All equipment owners will be encouraged to use the Company maintenance facilities and tradesmen.

ARTICLE III - RECOGNITION - JURISDICTION (Contd)

- 3.01(d) 3(iv) It is understood that operators scheduled on such equipment may be required to perform maintenance or minor repairs during their scheduled work shift.
- 3(v) It shall be a continuing Company obligation to ensure that all terms and conditions of the Collective Agreement are adhered to.
- 3(vi) No employee will be laid off due to the use or repair of employee owned equipment.
4. The Company and Union will work together to ensure no bonus is being paid.
5. The Company will continue its present practice of providing financial assistance and will provide business training to employees who are to be equipment owners.
6. The Company is prepared to offer work to the employee's equipment ahead of Company owned or leased equipment.
7. The owners' contract will establish seniority as of the date it becomes operative on the limits and work sites of the Company. A list will be provided to the Union as changes occur. (It is understood that this applies only to machines with all inclusive rates.)
8. Equipment operators may have tools in their trucks, or equipment, to do minor repairs.
9. No employee shall own more than three (3) pieces of equipment in the Cut and Skid operations.
10. Employees have to be actively at work to own equipment. Employees absent from the workplace for eighteen (18) months must remove their equipment from the limits and worksites of the Company.

It is understood that none of the above provisions of this document apply to the truck fleet.

3.02 Supervisory personnel, which includes contractors whose employees are considered to be employees under this Agreement, shall not perform work which would normally be a function of an employee in the job classifications covered by this Agreement, except when instructing employees and in cases of emergency which involve physical danger to employees or danger to property.

3.03 It is agreed that Company operations shall not be interrupted as a result of any jurisdictional dispute that may arise between the Union and any other Union. Questions of jurisdiction shall conform to the regulations covering such matters in accordance with the provisions of the Labour Relations Act of Ontario.

ARTICLE IV - RATES AND CLASSIFICATIONS

4.01 The Wage Schedule is attached hereto, and forms a part of this Agreement.

ARTICLE IV – RATES AND CLASSIFICATIONS (Contd)

4.02 If during the life of this Agreement, a change in job content occurs in any job classification listed in the attached Wage Schedule the rate thereto shall be adjusted by negotiations between the parties. Upon failure to reach agreement, the matter may be referred to Stage 3 of the Grievance Procedure.

4.03 When changes are to be made in operating methods including major alterations in established work patterns requiring the establishment of new job classifications, the Company will give the Union at least thirty (30) days' advance notice in writing.

During the thirty (30) day period prior to the implementation of such changes, upon request by the Union, the Company will meet with the Union and discuss such changes.

For the new job classifications, the Company shall set temporary rates. Any such rates will be based on comparison with prevailing rates for similar and/or related occupations in the attached Wage Schedule.

Following the implementation of such changes, negotiations for rates covering the new job classifications resulting from such changes shall commence without delay.

After agreement is reached such rates shall become part of the attached Wage Schedule.

In the event that the parties do not reach agreement on the rates for the new classifications within thirty (30) days of the effective date of the change or alteration the matter may be referred to Stage 3 of the Grievance Procedure. The thirty (30) day period may be extended by mutual consent of the parties.

New rates when established shall be retroactive to the date of establishment of the new classification.

4.04 The Company agrees that when a rate for a job classification is or becomes part of the attached Wage Schedule, the Company will not change the method of payment for such job classification from daywork to piecework or vice versa if such a change adversely affects the average earnings of the employees concerned.

ARTICLE V - UNION MEMBERSHIP

5.01 The Company agrees that it is in favour of its employees covered by this Agreement becoming members of the Union and will facilitate Union membership solicitation as hereinafter provided.

5.02 (a) Any employee who is now a member in good standing or who becomes or is reinstated as a member of the Union shall, as a condition of continued employment, maintain such membership in good standing throughout the term of this Agreement. In the event of the Union intending to suspend a member, the Company shall be notified by the Union in writing at least seven (7) days before such suspension.

ARTICLE V - UNION MEMBERSHIP (Contd)

5.02 (b) When hiring employees the Company will, after complying with Article XII of this Agreement, give preference to local Union members, children of employees, and then other union members who apply and are capable of doing the work required of them. If Union members are not available the Company shall have the right to hire non-Union help until such time as Union members are available. The Company further agrees to advise the Union office of all its labour requirements from time to time thereafter. The Company shall furnish the Union Steward with a list of new employees arriving in camp each week.

5.02 (c) New employees shall make application to join the Union when first approached to do so by a duly authorized Union Steward, Official or Representative. The Company shall upon hiring advise all new employees by letter, with a copy to the Union Steward, to report to the Steward within ten (10) days of commencing work. Failure of an employee to comply with the conditions herein shall be cause for immediate termination of employment.

5.02 (d) The Company shall put employees on check off at the time of hire or return to work and deduct the Union's membership dues from monies due them.

5.03 If an individual employee, who is a member of the Union or becomes a member, so desires, the Company agrees that it will, on his behalf and upon his written request, deduct Union initiation fees, assessment, and/or monthly membership dues from monies due him. The deduction authorization shall be transferred from camp to camp during the course of his employment.

5.04 Remittances of all deductions shall be sent to the local Union, said remittances to be accompanied by itemized lists in alphabetical order, in duplicate, of names, with Christian names, social insurance numbers when authorized by Union members, and amounts by camps. The Company will endeavour to deliver these lists as soon as possible, but no later than the end of the following month. The Company shall include in each employee's income tax slip (T-4) the amount of union dues deducted in the calendar year.

5.05 Representatives carrying proper credentials shall have the right to visit all operations in connection with Union business as it pertains to the Company's operations. Credentials carried by the Union representatives shall consist of a Certificate of Authority signed by the President and Secretary of the local Union and shall be presented to a Company official upon arrival at a camp or other site of operations if requested. Said representatives will be provided board and lodging, if available, on the Company premises at the prevailing contract rate.

5.06 The local Union shall furnish the Company with a list of local Officers and Representatives, and shall amend these lists as changes occur.

5.07 The Company will furnish a list of supervisory personnel to the Union office at the start of the contract year and amend it, if required, at the end of each month. The amended list will show the effective date of the changes. Failure to advise the Union of such changes will not in any way affect the authority of Company supervisors.

ARTICLE VI - VACATION WITH PAY

6.01 (a) Vacation Pay shall be paid to each employee by cheque to be issued at the time of termination of employment or at the employee's option, at the time of layoff, or when vacation is taken.

Income tax on Vacation Pay credits shall be determined along with regular earnings each pay period.

6.01 (b) (i) Each 2 percent increment of Vacation Pay entitles an employee to one (1) week of time off.

(ii) An employee who has worked continuously for one (1) year must take his full entitlement to time off, at a time or times satisfactory to himself and his Supervisor.

(iii) An employee has the right to take his full entitlement to time off, whether or not he has worked continuously for one (1) year, at a time or times satisfactory to himself and his Supervisor.

(iv) Employees will be provided the opportunity to take half their allowed vacation time at one time. The Company reserves the right to determine the number of employees allowed off on vacation at any given time in each area.

(v) Effective Date of Ratification, employees will receive an additional \$20 per week for each week of regular vacation taken.

Effective September 1, 1999, increase the \$20 per week to \$40 per week.

Effective September 1, 2000, increase the \$40 per week to \$60 per week.

6.02 Vacation with Pay credits shall be paid on the following basis:

(a) 4 percent of gross earnings for employees who have worked less than 800 days.

(b) 6 percent of gross earnings for employees who have worked 800 days or more but less than 2,000 days.

(c) 8 percent of gross earnings for employees who have worked 2,000 days or more but less than 4,000 days.

(d) 10 percent of gross earnings for employees who have worked 4,000 days or more but less than 5,400 days.

(e) 12 percent of gross earnings for employees who have worked more than 5,400 days.

ARTICLE VI - VACATION WITH PAY (Contd)

(f) Supplementary Vacation with Pay:

Employees who have worked more than 5,000 days for the Company shall receive the following additional vacation in the calendar year in which they attain:

- Age 60 - 1 week (2 percent of gross earnings)
- Age 61 - 2 weeks (4 percent of gross earnings)
- Age 62 - 3 weeks (6 percent of gross earnings)
- Age 63 - 4 weeks (8 percent of gross earnings)
- Age 64 - 5 weeks (10 percent of gross earnings)

6.03 Days worked for purposes of this Article shall mean all days worked, plus working days which normally would have been worked but were lost as a result of sickness or injury certified by a licensed physician, dentist, or chiropractor, and all total days on Union business, off-the-job training, vacation, holidays with pay, jury duty and bereavement leave in any calendar year. An employee who has established seniority in accordance with Section 12.02 of Article XII shall retain his accumulation of service for his rate of vacation pay for as long as he retains seniority rights with the Company.

ARTICLE VII - HOLIDAYS WITH PAY

7.01 Employees who qualify under Section 12.02 shall be paid without the performance of work for the following holidays: New Year's Day, Good Friday, Victoria Day, Dominion Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day.

When any of the above holidays fall on Saturday, it shall be observed on the preceding Friday, and if the holiday falls on Sunday, it will be observed on the following Monday.

Employees who have accumulated one hundred and twenty (120) days seniority will be granted two (2) floating holidays per year. Such holidays will be taken at a time satisfactory to the employee and his supervisor.

An employee who by reason of layoff is prevented from taking his floating holidays shall receive pay in lieu of such holidays.

7.02 (a) An employee, who qualifies under Section 12.02, who works any of the available work days within the thirty (30) day period immediately prior to the holiday and does not leave work sooner than two (2) days before the holiday and is ready for work on the morning of the second (2nd) day after the holiday, unless his return to work on time is prevented by circumstances beyond his control, shall receive pay for the holiday unless he quits during the thirty (30) day period immediately prior to the holiday.

An employee, who desires to leave prior to the holiday and is ready for work for the second day following the holiday, shall make reasonable arrangements with the Company prior to leaving, unless other arrangements have been agreed to between the Company and Union either at camp level or at management level.

ARTICLE VII - HOLIDAYS WITH PAY (Contd)

7.02 (b) If an employee, who qualifies under Section 12.02 and who works any of the available work days within the thirty (30) days immediately prior to the holiday, is on authorized leave of absence other than as provided in 7.03 when the holiday occurs, he shall receive holiday pay for the first holiday that occurs during his absence, provided he returns to work on time, unless his return to work on time is prevented by circumstances beyond his control.

7.02 (c) An employee, who qualifies under Section 12.02, who is obliged to cease work due to a layoff during the thirty (30) day period immediately prior to the holiday, shall receive holiday pay for the holiday(s) within such thirty day period.

7.02 (d) An employee, who qualifies under Section 12.02, who is obliged to cease work due to sickness or accident certified by a licensed practitioner during the twenty-one (21) day period immediately prior to the holiday shall receive holiday pay for the holiday(s) within such twenty-one (21) day period.

7.02 (e) If an employee who qualifies under Section 12.02 is recalled and works any time during the fourteen (14) calendar day period immediately following the holiday, he shall receive holiday pay for the preceding holiday.

7.02 (f) An employee who qualifies under Section 12.02 and is on vacation shall be entitled to holiday pay and additional time off for any holidays occurring within such vacation period.

7.03 A special leave of absence shall be granted to a qualified employee who must travel a long distance to be home for Christmas, in which event such an employee will receive pay for the holidays provided he returns on time. Any request for such leave of absence must be made to the Camp Foreman no later than December 1st. Where an employee is prevented by circumstances beyond his control from returning to work on time, he shall be paid for the holidays.

7.04 (a) If qualified, a dayworker shall be paid a day's pay at his or her regular rate for the holiday.

7.04 (b) A dayworker who is requested to work on any holiday shall be paid for all time worked at the rate of time and one-half his regular rate and, if qualified, in addition, shall receive one (1) day's pay at such regular rate in lieu of the holiday.

Double time will be paid after eight (8) hours of work on a holiday.

7.05 On April 28th of each year, the Company flag shall be flown at half mast in recognition of those workers fatally injured.

ARTICLE VIII - ADJUSTMENT OF GRIEVANCES

8.01 It is the mutual desire of the parties hereto, that complaints of employees be adjusted as quickly as possible and it is generally understood that an employee has no grievance until he has given to his Foreman an opportunity to adjust his complaint.

ARTICLE VIII - ADJUSTMENT OF GRIEVANCES (Contd)

8.02 (a) The Union shall arrange for the election from its working membership at each camp, by the members therein, of a Union Grievance Committee of three (3), headed by a Union Steward who shall act as spokesman for that Committee. In the absence of the Steward, the Company will recognize a delegated member of the Grievance Committee as spokesman. Immediately after an election, the Union Grievance Committee in the camp will notify the foreman in writing as to the names of the Union Steward and the members of the Union Grievance Committee elected and the foreman will acknowledge in writing the receipt of such notice. The Company foreman shall not be required to recognize either the Union Steward or the Union Grievance Committee until such time as this procedure is carried out.

8.02 (b) It is agreed that there shall be no discrimination exercised in any manner towards the Stewards or Union Grievance Committee.

8.03 A grievance under the provisions of this Agreement is defined to be any differences between the parties or between the Company and employees covered by this Agreement involving the interpretation, application, administration or alleged violation of any of the provisions of this Agreement.

8.04 Grievances as defined above may be taken by the employee, by the Union Steward or the Union Representative having jurisdiction directly to the employee's immediate supervisor for adjustment outside working hours. No grievance shall be recognized unless this procedure is followed. The grievance shall be presented without undue delay. Any grievance submitted to the Foreman, in accordance with this procedure, in writing, will be disposed of by the Foreman, in writing. Where a grievance has been submitted in writing, it will be dealt with in writing at all stages thereafter. Failing a satisfactory adjustment within forty-eight (48) hours, then,

Stage 2 The matter shall be taken up by the Union Grievance Committee and/or Union Representative with the Operations Superintendent within ninety-six (96) hours in writing on forms to be supplied by the Union. The Operations Superintendent shall make a reply in writing within a further ninety-six (96) hours. Failing a satisfactory adjustment, then,

Stage 3 The matter shall be taken up by the Officers of the Local Union and/or their representatives with the Vice President - Woodlands of the Company or his representatives. Failing a settlement within seven (7) days, then,

Stage 4 The matter shall be referred to the Vice President - Woodlands of the Company or his representative and a Union Committee accompanied by the Union's President or his representative. Failing a settlement within fifteen (15) days, then,

Stage 5 Either party may, within the following fifteen (15) days, refer the matter to arbitration.

ARTICLE VIII - ADJUSTMENT OF GRIEVANCES (Contd)

8.05 A grievance arising from a claim by an employee that his discharge or suspension by the Company was unjust or contrary to the terms of this Agreement, must be dealt with in writing by both parties, and must be presented to the Company not later than ten (10) days after the discharge or suspension becomes effective. Where such an employee's grievance is not processed from the first stage before he leaves the camp, it must be processed starting at the third stage of the grievance procedure. In case of discharge or suspension by the Company, the Company will immediately notify the employee in writing of the reason for such discharge or suspension. A copy of such notice shall be submitted to the Union Steward within twenty-four (24) hours. In the event that an employee is found by an arbitration board to have been unfairly discharged or suspended by the Company, the Company agrees that the employee will be reinstated on his job under terms and conditions decided by the arbitration board.

8.06 Grievances which involve Company policy in respect to interpretation, application, administration, or alleged violation of the Agreement, may be processed commencing at Stage 3 of this grievance procedure.

8.07 If the Company has a grievance as defined in Section 8.03 it shall commence at Stage 3 of this grievance procedure by the Vice President - Woodlands or his representative presenting the matter in writing to the Officers of the Union. Failing satisfactory settlement within seven (7) days, then the matter shall be referred to the President of the Union or his representative by the Vice President - Woodlands of the Company or his representative. Failing a settlement within fifteen (15) days, then either party may within the following fifteen (15) days refer the matter to arbitration.

8.08 In arbitration the Company and the Union shall each select one man and these two men shall select a third party who shall act as chairman. Either party shall appoint its nominee no later than five (5) days after receipt of written notice of the other party's nomination. The arbitration board's decision shall be final and binding on both parties to this Agreement. In the event of the failure of the two (2) men selected by the respective parties to select a third party as provided above, they shall ask the Provincial Minister of Labour to appoint a third party. Nothing herein shall prevent the parties from mutually agreeing to a sole arbitrator to arbitrate grievances arising out of discipline or discharge.

8.09 It is understood that the function of the arbitration board shall be to interpret and apply this Agreement and that it shall deal only with the specific questions as submitted and shall have no power to alter, add to, or amend this Agreement. However, the function of the arbitration board shall include the power to consider adjustments to individual job classifications under Section 4.02 and rates for job classifications under Section 4.03 and to revise the rates therefore. The arbitration board shall have no power to decide questions involving general wage adjustments.

8.10 Each party to this Agreement shall pay all expenses of the members of the arbitration board selected by it or by the Minister of Labour, and shall share equally in the fees and expenses of the third member of the board.

8.11 Where mutually agreed, and prior to arbitration, the parties will share equally in the cost of a mediator, whose decision shall be binding. The parties will mutually agree to a list of mediators. If the parties cannot agree to the mediation process, the terms of the Collective Agreement shall apply.

ARTICLE VIII - ADJUSTMENT OF GRIEVANCES (Contd)

8.12 Saturdays, Sundays, statutory and legal holidays shall not be included in any time limits in this Article of the Agreement.

ARTICLE IX - NO STRIKE - NO LOCKOUT

9.01 There shall be no strikes caused, called or supported by the Union or its members, nor lockouts by the Company during the life of this Agreement.

ARTICLE X - WORKING AND LIVING CONDITIONS

10.01 It is agreed that the Company and the Union shall cooperate collectively in improving safety and first aid practices. The Company and the Union agree to set up and maintain a joint safety committee in each camp to promote safe working conditions and practices. There will be at least two (2) meetings of the Safety Committee each calendar quarter. The position of Chairman shall alternate between a Company Co-Chairman and a Union Co-Chairman. The Chairman of each meeting shall make a report in triplicate - copies going to the Company office, the Union office and the Camp Bulletin Board.

A member of the Committee is entitled to such time from his work as is necessary to attend meetings of the Committee, and the time so spent shall be deemed to be work time, for which he shall be paid by the Company at his regular or premium rate as may be proper.

The Company agrees that it will maintain good and safe transportation practices, and further agrees that there shall be a qualified First Aid Man in each camp, such First Aid Man to have proper visible identification.

It is the intention of the Company to maintain its camp access roads in good condition when in use.

The Union co-chair shall receive appropriate, and mutually agreed to, training as a Certified Worker Representative provided the employee serves in this role for a minimum of two (2) consecutive years, unless unforeseen circumstances arise.

10.02 It is agreed that there shall be emergency First Aid kits at or near work sites and in all vehicles regularly used for the transportation of men.

10.03 (a) It is agreed that present standards of service will be maintained with respect to transportation, medical service. The Company agrees to provide adequate facilities for the transportation of injured or sick employees. Any charges for such services shall not be increased unless mutually agreed to. The Company agrees to provide radio communication from all operating camp sites during the term of this Agreement.

ARTICLE X - WORKING AND LIVING CONDITIONS (Contd)

10.03 (b) The Company will provide free insurance coverage against loss by fire of employees' personal belongings and loss by fire or theft of employee-owned power saws to a maximum of Two Thousand, Five Hundred (\$2,500) Dollars and will provide additional free insurance coverage against loss by fire or theft of tradesmen's tools normally required by tradesmen to the full value of such tools, while on Company property or work sites. It is understood that coverage for theft of power saws and tools shall only apply where they are stored in a designated place of safety within the control of the Company. Damage to employee-owned power saws due to Company negligence will be compensated for by the Company at their full replacement value. An employee who causes a fire willfully or through gross negligence will not be reimbursed for any resultant loss. Suitable arrangements for protection against theft of employee-owned power saws will be made at camp level between the Company and the Union.

10.04 (a) Employees shall be paid every second Thursday; cheques to be negotiable on that day.

10.04 (b) Interim advances will be made only in instances of evident emergency. Should a Paid Holiday occur on Thursday pay day or Friday, payment will be made on Wednesday of that week.

10.04 (c) In instances of authorized extended leave of absence, cash advances will be issued to the extent of the employee's payroll credit.

10.04 (d) A Time and Earnings Statement will be provided to each employee for each pay period. This statement will carry complete detail of rates of pay, hours worked, earnings, accrued Vacation Pay credit, and deductions covering the period. Explanations of payroll codes will be posted in each camp.

10.04 (e) Where twenty-four (24) hours' notice of termination of employment by the Company or the employee is rendered the Company agrees that every reasonable effort will be made to make a full settlement within twenty-four (24) hours after such termination, Saturdays, Sundays and legal holidays excepted.

10.05 All hand tools and equipment required on the job will be made available to employees on loan. When an operator of equipment is required by the Company to do a mechanical repair job, he will be furnished such tools as are required on loan. All tools and equipment not returned will be charged for in full. Worn out or broken tools will be replaced with serviceable tools free of charge, provided that the worn out or broken tools are returned. No person shall be required to own or rent any tools or equipment as a condition of employment, unless otherwise specified in this Agreement.

10.06 Only factory built buses shall be used for the road transportation of men; same to have adequate seating accommodations, emergency exit doors and to be equipped with racks for the safe carrying of tools and gasoline containers. Shelters shall be provided for employees at designated waiting places, such shelters to have heating facilities. The Company will, for the safety of its employees, have either communication or transportation available at designated waiting places. (See attached Letter of Understanding)

10.07 The Company agrees to discuss with the Union in each particular operation ways and means of improving conditions for all employees covered by this Agreement, and also the interpretation of this Agreement.

ARTICLE X - WORKING AND LIVING CONDITIONS (Contd)

10.08 The Company, consistent with its policy to promote and ensure the safety of its employees, will not require an employee to work alone in an isolated area unless such operation is deemed safe, and frequent communication with such employee will be maintained by his supervisor on a scheduled basis.

10.09 The Company agrees that it will furnish, on loan, all safety equipment and personal safety apparel save and except safety pants, safety boots, and safety gloves and mitts.

The Company subsidy for approved safety clothing for personal use will be as follows:

Safety boots	- \$40 per pair
Safety pants	- \$12 per pair
Safety mitts and gloves	- \$ 7 per pair

Effective September 1, 2000 - Safety boots \$45 per pair, maximum two (2) pairs per year.

The wearing of safety equipment and apparel will not become a condition of employment unless it has been agreed to by the Company and the Union, or is mandatory under Government legislation.

10.10 The Company agrees that there will be no shacking or batching by employees covered by this Agreement who are engaged in producing and delivering operations on its Limits and/or work sites unless mutually agreed to by the Union and the Company.

10.11 (a) The Company agrees to provide free transportation to all employees who are transferred from camp to camp at the Company's request or in the exercise of seniority under the terms of Article XII - Seniority.

Employees shall have the option of using their own vehicle for transportation. In such cases the employee shall first notify the Company of his intention to do so and effective date of ratification shall be paid twenty (20) cents per kilometer.

10.11 (b) Scheduled working time lost as a result of such transfers shall be paid for at the regular straight time rates for dayworkers, and normal travel time, outside an employee's scheduled working hours, will be paid for up to a maximum of eight (8) hours at the regular straight time rates for dayworkers.

10.12 Lunch boxes and thermos bottles shall be issued, on loan, to all employees and shall have been sterilized before issue.

10.13 The Company shall supply mechanics, welders and electricians suitable coveralls and provide for the laundering of same free of charge.

10.14 Tradesmen and helpers, carpenters and servicemen assigned to a bush garage shall receive fifty (50) cents per hour in addition to the applicable hourly rate. Tradesmen and helpers, carpenters and servicemen assigned to a main camp or central garage required to perform work of their trade away from a main camp or central garage will be paid fifty (50) cents per hour in addition to the applicable hourly rate for all such hours worked away from the main camp or central garage.

ARTICLE X - WORKING AND LIVING CONDITIONS (Contd)

Tradesmen and helpers assigned to work in the yard of the main camp or central garage for one (1) full shift or more will be paid fifty (50) cents per hour in addition to the applicable hourly rate for such hours worked in the yard.

ARTICLE XI - HOURS OF WORK

11.01 (a) The week for operations shall be six (6) days per week, Monday to Saturday inclusive.

The work week for day or shift workers shall be forty (40) hours, eight (8) hours per day, Monday to Friday inclusive or Tuesday to Saturday inclusive. (See Letter of Understanding attached in Schedule B.)

It is agreed that daywork or shift work employees may be requested to work in excess of their regular work day or shift or work week and will be paid in accordance with Section 11.05 for such time worked. If an employee requests to be excused from working overtime, permission will not be withheld.

11.01 (b) For the purpose of this Agreement, Sunday, a Paid Holiday and the "sixth day" (Saturday or Monday) shall begin at 7:00 a.m. that day and end at 7:00 a.m. the day following. (See Letter of Understanding attached in Appendix B.)

11.02 (a) The work day or shift shall consist of eight (8) consecutive hours between the hours of 7:00 a.m. and 5:00 p.m., mealtime excepted.

11.02 (b) The night shift shall consist of eight (8) consecutive hours between the hours of 7:00 p.m. and 5:00 a.m., mealtime excepted. However, it is agreed that on Fridays the night shift may, at the request of the employees or the Company, and by mutual agreement, be scheduled to commence prior to 7:00 p.m. in accordance with the provisions of Section 11.03 (b).

11.03 (a) A night shift differential of forty-five (45) cents per hour shall be paid in addition to the regular rates for all night shift work.

11.03 (b) On other two-shift operations the first shift shall consist of eight (8) consecutive hours, mealtime excepted, and shall commence at 7:00 a.m. or after. The second shift shall consist of eight (8) consecutive hours, mealtime excepted, and shall commence prior to 7:00 p.m. and shall carry a shift differential of forty-five (45) cents per hour. (Letter of Understanding - Site Preparation)

11.03 (c) On a three-shift operation, the shifts shall be eight (8) consecutive hours. The starting and stopping times for the three (3) shifts and the shift differentials to be paid shall be as follows:

	<u>Starting Time</u> (between hours of)	<u>Stopping Time</u> (between hours of)	<u>Shift Differential</u>
1st Shift	7 a.m. - 8 a.m.	3 p.m. - 4 p.m.	NIL
2nd Shift	3 p.m. - 4 p.m.	11 p.m. - 12 a.m. (midnight)	Fifty-six cents/hour
3rd Shift	11 p.m. - 12 a.m. (midnight)	7 a.m. - 8 a.m.	Sixty-eight cents/hour

ARTICLE XI - HOURS OF WORK (Contd)

11.03 (d) The hours of work and the "sixth day" for dayworkers and shift workers shall be posted on Thursday of the previous week. The starting and stopping times shall remain constant and fixed during the weekly period subject to the following:

1. An employee may not change shifts during the week except when his shift schedule is changed by the Company. When an employee's shift schedule is changed by the Company he will be paid at one and one-half times his regular rate for the first shift worked after the change. When the employee reverts to his original shift he shall be paid at his regular straight time rate provided that there is a break of at least eight (8) hours between shifts worked.
2. Where starting times must be staggered due to operational requirements such starting times for employees within any given job classification shall be confined to a one (1) hour period. (See Letter of Understanding on Truck Hauling)
3. On all operations which are carried out on a two (2) or three (3) shift basis, all such employees will be scheduled on a rotating weekly schedule basis.

11.03 (e) If an employee, who has completed his scheduled work week is required for work on his "sixth day" or Sunday, such overtime shall be posted on the preceding Thursday. If he is available for the posted overtime work at the regular starting time and is unable to commence work for reasons beyond his control, he shall receive four (4) hours' pay at the applicable overtime rate as specified in Section 11.05 (a) provided he remains available for the four (4) hour period if so requested by the Company.

11.04 (a) A day or shift worker, who is unable to work the full day or shift for reasons beyond his control, shall be paid for one-half a day if he works less than four (4) hours, and for a full day if he works more than four (4) hours.

In the case of time lost in excess of one (1) hour for reason of lack of assignment of area to cut, and/or time required in excess of one (1) hour to travel to area assigned, payment shall be made for all hours lost.

11.04 (b) A day or shift worker who reports for work at his scheduled starting time and is unable to commence work due to reasons beyond his control, shall receive four (4) hours pay at his regular rate provided he remains available for two (2) hours from his scheduled starting time, accepts alternate work if so assigned and commences regular work when conditions permit.

If regular or alternate work commences in the first half of the shift on the first or subsequent days, the above payment shall not be made and the provisions of Section 11.04 (a) will apply. Should the employee work any of the hours in the second half of the shift he shall receive four (4) hours pay for such hours. The Company will commence regular work as soon as conditions permit.

When the providing of alternate work necessitates a change in shift, the time and one-half provisions of Section 11.03 (d) shall not apply providing there is a break of at least eight (8) hours between shifts.

Notwithstanding the provisions above governing payment of four (4) hours, such payment shall not be made for the second and subsequent consecutive days in the event the Company gives notice that no work is available a minimum of eight (8) hours in advance of the scheduled starting time on each occasion.

ARTICLE XI - HOURS OF WORK (Contd)

Should such notice be given to an employee he may exercise his seniority within the camp unit. If such employee does not have sufficient seniority to displace another employee in the camp unit, he shall be laid off and given eight (8) hours pay in lieu of two days notice. If he does exercise his seniority within the camp unit and displaces another employee, the displaced employee shall be laid off and paid eight (8) hours pay in lieu of two days notice. In neither case may any such employee be permitted to exercise seniority outside the camp unit until the third consecutive day following the day notice is given.

Should an employee elect to take leave of absence in lieu of exercising seniority under this Article, he shall be permitted to exercise his seniority on his return to work.

Notification and reporting procedures shall be established locally.

11.05 Time worked in excess of eight (8) hours per day or shift and all hours worked by an employee on Sunday, on his designated "sixth day" (Saturday or Monday) or outside his regular shift shall be paid for at the rate of time and one-half. Double time will be paid after eight (8) hours of work on his designated "sixth day" (Saturday or Monday) and on a Sunday.

Overtime work required in a camp unit will be distributed on as equal a basis as possible among the employees in the camp unit who normally perform the work in the classification requiring the overtime.

For calculating overtime pay shift differentials shall not be considered as part of an employee's applicable hourly rate.

11.06 Walking distance and/or riding time shall not be considered as time worked. Walking distance and riding time shall be paid for as stipulated in the Walking Distance and Riding Time Section of the Wage Schedule of this Agreement.

11.07 An employee, who is called out for work after completing his day or shift, or more than one (1) hour before the start of his day or shift shall receive time and one-half for the hours worked, but in no case shall he receive less than four (4) hours pay at straight time. When the call-out for work is within the one (1) hour period prior to the start of his day or shift he will be paid time and one-half from the starting time of the call-out to the scheduled starting time of his day or shift. Where the employee continues to work into his day or shift, the provisions of Section 11.05 shall apply after he has completed eight (8) hours of work exclusive of the time worked prior to his starting time.

An employee, who is called out for work on his "sixth day" (Saturday or Monday) or Sunday, shall be paid at the appropriate overtime rate as set out in 11.05, from the starting time of the call-out, but in no case shall he receive less than four (4) hours pay at the rate of time and one-half.

ARTICLE XII - SENIORITY

12.01 The Company recognizes the principle of seniority. Seniority will govern, subject to reasonable consideration of skill, efficiency and ability in promotions, transfers, layoffs and recalls after layoffs.

Time off due to sickness or accident must be certified by a licensed physician, licensed dentist or licensed chiropractor.

An employee who is on authorized leave of absence on Union business shall retain seniority while on such leave of absence.

An employee who has established seniority and is then employed by the Union shall retain such seniority for a period not exceeding eleven (11) months.

12.02 Employment of any new employee shall be considered as probationary until he has worked thirty (30) days within a six month period. Thereafter Article 12.01 shall apply, and the employee shall be placed on the Seniority List in order of hire.

12.03 (a) Seniority will be applied on a Company wide basis in recalls, promotions, transfers from camp to camp and layoffs.

When layoffs are required due to the completion of seasonal operations, or part thereof, the employee will be permitted to transfer to a job to which his seniority and qualifications entitle him. If no jobs are available he will be permitted to replace an employee with less seniority on a job for which he is qualified provided:

- (i) The jobs will continue in other districts for fourteen (14) days or more, and
- (ii) The employee having received advance notice in accordance with Section 12.04 advises the Company prior to the effective day of the advance notice and in writing on forms to be supplied by the Company of his desire to transfer or to be laid off.

When layoffs are for less than fourteen (14) days seniority will be applied on a district basis.

Prior to an intended layoff which is to last more than fourteen (14) days, the Company will provide the Camp Foreman with a copy to the Union Grievance Committee, with a list of the employees in other districts having the lowest seniority on jobs which will continue for fourteen (14) days or more and which are similar to those being terminated. The number of employees listed in each job classification shall be the same as the number being laid off in the same classification.

12.03 (b) In transfers from one job classification to another, senior employees shall receive first consideration. In such cases, an employee shall receive the rate for the job to which he is transferred. In case of a temporary change to a lower job classification, the employee shall retain the rate of his previous job classification.

ARTICLE XII - SENIORITY (Contd)

12.03 (c) The Company, when filling vacancies, will do so from within the bargaining unit in accordance with Article XII.

Notice of impending vacancies will be posted on the camp bulletin board for at least five (5) working days.

Temporary Postings for three (3) shifts, or for additional temporary equipment, up to three (3) months, or longer as mutually agreed to between the Union and the Company, shall be posted under the guidelines of 12.03 (d).

It is agreed, however, that temporary appointments may be made without posting for filling vacancies of less than two (2) calendar weeks duration.

Newly created jobs will be posted on the bulletin boards by the Company for a period of five (5) working days prior to any appointment to such jobs, stating the normal job requirements. Employees shall not be considered for such jobs, unless they apply in writing within the five (5) day period.

All jobs will be filled from among the qualified applicants on the basis of Section 12.01 of this Agreement. Employees accepting the posted jobs shall be allowed five (5) work days in which to qualify, (or further time as may be mutually agreed, if additional training is required). Failure of an employee to qualify shall entitle him to return to his former job without loss of seniority or benefits.

Successful applicants will be required to fulfill the vacancy for which they have applied.

Employees accepting a job posting shall remain in that job for a minimum of three months from the date the employee filled the job vacancy unless being displaced from that job because of layoff or the bumping procedure.

The Company shall post notices in camps showing the names of successful applicants for all posted vacancies and newly created jobs.

12.03 (d) A job that becomes vacant because the incumbent has had to vacate it due to sickness or injury, vacation, bereavement leave, jury duty, and/or a leave of absence not exceeding thirty (30) work days shall be classified as a temporary vacancy and shall be filled according to the provisions of Section 12.03 (c) and the job posting will note that it is of a temporary nature. The unit of application of seniority on temporary vacancies is the camp.

In the event that a vacancy is not filled from the Camp unit, it shall be filled on a Company wide seniority basis.

The employee who had occupied the job upon his return to work shall once again occupy the job that he had filled prior to vacating for any of the reasons set forth above provided however, that the job is still in effect and it is not filled by a senior employee who for reasons of layoff from his former job has exercised his seniority on this particular job.

ARTICLE XII - SENIORITY (Contd)

12.04 In case of layoff which is to exceed two (2) working days, the Company will notify, in writing, the men intended to be laid off, at least two (2) working days in advance, with a copy of such said notice to the Union Grievance Committee. The Company agrees that all reasonable effort will be made to give employees as much advance notice of lay-off as possible.

12.05 When the approximate time of recall is known at the time of layoff, employees leaving camp will be informed of such approximate date at that time. But in all cases, notice in writing will be sent to an employee at his given address at least fourteen (14) days before he is required to report for work. Employees will be required to acknowledge receipt of such notice and report for work on the date specified, unless other arrangements have been made in writing.

12.06 The Company agrees to submit to the Union Office by April 30 of each year an alphabetical list, in duplicate, of employees covered by this Agreement, showing their hiring date following their last break in seniority, and Company seniority rank as specified in Section 12.01 as at March 31 of the same year. This list will show in addition each employee's occupation and address.

12.07 A seniority list shall be prepared and posted monthly in each camp showing the Company seniority rank of each employee.

12.08 An employee who has established seniority in accordance with Section 12.02 of this Article shall retain such seniority for twenty-four (24) months during layoff. An employee who quits of his own accord or is discharged and not reinstated, or fails to report to work following recall as provided in Section 12.05 of this Article, shall automatically lose all seniority. An employee who fails to return from leave of absence on the date specified shall lose his seniority unless his return to work on time is prevented by circumstances beyond his control.

12.09 Any employee promoted or transferred to a position with the Company outside the bargaining unit shall retain his seniority for a period not exceeding eleven (11) months from the date of promotion or transfer and shall have the right to exercise his seniority in accordance with all provisions of this Article upon proof of Union membership in good standing. Supervisory personnel who are generally employed on seasonal operations and who have not acquired seniority, in accordance with this Article, may be placed on jobs listed in the bargaining unit, during the off season, provided that this does not interfere with the application of seniority of any employee. Such personnel shall apply for Union membership prior to being placed on the job and maintain their Union membership in good standing.

12.10 When jobs are discontinued due to the introduction of new methods and equipment or curtailment of operations, affected employees shall be offered alternate employment, in accordance with Section 12.01 of Article XII, to meet the Company's labour requirements and if such employees require training to perform alternate employment effectively they shall be trained by the Company. It is understood this does not apply to seasonal layoffs.

12.11 An employee with three or more years of service for whom no job is available because of mechanization, technological changes or automation can, upon termination, elect to receive a severance allowance of one week's pay for each year of completed service since the last date of hire.

ARTICLE XII - SENIORITY (Contd)

Severance pay shall be computed on the basis of forty hours at the employee's regular straight time hourly rate, multiplied by the number of years of employment.

It is understood that an employee who chooses to receive the severance allowance shall be deemed to have abandoned the right to be recalled and the employee's name will be removed from the seniority list.

The above provision is not in addition to the requirements of the Employment Standards Act.

ARTICLE XIII - BULLETIN BOARDS

13.01 The Union shall have the right to post notices dealing with Union affairs upon the bulletin boards of the Company, such notices to have the approval of the Camp Foreman before such posting.

ARTICLE XIV - DRUG AND HOSPITAL CARE PLAN

14.01 Effective the first of the month following the date of ratification for each employee on the payroll who has established seniority in accordance with Article XII, the Company will provide appropriate single or family coverage in accordance with a Blue Cross Drug Plan or its equivalent, and Semi-Private Hospital Care Plan.

The Company will maintain coverage to employees who are off work due to a Workplace Safety & Insurance Board compensation claim or a Weekly Indemnity claim for up to a period of twelve (12) months.

Effective the first of the month following the date of ratification, the Company agrees to provide coverage for a laid-off employee to the end of the month following the month of layoff. Coverage will resume on the date the employee returns to work from layoff.

The Company agrees to extend the coverage for a laid-off employee through the seasonal layoff.

Effective the first of the month following the date of ratification, all costs of medical reports requested by the Company or the Insurance Carrier will be covered by the Company to a maximum of \$25 upon receipt.

14.02 Effective September 1, 1999, the Company will cover the cost of chiropractic services to a maximum of \$15 per visit to a yearly maximum of \$90 per year, per family member.

ARTICLE XV - LIFE INSURANCE

15.01 Effective September 1, 1999, the Company will increase the Group Life Insurance Plan to provide fifty-five thousand (\$55,000) dollars of Life Insurance for each employee while actively employed. The premium cost to the employee will be 36 cents per \$1,000 per month.

The Company agrees to extend the coverage for a laid-off employee through the seasonal layoff.

ARTICLE XVI - WEEKLY INDEMNITY

16.01 The Company will maintain and pay the premium cost of a Weekly Indemnity Insurance Plan. The Plan will provide seventy (70) percent of weekly earnings [forty (40) hours times an employee's regular rate, forty (40) hours times the Feller-Limber hourly rate], to commence on the first day in case of a non-compensable accident or in the case of an illness on the date of confinement to hospital or the fourth day of illness, whichever is the earlier date. Benefits will continue for the period of disability up to a maximum of fifty-two (52) weeks.

Effective the first of the month following date of ratification, for all new claims, increase maximum to Five Hundred Fifty (550) dollars per week.

Effective September 1, 1999, for all new claims, increase maximum to Five Hundred Sixty (560) dollars per week.

Effective September 1, 2000, for all new claims, increase maximum to \$570 per week.

Plan detail - Appendix "A".

ARTICLE XVII - BEREAVEMENT PAY

17.01 When death occurs to an employee's spouse, children, mother or father the employee will be granted leave to attend the funeral and shall be paid for eight (8) hours at his regular straight time rate for time lost up to a maximum of five (5) days. When death occurs to other members of employee's immediate family, that is, an employee's mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, brother, sister, grandparents, the maximum time lost paid for will be three (3) days. The intent of this clause is to allow the employee to attend the funeral without loss of earnings. The day of the funeral must be one of the five (5) or three (3) days. Pay will be granted for the scheduled work days lost during this period.

It is understood for purposes of this Article step relatives will be considered the same as blood relatives.

Any claims for bereavement pay must be submitted by the employee to the Company in writing, along with proof of bereavement in the employee's immediate family.

ARTICLE XVIII - JURY DUTY ALLOWANCE

18.01 In the case of an employee who is called for jury service or subpoenaed (no arbitration - no defendant), the Company shall pay, for each day of such service, an allowance equal to the difference between eight (8) hours of pay based on his regular straight time hourly rate and the payment he received for jury service. The employee will present proof of service and of pay received therefore when making his claim for such allowance.

ARTICLE XIX - DENTAL CARE PLAN

19.01 The Company will maintain a Dental Care Plan, with participation compulsory for all employees on the following basis:

1. Eligibility

Participation in this Plan is limited to employees who have accumulated sixty-five (65) days of seniority with the Company.

2. Plan Design

- a) Services and benefits as provided in Blue Cross No. 7 Basic Plan and Rider No. 1 or equivalent.
- b) Services and benefits as provided in Blue Cross Rider No. 2 (50 percent) or equivalent.

Effective date of ratification, amend the Plan to provide for the application of the 1998 O.D.A. Schedule of Fees.

Effective September 1st of every year hereafter, the plan shall be amended to provide for a one year lag in the O.D.A. schedule of fees.

Effective September 1, 2000, increase the maximum for Class I and Class II covered expenses to \$1500 per family member per year.

The Company agrees to extend the coverage for a laid-off employee through the seasonal layoff.

The Company agrees to provide the Union with a copy of Rules and Regulations relating to the Plan.

3. Administration

The Plan will be administered in accordance with an appropriate contract or set of procedures reflecting the plan design outlined in Item 2 above. The decision as to the choice of administrative vehicle from among service carriers, insurance companies or self-administration will be made by the Company on the basis of appropriate study of these alternatives.

ARTICLE XIX - DENTAL CARE PLAN (Contd)

4. Premiums

The premium cost of this Plan shall be paid by the Company.

5. Integration

The Plan will not provide like benefits where such are currently being provided by federal or provincial legislation.

If during the life of this Agreement federal or provincial governments shall introduce legislation to provide benefits already covered by this Plan, the Plan shall be amended so as to eliminate said benefits.

ARTICLE XX - LONG-TERM DISABILITY PLAN

20.01 The Company will provide and pay the premium cost of a Long-Term Disability Plan. The Plan forms part of this Agreement and is attached hereto as Appendix "B".

The Company will provide the opportunity for employees on Long-Term Disability to pay the cost for continued coverage of their drug and hospital, dental and vision care plans.

ARTICLE XXI - VISION CARE PLAN

21.01 The Company will provide a Vision Care Plan which will provide for expenses incurred by an employee and/or the employee's covered dependents when recommended by a physician or optometrist as follows: frames, lenses, and the fitting of prescription glasses including contact lenses, up to a total payment of one hundred forty(140) dollars per family member, in any two (2) consecutive calendar years.

Effective date of ratification change one hundred twenty five (125) dollars to read one hundred forty (140) dollars.

Effective September 1, 2000, change one hundred forty (140) dollars to read one hundred fifty (150) dollars.

ARTICLE XXII - RETIREMENT PLAN

22.01 It is understood that the existing provisions of the Organized Employee's Retirement Plan shall remain in effect until agreement is reached on any change thereto.

22.02 All employees covered by the Organized Employees' Retirement Plan will retire on attaining the age of sixty-five (65) years.

ARTICLE XXII - RETIREMENT PLAN (Contd)

22.03 An employee may retire with no actuarial reduction in his pension provided.

- a) the employee is at least fifty-eight (58) years old, and,
- b) the employee has at least thirty (30) years of service.

22.04 Effective April 1, 1994, an employee who retires at age 58 with 30 years of service will receive a supplementary payment of four hundred and fifty dollars (\$450.00) per month until the Old Age Security (OAS) becomes payable.

22.05 It is understood that pension changes in accordance with the Ontario Pension Benefit Act as they apply to private industry will be included in the Pension Plan.

22.06 The Company will establish a local pension advisory committee which will include representatives of both bargaining units, the chairman of which shall be the Kimberly-Clark local pension administrator.

22.07 An employee who has completed at least one year of continuous service prior to termination and whose most recent period of employment is at least one (1) year in duration will receive full credit for those periods and intervening periods of service, provided the employee has received no retirement plan benefit distribution.

22.08 An employee with at least fifteen (15) years of continuous service may take normal retirement between the ages of sixty-two (62) and sixty-five (65) years with no actuarial reduction in his pension benefit.

22.09 An employee with at least fifteen (15) years of continuous service may take early retirement between the ages of fifty-seven (57) and sixty-two (62) years with his pension benefit actuarially reduced, at the rate of five percent (5%) for each year of early retirement.

22.10 Amount of standard basic benefit is seven-eighths of one percent times number of years of continuous service (prior to September 1, 1980) times average monthly earnings plus one percent (1%) times number of years continuous service times average monthly earnings. Average monthly earnings shall be determined from the ten (10) highest consecutive calendar years earnings out of the last fifteen (15) years.

22.11 Effective January 1, 1987, an employee who leaves the Company and has two (2) years of continuous pensionable service is entitled to a full pension benefit based on all years of service after January 1, 1987 upon reaching age sixty-five (65).

22.12 During the term of this agreement the Company agrees to continue its level of financing of the Organize Employees' Retirement Plan in addition to the employers contribution required under the Canada Pension Plan. A financial report will be provided once each year.

ARTICLE XX111 – EDUCATION FUND

Effective Date of Ratification, provide for \$0.01 per regular hours worked to the education fund.

Effective September 1, 1999, increase to \$0.02 per regular hour.

Effective September 1, 2000, increase to \$0.03 per regular hour.

RULES GOVERNING ABSENCES

1. The permission of the foreman must be secured for all absences from work.
2. Permission for absences will be covered as follows:
 - (i) Absences involving not more than one (1) working day:
 - by verbal permission of the foreman.
 - (ii) Absences involving more than one (1) working day but not more than one (1) month:
 - by "Permission for Absence from Work" form signed by the foreman.
 - (iii) Absences involving more than one (1) month:
 - by "Leave of Absence" form initiated by the foreman and approved by the Vice President - Woodlands.

Employees must bring both copies of the "Leave of Absence" form to the Woodlands Office for final approval.

If an employee leaves the job without securing permission it will be treated as an "Absence without Permission (N.P.);" provided the absence does not exceed one (1) week. An absence in excess of one (1) week will constitute a break in service unless justified by proven circumstances beyond the employee's control.

All authorized absences will be either at the request of the employee, and covered as described above, or will be a temporary layoff due to lack of work and covered by a Leave of Absence.

Each "Permission for Absence" or "Leave of Absence" will designate either:

- (1) The return to work date, or
- (2) The date by which the employee must contact the Company to find out when he is to return.

Failure of the employee to comply with the above provisions will be treated as an "Absence without Permission (N.P.);" provided that he complies within one (1) week of the specified date. Failure to comply within one (1) week will constitute a break in service.

Any absence without permission in excess of one (1) week will result in a break in service unless justified by proven circumstances beyond the employee's control.

If an employee has three (3) absences without permission (none of which exceed one (1) week) within a twelve (12) month period a break in service will occur.

RULES GOVERNING ABSENCES (Contd)

Absences without Permission may result from:

- (1) Leaving camp without permission.
- (2) Failure to report on date specified.
- (3) Failure to contact Company for return to work date on specified date.
- (4) Failure to report on time when transferred.
- (5) Failure to report to doctor promptly when leaving camp due to sickness or injury.
- (6) Failure to return by date specified by doctor in cases of sickness or injury.

WAGE SCHEDULE
KIMBERLY-CLARK WOODLANDS
September 1, 1998 to August 31, 2001

A. <u>HOURLY WAGE CLASSIFICATIONS</u>	Sept. 1/98 to <u>Aug. 31/99</u>	Sept. 1/99 to <u>Aug. 31/00</u>	Sept 1/00 to <u>Aug. 31/01</u>
Bus Driver	22.06	22.61	23.29
Carpenter (Lead)	26.46	27.12	27.93
Carpenter (Qualified)	25.97	26.62	27.42
Electrician, Lead	26.46	27.12	27.93
Electrician and Radio	26.19	26.84	27.65
Electrician	25.97	26.62	27.42
Electrician Class "B"	24.15	24.75	25.49
Electrician Helper Class "A"	22.16	22.71	23.39
Feller (Tree Length Skidding)	22.53	23.09	23.78
Handyman	22.09	22.64	23.32
Jackhammer Driller	21.70	22.24	22.91
Labourer, General	21.50	22.04	22.70
Mechanic Lead	26.46	27.12	27.93
Mechanic Class "A" 1	26.32	26.98	27.79
Mechanic Class "A"	25.97	26.62	27.42
Mechanic I	24.15	24.75	25.49
Mechanic II	23.09	23.67	24.38
Mechanic Helper Class "A"	22.16	22.71	23.39
Mechanic Helper	21.98	22.53	23.21
Operator, Air-Trac	22.41	22.97	23.66
Operator, Bulldozer "A"	23.77	24.36	25.09
Operator, Bulldozer "B"	23.04	23.62	24.33
Operator, Bunk Grapple Skidder	22.79	23.36	24.06
Operator, Cat. 977, 966, 980	22.79	23.36	24.06
Operator, Compressor	22.16	22.71	23.39
Operator, Crane (Certificate)	24.00	24.60	25.34
Operator, Crane (Without Certificate)	23.46	24.05	24.77
Operator, Feller Buncher	23.29	23.87	24.59
Operator, Felling Head & Delimber	23.46	24.05	24.77
Operator, Hydraulic Backhoe	23.46	24.05	24.77
Operator, Hy-Hoe	22.43	22.99	23.68
Operator, Mechanical Skidder (Wheel Type)	22.53	23.09	23.78
Operator, Grapple Skidder (Wheel Type)	22.69	23.26	23.96
Operator, Mechanical Slasher (Mobile)	22.79	23.36	24.06
Operator, Power Grader	22.79	23.36	24.06
Operator, Roadside Delimber	23.29	23.87	24.59
Operator, Scarifier	23.04	23.62	24.33
Operator, Shortwood Knuckleboom Loader (Self-Propelled)	23.77	24.36	25.09
Powderman	21.91	22.46	23.13
Radio, Maintenance Man	23.54	24.13	24.85

A.	<u>HOURLY WAGE CLASSIFICATIONS (Contd)</u>	Sept. 1/98 to <u>Aug. 31/99</u>	Sept. 1/99 to <u>Aug. 31/00</u>	Sept.1/00 to <u>Aug.31/01</u>
	Serviceman	23.88	24.48	25.21
	Serviceman, Lead	24.97	25.59	26.36
	Tire Repairman	22.53	23.09	23.78
	Tree Planter	21.50	22.04	22.70
	Truck Driver, Lowbed	23.19	23.77	24.48
	Truck Driver, Self-Loader	22.79	23.36	24.06
	Truck Driver, Single Axle, Hauling on Body	22.06	22.61	23.29
	Truck Driver, Tandem Axle Hauling Trailer (Over 102" in Width)	22.74	23.31	24.01
	Truck Driver, Hauling Trains, Trailers, Floats, FWD	22.67	23.24	23.94
	Truck Driver, Tandem Axle	22.42	22.98	23.67
	Truck Driver, Snow Plowing	22.43	22.99	23.68
	Washman	22.42	22.98	23.67
	Watchman/Cleanup	21.75	22.29	22.96
	Welder, Lead	26.46	27.12	27.93
	Welder, Class "A"	25.97	26.62	27.42
	Welder, Class I	24.15	24.75	25.49
	Welder, Class II	23.09	23.67	24.38
	Welder Helper, Class "A"	22.16	22.71	23.39
	Welder Helper	21.67	22.21	22.88

A. HOURLY WAGE CLASSIFICATIONS (Contd)

When an employee is transferred or recalled from a job classification to Tree Planter, he shall receive the rate of the classification from which he was transferred or laid off.

A supplement of five (5) cents per hour will apply to the Truck Driver, Tandem Axle Hauling Trailer rate when hauling tree-length, butt and top.

B. MISCELLANEOUS

1. Commuters

The Company and the Union agree that commuter operations shall be carried out by the Company on the following terms and conditions.

- I Commuters are employees who:
 - a) are resident within reasonable Riding and/or Walking Distance of the area of operations,
 - b) for whom board and lodging are not made available by the Company.
- II The Company will arrange to provide free transportation from a designated marshalling point or points for each commuting area to the operating areas and return.
 - a) Longlac, Geraldton and Nakina will be considered as commuter centers for the Road Construction Crews.
- III Time spent by dayworkers travelling on the vehicle provided from a marshalling point or points to debarkation point or points plus time spent walking from debarkation point or points to place of work in excess of one-half hour each way shall be paid for on the following basis:
 - a) Dayworkers at their regular rate of pay.

2. Handicapped Workers

A special rate may be established by agreement between the Company and the Union for aged and handicapped workers.

3. Power Saw Rental

Effective first of month following date of ratification a dayworker using his power saw at Company request will be paid a power saw rental of:

\$11.00 per 8-hour day or shift when felling and limbing.

\$12.00 per 8-hour day or shift when bucking at a landing on a skidding operation.

If he is unable to work the full day or shift for reasons beyond his control, he will be paid one-half day's rental when he works less than four hours and a full day's rental when he works more than four hours.

B. **MISCELLANEOUS (Contd)**

4. Trainer

An employee who is assigned to train another employee or employees shall be paid his regular rate plus thirty (30) cents per hour during the training assignment.

5. Walking Distance and Riding Time

- (a) Where a dayworker's travelling time from camp to working place is composed of riding and/or walking time he shall be paid for all travelling time in excess of one-half hour each way at his regular rate of pay.
- (b) Where a dayworker's travelling time from camp to working place is composed of riding and walking time, he shall be paid the rate of pay as per this Agreement for all combined riding and walking time in excess of one-half (1/2) hour each way. The walking time, based on the rate of one-quarter of a mile equals five (5) minutes, shall be added to the riding time. Travelling time so computed shall be credited not less than once each month.

TRADE APPRENTICE PROGRAM

1. Apprenticeship openings will be filled in accordance with the provisions of Section 12.03 (c) (job postings). Employees who meet the educational level specified by the apprenticeship act will qualify.
2. There will be a probationary period of up to thirty (30) working days prior to entering into an apprenticeship agreement, during which time the employee may return or failing to display the necessary mechanical aptitude be returned to his former job without loss of seniority.
3. Any apprentice who fails to satisfactorily complete the Ontario Apprentice Program may be retained in his classification and allowed to progress to Mechanic I without prejudice.
4. Once an employee enters an apprenticeship contract, it is expected he will continue to fulfill the obligations of the contract, including necessary training periods in a vocational school.
5. The apprentice may receive a weekly training allowance from the government while attending a Trade School Course. The Company will supplement this allowance to provide the apprentice with a total weekly income equal to forty (40) times his regular hourly rate of pay. Calculation of the Company's portion will be based on the government allowance for an apprentice who is able to live at home while attending the Trade School.

If the apprentice is required to live away from home in order to attend a Trade School he will receive the Company pay supplement referred to above in addition to any increased allowance paid by the government to an apprentice living away from home while attending School.

An apprentice's entitlement to Vacation with Pay, Paid Holiday Pay, Weekly Indemnity, Funeral and Bereavement Leave will not be affected by his attendance at a Trade School, nor will his participation in any employee welfare plans in which he is enrolled.

6. Providing a Tradesman has completed the time in the trade necessary to write for a Provincial Trade Certificate, he may write for such certificate and receive the "A" rate immediately following his course of studies and notification that a Trade Certificate will be issued.
7. If an apprentice is entitled to a reduction in the term of his apprenticeship because of academic achievement he shall enter his apprenticeship at the proper category as per the Job Description.

JOB DESCRIPTIONS

MECHANICS

Helper

He shall be required to work as an assistant to other mechanics as assigned. He shall be upgraded prior to or at the end of a one year period to Helper Class "A". A Helper will commence to accumulate common mechanical tools.

In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Helper Class "A"

He shall, under the direction of mechanics of a higher classification, work on all types of equipment used on woods operations. He shall be capable of performing the following jobs independently: tire repair, wash jobs, greasing and oiling service.

A helper entering the trade at this level will commence to accumulate common mechanical tools.

He shall be upgraded prior to or at the end of a one year period to Mechanic II.

In the event that he fails to display the necessary aptitude for further training he may at any time during this period be placed in other suitable employment.

Mechanic II

He shall be capable under direction of performing all jobs assigned to him in an efficient manner on gasoline and/or diesel powered equipment generally used in woods operations. It is expected that eligible personnel shall put forth every effort to obtain a Provincial Trade Certificate.

Mechanic I

He shall be capable without direction of performing all jobs assigned to him in an efficient manner on gasoline and/or diesel powered equipment generally used in woods operations.

He will be required to direct assistants working under him and must assume full responsibility for all work performed by himself or his assistants.

Where a present mechanic or a person subsequently hired has no certificate but has had special training and/or is assigned on only one type of equipment, he will automatically be rated as a Mechanic I.

JOB DESCRIPTION (Contd)

Mechanic Class "A"

He shall be capable without direction of performing all jobs assigned to him in an efficient manner on gasoline and/or diesel powered equipment generally used in woods operations.

He will be required to direct assistants working under him and must assume full responsibility for all work performed by himself or his assistants.

He must be in possession of a Provincial Trade Certificate recommended by the Ministry of Labour of Ontario.

Mechanics presently employed in this classification will not be required to have a Certificate.

Mechanic Class "A" - I

In addition to fulfilling all of the qualifications of a Mechanic Class "A" and being in possession of a Provincial Trade Certificate he shall have had advanced theoretical and practical training in equipment sub-systems or be in possession of both a motor vehicle mechanic certificate and a heavy duty equipment mechanic certificate recognized by the Ministry of Labour of Ontario.

Mechanic Lead

A Mechanic Lead is appointed as the need arises, must possess the qualifications set out under Mechanic Class "A" and in addition shall be capable of leading other mechanics.

Mechanics presently employed in this category are not required to have a Provincial Trade Certificate.

WELDERS

Helper

He is required to work as an assistant to welders as assigned. He shall be upgraded prior to or at the end of a one year period to Helper Class "A". In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

Helper Class "A"

He shall be capable under direction of performing the following:

1. Oxyacetylene and electrical welding in flat position with opportunity of working in other positions.
2. Cutting, soldering and brazing.

He shall be upgraded prior to or at the end of a one year period to Welder II. In the event that he fails to display the necessary aptitude for further training, he may at any time during this period be placed in other suitable employment.

JOB DESCRIPTIONS - (Contd)

Welder II

He shall be capable under direction of performing all jobs assigned to him in an efficient manner in both oxyacetylene and electrical welding in any position. He shall also have an understanding of types of flames, oxidizing and carbonizing.

Welder I

He shall be capable without direction of performing all jobs assigned to him in an efficient manner in both oxyacetylene and electrical welding in any position.

He shall be capable of performing both types of welding in all positions with all metals used on woods operations.

He must assume responsibility for all work performed by himself or his assistants.

Welder Class "A"

He shall be capable without direction of performing all jobs assigned to him in an efficient manner in both oxyacetylene and electrical welding in any position. He shall have an understanding of types of flames, oxidizing and carbonizing.

He shall be proficient in both types of welding in all positions with all metals used on woods operations.

He must be able to fabricate from a blueprint.

He must assume responsibility for all work performed by himself or his assistants.

He must be in possession of the necessary trade certificate.

Welders presently employed in this classification will not be required to have a Trade Certificate.

Welder Lead

A Welder Lead is appointed as the need arises, must possess the qualifications set out under Welder Class "A" and in addition shall be capable of leading other welders.

Welders presently employed in this category are not required to have a Trade Certificate.

JOB DESCRIPTIONS - (Contd)

TRADESMEN'S TOOLS

Tradesmen will furnish all hand tools common to the trade. Mechanics will furnish spanners up to 1¼" opening, sockets up to and including ½" drive and 1¼" opening, adjustable wrenches up to 18" in length, hammers, chisels, punches and screw drivers. The Company agrees to replace any personal tools broken in service provided that such broken tools are returned. The Company agrees to provide tools to tradesmen at cost. The Company will provide on loan any special tools including power driven tools, testing and measuring instruments and gauges, pullers, sockets over ½" drive, spanners over 1¼" opening.

In the event that the common tools of tradesmen are required to be in metric measurements such tools shall be provided on loan by the Company.

ANNUAL REVIEW OF HELPERS AND TRADESMEN

Once each year during the month of November, a group which is comprised of the Superintendent - Maintenance, Foreman - Automotive Shop and two qualified representatives of the Union will determine by review whether helpers and tradesmen qualify for upgrading. If in the interim, upgrading is necessary, it will be done by the Superintendent - Maintenance and Foreman - Automotive Shop.

LETTER OF UNDERSTANDING

BETWEEN

KIMBERLY-CLARK FOREST PRODUCTS INC.

AND

LOCAL 2693, IWA CANADA

RECOGNITION - JURISDICTION

It will be the Company's policy not to change the present source of supply of wood fibre for its mills, if by so doing it would deprive employees with seniority from gainful employment with the Company.

If, however, during the term of this Agreement dated September 1, 1990 to August 31, 1993, circumstances beyond the control of the Company were to arise and force the Company to alter its supply and offset the employment opportunities for its employees, that volume of supply produced on operations not covered by a Collective Agreement with the Union will be reduced on a proportional basis.

In moving back to former levels of operation, the volumes of supply produced on the Company's woods operations will be increased at least proportionately to the volume of increase of supply from other sources.

Employees with seniority as of May 8, 1988 will not be laid off during the term of the Agreement as the result of the purchase of conifer fibre for its mill operation.

Further, the Company agrees that the full amount of allowable poplar cut will be harvested off the Company's limits south of the Ogoki River.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

SUPPLEMENTARY AGREEMENT

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

1. **RE ARTICLE X - WORKING AND LIVING CONDITIONS**

Subject to the exception mentioned in the second sentence of this paragraph, it is understood and agreed that clause 10.07 of the main Agreement does not in any way restrict the Company's right to continue the established practice of employing owner-operators together with their equipment when such equipment is required or the right of the owner-operator to be so employed provided that all applicable provisions of the Agreement shall apply to such employees.

2. **RE WAGE SCHEDULE**

(i) Operator - Bulldozer

It is agreed that an operator who has been employed on the higher rate shall maintain such rate when operating a bulldozer smaller than a D6 or equivalent.

SIGNED AT LONGLAC, ONTARIO AS OF THE 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

June 28, 1988

Mr. Wilf McIntyre
President, Local 2693
IWA Canada
P. O. Box 2384
Thunder Bay, Ontario
P7B 5E9

Dear Sir:

Consistent with the Company's policy to ensure to the utmost extent the safety and physical welfare of employees the Company will, on purchase of new mobile equipment, provide for suitable cabs with climatic controls. This will include the installation of air conditioning in new buses.

The Company further agrees to continue to study ways and means to generally improve operator comfort on current equipment.

Yours truly,

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

BETWEEN

KIMBERLY-CLARK FOREST PRODUCTS INC.

AND

LOCAL 2693, IWA CANADA

HOURS OF WORK

The Company and the Union agree that the work week for the Longlac Maintenance Shop may be scheduled from Sunday midnight to Friday midnight.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

BETWEEN

KIMBERLY-CLARK FOREST PRODUCTS INC.

AND

LOCAL 2693, IWA CANADA

ARTICLE 11.03(b)

During the months of May, June, July, August and September, tree planting and two-shift site preparation may commence at 6:00 a.m., if agreed to by the crews involved.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

The Company and the Union agree to extending the starting time interval from the present one hour to a maximum of three hours. The extended interval will only be used where it is beneficial to the operations and the Company will endeavor to keep the starting time interval to one hour or less.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: WOODSWORKERS' DISABILITY BENEFIT PLAN

It is understood that an employee receiving benefits under this Plan will make an application for Disability Benefits under the Canada or Quebec Pension Plan when eligible to do so, and when the employee's disability has been determined as being severe and prolonged by the employee's physician. If the application is approved, benefits under this Plan will then be offset by the amount of C.P.P./Q.P.P. primary benefit received by the employee, retroactive to the date of eligibility as approved by the Canada or Quebec Pension Plan.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA - CANADA

RE: ARTICLE XI - HOURS OF WORK

Notwithstanding the specific terms of Article XI - Hours of Work, it is understood that the work-week and hours of work may be amended to provide alternative scheduling.

Such alternative scheduling shall not include provision for a seven (7) day operation, will be applied on a camp-by-camp basis, and all terms will be subject to agreement between the Union, the Company and the employees involved.

SIGNED AT THUNDER BAY, ONTARIO, THIS 22nd DAY OF JANUARY, 1994.

FOR THE COMPANY:

FOR THE UNION:

R. E. Mannisto
Vice President - Woodlands

W. I. McIntyre
President, Local 2693

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: LICENCES - TRUCK AND BUS DRIVERS

The Company will reimburse Truck or Bus Drivers for time lost, if necessary, when summoned by the Ministry of Transportation and Communications to renew their licence, where such renewal is required in order to continue in their jobs as a Truck or Bus Driver.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: COMMUTERS

Employees presently on Road Construction will not be affected by establishing Nakina as a Road Construction commuter centre.

It is also understood that the present practice of having both Longlac and Geraldton as commuter centres for the Road Construction crews working in these two districts will continue.

DATED AT LONGLAC, ONTARIO THIS 21st DAY OF JULY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

May 5, 1988

Mr. Wilf McIntyre
President, Local 2693
IWA Canada
P.O. Box 2384
Thunder Bay, Ontario
P7B 5E9

Dear Sir:

To accommodate your request, the President of the Union or his delegated representative will be invited to attend any meeting held between the Company and the employee association of slashers, limbers, loaders and trucks at which equipment rates and other economic conditions are to be discussed to enable the Union to be familiar with the process and results realized in fixing the equipment rates agreed to between individual associations and the Company.

Yours truly,

R. E. Mannisto
Vice President - Woodlands

:jdv

January 22, 1994

Mr. Wilfred McIntyre
Local 2693 - IWA-Canada
Lakehead Labour Centre
P.O. Box 2384
Thunder Bay, Ontario
P7B 5E9

Dear Wilf:

It is apparent from your comments over the last several months that the job security of your members is of paramount importance to you. We, too, are concerned about the livelihood of our employees.

There are, of course, many factors which affect jobs. The seasonal nature of forest products operations, technological change, the needs of our mill operations, and the cost effectiveness (competitiveness) in harvesting and transporting wood from our limit are all factors we must consider.

It is this last factor which we collectively have influence over. What we require to help secure our future is cost competitive wood from our limit for the years 1994, 1995 and 1996 (term of this contract) and beyond.

Against this backdrop, I do not foresee a need nor do I intend to employ a third-party contractor on our wood limit to supply the Terrace Bay mill.

I trust that these comments will provide you with the assurance you sought.

Yours truly,

R. C. Taylor
President & General Manager

RCT:cb

LETTER OF UNDERSTANDING

Between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: PIECEWORK RATES

Kimberly-Clark Forest Products Inc. and IWA Canada agree to remove the piecework rates and all references to piecework operations from the contract (as per attached) with the expiry of the September 1, 1990 to August 31, 1993 agreement.

Should the Company decide that future operations require the reintroduction of these piecework rates, it is agreed that the applicable piecework rates at that time would be the piecework rate applicable on August 31, 1993 as adjusted by any percentage changes to hourly wages negotiated after August 31, 1993 except where otherwise agreed upon by the parties. It is further agreed that if the hourly wage change is not negotiated as a percentage, then the piecework tree-length rates will be converted to a percentage-based negotiated rate. It is mutually agreed that the hourly rate of "Feller (Tree Length Skidding)" will be used as the basis for the negotiated percentage conversion.

DATED AT LONGLAC, ONTARIO THIS 22nd DAY OF JANUARY, 1994.

LOCAL 2693, IWA CANADA

KIMBERLY-CLARK FOREST PRODUCTS INC.

Wilf McIntyre
President, Local 2693

R. E. Mannisto
Vice President - Woodlands

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

We, the undersigned, agree that the intent under Article 22.04 of the Labour Agreement with respect to "Old Age Security (OAS) becomes payable" simply means "Age 65".

Signed at Longlac this day of March, 1997.

Wilf McIntyre
President, Local 2693
IWA Canada

Richard E. Mannisto
Vice President - Woodlands
Kimberly-Clark Forest Products Inc.

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: REDUNDANT RATES

Kimberly-Clark Forest Products Inc. and IWA Canada agree to remove all redundant rates from the contract (as per attached) with the expiry of the September 1, 1996 to August 31, 1998 Agreement.

Should the Company decide that future operations require the reintroduction of these redundant rates, it is agreed that the applicable rates shall form part of the Collective Agreement and, at that time, would be those rates applicable on August 31, 1998 as adjusted by any percentage changes to hourly wages negotiated after August 31, 1998, except where otherwise agreed upon by the parties.

Dated at Longlac, Ontario this 7th day of February, 1999

Wilfred McIntyre
President, Local 2693
IWA Canada

Richard E. Mannisto
Vice President - Woodlands
Kimberly-Clark Forest Products Inc.

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: REDUNDANT LANGUAGE

Kimberly-Clark Forest Products Inc. and IWA Canada agree to remove the Redundant Contract Language from the contract (reference on file at the K-C Main Office) with the expiry of the September 1, 1996 to August 31, 1998 Agreement.

Should the Company decide that future operations require the reintroduction of what is now deemed Redundant Contract Language, it is agreed that the applicable Redundant Language, except where otherwise agreed upon by the parties, will be returned to the contract.

Dated at Longlac, Ontario this 30th day of April, 1999

Wilfred McIntyre
President, Local 2693
IWA Canada

Richard E. Mannisto
Vice President - Woodlands
Kimberly-Clark Forest Products Inc.

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: COMMUTERS

B. Larocque and R. Harel will continue to be grandfathered as Geraldton based Road Construction employees and will be commuted from Geraldton provided they remain as part of the Camp 60 Road Construction crew.

Dated at Longlac, Ontario this 7th day of February, 1999

Wilf McIntyre
President, Local 2693
IWA Canada

Richard E. Mannisto
Vice President - Woodlands
Kimberly-Clark Forest Products Inc.

APPENDIX "A"

KIMBERLY-CLARK FOREST PRODUCTS INC.
Pulp and Forest Products Operations
Longlac Woodlands Operations

WOODSWORKERS' DISABILITY BENEFIT PLAN

1. Definitions

In this Plan, unless otherwise specifically provided:

- (a) "Accident" is a bodily injury caused by external violent means;
- (b) "Disability" is a disability preventing an employee from pursuing any gainful occupation arising from any mental infirmity, bodily disorder, or bodily injury, verified to the satisfaction of the Company and/or insurer, and not otherwise excluded by this Plan;
- (c) "Employee" means an employee in the active employment of the Company, who comes under the jurisdiction of the Labour Agreement by and between Kimberly-Clark Forest Products Inc. and Local 2693, IWA Canada;
- (d) "Insurer" means the insurance company or carrier appointed by the companies;
- (e) "Plan" means the Kimberly-Clark Woodworkers' Disability Benefit Plan;
- (f) "Company" means Kimberly-Clark Forest Products Inc.;
- (g) "Weekly Earnings" means, in the case of a day or shift worker, 40 hours x his regular rate;
- (h) "Medical Practitioner" means registered physician or surgeon, registered dentist, or registered chiropractor.

2. Participation

- (a) All employees shall be eligible to participate in this Plan, in accordance with the provisions listed herein.
- (b) Participation in this Plan is limited to employees who have accumulated 45 days of seniority with the Company.

3. Amount of Disability Benefits

The amount of disability benefit shall be 70 percent of an employee's weekly earnings, as defined in Section 1 (g) immediately preceding the date of disability, subject to a maximum weekly disability benefit prescribed in the Labour Agreement.

WOODSWORKERS' DISABILITY BENEFIT PLAN (contd)

4. Eligibility for Payment

- (a) (i) Except in the case of a disability arising out of an accident, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding 52 weeks for any one illness, beginning after three continuous days from the commencement of the disability.
 - (ii) In the case of a disability arising out of an accident, an employee shall be eligible to receive an amount of disability benefit in accordance with Section 3 hereof, for a period not exceeding 52 weeks for any one accident, commencing from the date of the accident.
 - (iii) If an employee covered by the Weekly Indemnity Plan suffers a disability for which payment is in dispute **or delayed** with the Workers' Compensation Board, Weekly Indemnity payment will be made retroactively if requested by the employee and provided he has been off work for at least one month due to disability without the Workers' Compensation Board having accepted the claim and providing the employee is subject to the rules and regulations covering the Weekly Indemnity Plan. If the Workers' Compensation Board claim is subsequently established, the employee will then repay the Weekly Indemnity payment(s) received to the appropriate fund or insurance company.
- (b) An employee absent from work and in receipt of an amount of disability benefit under this Plan shall continue to receive such benefit, even though a work shortage develops which would have resulted in his being laid off had he been at work, provided that the employee remains disabled and continues to furnish evidence satisfactory to the Company and/or insurer, and verifies the continuance of disability.
 - (c) An employee shall not be eligible for an amount of disability benefit under this Plan unless he is actively employed by the Company at the date that he becomes eligible or until he subsequently returns to active employment.
 - (d) An employee making a claim for an amount of disability benefit after layoff or termination of employment, for disability established to the satisfaction of the Company and/or insurer as having occurred prior to his layoff or termination, shall be eligible for an amount of disability benefit provided such disability was accompanied by a continuance of absence that commenced prior to actual layoff or termination.
 - (e) An employee shall be considered as eligible to submit a claim for benefits if he is requested to return to work within seven calendar days after layoff, and is unable to return to work because of disability. Disability will be considered as starting from date he is requested to return to work.

WOODSWORKERS' DISABILITY BENEFIT PLAN (contd)

4. Eligibility for Payment (contd)

- (f) Successive periods of disability separated by less than four consecutive weeks shall be considered one period of disability, unless the subsequent disability is due to an accident or illness entirely unrelated to the previous disability and commences after return to active employment on full time.
- (g) An amount of disability benefit under this plan shall not be paid in the event the absence is a result of:
 - (i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment or profit, or
 - (ii) Disability or loss
 - (1) while the protected person is on or could be on **Pregnancy or Parental Leave**, or
 - (2) if a protected person fails to qualify for **Pregnancy or Parental Leave** because of failure to meet the length of service requirements, during the period of **Pregnancy/ Maternity Leave** that the protected person could be on if she qualified for such leave in accordance with the **Employment Standards Act 1984, Ontario** or any other relevant provincial statutes, or
 - (iii) Any injury or illness entitling the employee to **any form of** compensation under any **Workplace Safety and Insurance Board** or similar legislation, or
 - (iv) Self-destruction or any self-inflicted injury, while sane or insane, or
 - (v) Any injury or illness resulting from insurrection or war, whether war be declared or not, or from participation in a riot, or civil commotion, or
 - (vi) Disability for which the employee is not under the treatment of a medical practitioner, or
 - (vii) For a period of disability in excess of four weeks where treatment is rendered solely by a chiropractor. In the case of chiropractors, certification of disability will only be accepted for payment of benefit for up to a maximum of four weeks per insured person per calendar year, or
 - (viii) Alcoholism or Drug Addiction unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and/or drug addiction, or unless the employee is undergoing regular rehabilitative treatment approved by the insurer and a physician.
- (h) An amount of disability benefit will not be payable for those days for which the employee receives holiday pay, vacation pay, or more than one-half day's regular pay, from the Company.

WOODSWORKERS' DISABILITY BENEFIT PLAN (contd)

4. Eligibility for Payment (contd)

- (i) An amount of disability benefit will not be payable following the normal retirement date of an employee, other than retirement under the total and permanent disability provision of the Company Pension Plan.
- (j) An amount of disability benefit will not be payable following the early retirement date of any employee, if early retirement was approved prior to the onset of disability.

5. Payment of Benefits

- (a) In computing the amount of disability benefits, disability will be considered as starting from the first day of disability; however, an employee must be certified by a medical practitioner for the disability within the first three days of disability. In the event that the employee is not certified within the first three days, disability will be considered as starting two complete days prior to the day that the employee is actually certified by a medical practitioner.
- (b) A daily rate of payment for each calendar day of absence that qualifies for payment shall be one-seventh the weekly amount of disability benefit under Section 3 hereof.
- (c) The amount of disability payments will be paid every week. Such benefits on account of short periods of disability will be paid as soon as the amount is ascertained.

6. Miscellaneous Provisions

- (a) An employee who is absent due to disability or on an authorized leave of absence, prior to the introduction of this plan, and is unable to return to active employment on the effective date of this plan because of a disability, shall be eligible for an amount of disability benefits as provided in the provisions of the Sick Benefit Allowance in effect prior to the introduction of this plan, which will otherwise be discontinued. Such an employee shall, upon the date of his return to active employment, be eligible to participate in this plan.
- (b) An employee absent on an authorized leave of absence on the date he was to become eligible under this plan, as set out in Section 4, shall, upon the date of his return to active employment, be eligible to participate in this plan.
- (c) If an employee who has been covered under the terms of this plan is granted an authorized leave of absence, such employee shall be considered as still covered under the terms of this plan up to a maximum of 31 days, or up to the date he would have been laid off should layoff occur during this period.

WOODSWORKERS' DISABILITY PENSION PLAN (contd)

7. Government Disability Plans

- (a) The amount of disability benefit under this plan will be reduced by the amount for which the employee is eligible and receives under the disability benefit provision of the Canada or Quebec Pension Plans, or similar provisions in any other Government Plans for disability, for which the employee is receiving an amount of disability benefit under this Plan. The amount of disability benefit under this plan will not be reduced by the amount for which the employee and/or the employee's dependent is eligible for war disability pensions, **Workplace Safety and Insurance Board** disability pension **for claims that were established prior to the current claim and for reasons unrelated to the current disability** and benefits paid by Unemployment Insurance Commission for a period of disability.
- (b) The Company and/or insurer may require certification or verification of the amount of income from the Canada/Quebec Pension Plan or such other Government Plans.
- (c) The amount of disability benefit in excess of the amount which should have been paid may be deducted from the amount of any future disability benefit, or repaid by the employee to the Company and/or insurer, as the case may be, through some other mutually satisfactory arrangement.

8. Physical Examinations

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

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

9. Administration

- (a) It shall be the obligation of the employee to notify immediately the Company of his absence due to disability, following which the Company will issue the necessary initial claim forms to him.
- (b) Completed claim forms will be checked by the Company to determine whether or not an employee is a participant in the plan, and the Company will forward the claim forms to the insurer for adjudication and processing.
- (c) The company will meet with representatives of the participating Unions from time to time, for purposes of discussing the administration of the plan and any problems which may arise.

APPENDIX "B"

KIMBERLY-CLARK FOREST PRODUCTS INC.
Pulp and Forest Products Operations
Longlac Woodlands Operations

LONG TERM DISABILITY BENEFIT PLAN

The Company shall pay the monthly premium cost of the Long Term Disability Benefit Plan.

The Long Term Disability Benefit Plan shall be administered in accordance with the terms of an insurance policy.

1. Eligibility

The Long Term Disability Benefit Plan shall be compulsory for all employees who have accumulated 45 days seniority with the Company.

2. Effective Date of Coverage

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

An eligible employee absent from work due to sickness or accident at the effective date of the Plan, shall only be eligible for Long Term Disability Plan benefits upon the return to continuous active full-time employment for a period of more than four consecutive weeks.

The Company shall have the right to give medical examinations to employees returning from such layoff to determine their eligibility under the plan.

3. Qualifying Period

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

LONG TERM DISABILITY BENEFIT PLAN (contd)

4. Definition of Disability

"Disability" shall mean an insured employee who has received fifty-two weeks of benefits for the same disability under the Weekly Indemnity Plan and is thereafter unable because of disease or injury to work at any occupation in the Company for which he is reasonably fitted by education, training or experience.

In no event, however, shall "total disability" exist during any period in which the employee

- (i) is engaged in his or any other gainful employment, or
- (ii) is confined in a penal institution or other house of correction as a result of conviction for a criminal or other public offense.

5. Amount of Benefit

- (a) The disability benefit shall be 55 percent of monthly earnings as defined in (5b).
- (b) "Monthly Earnings" means, in the case of a day or shift worker, 173 x his regular hourly rate.
- (c) "Hourly Rate" means the regular rate of the employee effective immediately prior to the date on which the disability occurred, excluding overtime or shift bonus.
- (d) The benefits payable under this Plan are reduced by any primary disability payments made under the Canada Pension Plan, or any Company group disability income plan. Benefits are not affected by War Pensions, **Workplace Safety and Insurance Board Disability Pensions, (for claims that were established prior to the current claim and for reasons unrelated to the current disability)**, or by any insurance policies he may have purchased himself.
- (e) While receiving benefits under this Plan, the employee will continue to accrue full pension credits as though still working at no cost to the employee based on earnings equal to the rate of pay for the job on which he was employed immediately prior to disability.

6. Duration of Benefit

- (a) Benefits will be paid for one month, for each completed month of service prior to commencement of the Long Term Disability Benefits, while the employee is disabled.
- (b) Service for purposes of the plan will be based on the present calculation of pension service since January 1, 1965. Service for the purpose of this plan prior to January 1, 1965 will be reviewed and established by mutual agreement during the term of this Agreement.
- (c) Disability benefits will be paid one month in arrears.

LONG TERM DISABILITY BENEFIT PLAN (contd)

7. Termination of Benefits

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

- (a) On the date the employee ceases to be disabled. (If there is a recurrence of the same disability within six months of return to work, a new qualifying period will not be required, and the disabled employee will be eligible for any balance of Long Term Disability Benefit payments. This provision shall take precedence over any recurrent disability provision under the Weekly Indemnity Plan), or
- (b) On exhaustion of the benefit period, or
- (c) At normal retirement age, or
- (d) On death.

8. Exclusion

- (a) An employee receiving Long Term Disability Benefits will not be eligible for vacation or statutory holiday pay.
- (b) Benefits under the Long Term Disability Plan will not be payable for claims resulting from:
 - (i) Any injury arising out of or sustained while doing any act or thing pertaining to any occupation or employment for remuneration or profit, or
 - (ii) Any injury or illness entitling the employee to **and form of compensation under any Workplace Safety and Insurance Board** or similar legislation, or
 - (iii) Self-destruction or any self-inflicted injury, while sane or insane, or
 - (iv) Disability for which the employee is not under the treatment of a physician, or
 - (v) Alcoholism or drug addiction, unless the employee is undergoing a recognized course of treatment by a specialist in the care and treatment of alcoholism and drug addiction or the employee is undergoing regular rehabilitative treatment approved by the insurer and a licensed physician.
 - (vi) Disability or loss
 - (1) while the employee is on, or could be placed on Pregnancy/ Maternity Leave, or
 - (2) if employee fails to qualify for Pregnancy/ Maternity Leave because of failure to meet the length of service requirements, during the period of Pregnancy/Maternity Leave that the employee could be on if she qualified for such leave, in accordance with the Employment Standards Act 1984, Ontario or any other relevant provincial statutes.

LONG TERM DISABILITY BENEFIT PLAN (contd)

9. Rehabilitation

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

10. Physical Examinations

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

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

ADDENDUM TO THE AGREEMENT

Between

KIMBERLY-CLARK FOREST PRODUCTS INC.

hereinafter referred to as "The Company"

And

LOCAL 2693, IWA CANADA

hereinafter referred to as "The Union"

The Company and the Union agree that where it is necessary for the Company to increase its work force of employees listed on the seniority list for the sole purpose of carrying out seasonal silviculture work (reforestation), the Company may hire additional employees to perform seasonal silviculture work under the provisions of the Collective Agreement and as amended by this Addendum for such seasonal employees.

1. **ARTICLE V - UNION MEMBERSHIP**

- (a) The employees hired to perform seasonal silviculture work shall not be required to make an application to become a member of the Union while they remain employed at such work.
- (b) The Company shall put these employees on check-off and deduct the Union's monthly membership dues from monies due them and remit same to the Union office monthly, accompanied with the list of said employees.

2. **ARTICLE VI - VACATION WITH PAY**

For such aforesaid employees, Vacation with Pay credits shall be paid at the rate of 4 percent of his gross earnings and the total accrued amount of credits shall be paid by cheque to each employee at the time of termination or layoff from such seasonal employment.

3. **ARTICLE VII - HOLIDAYS WITH PAY**

- (a) For such aforesaid employees who qualify under Section 12.02 Holidays With Pay shall be paid without the performance of work for the holidays listed in 7.01 excluding floating holidays.

The employee must have worked the last scheduled shift before, and the first scheduled shift after the holiday, except when the employee is absent due to a confirmed illness or accident, in which case the employee shall be paid.

ADDENDUM TO THE AGREEMENT - page 2

Employees absent due to a confirmed illness or accident shall only be entitled to one holiday after the start of such absence.

- (b) The provisions set out in Sections 7.02(b), 7.02(c), 7.02(d), 7.02(e), 7.02(f) and 7.03 are not applicable.

4. **ARTICLE X - WORKING AND LIVING CONDITIONS**

Where silvicultural work is to be carried out in isolated areas from camps and such areas are not accessible from communities on a daily commuter basis, the Company may set up suitable temporary camps to accommodate such said employees while so engaged.

5. **ARTICLE XII - SENIORITY**

- (a) The Company recognizes the principle of seniority for the aforesaid employees. Seniority will govern, subject to reasonable consideration of skill, efficiency and ability in promotions, transfers, layoff and rehires. Seniority will govern on a camp basis.
- (b) Employment of any new employee shall be considered probationary until he has worked thirty (30) days within a six-month period.
- (c) A separate seniority list shall be established and maintained of the aforesaid employees, which will show the accumulated work days plus paid holidays of each employee while so employed. This shall be referred to as the Silvicultural Seniority List.
- (d) An employee, on the Silvicultural Seniority List, hired on other production operations, will be required to complete a further thirty (30) day probationary period in accordance with Section 12.02.

Upon completion, his silvicultural seniority from the last date of hire shall be transferred to the seniority list as established and maintained under Article XII of the Collective Agreement.

- 6. The provisions set out under the following Articles are not applicable for the aforesaid employees:

- Article XIV - Medical, Surgical, Drug and Hospital Care Plans
- Article XV - Life Insurance
- Article XVI - Weekly Indemnity
- Article XVII - Bereavement Pay
- Article XVIII - Jury Duty Allowance
- Article XIX - Dental Care Plan
- Article XX - Kimberly-Clark Long Term Disability Plan

ADDENDUM TO THE AGREEMENT - page 3

7. **COMMUTERS**

Where marshalling points are not established in the Collective Agreement which are suitable to a particular silviculture commuter operation, they shall be established by negotiations between the Company and the Union prior to commencement of such operations.

8. **SILVICULTURAL WAGE SCHEDULE**

(a) **Hourly Rates**

<u>Classifications</u>	<u>Sept. 1/98</u>	<u>Sept. 1/99</u>	<u>Sept. 1/00</u>
Tree Planter	\$20.16	\$20.66	\$21.28
Labourer	20.16	20.66	21.28
Crew Leader	35 cents in addition to regular hourly rate		
Nursery Worker (after Feb. 1/85)	15.93	16.33	16.82
Nursery Worker (on seniority list Feb. 1/85)	20.16	20.66	21.28

(b) **Piecework Rates - Manual Planting**

<u>Site Prepared</u>	<u>Sept. 1/96 to Aug. 31/98</u>
Bareroot Stock	10 cents per tree
Tubed Seedlings (paper pots)	8 cents per tree
 <u>Site Unprepared</u>	
Bare Root Stock	11 cents per tree
Tubed Seedlings (paper pots)	9 cents per tree

(Employees on the regular seniority listing will not be assigned to Manual Planting on piecework rates).

**MEMORANDUM OF SETTLEMENT
OF ALL MATTERS IN DISPUTE**

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

- and -

IWA CANADA, LOCAL 2693

The undersigned representatives of the parties hereto unanimously agree to the following terms of settlement of all matters in dispute and agree to unanimously recommend acceptance and ratification to their respective principals.

Article II - Term of Agreement

2.01 Agreement to be effective Date of Ratification with only those matters retroactive that are specified. Agreement to expire August 31, 2001.

Article III - Recognition - Jurisdiction

Change 3.01 (d), Paragraph 1 to:

“Employees shall be permitted to own mechanical equipment...”

Add to 3.01 (d) 3, Paragraph 1:

“...This opportunity will be posted for a maximum of five (5) working days on all Bulletin Boards. This will apply to all equipment vacancies.”

Add to 3.01 (d) 3., Paragraph 2:

It is agreed that this does not include the truck fleet

Add to 3.01 (d) 3, Paragraph 3

No mechanics or welders on the payroll will be laid off due to the introduction of employee owned equipment. All equipment owners will be encouraged to use the Company maintenance facilities and tradesmen.

Add to 3.01 (d) 3, Paragraph 5

If an equipment owner violates the Collective Agreement, he shall be dealt with under Article 3.01 (d) 3, Paragraph 5.

Change 3.01 (d) 3, Paragraph 6 to:

No employee will be laid off due to the use or repair of employee owned equipment.

Add as 3.01 (d) 4:

The Company and Union will work together to ensure no bonus is being paid.

Add as 3.01 (d) 5:

The Company will continue its present practice of providing financial assistance and will provide business training to employees who are to be equipment owners.

Add as 3.01 (d) 6:

The Company is prepared to offer work to the employee's equipment ahead of Company owned or leased equipment.

Add as 3.01 (d) 7:

The owners' contract will establish seniority as of the date it becomes operative on the limits and work sites of the Company. A list will be provided to the Union as changes occur.

Add as 3.01 (d) 8:

Equipment operators may have tools in their trucks, or equipment, to do minor repairs.

Add as 3.01 (d) 9:

No employee shall own more than three (3) pieces of equipment in the Cut and Skid operations.

Add as 3.01 (d) 10:

Employees have to be actively at work to own equipment. Employees absent from the workplace for eighteen (18) months must remove their equipment from the limits and worksites of the Company.

Add to end of Article 3.01 (d):

It is understood that none of the above provisions of this document apply to the truck fleet.

Supplementary Agreement re: Article X -- Paragraph 1 (Page 63) (reference to operating a tractor) -- Delete last sentence

Article V - Union Membership

5.02 (b) "... give preference to local Union members, children of employees, and then other union members..."

5.03 Change to:

...deduct Union initiation fees, assessment, and/or monthly...

Article VI - Vacation With Pay

Add to 6.01 (b), Paragraph 4

Employees will be provided the opportunity to take half their allowed vacation time at one time. The Company reserves the right to determine the number of employees allowed off on vacation at any given time in each area.

Effective Date of Ratification, employees will receive an additional \$20 per week for each week of regular vacation taken.

Effective September 1, 1999, increase the \$20 per week to \$40 per week.

Effective September 1, 2000, increase the \$40 per week to \$60 per week.

Article VII - Holidays With Pay

7.05 Add as last paragraph:

On April 28th of each year, the Company flag shall be flown at half mast in recognition of those workers fatally injured.

Article VIII - Adjustment of Grievances

NEW: Add as 8.11 (and 8.11 becomes 8.12)

Where mutually agreed, and prior to arbitration, the parties will share equally in the cost of a mediator, whose decision shall be binding. The parties will mutually agree to a list of mediators. If the parties cannot agree to the mediation process, the terms of the Collective Agreement shall apply.

Article X - Working Conditions

- 10.01 ADD: The Union co-chair shall receive appropriate, and mutually agreed to, training as a Certified Worker Representative provided the employee serves in this role for a minimum of two (2) consecutive years, unless unforeseen circumstances arise.
- 10.07 -- Paragraph 2 -- Delete in its entirety
- 10.15 -- Safety Boots - Effective September 1, 2000, change \$40 per pair, maximum two (2) pairs per year to read \$45 per pair, maximum two (2) pairs per year.

Article XI - Hours of Work

- 11.03 (c) Effective Date of Ratification, change second shift premium from \$0.55 to \$0.56 per hour and increase third shift premium from \$0.65 to \$0.68 per hour.

Article XII - Seniority

- 12.03 (c) Add as Paragraph 3:
- Temporary postings for three (3) shifts, or for additional temporary equipment up to three (3) months, or longer as mutually agreed to between the Union and the Company, shall be posted under the guidelines of 12.03 (d).

Article XIV - Drug and Hospital Care Plan

14.01, Paragraph 4

Change: maximum from \$15.00 to \$25.00

Add as 14.02:

Effective September 1, 1999, the Company will cover the cost of chiropractic services to a maximum of \$15 per visit to a yearly maximum of \$90 per year, per family member.

Article XV - Group Life Insurance

- 15.01 Effective September 1, 1999, increase to provide for fifty-five thousand (\$55,000) of coverage.

Article XVI - Weekly Indemnity

Effective first of month following date of ratification, for all new claims, increase maximum to \$550 per week.

Effective September 1, 1999, for all new claims, increase maximum to \$560 per week.

Effective September 1, 2000, for all new claims, increase maximum to \$570 per week.

Article XVII - Bereavement Pay

17.01 Effective Date of Ratification, change mother and father from three day to five day entitlement

Article XIX -- Dental Care Plan

Effective Date of Ratification, amend the Plan to provide for the application of 1998 ODA Schedule of Fees.

Effective September 1st of every year hereafter, the plan shall be amended to provide for a one year lag in the ODA schedule of fees.

Effective September 1, 2000, increase the maximum for Class I and Class II covered expenses to \$1500 per family member per year.

Article XXI -- Vision Care Plan

21.01 Effective date of ratification, change \$125 to read \$140

Effective September 1, 2000, change \$140 to read \$150

Article XXIII -- Education

ADD as new Article:

Effective Date of Ratification, provide for \$0.01 per regular hours worked to the education fund.

Effective September 1, 1999, increase to \$0.02 per regular hour.

Effective September 1, 2000, increase to \$0.03 per regular hour.

Wage Schedule

General wage increases, increase all hourly rates:

Effective September 1, 1998 -- 2.5%
Effective September 1, 1999 -- 2.5%
Effective September 1, 2000 -- 3.0%

Silvicultural Wage Schedule

General wage increases, increase all hourly rates:

Effective September 1, 1998 - 2.5%
Effective September 1, 1999 - 2.5%
Effective September 1, 2000 - 3.0%

Appendix "A" -- Woodworkers Disability Benefit Plan

- 4(a)(iii) ADD: "...is in dispute or delayed..."
- 4(g)(ii)(1) CHANGE: "while the protected person is on Pregnancy or Parental leave, or"
- 4(g)(ii)(2) CHANGE: "...fails to qualify for Pregnancy or Parental leave..."
- 4(g)(iii) CHANGE TO:
"Any injury or illness entitling the employee **to any form of** compensation under any **Workplace Safety and Insurance Board** or similar legislation, or..."
- 4(k) Delete in its entirety
- 7(a) CHANGE TO:
"...for war disability pensions, **Workplace Safety and Insurance Board** disability pension **for claims that were established prior to the current claim and for reasons unrelated to the current disability)**..."

Appendix "B" -- Long Term Disability Benefit Plan

- 5(d) CHANGE TO:
"...Benefits are not affected by War Pensions, **Workplace Safety and Insurance Board** Disability Pensions (**for claims that were established prior to the current claim and for reasons unrelated to the current disability)**..."
- 8(b)(ii) CHANGE TO:
"Any injury or illness entitling the employees to any form of compensation under any **Workplace Safety and Insurance Board** or similar legislation, or..."
- 8(b)(vi)(1) CHANGE: "while the employee is on Pregnancy or Parental Leave, or,"

8(b)(vi)(2) CHANGE: "...fails to qualify for Pregnancy or Parental leave..."

For Memorandum of Agreement Only

Small committee to review redundant language in the collective agreement, prepare a proposal, and bring it back to the Stewards, union and management representatives for approval by mutual agreement

Return to Work Program - For Memorandum of Agreement Only

ADD: A return to work program under the I. W. A. policy be introduced in the workplace.

Letters of Understanding -- Add to (or change) Collective Agreement:

Re: Commuter, Road Construction (Page 73)

Re: Article 22.04, Old Age Security

Re: Redundant Rates

Re: Insert trucks into letter, Page 74

Local Issues:

Qualifications: On contractor equipment, the supervisor shall qualify or disqualify the operator.

Signed at Thunder Bay, Ontario, this 7th day of February 1999.

SIGNED FOR:
Kimberly-Clark Forest Products Inc.

R. E. Mannisto

M. R. Glad

R. M. Harkness

J. D. Wright

M. A. Fischer

SIGNED FOR:
IWA Canada, Local 2693

W. McIntyre

J. Hanlon

K. Paquette

J. P. Carrier

L. F. Merkley

L. Dallaire

E. Parise

L. McLaughlin

R. Chaine

M. Gosselin

L. Beaupre

APPENDIX A

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: REDUNDANT RATES

Kimberly-Clark Forest Products Inc. and IWA Canada agree to remove all redundant rates from the contract (as per attached) with the expiry of the September 1, 1996 to August 31, 1998 Agreement.

Should the Company decide that future operations require the reintroduction of these redundant rates, it is agreed that the applicable rates shall form part of the Collective Agreement and, at that time, would be those rates applicable on August 31, 1998 as adjusted by any percentage changes to hourly wages negotiated after August 31, 1998, except where otherwise agreed upon by the parties.

Dated at Longlac, Ontario this 7th day of February, 1999

Wilfred McIntyre
President, Local 2693
IWA Canada

Richard E. Mannisto
Vice President - Woodlands
Kimberly-Clark Forest Products Inc.

APPENDIX B

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

RE: COMMUTERS

B. Larocque and R. Harel will continue to be grandfathered as Geraldton based Road Construction employees and will be commuted from Geraldton provided they remain as part of the Camp 60 Road Construction crew.

Dated at Longlac, Ontario this 7th day of February, 1999

Wilf McIntyre
President, Local 2693
IWA Canada

Richard E. Mannisto
Vice President - Woodlands
Kimberly-Clark Forest Products Inc.

APPENDIX C

LETTER OF UNDERSTANDING

between

KIMBERLY-CLARK FOREST PRODUCTS INC.

and

LOCAL 2693, IWA CANADA

We, the undersigned, agree that the intent under Article 22.04 of the Labour Agreement with respect to "Old Age Security (OAS) becomes payable" simply means "Age 65".

Signed at Longlac this day of March, 1997.

Kimberly-Clark Forest Products Inc.
Per: R. E. Mannisto

IWA-Canada - Local 2693
Per: W. McIntyre