

AGREEMENT

BETWEEN

KRAFT GENERAL FOODS
CANADA INC.
COBOURG, ONTARIO

AND

UNITED FOOD AND
COMMERCIAL WORKERS
INTERNATIONAL
LOCAL 1230
AFL - CIO - CLC

1994-1996

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INDEX OF ARTICLES

	ARTICLE	PAGE
1.	Recognition.....	6
2.	Bargaining Unit	6
3.	Management.....	7
4.	Union Security	8
5.	Grievance Procedure	10
6.	Arbitration	15
7.	Representation.....	17
8.	Plant Holidays.....	18
9.	Rest and Meal Periods.....	20
10.	Tools for Tradesmen	21
11.	Licenses	22
12.	Working Clothes	22
13.	Appearance in Court	22
14.	Safety, Health and Sanitation	22
15.	Co-operation	24
16.	Bereavement Pay	25
17.	Vacations	25
18.	Benefits	29
19.	Hours of Work and Overtime	29
20.	Wages and Job Rate Rules.....	31
21.	Off-Shift Premiums	34
22.	Severance Allowance/Closure Agreement	34
23.	Seniority.....	37
24.	Posting and Filling of Positions	38
25.	Reduction and Recall of Plant Work Force....	41
26.	Leave of Absence	44
27.	Term of Agreement	47
	Appendix "A" - Hourly Wage Rates	49
	Appendix "B" - Special Appendices	
	Respecting Maintenance....	53
	Recognized Trades and Skills	53
	Maintenance Departments-	
	Classifications	54

INDEX OF ARTICLES

ARTICLE	PAGE
Appendix "B"	Filling of Vacancies 55
	Shift Rotation 56
	Temporary Assignment from Classification to Classification 57
	Maintenance Overtime 57
	Apprenticeship Training Program 57
	Powerhouse Employees Twelve (12) Hour Shift Schedule..... 59
Appendix "C"	Temporary Employees and Students 60
Appendix "D"	Definitions..... 62
Appendix "E"	Overtime Distribution..... 65
Appendix "F"	Benefits..... 68
	Provincial Health Insurance Plan OHIP 69
	Extended Health Plan..... 69
	Dental Plan 74
	Life Insurance Plan..... 78
	Accidental Death and Dismemberment Insurance Plan . 80
	Non-Occupational Accident and Short-Term Disability Plan 81
	Long-Term Disability 87
	Retirement Plan 90
	Summary of Pension Plan Provisions - Hourly Employees... 97
	Medical and Dental Benefits Plan for Regular Full-Time Employees 101
Appendix "G"	Special Appendices Respecting Laboratory Employees..... 102
Appendix "H"	Alternate Work Schedules..... 105
Memorandums	Powerhouse Employees Premium Time 106
	Workers' Compensation Board 107
	Joint Pension Committee for Hourly Employees Mandate and Activities Schedule 108
	Posting and Filling of Positions 110
	Pre-testing of Applicants 113
	Flexible Work Schedules..... 115

INDEX OF ARTICLES

ARTICLE	PAGE
Appearance in Court.....	22
Appendix "A" Hourly Wage Rates	49
Appendix "B" Special Appendices re Maintenance	53
Appendix "C" Temporary Employees and Students	60
Appendix "D" Definitions.....	62
Appendix "E" Overtime Distribution.....	65
Appendix "F" Benefits.....	68
Appendix "G" Special Appendices Respecting Laboratory Employees.....	102
Appendix "H" Alternate Work Schedules.....	105
Arbitration.....	15
Bargaining Unit	6
Benefits.....	29
Bereavement Pay	25
Co-operation.....	24
Grievance Procedure.....	10
Hours of Work and Overtime.....	29
Leave of Absence	44
Licenses.....	22
Management.....	7
Memorandum of Agreement	106
Off-Shift Premiums	34
Plant Holidays.....	18
Posting and Filling of Positions	38
Recognition.....	6
Reduction and Recall of Plant Work Force	41
Representation.....	17
Rest and Meal Periods	20
Safety, Health and Sanitation	22
Seniority.....	37
Severance Allowance/Closure Agreement	34
Term of Agreement	47
Tools of Tradesmen	21
Union Security	8
Vacations	25
Wages and Job Rate Rules.....	31
Working Clothes	22

AGREEMENT

BETWEEN

KRAFT GENERAL FOODS CANADA, INC.
COBOURG, ONTARIO
and/or its successor

Herein called "the Company"

AND

**UNITED FOOD AND COMMERCIAL
WORKERS INTERNATIONAL,**
affiliated with the AF. of L - C.I.O.,
of the Canadian Labour congress (C.L.C.)
on behalf of Local 1230.

Herein called "the Union".

PREAMBLE

Recognizing that the welfare of the Company and that of its employees depends upon the welfare of the business as a whole, and recognizing further that a relationship of goodwill and mutual respect between employer and employees can contribute greatly to the maintenance and increase of that welfare, the parties of this contract join together in the following Agreement.

Article 1 - Recognition

- 1.1 The Company recognizes the Union as the sole collective bargaining agent with respect to rates of pay, hours of work, and such other working conditions and provisions as are included in this Agreement for all classes of employees, as defined in Article 2 - Bargaining Unit.
- 1.2 The Company will not bargain collectively with any other labour organization on matters affecting these employees during the term of this Agreement.

Article 2 - Bargaining Unit

- 2.1 The Bargaining Unit is composed of all employees at the Cobourg Plant, save and except Supervisors, persons above the rank of Supervisors, office staff, salaried technicians, watchmen and guards, and employees in the research centre.
- 2.2 Work customarily performed by the employees in the Bargaining Unit shall not be done on the plant premises by persons excluded from the scope and jurisdiction of this Agreement, or by employees not covered by this Agreement, except for purposes of experimental development, audit, on-the-job training or instruction of employees, in cases of emergency or by sub-contracting.
- 2.3 Notwithstanding Article 2.2 and Appendix "A", some duties/tests may be re-allocated between Plant and Laboratory and/or Plant and Maintenance Classifications to enhance production and quality efficiencies. The new and/or changed classifications will be subject to Article 20.9.

Laboratory and Maintenance Personnel will not be displaced because of any transfer of duties.

However, if the needs of the business warrant a reduction of the number of jobs in the Laboratory and Maintenance groups, these employees will have the opportunity to move into Plant positions according to seniority.

- 2.3 In the event of an opening in the Laboratory, Maintenance, or Production, qualified personnel from Maintenance, Laboratory Groups or Production, will have the first opportunity to apply according to their seniority.
- 2.4 The Union agrees the Company has the right to hire personnel on a temporary basis when necessary to meet production requirements or replace full time employees for such reasons as vacation, sick leave, or leave of absence. Terms and conditions covering temporary employees will be in accordance with Appendix "C", which forms part of this Collective Agreement.
- 2.5 It is understood that the Company may need to sub-contract work, but the Company agrees to restrict the hiring of sub-contractors to perform such work on the plant premises to those instances where:
1. The work cannot be performed by Bargaining Unit employees due to inappropriate skills and unavailability of qualified personnel.
 2. Necessary equipment or tools to perform the work are not available to the plant.
 3. Such work cannot be performed by Bargaining Unit employees within required time limits.
 4. The Company will advise the Union President prior to any subcontracting work.
 5. The Company will dialogue with the Union President prior to any co-packing work.

Where regular employees who are laid-off have the skills and the equipment to do the work being subcontracted, the Company will not subcontract the work.

- 2.6 Use of the masculine gender in this Agreement shall be considered also to include the feminine.

Article 3 - Management

- 3.1 Subject to the provisions of this Agreement, the management and operation of the business; and

the employment, direction, promotion, transfer, lay-off, termination, retirement; and reprimand, suspension, or discharge of employees for just cause, shall be vested solely in the Management of the Company. The exercise of such functions shall not be subject to arbitration unless related to the provisions of the Agreement.

Article 4 - Union Security

- 4.1** All employees as of the signing of the Collective Agreement who are members of the Union (in accordance with its constitution and by-laws) and all employees who become members after such date shall, as a condition of employment, maintain their membership in good standing with the Union so long as this Collective Agreement or its renewal shall continue in force.

In the event that an employee has been expelled from the Union in accordance with its constitution and by-laws, the employment of said employee shall automatically be terminated.

- 4.2** a) The Company agrees to deduct each week from wages due and payable to each employee (excluding a probationary employee) coming within the scope of the Bargaining Unit as defined in Article 2.1 of this Collective Agreement, the regular weekly union dues. Such dues will be remitted to the Secretary Treasurer of Local 1230, United Food and Commercial Workers International, during the week which follows the deduction, together with a list of changes in the Bargaining Unit, and the names of employees for whom deductions have not been made.
- b) Any union dues payable and not processed through payroll deductions because the employee has no earnings at the time the deductions are made, is claimed and collected by the Union directly from the employee.
- 4.3** The Company agrees that upon receipt of written authorization in the form of a signed Union Mem-

bership Card, it will deduct from the wages of employees joining the Union after the ratification of this Agreement, the initiation fee due from him to the Local Union and shall remit the same to the Secretary Treasurer of Local 1230, United Food and Commercial Workers International, on or before the fifteenth (15th) day of the following calendar month. Special assessments, if levied in accordance with the constitution and by-laws of the Union, will be deducted from members of the Union upon proper notification from the Union.

- 4.4** The Company shall not be responsible financially or otherwise, either to the Union or to any employee, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from an employee's wages, the Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to the Union, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions in this Article shall terminate at the time it remits the amounts payable to the designated officer or officers of the Union.
- 4.5** In the event of any action at law against the parties hereto or either of them resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to Article 4.2 both parties shall cooperate fully in the defense of such action. Each party shall bear its own cost of such defense except that if at the request of the Union counsel fees are incurred, these shall be borne by the Union. Save as aforesaid the Union shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

- 4.6 Neither the Company nor any person acting for the Company, shall in any manner whatsoever, seek to dominate, to influence, hinder or discriminate against the lawful activities of the Union or against any present and prospective member of the Union.
- 4.7 It shall continue to be the policy of the Company and the Union not to discriminate against or intimidate employees because of sex, religious, political or Union beliefs, race, colour, creed or nationality.

Article 5 - Grievance Procedure

- 5.1 Both the Company and the Union emphasize the desirability of a satisfactory grievance procedure, the purpose of which will be to settle grievances promptly. For the purposes of this Agreement, grievances are understood to be any disputes, disagreements, dissatisfactions, differences, or alleged grievances arising out of the provisions of this Agreement. It is agreed that consultation at any step in the following procedure will take place quietly and speedily so that any possible cause of friction may be reduced to a minimum.
- 5.2 To ensure prompt handling of grievances, the matter concerned should be submitted as soon as possible, but neither the Company nor the Union shall be required to recognize a grievance submitted by an employee after fifteen (15) work days have elapsed from the date of the incident.
- The above time limit shall not apply in those instances where the grievance involves an error in employee's pay.
- 5.3 The employee will discuss his grievance with his Supervisor, accompanied by his Steward if he so desires. If such grievance is not settled to the satisfaction of the employee concerned, it may be submitted in writing, signed by the employee and the Chief Steward, and will be submitted to the Supervisor.

5.4 Grievances shall be dealt with progressively in the following manner:

Step 1

Within five (5) work days of the Company receiving the written grievance, the employee, with the Chief Steward, may present the grievance to the Manager of the Department, the Superintendent and/or the Supervisor.

The Company is expected to render its decision within two (2) full work days, but, failing to do so, the Union may submit the grievance to the next step.

Step 2

Within fifteen (15) work days of the Union receiving the decision under Step 1, the Union President, and the Chief Steward, with or without the Steward, may present the grievance to the Manager, Human Resources or a designate, and the Manager of the Department, the Superintendent and/or the Supervisor.

The Company is expected to render its decision within two (2) full work days, but, failing to do so, the Union may submit the grievance to the next step.

Step 3

Within twenty (20) work days of the Union receiving the decision under Step 2, the Grievance Committee may present the grievance to the Plant Manager, the Manager, Human Resources or a designate, and the Manager of the Department, or his designate. A representative of the Union may be called in if desired by either party.

The Company is expected to render its decision within five (5) full work days, but, failing to do so, the Union may submit the grievance to Arbitration.

Note 1 : For the purposes of this Article, the term "work days" is understood to exclude Saturdays, Sundays, paid plant holidays, vacations and sickness.

Note 2: In the absence of the Chief Steward, his designated representative (who will be another Officer of the Union) will process the grievance.

- 5.5 Any grievance not appealed from the decision in any step of the Grievance Procedure within five (5) full work days, shall be considered settled on the basis of the last decision.
- 5.6 The decisions arrived at by agreement between both parties under any of the above steps, shall be recorded in writing at the time of settlement, signed by both parties, and shall be valid and binding upon the Company and the Union and the employees.
- 5.7 Should the Company representative fail to meet the time limits at any step of the Grievance Procedure the Union may submit the grievance to the next step of the Grievance Procedure or to Arbitration after Step 3. Should the Union fail to process the grievance in accordance with any of the above grievance steps, the grievance shall be considered settled on the basis of the last decision, and shall not be subject to further proceeding.
- 5.8 The aggrieved employee may be present at any step if requested by either party. Except in the cases of discipline, a grievance initiated by more than one employee, or where a number of grievances dealing with a common issue are presented, the grievors will be represented by not more than two of their number, excluding the Union Steward and Grievance Committee, at any step of the grievance procedure.
- 5.9 If an employee so desires, he may be accompanied by his Steward when being interviewed by a management representative in an office. If the employee is a Steward, he may be accompanied by an officer of the Union.
- 5.10 The Company shall notify the Union President in writing within one (1) work day from the date the employee is notified in writing of his suspension or discharge. If the employee (excluding a Proba-

tionary Employee) believes that he has been unjustly suspended or discharged, he shall submit his grievance in writing to Management, through a member of the Grievance Committee, within ten (10) work days from the date that the official written notice was given to the Union President.

Such grievance shall be presented at the Second Step of the Grievance Procedure, after which it can be submitted to the subsequent steps of the Grievance Procedure and Arbitration.

- 5.11 It is understood that all meetings between Officers, Stewards of the Union and members of the Grievance Committee and members of Management for handling matters under the scope and jurisdiction of this Agreement but excluding negotiations for the renewal of a new Agreement, shall be scheduled by Management at times suitable to the operation of the business. The Union Officers, Stewards and members of the Grievance Committee affected shall be paid at their prevailing rate for such time. The above shall also apply to the aggrieved employee (except an employee who is under suspension or who has been discharged), and to any employee who is required to attend such meeting as a witness with respect to the grievance.
- 5.12 Notwithstanding Article 5.11, an employee, who would normally be scheduled to work, but is absent for negotiations with the Company for the renewal of the Collective Agreement or an authorized Union Convention, will receive a regular pay cheque from the Company subject to the following conditions:
- (1) The weekly pay cheque will be computed on the basis of forty (40) hours per week at the employee's applicable rate and will not include any form of overtime or shift differential.
 - (2) The pay cheque will be subject to all normal pay deductions.

- (3) The Union will supply a list of employees involved a week prior to the meeting date.
 - (4) The Company will invoice the Union on a monthly basis for all gross pay computed per Section (1).
 - (5) The Union will remit the full amount owing by the 15th day of the following calendar month, payable to Kraft General Foods Inc., Cobourg, Ontario, attention: General Accounting.
 - (6) The arrangement applies to the Union Officers, representatives of Local 1230, as defined in Appendix "D" of the Collective Agreement.
- 5.13 Any grievance arising directly between the Union and the Company may be submitted in writing by either party to the other at Step 2. Discussions between the Company and the Union apart from the Grievance Procedure shall not preclude resort to the Grievance Procedure.
- 5.14 A Union Steward may discuss with his Supervisor matters which may directly affect the welfare of the department even though at the same time such matters may not constitute a grievance. In the absence of the Steward the Union President may have such discussions with the Supervisor. The Union Steward may be accompanied by the Union President in the event that either the Steward or the Supervisor request his presence. Similar discussions may take place between a representative of the Union or an Officer of the Union Local and a representative of Management.
- 5.15 Pending investigation and settlement of a grievance, the employee(s) involved will perform the duties assigned to him by his Supervisor.
- 5.16 The disciplinary record of employees will be reviewed every three (3) months by the chief Steward and the Associate Manager of Human Resources. Any Management decision arising out of such review may be subject of a grievance.

- 5.17 It is mutually agreed that subsection (6) of Section 44 of the Ontario Labour Relations Act does not apply to this Collective Agreement.
- 5.18 It is understood that any of the time limits referred to in Article 5, "Grievance Procedure", and Article 6, "Arbitration", including the initiating of a grievance and/or the invoking of Arbitration, may be extended by mutual agreement between the Union President and the Manager, Human Resources, or their designate.

Article 6 - Arbitration

- 6.1 Any grievance which has been handled in accordance with Article 5 and has not been settled, and which involves the interpretation or application of any of the provisions of this Agreement, may be referred by either party to Arbitration within a period of not more than thirty (30) calendar days, following the meeting referred to in the Step 3 of the Grievance Procedure.

The party submitting the grievance to Arbitration shall inform the other party in writing and by registered mail. For the purpose of this clause, the date appearing on this registered mail shall be considered to be the date that the grievance has been filed for the purpose of Arbitration.

At the request of officials of either the Company or the Union a grievance which has not been settled in accordance with Article 5, and which has been filed for the purpose of Arbitration may be the subject of further discussion in a meeting between the respective representatives of the parties. The object of this clause is to give the parties an opportunity to promote the settlement of such a grievance prior to arbitration.

- 6.2 Within fifteen (15) calendar days from the date that the grievance was filed for the purpose of Arbitration as set forth in Section 6.1, the Union shall designate one person and the Company shall designate one person as members of the Arbitration

Board. In the event that either of the parties fails to appoint its member within this period, the other party shall within fifteen (15) calendar days ask that the member be appointed by the Minister of Labour of the Province.

- 6.3 The representatives of the parties shall agree upon the selection, as soon as possible from the date of the last appointment, of a third arbitrator who shall be impartial and who shall act as Chairman of the Arbitration Board. In the event that the parties fail to agree upon a Chairman, the representatives of the parties will jointly request the Minister of Labour for the Province to appoint such Chairman. The Chairman will be expected to convene this Board as soon as possible.
- 6.4 The decision of a majority of the said arbitrators shall be final and binding upon the Company and the Union and all employees involved.
- 6.5 The Arbitration Board shall not be authorized to make any decision inconsistent with the provisions of this Agreement or to alter, modify, or amend any part of it.
- 6.6 In the case referred to in Article 5, Section 5.10, the decision of the Board shall be governed by the following rules as agreed between the Union and the Company.
 - a) The employee to be reinstated on a date at the discretion of the Arbitration Board with all rights accrued to him under this Agreement and with full compensation for all time lost from the date that the employee was suspended, or discharged.
 - b) The employee to be reinstated on a date at the discretion of the Arbitration Board, with partial compensation for time lost as determined by the Arbitration Board, but with all rights accrued to him under this Agreement.
 - c) The employee to be reinstated on a date at the discretion of the Arbitration Board with no com-

pensation whatsoever for time lost, but with all rights accrued to him under this Agreement.

- d) The decision of Management related to said suspension or dismissal of the employee to be upheld by the Arbitration Board.

It is understood that time lost will be computed on the basis of a normal work week and will not include any form of overtime pay.

- 6.7 The cost of the Chairman shall be shared equally by the parties. Each party will pay its own costs, including those of its representatives.

Article 7 - Representation

- 7.1 The Union agrees to appoint or elect, and the Company to recognize, Stewards (a maximum of one Steward for every Supervisor) who shall be employees of the Company, but excluding employees on probation, to deal with matters affecting employees in departments in the Company's plant.

A list of these Stewards shall be supplied to the Company. The Union will advise the Company as soon as possible of any change in this list and the Union shall confirm this in writing within five (5) work days of such change.

The Company shall furnish the Union with a list of Supervisors and the department to which they are attached. The Company will advise the Union as soon as possible of any change to this list and the Company shall confirm this in writing within five (5) work days of such change.

- 7.2 The Union agrees to appoint or elect a Grievance Committee, all employees of the Company, but excluding employees on probation, to deal with grievances which may not be settled in Steps 1 or 2. The Grievance Committee will be composed of three (3) members one of whom will be the Union President. The names of Grievance Committee members shall be supplied to the Company. The Company shall be advised in writing of any

changes in this list within five (5) work days of such changes.

- 7.3 It is understood that a Steward is expected to assist in the adjustment of grievances as provided in Article 5 and to transact other Union business falling under the scope of the Agreement. In order to prevent disruptions to the regular work schedule, the Steward will request his Supervisor, or in his absence his designate, to make the necessary arrangements so that he can be relieved from his job (with no loss of earnings) as soon as possible, but within one (1) hour. Such requests and the time taken away from the job will be kept to a minimum. Union representatives shall not contact another employee on company time without prior permission of that employee's Supervisor.

Note 1: In the absence of the Steward, his designated representative (who will be another Steward or Officer of the Union) may act under the provisions of Article 7.3.

Article 8 - Plant Holidays

- 8.1 The following paid plant holidays shall be observed:

New Year's Day	Civic Holiday
Day After New Year's Day	Labour Day
Good Friday	Thanksgiving Day
Victoria Day	Christmas Day
Canada Day	Boxing Day

Should Heritage Day be designated by the Government of Canada during the life of this Collective Agreement, the Company agrees to recognize the day as an additional holiday entitlement.

There shall be three (3) additional paid plant holidays, the observance of which shall be determined from year to year.

- 8.2 Notwithstanding Article 19.1, the work days immediately preceding Christmas Day and New Year's Day, that is the eve of Christmas and New Year's Day, the regular schedule of hours for these days

shall not exceed four (4) hours, except for the night shift and powerhouse employees.

- 8.3 If a paid plant holiday(s) falls on a day on which work is not normally scheduled, the work day before or after such holiday(s) shall be observed as a substitute holiday(s). e.g. - In situations where back-to-back paid plant holidays occur on Friday and Saturday the substitute holiday for Saturday will be either Thursday or Monday.
- 8.4 An employee is entitled to holiday pay for each of the paid plant holidays specified in Article 8.1, whether or not he works on such holidays, providing that:
- i) he has earnings to his credit in the week in which such paid plant holiday(s) occur, or
 - ii) in the special case of the Christmas and New Year's period, an employee has not less than six (6) months seniority and who has earnings to his credit in the week immediately following such paid plant holiday(s), or
 - iii) he has received a minimum of 26 pay cheques in the calendar year in which such paid plant holiday(s) occur, and
 - iv) such paid plant holiday(s) is observed during his period of employment.

Note 1: An employee who qualifies for holiday pay under Article 8.4 (iii) will receive holiday pay in accordance with his regular rate of pay at the time the holiday(s) is observed.

- 8.5 However, an employee shall forfeit his holiday pay specified in Article 8.4 above, if:
- i) he is scheduled to work on such paid plant holiday(s) and fails to do so, or
 - ii) he is absent on the scheduled work day immediately preceding or immediately following such paid plant holiday(s), unless such absence is excused by the Company.

- 8.6 An employee who is eligible to receive payments under the Sick Benefit Plan will receive holiday pay in lieu of sick benefit payments in the event that paid plant holiday(s) falls during his absence:
- 8.7 An employee receiving LTD payments will receive the difference between holiday pay and that received through LTD payment for paid holidays occurring during his absence and within the initial eighteen month LTD period.
- 8.8 An employee who works on a paid plant holiday will receive his holiday pay and in addition, he will be paid at the rate of one and one-half (1.5) his regular rate for all hours worked.
- 8.9 An employee who is employed in the powerhouse, and is required to work on one of his scheduled days off and such day is also a paid plant holiday will receive his holiday pay and in addition, he will be paid at the rate of one and one-half (1.5) times his regular rate for all hours worked. If required to work both of his scheduled days off and the second scheduled day off is also a paid plant holiday he will receive his holiday pay and in addition he will be paid at the rate of one and one-half (1.5) times his regular rate for all hours worked.
- 8.10 The Company will advise the Union President of those cases where holiday pay has been forfeited.
- 8.11 When a paid plant holiday falls on Friday pay cheques will be distributed to the employees working the Thursday 11 - 7 shift prior to the end of their shift.

Article 9 - Rest and Meal Periods

- 9.1 Two paid rest periods of fifteen (15) minutes duration each and one paid twenty (20) minute meal period in any eight (8) hour shift will be scheduled in a manner so as not to interfere with production or cost of operations.
- 9.2 An employee who works overtime after his scheduled eight (8) hour day is entitled to a fifteen (15)

minute rest period prior to the start of such overtime. An employee is entitled to a paid meal period of twenty (20) minutes, at his overtime rate, if he is required to work more than two (2) hours after his scheduled quitting time.

Subsequent entitlement for rest and meal periods will be fifteen (15) minute rest period at his overtime rate if his work continues at least four (4) hours beyond the start of the previous rest period and a subsequent twenty (20) minute meal period at his overtime rate if his work continues at least four (4) hours beyond the start of the previous meal period. Such rest and meal periods will be scheduled by the Company.

- 9.3 An employee who works overtime immediately before or after his scheduled eight (8) hour day will be entitled to a meal allowance of \$5.00 per meal period providing he is required to work overtime more than two (2) hours.
- 9.4 An employee called in to work under the provisions of Article 20.17 will be entitled to a meal allowance of \$5.00 for one meal, in the event the emergency call-in is continuous with his regular shift or, in the event the emergency call-in is not continuous with his regular shift but exceeds four (4) hours duration.

Article 10 - Tools for Tradesmen

- 10.1 A regular Maintenance Department employee (excluding a powerhouse employee) with at least one year's seniority and completing the trial period, shall receive during the first week of January each year, a cheque in the amount of one hundred and fifty dollars (\$150.00). Employees who have completed their trial period and have not completed one (1) year of service will receive the pro-rated tool allowance based on the number of full months of completed service as of January 1 each year. This tool allowance is to be used for the replacement of worn or lost tools or the purchase of new tools. It

is understood such employees must maintain an adequate complement of tools for the performance of their duties.

Tools required in the powerhouse will be provided in accordance with past practice.

Article 11 - Licenses

- 11.1 The Company shall reimburse employees for the renewal of licenses required in the performance of their duties.

Article 12 - Working Clothes

- 12.1 The Company shall furnish and launder all uniforms at no cost to the employee, and in addition, shall provide such other clothing and footwear which may be required for work in cold or wet areas.
- 12.2 All such working clothes issued by the Company to employees will remain the property of the Company.
- 12.3 The Company will pay up to a maximum of seventy dollars (\$70.00) per calendar year towards the cost of safety shoes purchased by an employee. Annual credits in whole or in part, may be accumulated to a maximum of one hundred and forty dollars (\$140.00).

Article 13 - Appearance In Court

- 13.1 Employees called for jury duty or subpoenaed to appear as a witness in court will be paid the difference between their regular rate and the amount paid by the court for hours of work missed up to eight (8) hours per day. To be eligible for payment, the employee must notify his Supervisor as soon as such notice is received and furnish evidence of the amount of pay received.

Article 14 - Safety, Health and Sanitation

- 14.1 The Company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment, includ-

ing safety installations, personal protective equipment, and such other safety devices required to maintain safe working conditions. Disagreements pertaining to the provisions of this Article as to whether or not the Company is making reasonable provisions to maintain safe working conditions may be referred to the Grievance Procedure beginning at Step 2.

14.2 An employee injured while working in the Plant shall suffer no loss of earnings for the balance of hours on the day the accident occurs or on any working day he required medical treatment if as a result of such injury he is sent home or to the hospital or for medical attention on instruction from the medical department, but if such is not possible, then by a Company representative, provided this is not reimbursed by Worker's Compensation.

14.3 An employee is required to meet the standards of physical fitness established by the Company and will be subject to physical examinations given by the Company Physician at Company expense, when and as required by the Company. An employee shall be paid applicable rate for the purpose of such examinations.

An employee who is working on a shift other than day shift by his own choice shall be paid his regular rate when he is required to have such examinations before his regular starting time or after his regular quitting time.

14.4 The Company may transfer, require a medical leave of absence, demote or terminate the employment of an employee who in its belief, does not meet the physical conditions required by the Company, as interpreted by the Company Physician. Any disagreement with such interpretation can be submitted to a recognized medical authority. This action will be taken by the Company only after reasonable effort has been made to provide suitable employment.

- 14.5 In consideration of the nature of the Company's business, the Union recognizes the need for maintaining high standards of sanitation and employee health in accordance with Federal and Provincial laws and regulations. The Union agrees to recognize and support such Company policies and procedures pertaining to the foregoing. The Company agrees to communicate to the Union any changes to policies and procedures as they affect employees before implementing such changes.
- 14.6 The Company and the Union agree to establish a Plant Health and Safety Committee comprised of four Union representatives appointed by the Union and four Management representatives. This committee will meet at least once per month or more often as required. Minutes of these meetings will be prepared and distributed to this Committee, the Union President, Stewards, Officers and Plant Management Staff. The Company and the Union agree that the Safety Program established by the parties is given principal importance.

Article 15 - Cooperation

- 15.1 During the terms of this Agreement the Company agrees that there shall be no lock-out of employees and the Union agrees that there shall be no strike.
- Neither the Union, nor any of its stewards, officers or representatives, shall order, encourage or support a slow-down or walk-out. The Union will not recognize the rights of employees who participate singly or collectively in such a slow-down or walk-out.
- 15.2 The Company agrees that no employee shall be requested or required to cross a picket line established by the Union.
- 15.3 The Union President shall have the right to post on notice boards, bulletins pertaining to meetings of the Union, election of officers, educational, social and recreational events. The contents of such

notices shall not contain anything detrimental to Company interests.

15.4 No employee shall conduct Union activities during working hours except as specifically permitted in this Agreement.

Article 16 - Bereavement Pay

16.1 An employee absent due to a death in his family during periods when he is both scheduled and available for work shall receive the following entitlement for time lost during the period between death and three (3) calendar days following the funeral:"

- a) five (5) days' pay for spouse, dependent children or unmarried children.
- b) three (3) days' pay for non-dependent children, parents, brothers, sisters, grandparents or grandchildren.
- c) one (1) day's pay for parents-in-law, grandparent-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, and any relative residing permanently with the employee.

16.2 Article 16.1 (a) (b) (c) shall apply to recognized Dependent Children, Common-Law and Step-Relationships as defined in Appendix "D".

Article 17 - Vacations

17.1 An employee who has completed the service requirements listed below shall be granted a vacation and receive vacation pay as follows:

Service Requirement (as of date of hiring)	Length of Vacation	Computation of Vacation Pay
1 year	2 weeks	4% of wages earned for the year ending December 31st of previous year

3 years	3 weeks	6% of wages earned for the year ending December 31st of previous year
10 years	4 weeks	8% of wages earned for the year ending December 31st of previous year
20 years	5 weeks	10% of wages earned for the year ending December 31st of previous year
25 years	6 weeks	12% of wages earned for the year ending December 31st of previous year

17.2 For each week of vacation, an employee will receive a minimum of forty (40) hours' pay at his hourly rate, providing that the employee has fulfilled the following active employment requirements:

- a) the employee has worked during the calendar year in which the vacation is taken;
- b) the employee has received twenty-six (26) pay cheques during a consecutive fifty-two (52) week period measured from any point in the calendar year in which the vacation is taken.

17.3 Receipt of sick benefits, LTD benefits within the initial eighteen (18) months LTD period, and Workers' Compensation payments shall be considered to be the equivalent of pay cheques in fulfilling the active employment requirements.

17.4 On termination of employment with the Company, an employee shall be entitled to vacation pay as follows:

- 1) If the employee has received a vacation with pay in the current calendar year:
 - a) for an employee hired prior to January 1, 1977; no further entitlement

- b) for an employee hired subsequent to January 1, 1977; the applicable percentage under Article 17.1 of wages earned in the current year up to the date of termination.
 - 2) If the employee has not received a vacation with pay in the current calendar year, but has fulfilled the active employment requirements under Articles 17.1 and 17.2:
 - a) for an employee hired prior to January 1, 1977; full entitlement under Articles 17.1 or 17.2
 - b) for an employee hired subsequent to January 1, 1977; entitlement under Articles 17.1 or 17.2 plus the applicable percentage under Article 17.1 of wages earned in the current year up to the date of termination.
 - 3) If the employee has not received a vacation with pay in the current calendar year nor fulfilled the active employment requirements under Articles 17.1 and 17.2:
 - a) for an employee hired prior to January 1, 1977; the applicable percentage under Article 17.1 of wages earned in the current year up to the date of termination.
 - b) for an employee hired subsequent to January 1, 1977; the applicable percentage under Article 17.1 of wages earned in the previous calendar year, plus the applicable percentage under Article 17.1 of wages earned in the current year up to the date of termination.
- 17.5** Vacations may not be postponed from one year to another and made cumulative. However, an employee entitled to three, four, or five weeks vacation, who does not receive his entitlement during the scheduled vacation period(s), may postpone one week to be taken at any time, in the succeeding year subject to Article 17.7. Six weeks of vacation in a calendar year is the maxi-

imum entitlement and therefore any postponed week must be taken before the calendar year in which the employee becomes entitled to six weeks of vacation.

Every effort will be made to provide employees the opportunity to take three weeks of vacation entitlement in July and August.

- 17.6 The occurrence of a paid holiday during the employee's vacation will either be paid as a holiday during that period or another day will be substituted for such holiday. If a substitute day is granted, it will be considered for all purposes as a holiday, and such time off may be granted at the beginning or the end of the vacation period, or at any time following the vacation within the calendar year in which the vacation is taken.

- 17.7 Except in the case of the scheduled vacation period(s), employees who are entitled to additional vacation will be notified of their vacation period(s) as far in advance as possible, due regard being paid to employee's seniority and personal wishes.

In the case of the scheduled vacation period(s), the Union will be notified as soon as possible, but not later than April 1st, of the vacation year. Should subsequent changes in the scheduled vacation period(s), be necessary, e.g. the need to run certain lines due to customer requirements, the Union will co-operate with the Company in arranging staffing by qualified personnel. No allowance will be made for periods of disability occurring during vacations.

- 17.8 An employee who becomes hospitalized or is confined to his home with an illness or injury prior to his scheduled vacation, may request that his vacation be re-scheduled to a later date.

Requests must be submitted to the Medical Department and accompanied by a Physician's Certificate of Illness.

The request and the Physician's Certificate of Illness will be forwarded to the Company Physician. Each request will be reviewed on its merit, and if approved by the Company Physician, the vacation will be re-scheduled.

Article 18 - Benefits

- 18.1 All eligible employees (excluding employees on probation and layoff) shall, subject to the conditions therein, have the benefit of the various plans outlined in Appendix "F". Throughout the life of this Agreement, the Company will not change any of the participating benefit provisions without prior consent of the Union. The Company agrees to communicate to the Union and its members any change of benefit carrier thirty (30) calendar days prior to the effective date.

Article 19 - Hours of Work and Overtime

- 19.1 Eight (8) hours per day shall be the basic work day, and five (5) consecutive work days. (Mondays - Friday inclusive) shall be the basic work week of forty (40) hours, except for the Powerhouse operation, Appendix "B" and Alternative Work Schedules as per Appendix "H". The normal work schedules will be 7:00 a.m. to 3:00 p.m.; 3:00 p.m. to 11:00 p.m.; and 11:00 p.m. to 7:00 a.m.

Additional work schedules 8:00 a.m. to 4:00 p.m. and 2:30 p.m. to 10:30 p.m. apply only to Laboratory employees. Hours of work for Powerhouse employees are covered in Appendix "B" of this Agreement.

- 19.2 All time worked in excess of the basic work day of eight (8) hours, before or after, shall be considered as overtime and shall be paid at the rate of time and one-half (1½) the regular rate. Time worked in excess of twelve (12) consecutive hours shall be paid at the rate of time and one-half (1½) the regular rate. Except in an emer-

gency, employees will not be requested to work more than twelve (12) hours.

- 19.3 All hours worked on Saturday and Sunday shall be paid at the rate of one and one-half (1½) times the regular rate. However, any hour(s) worked on Saturday or Sunday which are a part of the basic work week (Article 19.1) will be paid at the regular rate. Example being as follows: 11:00 p.m. to 7:00 a.m. - regularly scheduled shift starts at 11:00 p.m. on Sunday and ends at 7:00 a.m. Monday. The overtime rate of one and one-half times is not paid between 11:00 p.m. and 12:00 midnight on the Sunday night.
- 19.4 Any change in the normal work schedules referred to in Article 19.1 (unless made as a result of an emergency) will be made by the Plant Manager and notice of such change will be given in writing to the Union President and stewards at least ten (10) days prior to the change, or failing such notice affected employees will be paid time and one-half (1½) their regular rate for the next ten (10) regular work days. Copies of such notice will also be posted at the time clocks.
- 19.5 Subject to production requirements, every effort will be made to schedule employees, working on a multiple shift schedule, in such a way as to rotate such employees in an equitable manner.
- 19.6 An employee assigned to shift work shall not leave his work place unless relieved by the employee assigned to the same operation on the succeeding shift, or a substitute instructed to do so by the supervisor.
- 19.7 An employee shall not change shifts with another employee without permission of his Supervisor.
- 19.8 Every effort will be made to avoid the necessity for overtime; however, when conditions necessitate, an employee will perform overtime work. The response of the employee requested to work

overtime will be on a voluntary basis. The Union agrees that when overtime is necessary it will do its utmost to cooperate with the Company to make sure that employees are available to do the work particularly when such overtime is due to the unexpected absence of any employee. Distribution of overtime will be in accordance with Appendix " E , which forms a part of this Collective Agreement.

- 19.9 Whenever an employee's regular scheduled working hours are changed by the Company, that is, both starting and finishing times changed, except in an emergency, he shall be paid at the rate of time and one-half (1½) the regular rate for work performed during his first working day following such change unless the employee was informed of the change at least twenty-four (24) hours prior to the commencement of the new shift.
- 19.10 Unless specifically provided for in this Agreement, there shall be no duplication or pyramiding of overtime payment nor shall the same hours worked be counted as part of the normal work week and also as hours for which an overtime premium is payable.

Article 20 - Wages and Job Rate Rules

- 20.1 Basic rates of pay during the term of this Agreement shall be in accordance with Appendix " A .
- 20.2 The successful applicant to a job posting shall receive the regular rate of the job as soon as he starts his trial period.
- 20.3 An employee, if qualified and available, may be assigned by the Company to a job other than his regular job for a temporary period up to thirty (30) days of work:
- 1) In an emergency to fill a vacancy or to perform obviously temporary work;
 - 2) To replace an employee injured or absent for medical reasons;

- 3) To replace an employee who is on vacation; and shall, during the period of such assignment, receive his regular rate or the rate of the job to which he is assigned, whichever is higher. Assignments will be done in such a manner as to displace as few people as possible, once the needs of the operation have been met.
- 20.4 An employee assigned temporarily to a higher rated job than his regular job will receive the higher rate for the entire work week, provided that eight (8) or more of the hours worked during that week are performed on the higher rated job.
- 20.5 When it becomes apparent that the assignment is no longer temporary, then the job will be deemed vacant and the opening will be posted.
- 20.6 When an employee is scheduled to work on a higher rated job and his schedule is changed after he starts his week, requiring him to work on a lower rated job, he shall be paid the higher rate as set up by the schedule.
- 20.7 Job transfers made necessary by absences of employees, by the return to work of employees from sick leave or personal leave of absence, or layoff, during any week, are not required to be made until the start of the next scheduled week.
- 20.8 During the development stages of a new job, the Company may assign employees excluded from this Agreement to work on the new operation but these employees shall not be retained when the job has reached normal operation. For the purposes of administration of this Agreement, the development of a new job will be considered to be completed when the job reaches normal operation.
- 20.9 When a job is or is to be established, or an existing job is changed, which cannot be properly placed in an existing classification by mutual agreement, management will establish a classification and rate on a temporary basis.

- 20.10 Written notification of the temporary rate and classification will be furnished to the Union President.
- 20.11 The new rate and classification shall be considered temporary for a period of thirty (30) calendar days following the date of notification to the Union President.
- 20.12 During this period (but not thereafter) the Union President may request the Company to negotiate the rate for the classification. The negotiated rate, if higher than the temporary rate, shall be applied retroactively to the date of the establishment of the temporary classification and rate. If no request has been made by the Union President to negotiate the rate within the thirty (30) calendar day period the temporary rate and classification shall become a part of the wage scale.
- 20.13 If the Company and the Union are unable to agree on a rate and classification for a new job, or an existing job that has been changed, the disputed rate and/or classification may be treated as a grievance and either referred to a single arbitrator selected by the parties or referred to the Pay Equity Commission. In the event that the parties fail to agree upon an arbitrator, the parties will jointly request the Minister of Labour for the Province to appoint such arbitrator. The arbitrator will be expected to convene a hearing as soon as possible.
- 20.14 It is specifically agreed that the arbitrator will have no authority to alter or modify the existing rates and classifications but he shall have the authority, subject to the provisions of this agreement, to determine the new rate and/or classification.
- 20.15 If the arbitrator sets the new rate higher than the temporary rate it shall be applied retroactively to the date of the establishment of the temporary rate and classification.

- 20.16 When the rate of a job is lowered as a result of changed job content and re-evaluation, then the incumbent shall continue to receive the former rate, that which existed at the time the rate was lowered, while he continued on that job. Continuance on the job shall be broken by bidding off or requests for transfer by the employee. A new incumbent on that job shall receive the established lower rate for the job.
- 20.17 An employee, called in to work from off the premises for an emergency, shall be paid the applicable rate for all hours worked with a minimum of four (4) hours' pay at such rate, for time spent on the emergency outside of his regular schedule of hours. His work shall be through when the emergency is over, but in the event the emergency is not over at the time the employee's regular shift begins, then the employee shall be paid at his regular rate. Hours paid or refused for an emergency call in will be recorded as over-time.
- 20.18 An employee, who works on Saturday, Sunday or a paid holiday, not continuous with, before or after his regular scheduled shift, shall not be paid less than four (4) hours' pay at the applicable rate.

Article 21 - Off-Shift Premiums

- 21.1 A shift premium of fifty-five cents (55¢) per hour will be paid to employees scheduled and working on the 2:30 p.m. to 10:30 p.m., 3:00 p.m. to 11:00 p.m. and the 11:00 p.m. to 7:00 a.m. shifts.

Article 22 - Severance Allowance/ Closure Agreement

- 22.1 The Closure Agreement referred to in this article was negotiated in good faith between the Company and the Union to provide as much protection and help as possible to employees in the event of a full or partial closure.

In the event of a full or partial closure of all or part of the business, the Company will notify the Union as far in advance as possible. Such notice shall be in writing and indicate the reason for the action.

This article will at least comply with the Employment Standards Act.

- 22.2 In the case of partial or full plant closure, the Company shall supply the Union with a current seniority list immediately.
- 22.3 The Company agrees to meet with the Union to discuss the contemplated shutdown with a view to providing a solution to the problem, or jobs for the employees involved. To this end, the Company and the Union will put into place a Human Resources Adjustment Committee, comprised of two Management and two Union Executive representatives, to provide out-placement services for employees. Such services would include, but are not limited to, resume writing, counselling and job search assistance. The full scope of the Committee's responsibilities will be defined by the Committee members. This Committee will be funded by the Company and remain in place for 12 months after the closure/partial closure date.
- 22.4 An employee, excluding an employee on probation, who is permanently laid-off or terminated due to such causes as transfer or discontinuance of the manufacture of a product, introduction of new equipment or processes, closing of the plant or part of the plant, or other causes which, insofar as the company can determine, permanently reduce the work force, shall be entitled to benefits under the Severance Allowance/Closure Agreement in accordance with the following provisions:

NOTE: For the purposes of this Article, a permanent layoff of the work force is understood to be

a layoff that equals or exceeds thirty-five weeks in any period of fifty-two consecutive weeks.

- 1) The Company will advise the Union as soon as possible in advance if a permanent layoff or termination with Severance Allowance, as provided in this Article, is to take place.
- 2) An employee who is eligible for Severance Allowance shall be paid an amount equal to the employee's regular wages for eight days (8) of non-overtime work multiplied by the sum of:
 - a) the number of the employee's completed years of employment; and
 - b) the number of the employee's completed months of employment divided by 12, but shall not exceed thirty-six (36) weeks regular wages for a regular non-overtime work week.
- 3) An employee who is permanently laid-off or terminated may elect to remain on the plant seniority list for possible recall. In such cases, the Company will pay the Severance Allowance payment to the Director of the Employment Standards Branch in trust for a maximum of twelve (12) months, during which time the employee may request payment with a complete break in service.
- 4) Severance Allowance shall not be paid
 - a) to an employee with less than three (3) years seniority;
 - b) to an employee who is temporarily laid-off due to the fluctuation of volume of business;
 - c) to an employee who is discharged for just cause;
 - d) to an employee who voluntarily resigns from the Company's employ;

- e) to an employee who retires from the Company's employ;
- f) In the event of closing the plant or part of the plant due to Acts of nature or in times of public peril, war, disaster or any other reason of similar nature;
- g) The number of weeks of Severance Allowance will not exceed the number of weeks remaining to an employee's normal retirement date.

Article 23 - Seniority

- 23.1 An employee will be considered on probation until he has completed fifty (50) days of actual work within a twelve (12) month period, in the service of the Company. If found unsuitable during such period, such employee will not be retained in the service of the Company. If found suitable and on completion of the probationary period the name of the employee will be placed on the seniority list dating back to the first day of the fifty (50) day probationary period.
- 23.2 The Company shall give a seniority list to the Union President and shall assist him in keeping his list up to date by advising him, in writing, of any changes.
- 23.3 When an employee is transferred by the Company to a position outside the bargaining unit, and within twelve (12) months inclusive from such date is returned to the bargaining unit, he shall return to the general labour classification with the seniority he held at the time the transfer first took place.
- 23.4 In the event of transfer of operations to this plant from other Kraft General Foods Inc. plants, employees possessing particular skills required by the operation shall be allowed to transfer into the bargaining unit with one (1) month's seniority or otherwise as a result of discussion and mutual agreement between the Company and the Union.

- 23.5 Termination of employment and loss of seniority shall result from any of the following:
1. Discharge for just cause by the Company.
 2. Resignation.
 3. Retirement.
 4. Continuous absence for three (3) days without any contact being made with the employee's immediate supervisor or his representative unless information is furnished showing it was impossible to provide such contact.
 5. Failure to report for work in accordance with a notice of recall or within ten (10) working days after registered mailing date of such notice, whichever is later.
 6. Continuous layoff for a period of 35 weeks in any period of 52 consecutive weeks.
 7. Employee is employed elsewhere while on leave of absence.

The Company will be entitled to rely upon the last address and telephone number of an employee as shown in the Company records. Employees shall notify the Company promptly of any change of address or telephone number.

Article 24 - Posting and Filling of Positions

- 24.1 All job vacancies, which need to be filled for more than thirty (30) work days shall be posted for three (3) work days. Exception will be made for those jobs listed in Appendix "C", General Labour in Appendix "A", and those jobs associated with special production runs with specific starting and ending dates covering a period of up to sixty-five (65) work days. The sixty-five (65) work day limitation may be extended by mutual consent.
- 24.2 Seniority, aptitude and ability shall be the determining factors in selecting applicants. Seniority shall be the governing factor when aptitude and ability are considered by the Company to be equal.

- 24.3** The successful applicant on a bid job shall be considered to be on trial for a period not exceeding thirty (30) work days. An employee, who fails to qualify for the job, shall be returned to his former classification/position.
- 24.4** An employee must decide during the first five (5) work days (ten (10) work days for jobs in groups 4, 5 and Laboratory Technician II) of his trial period if he wishes to continue on the job or return to his former classification.
- 24.5** An employee may bid on any job opening, but be the successful applicant only three (3) times during any twelve (12) month period, commencing with the date of his first successful job bid. However, a successful applicant of a job in groups four (4) or five (5) and Laboratory Technician II may not bid again for a period of nine months from the date of his successful bid. Only exception to this section will be for an employee who has lost his bid job in groups four (4) or five (5) and Laboratory Technician II due to a lay-off per Article 24.9. On his return to work he will be allowed the opportunity to bid again from the date of his return from lay-off.
- 24.6** (a) Where the job opening pertains to a new process and/or new equipment, and training is required, the applicants may be pre-tested and/or evaluated upon completion of the training, in order to determine the employee's ability to satisfactorily perform the duties of the job. Work days spent in training will be counted as work days of the employee's job acceptance period.
- (b) In a department where new processes and/or new equipment is installed which will parallel and/or duplicate existing processes and/or equipment operating personnel who perform similar jobs in the Unit will be given the first opportunity, by seniority, to meet the qualifications required of the job. These em-

employees will be pre-tested and/or evaluated upon completion of the training. For job openings pertaining to groups 1, 2 and 3 the employee job acceptance period will be five (5) work days. For job openings pertaining to groups 4 and 5 the employee job acceptance period will be ten (10) work days.

The trial period for jobs pertaining to groups 1, 2 and 3 will not exceed thirty (30) work days and the trial period for jobs pertaining to groups 4 and 5 will not exceed thirty (30) work days. If there is a successful applicant from within the Unit, the job will not be posted plant-wide.

- 24.7** In the event there are not sufficient applicants for posted job opening(s), available employee(s) will be assigned to such vacant job(s), due regard being paid to seniority and qualifications. The employee(s) will continue on such job(s) until he is a successful applicant to a job opening which has been posted in accordance with Article 24.1 or reassigned by the Company or displaced by successful applicant(s) on subsequent bid(s).
- 24.8** An employee unable to perform previous duties due to injury received while in the employ of the Company, or an employee of long service who has become unable to handle his job, may be reclassified and will be given such other work as is available and which he is capable of performing in the opinion of the Company Physician.
- 24.9** In the event of a lay-off, an employee on a bid job will continue to hold his rights to return to such job when it is again open to him, providing that his lay-off is not more than thirty (30) continuous work days.
- 24.10** Any employee absent for six (6) consecutive months due to illness or injury will have the status of his absence reviewed with the Medical Department by his Department Manager. If the results of this review indicate that the employee

will not be returning to his job within a reasonable period of time, then the job, if required to be filled, would be posted as per Article 24.1

Upon return to work, the employee will be reclassified as General Labour or Central Maintenance. Any rights to the Bid or Advice Notice job will be lost, however he will receive rate protection for twelve (12) months from the date of his first absence.

Article 25 - Reduction and Recall of Plant Work Force

- 25.1 In the event of a reduction in the regular work force, the first remedy will be as follows:
- i) Regular incumbents of jobs affected will receive rate protection and shall receive not less than the hourly rate of his bid job, until he can be returned to his bid job or until he bids out of his current position, subject to the following conditions:
 - a) An employee, whose rate is protected, may be assigned by the Company to any available job opening, due regard being paid to seniority and qualifications.
 - b) In the event an employee, on a protected rate, is assigned to a higher rated job, he shall receive the higher rate while performing such job.
 - c) An employee, on a protected rate, will be assigned to any available job opening first, irrespective of seniority.
 - d) If an employee, whose rate is protected, fails to accept an assignment in accordance with Section (a) and (c) above, he shall forfeit his rate protection and shall be paid the rate of the job he is assigned.
 - e) An employee will be scheduled back on his bid job when it is again available providing the job is not down for more than twelve (12)

consecutive months, or providing he has not bid out of his current bid position. An employee whose bid job is down for more than twelve (12) consecutive months will lose his rights to such job.

- f) An employee scheduled back on his job under Section (e) above will renew his rights to rate protection should his job go down again as a result of a business fluctuation.
- g) In the event that an employee, whose rate is protected, bids for and is the successful applicant to a job opening which has been posted in accordance with Article 24.1 he forfeits his claim to his former bid job under the terms of either Article 24.3 or 24.4 above.
- h) In the special case where an existing job(s) is changed creating a new job, displaced incumbent(s) will be given the opportunity to fill the new job in accordance with Article 24.2 prior to posting the new job.
- i) The Company shall adjust the work force within a department in proportion to the work available or expected. To provide employees with work, the Company shall be free to distribute work within departments and to transfer employees of one department to another with reasonable consideration given to extreme changes in the physical requirements of the work to be done.
- j) The Company expects and the Union agrees that employees will conscientiously perform whatever tasks may be assigned to them. If any employee declines to perform the task assigned to him, the Company shall be absolved of its responsibility to provide work to that employee for such hours so lost by him.

25.2 If, following the reassignment of regular employees as in Article 25.1, there is a further need to reduce the workforce, the following remedy will

apply to regular employees, other than those employees described in Article 25.3.

- (i) In the event of a layoff, providing the employee is able to do the job, the order of layoff will be:
 - (a) All Students first and then Temporary Employees.
 - (b) Probationary Employees - according to most recent date of hire.
 - (c) Employee with the lowest plant seniority, providing the remaining employees with more seniority are able to do the work available.

Where necessary, training will be provided for the senior employee whose position has been cut back, in order for the employee to assume a junior position. The only exception would be those positions where training must be done outside the normal plant environment, such as maintenance trades, stationary engineers and laboratory technicians.

The Company may keep the most senior qualified employee on the job for the purpose of training more senior employees only until training is completed.

- (ii) All employees (excluding employees on probation) shall be given a minimum of five (5) work days' notice of layoff or five (5) days' pay in lieu of notice, except in an emergency, as defined in Appendix "D".
- (iii) The Company will provide the Union President with a list of employees to be laid off or recalled, or any cancellation of such notices.

25.3 If, as described in Article 25.2, it becomes necessary to further reduce the workforce, employees hired prior to January 01, 1988 will have the option of selecting termination and severance allowance under the provisions of Article 22, or lay-off by seniority.

If termination and severance allowance are selected, the employee will have no recall rights.

If lay-off is selected the provisions of Articles 18.1, 20.7, 23.5, 24.10, 25.2 (ii) and (iii) and 25.4 will then apply, and the employee will have recall rights.

Employees covered under Article 25.3 will be given a minimum of five (5) work days' notice of lay-off or (five) 5 days' pay in lieu of notice. Employees with more than five (5) years' seniority, shall be given notice, or pay in lieu of notice, as follows:

Service	Notice
More than 5 yrs. less than 10 yrs.	7 days
10 yrs. less than 15 yrs.	10 days
15 yrs. or more	15 days

The only exception will be in the case of an emergency, as defined in Appendix "D".

- 25.4 i) Employees who have been laid off in accordance with Article 25.2, will be returned to work in the reverse order in which they were laid off, provided they are able to do the work available, given the training outlined in Article 25.2.
- ii) Employees who have been laid off in accordance with Article 25.3 will be returned to work in the reverse order in which they were laid off.

Article 26 - Leave of Absence

- 26.1 Requests for leaves of absence without pay must be made in writing with the reasons shown and be received by the Company at least sixty (60) calendar days prior to the commencement date of the leave. The employee shall be advised of the Company's decision in writing with a copy to the Union at least thirty (30) calendar days prior to such commencement date.

- 26.2 Leaves of absence may be granted by the Company for good and sufficient personal reasons, except when the efficient operation of the business would be adversely affected.

It is agreed that the discretionary powers vested in the Company to consider such request for leave of absence will be exercised only in respect to the operating needs of the business, subject to the grievance procedure.

- 26.3 Leaves of absence, except those granted for personal disability or for service in the Armed Forces, may not exceed four (4) calendar weeks without breaking seniority.

In the event that the employee feels he requires additional time off, he may apply for an extension, but his application must be made at least two (2) weeks prior to the termination of his original leave of absence.

- 26.4 Any employee member of the Union elected or appointed to a Union Office will, upon request in writing received by the Company at least fifteen (15) calendar days prior to the commencement date of the leave, if possible, be granted a leave of absence without pay not to exceed twelve (12) calendar months without a break in continuity of Company service. It is agreed that no more than five (5) members of the Union be granted such leave concurrently by the Company. An extension of such leave will be granted by mutual agreement of Company and Union prior to the termination of the original leave.

- 26.5 Any employee member of the Union appointed as a delegate for specific Union activities will, upon request in writing received by the Company at least fifteen (15) days prior to the commencement date of the leave, if possible, be granted a leave of absence without pay not to exceed twelve (12) calendar months without a break in continuity of Company service. It is agreed that no more than twelve (12) members

of the Union need be granted such leave concurrently by the Company. An extension of such leave will be granted by mutual agreement of Company and the Union prior to the termination of the original leave.

- 26.6** Any employee elected to Public Office will, upon request in writing, be granted a leave of absence without pay, not to exceed twelve (12) calendar months without a break in continuity of Company service. An extension of such leave will be granted by mutual agreement of the Company and the Union prior to termination of the original leave.
- 26.7** Employees will be entitled to Pregnancy Leave and Parental Leave as outlined in the Employment Standards Act.
- 26.8** Employees will be entitled to Adoptive Leave as outlined in the Employment Standards Act.
- 26.9** A leave of absence will be granted by the Company to an employee who has at least three (3) years' seniority who requests such leave for the purpose of full-time attendance at a school of recognized educational standards, but such leave shall only apply throughout the duration of a full academic year. Seniority shall accumulate while he is on such leave.

Effective on the date of the start of such leave of absence, the employee forfeits all rights to their current job classification and upon their return to work will be classified as General Labour as per Appendix "A".

The employee shall be eligible for recall effective at the beginning of the second full work week following the date of receipt of his written notice of his intention to return to work. His written notice is to be addressed to the Manager, Human Resources.

- 26.10** Leaves of absence will not be granted for the purpose of allowing an employee to take another

position, try out new work or venture into business for himself. His leave of absence shall be **cancelled, and his employment shall be terminated** if he engages in activities other than those for which the leave was granted.

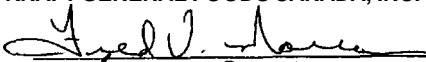


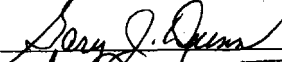
Article 27 - Term of Agreement

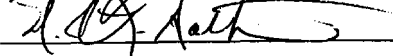
- 27.1 This Agreement ~~is effective June 19, 1994 and shall remain in effect until the 18th day of May, 1996 inclusive~~ **and from year to year thereafter** unless either party gives the other, not less than thirty (30) nor more than ninety (90) days prior to such expiry date, a written notice of its intention to terminate this Agreement or seek amendments to same, in which case this present Agreement shall remain in force during negotiations for its renewal or amendment.
- 27.2 After either party has given written notice of its intention to terminate or seek amendments to this Agreement the parties shall meet to exchange listings of the changes desired. Negotiations shall start at least thirty (30) calendar days prior to the expiration date or such further time as the parties may agree.
- 27.3 The notices provided for in Article 27.2 shall be in writing and shall be sufficient if sent by registered mail addressed to the Union President, and if to the Company, to Kraft General Foods Canada, Inc., Cobourg, Ontario.

IN WITNESS WHEREOF the parties have signed this Agreement on the 19th day of June, 1994.

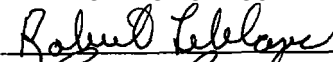
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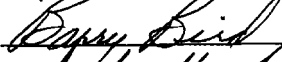


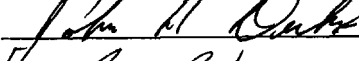





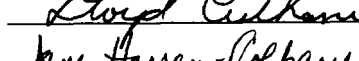
UNITED FOOD AND COMMERCIAL WORKERS
INTERNATIONAL UNION LOCAL 1230

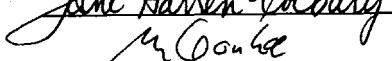


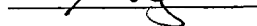












Appendix " A
Hourly Wage Rates

Classifications

<u>GROUP 1</u>	June 19, 1994	May 15, 1995
	\$15.55	\$15.80

General Labour

Janitor - Cereals Services Cereals/Rice

Janitor - Packaging Cereals/Rice

Janitor - Processing Cereals/Rice

Machine Cleaner - Cereals/Rice

Utility Packer - Cereals/Rice

Case Piler - Desserts/Beverages

Janitor - Packaging Desserts/Beverages

Janitor - Sanitizer Desserts/Beverages

Machine Cleaner - Desserts/Beverages

Packer - Desserts/Beverages

Packer - Jell-O Desserts/Beverages

Sanitation Person - Desserts/Beverages

Utility Packer - Displays Desserts/Beverages

Utility Packer - Volpaks Desserts/Beverages

Janitor - Waste Handler Plant Services

Utility Attendant - Plant Services

Utility Warehouse Custodian - Distribution Department

Utility Warehouse Custodian - Receiving Department

Case Piler - Certo/Satellite

Packer - Certo/Satellite

Utility Person - Bldg. #7 Satellite

50

Appendix "A"
Hourly Wage Rates

	June 19, 1994	May 15, 1995-
GROUP 2	\$15.75	\$16.00
Fruit & Fibre Blender - Cereals/Rice		
Product Bin Operator - Cereals/Rice		
Sanitizer - Cereals/Rice		
Tote Operator/Janitor - Desserts		
Tote Operator - Desserts/Beverages		
Utility Operator - Plant Services		
Utility Person - Plant Services		

	June 19, 1994	May 15, 1995
GROUP 3	\$16.05	\$16.30
Line Attendant Beverages - Desserts/Beverages		
Material C.S.P. - Cereals/Rice		
Line Attendant - Certo/Satellite		
Line Attendant Desserts - Desserts/Beverages		
Machine Operator Bartelts - Desserts/Beverages		
Material C.S.P. - Desserts/Beverages		
Minor Ingredient Center Flavor Blender - Desserts/Beverages		
Mixer #29 & #30 Desserts/Beverages		
Mixer #31 & #32 Desserts/Beverages		
Mixer #34 & #35 Desserts/Beverages		
Mixer/Operator - #21 - 24, #25 - 26 - 27 - Desserts/Beverages		
Packaging Machine Operator - Hayssen/Rovema Desserts/Beverages		
Palletizer Operator - Desserts/Beverages		
Premix Mixer #28 - Desserts/Beverages		
Raw Material Control Service Person - Desserts/Beverages		
Utility Operator - Cereals/Rice		
Line Operator Bldg. #7 Satellite		
Mixer - Certo/Satellite		

Appendix "A"

Hourly Wage Rates

	June 19, 1994	May 15, 1995
GROUP 4	\$16.45	\$16.70
Bulk Material & Feed Handling Operator - Cereals/Rice		
Packaging Machine Operator - Cereals/Rice		
Packaging Machine Operator/Adjuster - Line #4 - Desserts/Beverages		
Packaging Machine Operator - Volpaks - Desserts/Beverages		
Machine Operator/Adjustor Line #1 - Desserts/Beverages		
Machine Operator/Adjustor Line #2 & 3 - Desserts/Beverages		
Machine Operator/Adjustor/Relief - Desserts/Beverages		
Materials Management Support Person - Desserts/Beverages		
Warehouse Utility Person - Distribution		
Warehouse Material Handling - Receiving Warehouse		
Warehouse Receiver - Receiving Warehouse		
Buhler Operator - Cereals/Rice		
Machine Operator - Certo/Satellite		

	June 19, 1994	May 15, 1995
GROUP 5	\$16.85	\$17.10
Process Operator - Cereals/Rice		
Utility Operator - RTD		
Can Lines #10/14 Operator/Adjustors - Desserts/Beverages		
Laboratory Technician Classifications		
Lab Tech I	\$15.75	\$16.00
Lab Tech II	\$16.85	\$17.10

OTHER CLASSIFICATIONS

Temporary) rate - as per scheduled Appendix " A		
Student) Classifications		
Oiler	\$16.25	\$16.50
Battery Attendant	\$16.25	\$16.50

Appendix "A"
Hourly Wage Rates

MAINTENANCE GROUPS

	June 19, 1994	May 15, 1995
Group I	\$19.70	\$19.95
Group II	\$20.10	\$20.35
Group III	\$20.60	\$20.85

SPECIAL MAINTENANCE CLASSIFICATIONS

	June 19, 1994	May 15, 1995
Apprentice	\$15.76	\$15.96
Maintenance Services - Electrical	\$20.80	\$21.05
Maintenance Services - Mechanical	\$20.80	\$21.05
Stationary Engineer 2nd Class	\$20.60	\$20.85

Appendix “B”

Special Appendices Respecting Maintenance

- *Oiler - bid will be on a plant-wide basis
Where more than one applicant meets the basic requirement of aptitude and ability of the position, then the successful applicant will be determined by seniority
- Group I - must have one (1) recognized trade
- Group II - must have one (1) recognized trade and two (2) recognized skills
- Group III - must have two (2) recognized trades
or
one (1) recognized trade and four (4) recognized skills

Recognized Trades and Skills

<u>Trades</u>	<u>Skills</u>
Industrial Mechanic	Packaging Mechanical
Millwright	Packaging Electrical
Sheet Metal	Welding
Plumber	Pipefitting
Steamfitter	Refrigeration
Refrigeration	Material Handling Equipment
Electrician	Gas Fired Equipment
Machinist	High Pressure Welding
Scales	Machining
	PLC I
	PLC II
	Instrumentation I
	Instrumentation II
	Electronic I
	Electronic II

The trades and skills recognized will be those that pertain to the job content as established by the Company. Skill test pertaining to the job will be administered by the Company.

Maintenance Departments

<u>Department</u>	<u>Classifications</u>
Central	<ul style="list-style-type: none">- Apprentice- Maintenance Services - Mechanical- Maintenance Mechanic - Material Handling- Maintenance Mechanic - Central- Machinist- Maintenance Utilities- Trainees
Cereals/Rice	<ul style="list-style-type: none">- Maintenance Mechanic - Packaging- Maintenance Mechanic - Process- Maintenance Auditor- Oiler
Desserts/Beverages	<ul style="list-style-type: none">- Maintenance Mechanic- Oiler- Maintenance Auditor
Electrical	<ul style="list-style-type: none">- Maintenance Electrician- Refrigeration Mechanic- Maintenance Services - Electrical- Maintenance Electrician - Scales
Satellite	<ul style="list-style-type: none">- Maintenance Mechanic - Associate
Site Facilities	<ul style="list-style-type: none">- Stationary Engineer - 2nd Class

Filling of Vacancies

I. Types of Vacancies

- a) Replacement for vacancy in present department
- b) Increase beyond the present work force
- c) Permanent increase within a group

II. Method for Filling Vacancies

- a) After a vacancy of a type described above has been identified, the trade and skill needs of the area where the vacancy exists are assessed by the area Maintenance Supervisor and the Maintenance Manager. Specific plant area experience requirements will vary depending on the background of individuals in the remainder of the crew at the time when a vacancy occurs.
- b) An Advice Notice will be posted in all appropriate areas. All applications must be deposited in the Bid Boxes located throughout the plant for vacancies in the following Maintenance Departments:
 - Central - (except Apprentices)
 - Cereals/Rice - (except Oiler)
 - Desserts and Beverages - (except Oiler)
 - Electrical
 - Satellite
 - Site Facilities (except Stationary Engineer 2nd class).

The successful applicant will be the person possessing the Trade and Skills requested. He must also be willing to train and be able to successfully complete the requirements and evaluation of department training programs. Seniority will be the determining factor if the above criteria is equal amongst applicants.

For vacancies in the following classifications- Maintenance Services - Electrical, Maintenance Services - Mechanical and Maintenance Auditor, aptitude and ability will also be considerations. Where more than one applicant meets the basic

requirements of aptitude and ability for that position, then the successful applicant will be determined by seniority.

c) If no response is received to an Advice Notice, the Company will:

- 1) Adjust the skill requirements: or
- 2) Assign a maintenance person from the Central Department, or
- 3) Hire someone from outside the plant.

All individuals hired from outside the plant will enter the Maintenance Department work force through the Central Department. Applicants will be selected on the basis of trade qualifications and aptitude and ability. Skills will be confirmed by tests and/or observations before the end of the 50 day probationary period. Assignments will then be made depending on crew vacancies.

d) A vacancy which occurs following the transfer of a maintenance person from one department to another as a result of a response to an Advice Notice will be filled as per II a) b).

e) Vacancies filled by the Advice Notice procedures are not subject to the Plant job posting trial periods of 5, 10, 30 or 50 Days.

f) Any individual wishing to respond to an Advice Notice has the right to discuss the posted job with the potential Supervisor.

Shift Rotation

a) Production or maintenance requirements will dictate shift rotation.

- Individual skills

b) Rotation within unit only - except Manufacturing Department.

c) In Manufacturing Departments- rotate within similar jobs, e.g.:

- Processing
- Packaging

Temporary Assignment from Classification to Classification

- a) Low seniority with qualifications to do the assigned work.
- b) Return to own classification by high seniority.
- c) Assignments of thirty (30) work days or more will be filled by the advice notice system, unless assignments are extended by mutual agreement of the Company and the Union.
- d) When assignment is over, return to classification.

Maintenance Overtime

When overtime is required to complete a specific job, work assignment, or project, where knowledge or direction of process is required, the employee already assigned, will be given the first opportunity to work such overtime.

This only applies in situations where continuity is required. Routine tasks will be filled as per Appendix "E".

Apprenticeship Training Program

The following are terms and conditions for the Apprenticeship Training Program:

- (i) The Company will make every effort to maintain apprentices in the Apprenticeship Program. They will determine what trades are required and how many apprentices are in the Program.
- (ii) The Program will meet the Provincial Government requirements for creditation.
- (iii) Employees who apply for entry into the Apprenticeship Program shall be pre-selected by education and seniority. Written and practical qualifying tests will then be administered to determine aptitude and ability. Seniority will be the governing factor when aptitude and ability are considered by the Company to be equal.

If none of the employees meet the educational requirements and/or qualifying tests, the Company

will select applicants from outside the plant. Successful applicants will be chosen based on the required educational qualifications and on the basis of aptitude and ability. This will be determined by both written and practical qualifying tests.

Successful applicants from within or outside the plant will enter the apprenticeship program through the Central Maintenance Department as apprentices.

- (iv) Employees who enter the Program will continue to accumulate seniority. An apprentice unable to meet the continued requirements of the Program will be reclassified to General Labour.
- (v) Apprentices hired from outside the plant will be subject to the conditions of Article 23 on seniority. If they become unable to meet the continued requirements of the Program, they will be reclassified to General Labour.
- (vi) Apprentices will receive the apprentice wage rate provided on Appendix "A". In addition, an incremental wage adjustment on a pro-rated basis for each successfully completed 1,040 hours is provided. On successful completion of exams for the Apprentices Provincial Trade License, the apprentice will be reclassified to one of the Provincial Trades listed in Appendix "A" and be paid the rate for the trade required.
- (vii) Included as part of the 1,040 hours under the Program, will be those regular hours spent under the auspices of the Ministry of Colleges and Universities (to a maximum of 8 hours per day).
- (viii) Assignment from classification to classification, filling of vacancies and shift rotation outlined in Appendix "B" above does not apply to apprentices.

Powerhouse Employees Twelve (12) Hour Shift Schedule

The following are the terms and conditions for the Powerhouse Employees scheduled to work twelve (12) hour shifts.

Notwithstanding Article 13.1 a Powerhouse employee will receive the difference between his regular rate and the amount paid by the court for hours missed up to twelve (12) hours per day.

With respect to Article 16.1, pay for time lost due to bereavement will be based on twelve (12) hours per day.

Notwithstanding Article 17.1, vacations will be scheduled in blocks from the yearly shift schedule for each powerhouse employee, including the relief powerhouse employee.

Notwithstanding Article 19.1, a Powerhouse employee will follow the posted yearly work schedule. Hours of work are 7:00 a.m. to 7:00 p.m. and 7:00 p.m. to 7:00 a.m.

Notwithstanding Article 19.2, all hours worked in excess of the basic work day of twelve (12) hours before or after, shall be considered as overtime and shall be paid at the rate of time and one-half (1½) the regular rate.

An employee who is employed in the powerhouse, and who works on his scheduled day(s) off, will be paid one and one-half (1½) times his regular rate for all hours worked on such day(s). If he works in excess of twelve (12) consecutive hours he will be paid at the rate of one and one half (1½) times his regular rate. If he works on Sunday and it is his scheduled day off he will be paid at the rate of one and one half (1½) times the regular rate for all hours worked.

Notwithstanding Article 21.1, a shift premium of seventy-four cents (\$0.74) per hour will be paid for the shift that commences at 7:00 p.m. only. The formula for shift premium is as follows - Article 21.1 contract cents per hour times 16 hours divided by 12 hour shifts.

A relief Powerhouse employee who works a twelve (12) hour shift once a week, and also fills in for absent Powerhouse employees, will be paid as defined in Article 19.2 of this Agreement until informed by the Company that he is now working the posted yearly work schedule for Powerhouse employees.

Appendix "F" Benefit Plans.

Non-Occupational Accident and Short-Term Disability Plan.

The benefits under this plan will be calculated on the basis of a twelve (12) hour day. For example:

Basic benefits: $75\% \times \text{hourly rate} \times 12 = \text{per diem rate}$

Supplemental benefits: $60\% \times \text{hourly rate} \times 12 = \text{per diem rate}$.

Appendix "C"

Temporary Employees and Students

The following terms and conditions of employment apply to Temporary Employees.

A Temporary Employee;

- (i) occupies a job limited by the amount of work or by time with no prospect of continuing employment. The employment period will include the start date and end date of the job.
- (ii) does not participate in benefit plans nor obtain seniority under the provisions of Article 23.1 of this Agreement.
- (iii) is subject to a deduction from wages due and payable in each calendar week, the regular weekly union dues.
- (iv) is eligible to work overtime as per Appendix "E".
- (v) rates of pay will be as per Appendix "A" dependent on the classification scheduled on or performing. Temporary and Student employees will be trained on any jobs within Appendix "A" that are required to be filled for vacations, sickness and/or skill short-

ages, notwithstanding Article 24.1 and the Temporary Bid Posting memorandum.

- (vi) Upon completion of 700 hours in the previous calendar year, Temporary employees become eligible to participate in the "KGFC Medical and Dental Benefits Plan for Temporary employees", as described in Appendix "F". This is a Corporate Benefits Plan for Temporaries which will be revised as determined by the Company. The Company agrees to communicate to the Union and its members any change of Benefit carrier thirty (30) calendar days prior to the effective date.

Kraft General Foods Canada Medical and Dental Benefits Plan for Temporary Employees

Medical and Dental Benefits are available to Temporary Employees on the Company payroll who qualify for eligibility.

The eligibility requirements are as follows:

- 1) A Temporary Employee must have worked 700 regular hours in the previous calendar year to claim expenses in the current year.
- 2) The Employee must also work a minimum of 32 regular hours in each calendar month to have expenses incurred in the month payable. This means, that in order to have expenses incurred in June paid by either the Medical or Dental Plan, the Employee must have worked 32 regular hours in June and so on for each month throughout the year.

If an Employee does not work the required 32 regular hours in a particular calendar month, then expenses incurred in that month only will not be paid.

Eligible dependents may claim expenses as well, providing that the employee has met the requirements outlined above. Eligible dependents are defined as spouse, and dependent children up to age 19 if not a student, or up to age 25 if a full-time student.

It is important to note that because we must wait until the end of the month to determine if the 32 hours have been worked by each employee, and advise the Benefits Carrier accordingly, that expenses not be submitted until the month following. In other words, eligible expenses for June should be submitted in July; July's expenses submitted in August, and so on.

To obtain reimbursement for Dental or Prescription claims, employees will complete claim forms available from the Human Resources Department.

Appendix "D"

Definitions

Employee Profile Update

Employees will be encouraged by the Company to update files once each year, including dependent children, spouses and step relationships.

Applicable Rate - The rate an employee would have been paid had he been at work.

Basic Work Week - Monday through Friday, inclusive.

Calendar Week - Monday through Sunday inclusive.

Common-Law - Employee who has co-habitated with an individual for a period of not less than three (3) years, and who has publicly represented the person as their spouse during this period.

Dependent Children - (including Common-Law and Step Children Relationships)

- a child who is unmarried and unemployed, up to the age of 19 years, or until the age of 25 years, as long as dependent and attending school; or
- a child born of a Common-Law union; or
- a child brought to a relationship and for whom the employee has taken legal guardianship, or legally adopted, or is totally financially responsible and the child resides in the home.
- a child incapable of self-sustaining employment by reason of mental retardation or physical handi-

cap, who are chiefly dependent upon you for maintenance and support and residing in Canada and who became so incapable before attaining age 19.

A term "child" includes any legally adopted child and any stepchild who is supported solely by you and permanently resides in your household, and any other child for whom you are legally responsible for support and care.

Plant Manager - Refers to the actual Cobourg Plant Manager or his designated representative.

Emergency - An Act of nature, catastrophe, disaster or any reason of a similar nature and unanticipated conditions when immediate action is necessary to prevent spoilage or loss of product or danger to persons or property. With respect to Article 20.17 only, it is understood an emergency will also include those instances where action is required to undertake equipment repair.

Employee - A person holding seniority under this Agreement.

Holiday Pay - Eight (8) hours' pay at the employee's regular rate.

Pay Cheque - (applicable only to Article 8) - the following will be counted:

- a Regular pay cheque

- a Sick Benefit cheque

- an LTD cheque within the initial 18 month LTD period refers to paid holidays

- a Vacation cheque

- a Workers' Compensation payment within the initial 18 month period refers to paid holidays.

Probationary Employee - A person who does not hold seniority in accordance with Article 23.1 of this Agreement. A probationary employee is covered by all the provisions of this Collective Agreement unless otherwise specifically excluded under any article of this Agreement.

Regular Rate - Basic rate of pay (Appendix "A") plus shift premium when applicable.

- Spouse
1. The person who is your lawfully wedded husband or wife or
 2. If you do not have a lawfully wedded husband or wife, the person of the opposite sex who has resided with you in a conjugal relationship, either continuously for not less than three (3) years, or in a relationship of some permanence if you and the other person are the natural or adoptive parents of a child as defined in the Ontario Family Law Act.

Step Relationship - See Dependent Children

These relationships will be considered immediate family if declared as such by employees on their Employee File with the Company.

Employees are required to update their files in the Human Resources as any changes occur to their status.

Successful Applicant - An employee who has exercised his bidding rights under this Agreement, has been awarded the bid job and has actually commenced working on such job.

Union Officers - The following representatives of Local 1230

- Union President
- Secretary/Treasurer
- Recorder
- 1st Vice-president
- 2nd Vice-president
- 3rd Vice-president
- 4th Vice-president

Union President - Refers to the actual President of Local 1230 or his designated representative.

Appendix “E”

Overtime Distribution

The parties shall co-operate and make every effort to distribute overtime as evenly as possible. However, the number of overtime hours offered to an employee within any twenty-four (24) hour period remains within the discretion of the Company.

Hours of overtime worked or refused by an employee shall be recorded weekly and posted the following week. Hours of overtime worked or refused by an employee will be accumulated over a period of six (6) months commencing with the first work week of the calendar year.

For the purpose of the administration of Appendix “ E Temporary Employees and Students are considered as “employees.”

Overtime shall be offered to the employee with the lowest number of recorded hours in each of the categories in the following priority:

(i) **Bid and Currently Performing or Temporarily Assigned in Unit**

Among employees, qualified, available and currently performing and holding the bid in the job in which overtime is required; or,

Among employees temporarily assigned off their bid job within the unit, under Article 20.3, in which overtime is required.

(ii) **Currently Performing the Job**

Among employees, qualified, available, and currently performing the job in which overtime is required.

(iii) **Currently Working in the Unit**

a) Among employees available and working in the Unit, who have been cutback from their bid job, within this Unit where overtime is required.

b) Among employees, qualified, available and currently working in the Unit in which overtime is required.

(iv) Currently Working in the Department

Among employees, qualified, available, and currently working in the Department in which overtime is required.

(v) Mandatory Protection of the Work

In the event that all employees referred to in (i), (ii), (iii) and (iv) above refuse the overtime, it is agreed such overtime will be worked by the employee first offered the overtime, providing such overtime does not exceed four (4) hours in a day, or eight (8) hours in a calendar week.

Overtime Shift Scheduling

During the basic work week, overtime offered will be assigned where possible to run consecutive to an employee's scheduled shift. For weekend overtime, available shifts will be filled in sequence (11-7, 7-3, 3-11) by employees in priority order, providing the shift assigned would not result in an employee working sixteen (16) consecutive hours.

Selection Error

Should a selection error occur, the missed employee will be accorded the next available overtime opportunity. A grievance respecting a selection error may be submitted at Step Two, the Department Manager and Manager of Human Resources level of the grievance procedure.

Overtime Refusal Letter

Employees who do not wish to work overtime must notify the Company, in writing, of their intent. These employees will not be asked or scheduled to work overtime (unless it is necessary to protect the job) until the employee notifies the Company, in writing, that he wishes to work overtime. Such employee will assume one hour more than the highest hours of overtime in his bid classification or his accumulated hours of overtime whichever is greater.

Should it become necessary to ask these employees to work overtime to protect the job, employees will be asked to work in the following order if there are more than one employee eligible with an Overtime Refusal Letter on file:

- a) employee with the lowest recorded hours of overtime
- b) if employees do not have any recorded hours, then the most senior employee.

Note: Overtime hours worked and refused will be recorded as per paragraph 2 of Appendix " E Page 68 for employees in this category who become eligible for overtime to protect the job.

Team/Committee/Project Overtime Distribution

When an employee volunteers to be a member of a Team/Committee and overtime is required to participate in such Team/Committee Meeting and/or specific project, where knowledge of the process/activity is required, the Team/Committee employee will be given the opportunity to work such overtime, notwithstanding the other provisions of Appendix " E and Appendix "G".

Paid Plant Holidays

Paid Plant Holidays will be treated and recorded as overtime.

Department & Units are as follows for the Manufacturing, Distribution Warehouse, Receiving Warehouse, Plant Services and Maintenance Departments.

Department

Units

- | | |
|---------------------|-------------------------|
| Central Maintenance | - Apprentice |
| | - Maintenance Services- |
| | Mechanical |
| | - Maintenance Mechanic- |
| | Material Handling |
| | - Maintenance Mechanic- |
| | Central |
| | - Trainees |
| | - Machinist |
| | - Maintenance Utilities |

Cereals/Rice	<ul style="list-style-type: none"> - Packaging - MaintenancePackaging - Processing - MaintenanceProcessing
Desserts/Beverage	<ul style="list-style-type: none"> - Packaging - Processing - Maintenance
DistributionWarehouse	<ul style="list-style-type: none"> - Distribution
Electrical	<ul style="list-style-type: none"> - MaintenanceElectrician - RefrigerationMechanic - MaintenanceServices Electrical - Maintenance Electrician- Scales
Plant Services	<ul style="list-style-type: none"> - Plant Services
ReceivingWarehouse	<ul style="list-style-type: none"> - Receiving
Satellite	<ul style="list-style-type: none"> - RTD - Associate Mechanic
Site Facilities	<ul style="list-style-type: none"> - Stationary Engineer- 2nd Class

APPENDIX "F"

BENEFITS

PREAMBLE

An overview of the benefit plans available are given in this Appendix as an indication of the coverage provided. Booklets on all plans provided by the Company for its employees give full details of their purpose, coverage and the limits applicable. These booklets should be referred to for clarification of eligibility, coverage and limits.

The definition of eligible dependents for the KGFC Benefit Plans is covered in Appendix "D".

Appendix “F”

Benefit Plans

1) Provincial Health Insurance Plan - (OHIP)

This Plan provides coverage in two areas:

1) Hospital Expenses

- Standard ward-level accommodation in a hospital
- All normal hospital services while confined, plus
- certain required out-patient services.

2) Physicians' Services

- Doctors' visits at home, in the office, or in the hospital.
- Surgical procedures,
- Diagnostic tests, and
- Specialists' fees.

The Physician is paid a fee for his services which is based on a Province-wide schedule of fees.

The Company will pay the full premium cost of this Plan for employees (excluding probationary employees) providing such Company payment is not prohibited by law.

2. Extended Health Plan

Eligibility

The Kraft General Foods Canada Health Care Plan is offered to all Regular Full-Time employees. You and your eligible dependents are covered under this plan upon completion of your probationary period.

Cost of the Plan

Kraft General Foods Canada pays the full cost of the coverage provided by the plan for you and your eligible dependents.

Deductible

A deductible of \$25 per person, maximum \$50 per family, is applied every year to all eligible medical and dental expenses combined.

The deductible *is* the amount **of** eligible expenses which you must pay in full each calendar year before you can receive a reimbursement of covered expenses. If the eligible expenses you incurred during the first nine months **of the** year are **less** than the deductible amount, additional expenses up to the deductible amount incurred in the last three months of the year may be carried over as a credit towards satisfying the deductible amount of the following year.

The Kraft General Foods Canada Health Care Plan reimburses a percentage of the eligible expenses, provided these expenses are reasonable and customary, and that they are medically necessary and prescribed by a physician. Reimbursement is subject to a lifetime maximum **of \$250,000**.

In addition, up to \$1,000 of this maximum will be reinstated each January 1. The actual amount will be based on the amount of benefits you had received from the plan in the previous calendar year.

Hospital Expenses

For licensed hospitals and convalescent care facilities, the plan covers:

Hospital 100% of the difference in cost between ward and semi-private or private room up to \$55 per day and 80% of charges in excess of \$55 per day.

Convalescent Care 100% of the cost of semi-private accommodation up to \$55 per day and **80%** of the excess over \$55.

Hospitalization outside Canada is reimbursed at 100% for emergency treatment of an illness or accident.

If you are hospitalized outside Canada for a medically necessary treatment not available in Canada and for which there *is* no alternate treatment available in Canada, medical expenses that exceed the

allowance paid by any provincial government plan are reimbursed based on reasonable and customary charges.

No deductible applies to hospital expenses.

Medical Expenses

The plan reimburses 100% of the following eligible medical expenses:

Drugs and medicines which require a prescription by law to be obtained.

Emergency treatment of an illness or accident occurring while outside Canada is reimbursed on a reasonable and customary basis.

Emergency travel assistance expenses (see leaflet entitled "Emergency Travel Assistance" for full details).

The plan also reimburses 80% of the following:

Private-duty nursing. Services must be recommended by a physician and rendered by a registered nurse who is not a relative and does not ordinarily reside in your home. There is a maximum reimbursement of \$10,000 every 36 months.

Charges for room and board in a licensed chronic care facility up to a maximum reimbursement of \$10 per day for a period of 120 days per calendar year.

Charges for the use of a licensed ambulance for local transportation to and from the nearest hospital. Emergency transportation by airline to and from the nearest hospital within your province of residence and equipped to provide the required medical services are also eligible, subject to a maximum equal to an economy airfare.

Paramedical services by a licensed physiotherapist, psychologist, osteopath, podiatrist, chiropractor, naturopath or speech therapist, up to a maximum reimbursement of \$300 for each practitioner each calendar year. In addition, covered expenses include the cost of one x-ray per practitioner per calendar

year. To be considered eligible expenses, the services provided must be within the scope of the license held by the practitioner.

Laboratory tests and x-rays for diagnosis not covered by any government plan.

Prescription contact lenses or eyeglasses up to a maximum reimbursement of \$125 per person every 24 months. This reimbursement applies for either contact lenses or eyeglasses, but not both.

Dental services required to repair natural teeth damaged as a result of an accident up to \$5,000, provided the repairs commence within three months of the accident.

Hearing aids up to a maximum reimbursement of \$300 per person every 36 months.

Charges for:

Rental or purchase of braces and crutches, and purchase or prostheses required for therapeutic use.

Rental or purchase of a wheelchair, hospital bed, or oxygen equipment required for therapeutic purposes.

Orthopedic shoes and orthotics prescribed by a licensed physician and required to correct a diagnosed physical impairment. Once the first expense has been paid for by the plan, the cost of replacement will only be covered if it is required as a result of pathological change.

Blood sugar monitoring devices for insulin dependent diabetics, when prescribed by a physician, up to a lifetime maximum reimbursement of \$200.

Coordination of Benefits

If you or your dependents are covered by more than one plan providing similar benefits, benefits under this plan will be coordinated so that claims can be made under both plans but in no event could you receive benefits in excess of expenses incurred.

Exclusions

The Kraft General Foods Canada Health Care Plan does not cover:

Services and supplies not included in the list of eligible expenses.

Charges for general health examinations.

Charges for eye examinations, except in provinces where Medicare does not cover this expense.

Services paid for under any federal or provincial government legislation.

Cosmetic surgery or treatment, including hospital confinement for such surgery or treatment.

Charges related to any disability for which benefits are provided under any workers' compensation legislation.

Dental work where a third party is responsible for payment of such charges.

Charges related to injury resulting directly or indirectly from war, declared or not, insurrection or riot, or hostilities of any kind.

Charges for services or supplies which are furnished without the recommendation and approval of a physician acting within the scope of his or her license.

Charges related to intentionally self-inflicted wounds.

Drugs, sera, injectable drugs or supplies that are not approved by Health and Welfare, Canada, and that are experimental or limited in use.

Charges which are not medically necessary for the care and treatment of any existing or suspected injury, disease or pregnancy.

Charges made by a physician for travel, broken appointments, communication costs, completion of claim forms or physician's supplies.

Charges which would not normally have been incurred but for the presence of this coverage or for which the employee or dependent is not legally required to pay.

In the Event of Disability

If you are absent from work due to injury or illness, coverage under the Kraft General Foods Canada Health Care Plan is maintained for you and your eligible dependents, at no cost to you, for as long as you are receiving Kraft General Foods Canada disability benefits.

In the Event of Death

In the event of your death while an active Kraft General Foods Canada employee, coverage under the Health Care Plan continues for your eligible dependents for three months from your date of death.

Termination of Employment

Coverage ceases for you and your eligible dependents at the end of the month in which you terminate your employment with Kraft General Foods Canada. Out-of-Canada coverage ceases on the date of termination of employment. For the status of benefits on retirement, see the Pension Plan Provisions of this document.

3. Dental Plan

Eligibility

The Dental Care Plan is offered to all Regular Full-Time employees. You and your eligible dependents are covered under this plan upon completion of your probationary period.

Cost of the Plan

Kraft General Foods Canada pays the full cost of the coverage provided by the plan for you and your eligible dependents.

Deductible

A deductible of \$25 per person, maximum \$50 per family, is applied every year to all eligible dental and medical expenses combined.

The deductible is the amount of eligible expenses which you must pay in full each calendar year before you can receive a reimbursement of covered

expenses. If the eligible expenses you incurred during the first nine months of the year are less than the deductible amount, additional expenses up to the deductible amount incurred in the last three months of the year may be carried over as a credit towards satisfying the deductible amount of the following year.

Eligible Expenses

The Kraft General Foods Canada Dental Plan covers 80% of the eligible expenses for three categories of dental care:

- Basic services
- Major restorative work
- Orthodontic treatment

The maximum amount reimbursed for the first two categories combined is \$1,200 per person per calendar year for you and each of your eligible dependents. The lifetime maximum benefit for orthodontic treatment is \$2,000 per person.

Maximum eligible expenses are established in accordance with the current fee guide of the dental association. When several treatment possibilities exist, reimbursement of eligible expenses may be determined based on an alternate benefit.

Basic Services

Diagnostic

- Consultations
- Single diagnostic x-rays
- Complete series of x-rays: once every 24 months
- Oral examinations: once every six months
- Study casts: once per year

Preventive

- Scaling and polishing (prophylaxis) once every six months
- Topical fluoride
- Passive space maintainers (that do not move the teeth) for dependent children only
- Oral hygiene instruction once every six months

Minor restorativework
Fillings (silver amalgam, silicate or synthetic restorations)
Stainless steel crowns

Oral surgery
Removal of teeth, including impacted teeth and residual roots
Anesthesia
Post operative care

Endodontics
Emergency endodontic procedures and root canal therapy

Periodontics
Treatment of diseases of the gum and other supporting tissue of the teeth

Repair or relining and rebasing of dentures including addition of new teeth.

Major Restorative Work
Gold inlays, onlays and crowns
Note: when a tooth can be restored with silver amalgam, silicate or synthetic restorations, benefits will be determined based on the usual costs of such a restoration.

Dentures and other dental appliances
Note: After initial purchase of a dental appliance, replacement expenses are eligible if the existing appliance is at least five years old and no longer serviceable.

Orthodontic treatment
Correction of malocclusion of the teeth
Full-mouth reconstruction

In the Event of Disability

If you are absent from work due to injury or illness, coverage under Kraft General Foods Canada Dental Plan is maintained for you and your eligible dependents, at no cost to you, for as long as you are receiving Kraft General Foods Canada disability benefits.

In the Event of Death

In the event of your death while an active Kraft General Foods Employee, coverage under the Dental Care Plan continues for your dependents for three months from your date of death.

Termination of Employment

Coverage ceases for you and your eligible dependents at the end of the month in which you terminate your employment with Kraft General Foods Canada.

Coordination of Benefits

If you or your dependents are covered by more than one plan providing similar benefits, benefits under this plan will be coordinated so that claims can be made under both plans but in no event could you receive benefits in excess of the expenses incurred.

Exclusions

The Kraft General Foods Canada Dental Care Plan does not cover:

Services or supplies that are primarily for cosmetic dentistry, e.g., bonding, bleaching and facings.

Services covered by any government plan.

Services or supplies not furnished by a legally qualified dentist or denturist.

Services or supplies necessitated directly or indirectly as the result of committing, attempting to commit or provoking an assault or criminal offence, or by a war or act of war, declared or not, insurrection or riot, or hostilities of any kind.

Miscellaneous charges such as counseling, travel, broken appointments, communication costs or completion of claim forms.

Services or supplies resulting from any intentionally self-inflicted wound.

Any hospital charges for board and room and related services and supplies.

Any dental examinations required by a third party.

Services or supplies not medically necessary.

Services or supplies for implantology, including tooth implantation or transplantation and surgical insertion of fabricated implants.

4. **Life Insurance Plan**

An employee must sign an application form to be eligible for this Plan and coverage will commence on the first of the month following completion of the probationary period. Should application not be made within three (3) months of this initial commencement date, the insurance company will require satisfactory evidence of insurability from the employee and his eligible dependents (i.e., spouse and unmarried, unemployed children between the ages of 14 days and twenty-five years).

a) Amount of Term Insurance

- Employee - \$45,000
- Spouse - \$ 5,000
- Dependent Child - \$ 5,000
- Employee Cost: Single or Family \$4.75 per month.

Note 1: The amount of Paid-up Insurance purchased by an employee under the former Insurance Plan will remain in force until the employee leaves Kraft General Foods Canada or retires. At that time, the Paid-up insurance (providing the face amount is \$100 or more) may be kept in force, or surrendered for its cash value. This cash value will never be less than the amount of the contributions the employee had made to the Paid-up Insurance Plan.

b) Retirement Insurance

The Company will assume the full cost of providing Term Insurance coverage in the amount of \$2,000 for an employee who retires from the Company while in active employee status on or after age 55 with 10 years or more of service.

c) Optional Insurance

Employees have the opportunity to purchase \$15,000 additional employee Life Insurance coverage at a cost of \$4.88 per month, from the current \$10,000 at a current cost \$3.25 per month.

d) General Provisions

- i) If you are on leave of absence for up to one year you may keep this Plan in force by continuing to make your contributions. Otherwise your coverage will terminate at the end of the month in which your contributions stop. For reinstatement in the Plan, the insurance company would require satisfactory evidence of insurability from the employee and his eligible dependents.
- ii) LTD payments will not reduce the amount of life insurance in force just prior to the start of LTD benefits. Such insurance will remain in force for so long as eligibility to LTD benefits continues, but not beyond age 65.
- iii) All term insurance coverage will stop at the end of the month in which you leave Kraft General Foods Canada, but if you die within the following 31 days, the full amount will be paid. Also during this 31-day period you may convert all or part of your term insurance without medical examination, to an individual life insurance policy. This individual policy will be issued at the insurance company's regular rates; it may be written on any regular Whole Life Insurance Plan and may, if desired, provide a preliminary period of up to one year of term insurance coverage.
- iv) When you die from any cause, the full amount of your Kraft General Foods Canada life insurance then in force will be payable to the beneficiary you name. You may specify that payment be made in a lump sum or in monthly instalments, or you may allow your beneficiary to make the choice. You may change the beneficiary designation at any time in the manner provided by the

Plan, subject to applicable Provincial Law. The beneficiary for the dependent insurance coverage will be the employee in all cases. In those instances where both parents are employed at Kraft General Foods Canada and both are enrolled in the Life Insurance Plan, the employee claiming the child(ren) as dependent(s) for income tax purposes will be deemed to be the beneficiary.

5. **Accidental Death and Dismemberment Insurance Plan**

The optional AD&D plan offers a full 24 hour, 365 day a year, coverage against accidents occurring anywhere in the world, whether you are on or off the job.

Amount of Coverage:

Coverage is purchased in units of \$10,000 and insures you and your family for death caused by accident. In addition, the Plan covers you for dismemberment in the following manner:

	<u>% of coverage</u>
Loss of Life	100%
Loss of two limbs	100%
Loss of sight of both eyes	100%
Loss of one limb & sight of one eye	100%
Loss of speech & hearing	100%
Loss of one limb	75%
Loss of sight of one eye	66 ² / ₃ %
Loss of speech or hearing	50%
Loss of thumb & index finger of one hand	33%

In the event of your accidental death while insured, the amount of insurance will be paid to the beneficiary. All other indemnities are payable to you.

<u>Employee Coverage</u>	<u>Spouse Coverage</u>	<u>Dependent Coverage</u>
Can purchase up to maximum of \$500,000 each (in units of \$10,000)	Can purchase up to maximum of 50% of employee's coverage (in units of \$10,000)	Can purchase \$5,000 of coverage for dependent child

Amount of Premiums:

- Employee - \$0.026 per \$1,000 per month
- Spouse - \$0.026 per \$1,000 per month
- Children - A flat .25¢ per month for \$5,000 per child, regardless of how many children are insured.

Exclusions:

The AD&D plan does not cover losses resulting from the following:

- Suicide or self-destruction, or any attempt by the insured person while sane or insane;
- Flying in any aircraft or other airborne vehicle as a pilot, operator or member of the crew;
- Declared or undeclared war or any act thereof;
- Active full-time service in the armed forces of any country.

6. Non-Occupational Accident and Short-Term Disability Plan

This Plan is fully Company paid and applies to all employees (excluding Probationary and laid-off Regular Full-Time employees) who meet the eligibility conditions:

a) Eligibility for Benefits

To establish eligibility for benefits, an employee must show disability due to non-occupational accident or sickness by reasonably satisfactory evidence, which in the Company's judgment, prevents him from performing normal work assignments.

No Supplemental Benefits are payable until an Attending Physician's Statement has been submitted attesting to the nature and severity of disability and certifying that the disability precludes the employee from performing regular work assignments.

Further, the Company, at its expense and discretion, may have a physician or nurse of its own choice examine any employee who seeks benefit payments; if in the physician or nurse's opinion the employee was able to perform regular work assignments, he will not be eligible for benefit payments. Any employee who fails or refuses to submit to such an examination will not be eligible for benefit payments. Any disagreement with the Company's decision may be processed through the grievance procedure commencing at the second step.

An employee has responsibility for informing his supervisor immediately with respect to a disability. Further, to qualify for benefits he has the responsibility for taking all proper steps to insure early recovery. Such steps may include the attendance of a qualified physician and the purchase of drugs, medicines, medical supplies and hospitalization services as necessary.

b) Benefits

Plan Benefits are payable to eligible employees during a maximum benefit period of 26 weeks per disability but not more than twenty-six (26) weeks in a calendar year, subject to the following conditions:

i) Basic Benefits

An employee is credited with ten (10) days of Basic Benefits upon attainment of seniority and with ten additional days on his employment anniversary in each subsequent year of continuous employment. If employment is continuous, unused Basic Benefits may be

accumulated up to a maximum of one hundred and thirty (130) days.

When disabled, an eligible employee will receive Basic Benefits of three-quarters of his basic rate of pay, after a waiting period of two (2) scheduled work days, for as many days as he has to his credit or a minimum period of seventy-five (75) days per disability, as long as the disability is continued.

When an employee returns to work after an absence, the basic benefit period of seventy-five (75) days will be fully reinstated after the employee has been back at work for at least four (4) weeks.

If he is back at work for at least a four-week period, and is then absent, due to a disability not associated with the previous disability, the minimum period of seventy-five (75) days of basic benefits will apply.

If he is absent again due to the same or associated disability that caused the first absence, and this second absence occurred before thirteen (13) weeks had elapsed since the initial absence, the disability will be considered to be the same disability, and the employee will resume Basic Benefits as if he had not returned to work.

Basic Benefits are payable to employees after a waiting period of two (2) scheduled work days. Further, if the first day following the waiting period is not a regularly scheduled working day for the employee, Basic Benefits will not begin until the employee's next regularly scheduled working day.

There will be no waiting period if the disability results from an accident, or from the day on which the employee is hospitalized. Further, if the employee is unable to work because of disability for fourteen (14) calendar days

beginning with the first regularly scheduled working day of disability, Basic Benefits are payable retroactively for all regularly scheduled working days in the waiting period, if such benefits have not been exhausted.

Should an employee leave work because of disability, the time so lost will count as the first day of the waiting period only in those instances where he has worked one-half or less of his regular shift.

ii) **Supplemental Benefits**

After all Basic Benefits for which an employee is eligible have been paid, Supplemental Benefits amounting to 60% of his basic rate of pay are payable to the employee during the remainder of the 26-week benefit period for the disability but not to exceed 26 weeks in a calendar year.

c) **Discontinuance of Benefits**

An employee who, after incurring disability, is discharged or would not have worked due to strike or suspension of employment is not eligible for Benefits after the day on which such event occurs.

Where layoff provisions exist, if you are disabled when a layoff begins, your benefits will continue for the duration of the disability, but not longer than 15 weeks from the date the disability began.

d) **Employees Not Actively Employed**

An employee who becomes disabled while on leave of absence or vacation or on lay-off, or while on strike, suspension from work or otherwise not actively employed, is not eligible for benefits during any such period. The employee will be eligible for benefits under this Plan on the first regularly scheduled working day on which he would have returned to work but for the disability, and absence on such day will be deemed

the first day of the waiting period for purposes of determining when benefits start.

e) Part-Time Employment Due to Disability

An employee, who because of disability, is not able to work full regularly scheduled working days, may receive less than the full amount of daily benefits for which he is eligible. This provision only applies when the Company can provide part-time employment. Otherwise, such employees will receive the full amount of daily benefits.

If the employee is eligible for Basic Benefits, after any applicable waiting period, he will receive pay for all hours worked and Basic Benefits for all hours not worked within the working day.

If the employee is not eligible for Basic Benefits, but is eligible for Supplemental Benefits, he will be paid for all hours worked, and 60% of his regular hourly rate for hours not worked within the working day. Each partial working day will be considered a full day for purposes of determining the maximum benefits period of 26 weeks per disability or per calendar year.

f) Exclusions

No payment will be made under the Plan with respect to absence from work due to the following reasons:

- i) Disability arising from or in the course of employment by another employer, and where the employee had an employee/employer relationship with the other employer and received remuneration for his services. Disability from work performed on an employee's own residence or land will not be considered "employment by another employer".
- ii) Disability caused by or resulting from use of alcoholic beverages, stimulants, drugs or narcotics, unless the employee is participating

in a Kraft General Foods Canada sponsored program toward rehabilitation.

- iii) Disability resulting from acts of immorality or fighting.
- iv) Disability occurring while an employee is violating a Company rule.
- v) Disability resulting from a pregnancy related illness during:
 - a) a pregnancy leave of absence,
 - b) the period commencing with the tenth week prior to the expected week of confinement and ending with the sixth week after the week of confinement.

g) Definitions:

Licensed Practitioners

In order for expenses of a practitioner to be considered eligible for reimbursement, the practitioner must be licensed and the services rendered must be within the scope of that license.

Reasonable and Customary

Reasonable and customary charges are the amounts measured and determined by comparing them with charges customarily made for similar services and supplies to individuals of similar medical condition in the locality concerned.

Disability

“Disability” means the inability or incapacity to perform regular work assignments resulting from sickness or accident not arising from, or in any way related to, the course of employment. Any disability arising out of or in the course of employment, which is compensable under the Workers’ Compensation Law of the province is not a disability under this Plan.

Hospitalization

“Hospitalization” occurs when the employee a) is admitted to and confined in a duly constituted hospital as a bed patient for care and treatment of sickness, or hurt, injury or damage to the body as a result of an accident b) is admitted to a duly constituted hospital or medical facility for surgery and released as an outpatient.

Hourly Rate of Pay

The employee’s basic rate of pay (excluding off-shift premium).

7. Long-Term Disability

a) Benefits

This plan is fully paid by the Company. Coverage commences upon completion of probationary period and applies to all Regular Full-Time employees who meet the eligibility conditions.

If you are unable to work after 26 weeks of disability, you may be eligible for benefits under the Long-Term Disability Plan.

LTD benefits may be paid up to two years if you are totally disabled and cannot perform the duties of your current job. If you continue to be totally disabled after two years and cannot perform the duties of a job related to your skills and experience, payments will continue to the earliest of recovery, death or age 65.

This plan provides you with a monthly income equal to 67% of the monthly base salary you were receiving when you became disabled, up to a maximum benefit of \$15,000 per month.

To be eligible for benefits, you must be under the care of a legally qualified physician at all times. Medical reports will be required periodically.

Benefits payable under this plan are considered taxable income.

b) Recurrence of Disability

If you become disabled for the same reason within six months of your return to full-time work after a long-term disability, the second disability period will be considered a continuation of the first. You will then immediately begin receiving your long-term disability benefits.

However, if the period exceeds six months or if the new disability is not related to the first, a new claim must be filed under the Short-Term Disability Plan.

c) Rehabilitative Employment

As an incentive to promote an early return to gainful employment after a total disability, you may perform certain work without forfeiting the benefits payable under the LTD plan.

If you engage in an approved rehabilitative employment program, you will be entitled to receive your long-term disability benefits over and above the employment income payable from the program.

The rehabilitation benefits may be paid for a maximum period of 24 months during which your income from all sources must not exceed your gross earnings at the time you became disabled.

Should disability prevent you from continuing with the program, your regular disability benefits will continue to be paid.

d) Coordination with Other Sources of Income

Long-Term Disability Benefits are reduced by disability benefits payable from Workers' Compensation, the Canada Pension Plan (excluding any payments for your dependent children) and by any other income from employment or other government plans.

e) Continuation of Other Employee Benefits during Disability

While you are receiving Long-Term Disability benefits, you and your dependents remain covered under all Kraft General Foods, Canada plans, and

you may continue to purchase Optional AD&D Insurance for up to two (2) years from the date of initial Long-Term Disability acceptance, if you are totally disabled and can not perform the duties of your current job. Benefits that can not be continued during disability are the Non-Occupational Accident coverage and Short-Term Disability Plan.

Seniority will continue to accumulate for as long as LTD benefits are paid.

If an employee wishes to continue contributions to the retirement plan, retirement benefits will accrue during the LTD period.

f) Exclusions

No Long-Term Disability benefits are payable for:

A disability for which you are not treated on a continuous basis by a duly qualified physician. If the sickness is due to a mental or emotional disorder, you must be receiving continuing treatment by a physician who is certified in psychiatry.

A disability for which you may be entitled to indemnity in accordance with the provisions of a Workers' Compensation Plan, the Canada Pension Plan, a provincial auto insurance plan or a group benefit plan.

A disability caused by or resulting from a self-inflicted injury or illness.

A disability caused by or resulting from alcoholism or drug addiction, unless you are treated for the problem on a continuous basis by a duly qualified physician, or are being treated through the Employee Assistance Program.

A disability caused by or resulting from participation in a criminal act or any act of war, declared or not.

A disability resulting from injury sustained while engaged in an employment for wage or profit during any period for which benefits are claimed under the plans.

8. Retirement Plan

a) Eligibility

You are eligible to join the Retirement Plan on the first of the month after obtaining one year's seniority. You may join any time after you become eligible by completing an enrollment form authorizing Kraft General Foods Canada to make payroll deductions and naming a beneficiary.

A temporary employee who has completed two years of service becomes eligible to join the pension plan provided earnings are equal to or exceed 35% of the Year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan in each year or if they have worked at least 700 hours in each year. Contributions and benefits will be prorated based on hours worked.

b) Benefits Formula

Normal Retirement

Normal retirement is the first day of the month following attainment of age 65.

The monthly pension you will receive will be calculated as follows:

\$40.00 per month for each year of credited service effective May 18, 1994.

Early Retirement

You may retire on the first of the month after your 55th birthday.

The monthly pension you will receive will be calculated as follows:

\$40.00 per month for each year of credited service, effective May 18, 1994.

less 3% for each year of early retirement before age 60.

In addition, if you retire early while still an employee, a supplemental benefit of \$12.00 per month per year of credited service (maximum 30 years) will be payable until age 65.

Note 1:

Credited service means continuous service to the date you retire less periods for which you made no contributions while eligible to participate in this or predecessor Plans or for which you withdrew contributions. Further, no credit will be given for periods of military service if contributions are not made upon return to active employment.

For a regular employee who is hired on or after January 1, 1988, and a temporary employee who becomes a member on or after January 1, 1988, the service prior to becoming a member of the Plan shall not be included in the computation of credited service.

Note 2:

The Canada Pension Plan (CPP) and the Old Age Security (OAS) pensions are in addition to your Kraft General Foods Canada Pension Plan.

c) Employee Contributions

Effective May 18, 1994, the monthly contribution will be \$77.00 per month.

Effective May 15, 1995, the monthly contribution will be \$85.00 per month.

d) Spouse's Benefit

This benefit provides the surviving spouse with 60% of the monthly pension paid to the retired employee for as long as the spouse remains alive. The monthly pension will be automatically reduced by 10% unless prior to retirement the employee and the spouse choose to opt out of this normal form of pension by submitting a Spouse Pension Waiver which requires the witnessed signature of the employee's spouse.

In the case of early retirement, this reduction or resultant pension benefit will not include the early retirement supplement referred to in Section (b).

Should your spouse pre-decease you, the Spouse's Benefit reduction shall not apply after his/her death.

e) **Retirement Income Options**

You may wish to provide other provisions for your dependents after your death, and for this reason a number of other retirement options are available.

Such options are:

- Joint and Survivor Option
- Term-Certain Retirement Income
- Level Income

and these options will be fully explained to you prior to retirement as they must be selected one year before retirement commences. Also, each specific option will cause a particular adjustment to your normal retirement income payment.

f) **Death Benefit**

Should you die before retirement, your beneficiary will receive a death benefit equal to the sum of the following:

- 1) The total amount of your contributions to December 31, 1986 plus compound interest to date of payment.
- 2) The commuted value of the retirement income earned for service on and after January 1, 1987 together with the additional retirement income granted on and after January 1, 1988 for service prior to 1987.
- 3) The excess, if any, of the total amount of your contributions made after 1986 plus compound interest over 50% of the commuted value in paragraph 2.

Should death occur after retirement, but before receiving your total contributions plus compound interest and the spouse benefit is not in effect your beneficiary will receive the difference.

g) **General Provisions**

- i) Regardless of whether or not an employee participates in the Plan, retirement from the service of Kraft General Foods Canada must be not later

than the first day of the month following attainment of age 65.

- ii) You become entitled to a pension benefit under the Plan after 10 years' continuous service for benefits earned prior to January 1, 1987 and/or after 2 years' Plan membership for benefits earned after January 1, 1987.

Contributions which are made after January 1, 1987 are locked in (not refundable in cash) after 2 years' Plan membership. Contributions made between January 1, 1965 and January 1, 1987 are locked in at age 45 and 10 or more years continuous service.

- iii) If you leave Kraft General Foods Canada, any Plan contributions which are not vested, as described in (ii) will be refunded to you with compound interest. Such refunds remain eligible for transfer to an RRSP without locking-in provisions.

If you are vested, you may leave your money in the Plan and receive retirement income or transfer the value from the Plan as outlined in (viii) which describes the portability provisions.

If you do not transfer your money from the Plan, as outlined in (viii) you will receive retirement income at normal or early retirement date equal to the amount calculated at the time you leave. If you elect to have your retirement income begin before age 60, the reduction for early retirement will apply.

Anytime after you leave, but before your retirement income starts, you can request that the value of your pension be transferred under the Portability provisions. If you do, all your rights to benefits under the Plan are cancelled.

- iv) If you are absent on leave of absence, injury or illness, or any other reason and your pay stops, contributions will not resume until you return to work.

Except for absences due to Military Service, Workers' Compensation or Long Term Disability, missed contributions cannot be paid into the Plan on your return to work. Contributions shall be remitted once a month by employees on Workers' Compensation and Long Term Disability.

While an employee is on pregnancy or parental leave contributions shall be remitted once a month by employees unless the employee advises the Company in writing that he or she does not want to continue to make contributions to the Pension Plan.

- v) If you have a spouse, Provincial legislation requires that your pension beneficiary must be your spouse. You may change your beneficiary, subject to Provincial legislation, at any time by notifying the Pension Board through your local personnel representative. This is your responsibility.

To permit an employee to take advantage of tax concessions and provide greater retirement income, the Plan allows for voluntary contributions. A participant age 21 or over and enrolled in the Retirement Plan is thus eligible to contribute additional funds through regular payroll deductions. The minimum contribution is \$10.00 per month, and the employee has a choice of two mutual funds (stock or bond) in which these contributions are invested and administered by the Royal Trust Company.

In addition to regular payroll deductions, two lump sum contributions of \$50.00 or more may be made by payroll deduction on two specified dates each year.

There are no Company contributions to this section of the Plan; however, the Company assumes all administrative and brokerage costs.

vi) Surviving Spouse means the person who, at the earlier of your death or the commencement of your retirement income meets one of the following eligibility requirements:

- 1) The person who is your lawfully wedded husband or wife: or
- 2) If you do not have a lawfully wedded husband or wife, the person of the opposite sex who has resided with you in conjugal relationship, either continuously for not less than 3 years, or in a relationship of some permanence if you and the other person are the natural or adoptive parents of a child as defined in the Ontario Family Law Act.

However, no more than one person can be a surviving spouse. In the event of more than one person claiming to be such, Kraft General Foods Canada will determine, based on evidence available that Kraft General Foods Canada considers to be sufficient, as to which person shall be designated a surviving spouse for the purpose of the Plan. Kraft General Foods Canada's decision in this regard shall be final and binding.

vii) If you terminate your employment on or after January 1, 1988 and you are entitled to a retirement income as described in the preceding paragraphs, you may direct the commuted value of your retirement income be transferred to another registered pension plan (subject to Plan provisions) or a locked-in registered retirement savings plan.

viii) The cost of vested benefits earned for service commencing January 1, 1987 plus additional retirement income granted on or after January 1, 1988 for service prior to 1987 must be at least 50% employer paid. Any excess employee contributions will be refunded upon retirement, termination or death prior to retirement.

ix) Marriage Breakdown - Pension benefits may be included as part of net family assets under the Ontario Family Law Reform Act. Any credit splitting with respect to your benefits under the Plan upon marriage breakdown can be requested in accordance with the Ontario Family Law Reform and Pension Benefits Acts.

h) Status of Benefits on Retirement

- i) OHIP will be fully paid by the Company until age 65, at which time no further premiums are payable.
- ii) Extended Health Plan will be fully paid by the Company and coverage amended to reflect the changes made for active employees.
- iii) Dental Plan coverage terminates at the end of the month prior to retirement.
- iv) Life Insurance coverage as provided under the Life Insurance Plan.
- v) AD&D coverage terminates at the end of the month prior to retirement.

**Summary of Pension Plan Provisions
Hourly Employees
Kraft General Foods Canada Inc.
Cobourg Plant**

1. Plan Effective Date: January 1, 1986
Date of most recent amendment May 18, 1994
2. Definitions:
 - a) **Credited Service**: Period of service during which a member is actively employed, less any period during which the member was eligible to make contributions and elected not to do so.
 - b) **Interest**: Previous calendar year average of five-year personal fixed term chartered bank deposit rates (CANSIM 814045).
3. Eligibility for Membership:

Any person employed on a regular full-time or part-time basis is eligible to become a member on the first day of any month following completion of one year of service. Temporary employees may join after 2 years of service if they meet the standard imposed by the applicable legislation.
4. Member Contributions:

Contributions are \$77 for each month on or after May 18, 1994.
Effective May 15, 1995 contributions are \$85.00 each month.
5. Normal Retirement Benefit:
 - a) **Eligibility**: First day of the month following attainment of age 65.
 - b) **Monthly Pension**: \$40 per month per year of credited service if employment ceases on or after May 18, 1994.
6. Early Retirement Benefit:
 - a) **Eligibility**: The first day of any month following attainment of age 55 and prior to normal retirement date.

- b) Annual Pension: Accrued pension, calculated as in 5, above, reduced by 3% for each year by which retirement precedes age 60.
- c) Supplementary Pension: Annual benefit equal to \$144 multiplied by the member's credited service, to a maximum of 30 years, payable until the earlier of the member's death or attainment of age 65.

7. **Postponed Retirement Benefits:**

- a) Eligibility: With consent of the company, the first day of any month during the 5 year period following normal retirement date.
- b) Annual Pension: A member may elect either to:
 - (i) commence receiving pension payments on his normal retirement date, in which event his pension will be calculated based on earnings and service to his normal retirement date, or
 - (ii) commence receiving pension payments on his actual retirement date, in which event his pension will be calculated based on earnings and service to his normal retirement date increased by 1/3% for each month by which retirement is postponed.

Where the benefit is prescribed by provincial regulations, the benefit will not be less than that prescribed.

8. **Forms of Pension:**

- a) Normal Pension: Pension payable for life with the provision that, upon death, the beneficiary will receive the excess, if any, of the accumulated member contributions with interest over the sum of the pension payments made.
- b) Optional Forms: Amount determined on an actuarially equivalent basis and payable in one of the following forms:

- life annuity with guaranteed form
- life annuity with continuation to a joint annuitant
- level income with Canada/Quebec Pension Plan and Old Age Security benefits

9. Termination of Employment:

- a) Eligibility: 10 years of service or attainment of age 55 for Retirement Income earned before January 1, 1987, 2 years of service or attainment of age 55 for retirement income earned on or after January 1, 1987.
- b) Annual Pension: Accrued pension deferred until the member elects to retire on an early retirement date, reduced for early retirement as in 6, above, or his normal retirement date.
- c) If Not Eligible: Refund of member contributions with interest.

Where the benefit is prescribed by provincial regulations, the benefit will not be less than that prescribed.

10. Disability Benefit:

- a) Eligibility: Member qualifies as disabled under company long-term disability income plan.
- b) Benefit: If the member elects to continue making contributions while disabled, he will continue to accrue credited service.

11. Death Benefits:

- a) Before Retirement: For retirement income earned before January 1, 1987, refund of member contributions with interest; for retirement income earned on or after January 1, 1987, the actuarial equivalent of the accrued pension.
- b) After Retirement: Based on the form of pension elected by the member. Where the member has an eligible spouse and did not elect an optional form of payment, the following spouse benefit will be payable:

- (i) Eligibility: Member was in continuous service after attainment of age 55 or had terminated employment after 2 years of continuous service while a Member of the Plan.
- (ii) Annual Benefit: 60% of the pension, exclusive of the supplementary pension, being received by the member immediately prior to his death, payable for the remaining lifetime of the spouse. Member's pension, exclusive of the supplementary pension, will be reduced by 10% if this benefit is payable. If spouse predeceases the member, the pension will revert to its normal level. Where the benefit is prescribed by provincial regulations, the benefit will not be less than that prescribed.

12. Post-Retirement Pension Adjustments:

No automatic adjustments are provided for in the plan. Ad hoc adjustments have periodically been provided in the past with the most recent adjustment being provided as at April 1, 1991.

13. Excess Contributions:

At retirement, death or termination, a Member of his Estate is entitled to receive a refund of his contributions which exceed 50% of the actuarial equivalent of his retirement income earned on or after January 1, 1987.

**KRAFT GENERAL FOODS CANADA
MEDICAL AND DENTAL BENEFITS PLAN
FOR REGULAR FULL-TIME EMPLOYEES
AT THE TIME OF LAYOFF**

Medical and Dental Benefits are available to Regular Full-Time Employees who qualify for eligibility at the time they are laid off.

The eligibility requirements are as follows:

The Employee must work a minimum of 32 regular hours in each calendar month to have expenses incurred in the month payable. This means, that in order to have expenses incurred in June, paid by either the Medical or Dental Plan, the Employee must have worked 32 regular hours in June and so on for each month throughout the year.

If an Employee does not work the required 32 regular hours in a particular calendar month, then expenses incurred in that month only will not be paid.

Eligible dependents may claim expenses as well, providing that the employee has met the requirements outlined above. Eligible dependents are defined as spouse, and dependent children up to age 19 if not a student, or up to age 25 if a full-time student.

It is important to note that because we must wait until the end of the month to determine if the 32 hours have been worked by each Employee, and advise the Benefits Carrier accordingly, that expenses not be submitted **until** the month following. In other words, eligible expenses for June should be submitted in July; July's expenses submitted in August, and so on.

To obtain reimbursement for Dental or Prescription claims, employees will complete claim forms available from the Human Resources Department.

Appendix G
Special Appendices Respecting
Laboratory Employees

Reclassification

An employee fulfilling the qualification requirements of Technician II will be reclassified and receive the applicable rate from the date of such reclassification.

Overtime Distribution

The parties shall co-operate and make every effort to distribute overtime as evenly as possible. However, the number of overtime hours offered to an employee within any twenty-four (24) hour period remains within the discretion of the Company.

Hours of overtime worked or refused by an employee shall be recorded weekly and posted the following week. Hours of overtime worked or refused by an employee will be accumulated over a period of six (6) months commencing with the first work week of the calendar year.

Overtime shall be offered to the employee with the lowest number of recorded hours in each of the categories in the following priority:

- a) Among employees, qualified, available and currently performing the specific duties in a task grouping in which overtime is required.
- b) Among employees, qualified, available and currently working in the task grouping in which overtime is required.
- c) Among employees, qualified, available and currently working in the department in which overtime is required.
- d) Among employees, qualified and available to perform the job in which overtime is required.

In the event that all employees referred to in (a), (b), (c), and (d) above refuse the overtime, it is agreed such overtime will be worked by the employee first offered

the overtime, providing such overtime does not exceed four (4) hours in a day, or eight (8) hours in a calendar week.

During the basic work week, overtime offered will be assigned where possible to run consecutive to an employee's scheduled shift. For weekend overtime, available shifts will be filled in sequence (11-7, 7-3, 3-11) by employees in priority order, providing the shift assigned would not result in an employee working sixteen (16) consecutive hours.

Should a selection error occur, the missed employee will be accorded the next available overtime opportunity. A grievance respecting a selection error may be submitted at the Second Step of the grievance procedure.

Employees who do not wish to work overtime must notify the Company, in writing, of their intent. These employees will not be asked or scheduled to work overtime (unless it is necessary to protect the job) until the employee notifies the Company, in writing, that he wishes to work overtime.

Overtime Refusal **Letter**

Should it become necessary to ask these employees to work overtime to protect the job, employees will be asked to work in the following order if there are more than one employee eligible with an Overtime Refusal Letter on file:

- a) employee with the lowest recorded hours of overtime
- b) if employees do not have any recorded hours, then the most senior employee.

Note: Overtime hours worked and refused will be recorded as per paragraph 2 of Appendix "G" page 107 for employees in this category who become eligible for overtime to protect the job.

Team/Committee/Project Overtime Distribution

When an employee volunteers to be a member of a Team/Committee and overtime is required to participate in such Team/Committee Meeting and/or specific project, where knowledge of the process/activity is required, the Team/Committee employee will be given the opportunity to work such overtime, notwithstanding the other provisions of Appendix "E" and Appendix "G".

Paid Plant Holidays

Paid Plant Holidays will be treated and recorded as overtime.

Appendix 'H'

Alternate Work Schedules

Notwithstanding the Basic Work Week as described in Articles 19.1, 19.2, 19.4, 19.5, and Appendix 'D', the implementation of alternate work schedules may be necessary to reduce costs, meet customer needs, and acquire new business for the Cobourg site.

The alternate work schedules described in this Appendix are Flexible Work Week and Continuous Operations. These work schedules may be implemented in departments, units, or specific operations, as needed by the business.

Flexible Work Week and Continuous Operations.

All hours worked on Saturday and Sunday when they are part of the employee's regularly scheduled work week will be paid at their regular rate of pay.

Overtime will be paid at the rate of time and one-half (1 1/2x) for all hours worked beyond the regularly scheduled work day and work week.

Flexible Work Week - The Flexible Work Week will consist of any regularly scheduled forty (40) hours within the work permit cycle.

Continuous Operations - Whenever necessary, in order to meet the needs of the business, a Continuous Operations schedule may be implemented. Prior to implementation, the Company will discuss with the Union, the business reasons for implementing Continuous Operations, taking into consideration, whenever practical, the needs of employees.

Applicable to the alternate work schedules above: Except in an emergency, employees will not be requested to work more than twelve (12) hours.

Refer to the Letter of Understanding for the initial implementation of the Flexible Work Week for the life of this Agreement.

MEMORANDUM OF AGREEMENT
Powerhouse Employees Premium Time

Notwithstanding Article 19.4 of the Collective Agreement, both the Company and the Union agree to the following phase out process for Premium Time paid on Saturdays and Sundays, when these days are part of the Powerhouse Employees' regularly scheduled work days.

Phase I

1. Effective July 4, 1994 removal of Premium Time of one and one-half (1½ times) paid for hours worked on Saturday when Saturday is part of the employee's regularly scheduled work week.

A lump sum payment of 75 percent of the amount lost from July 4, 1994 to December 31, 1994 will be paid out in the month of January 1995 to the five (5) 2nd Class Stationary Engineers. Calculations will be based on the actual schedule of Saturdays for them during this period.

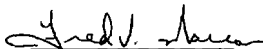
Phase II

1. Effective January 1st, 1995, removal of Premium Time of double (2) times paid for hours worked on Sunday, when Sunday is part of the employee's regularly scheduled work week.

A lump sum payment of 75 percent of the amount lost from January 1st, 1995 to January 1st, 1996 will be paid out in the month of January 1996 to the five (5) 2nd Class Stationary Engineers. Calculations will be based on the actual schedule of Sundays for them during this period.

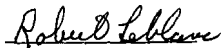
Signed at Cobourg, Ontario, this 13th day of June 1994.

For the Company



Manager of Human
Resources

For the Union



Union President, UFCW
Local 1230

LETTER OF UNDERSTANDING

between

KRAFT GENERAL FOODS CANADA INC.

COBOURG, ONTARIO

and

UNITED FOOD AND COMMERCIAL WORKERS

INTERNATIONAL UNION, LOCAL 1230

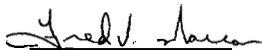
RE: WORKERS' COMPENSATION BOARD

- (1) The Company recognizes the difficulty experienced by employees awaiting claims submitted to the Workers' Compensation Board.
- (2) The Company will set up the mechanisms required to allow relief payment, due regard to Workers' Compensation Policy and appropriate waivers.
- (3) Such payment will be entertained by the Company on the request of the employee to the Manager of Human Resources and will be limited to cases where legitimate hardships are encountered.

Signed at Cobourg Ontario, this 18th day of May 1994.

For the Company

For the Union



Manager of Human
Resources

Union President, UFCW
Local 1230

LETTER OF UNDERSTANDING

Between

Kraft General Foods Canada Inc.

Cobourg, Ontario

and

United Food and Commercial Workers

International Union Local **1230**

Re: Joint Pension Committee for Hourly
Employees

Mandate and Activities Schedule

Committee Make-Up

The Pension Committee for the Cobourg hourly employees is a joint committee made up of three (3) Union and three (3) Management representatives. The committee will meet on a quarterly and/or (as required) basis. Meetings will be co-chaired by a Union and Management representative with a prepared agenda for each meeting.

Mandate

The mandate for the Committee is as follows:

- to jointly become educated in the understanding of the Pension Plan as it pertains to the site hourly employees. This will enable the members of the Committee to provide basic information to hourly employees and consistently respond to questions and concerns expressed by hourly employees.
- participate jointly in information/education sessions and Pre-retirement Seminars for hourly employees.
- as a Committee, to surface issues and concerns to gain joint understanding on results.
- jointly participate in the review of the annual pension report by June 30 each calendar year.

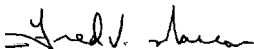
- meet jointly with a representative from Towers-Perrins to submit questions and get answers on any prepared questions of the report and/or plan administration.
- attend an annual meeting with Corporate Finance representatives to review:
 - how funds are structured
 - where funds are invested
 - performance of funds invested
 - where Investment Managers are planning to invest funds over the next 12 months.

This meeting will take place by November 1st of each calendar year.

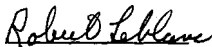
Signed at Cobourg, Ontario this 31st day of May 1994.

For the Company

For the Union



Manager of Human
Resources



Union President, UFCW
Local 1230

Memorandum of Agreement
Posting and Filling of Positions
Temporary Job Postings

Notwithstanding Article 24.1 and Appendix "B" of the Collective Agreement, both the Company and the Union recognize that there is a need to fill jobs for a temporary period of time beyond Article 24.1 and Appendix "B". Examples of these needs are:

- Long term sickness as per Article 24.10.
- Pregnancy leave and parental leave as per Article 26.7
- Union delegate or office - Article 26.4 and 26.5
- Projects and assignments that require temporary staffing beyond Article 24.1 and Appendix "B"

Requests for Temporary Job Postings

A Department requiring the filling of a job vacancy based on the above needs for a temporary period of time will submit a request in writing to the Associate Manager Human Resources.

The request will identify

- the specific job vacancy required to be filled
- the temporary period dates - beginning and end
- reason for posting temporary

Each request will be reviewed with the union President before posting.

Procedures and Posting

All job vacancies, which need to be filled on a temporary posting shall be posted for three (3) work days. As per Article 24.2 seniority, aptitude and ability shall be the determining factor in selecting applicants. Seniority shall be the governing factor when aptitude and ability are considered by the Company to be equal. Successful applicants will receive the rate of pay of the temporary job posted for the specified time the temporary job exists. The successful applicant will also retain the rights to their current bid job, when the temporary job period is completed.

In the event there are not sufficient applicants for the temporary job posted, a qualified and available employee will be assigned to the vacant temporary job, with due regard being paid to availability, qualifications and seniority for the temporary period specified in the posting. Such employee will receive their current bid job rate of pay if the temporary job rate is the same or a lower rate of pay. If the temporary job rate is higher the employee will receive the higher rate of pay.

To prevent a cascade affect, the successful applicants' current bid job created by the temporary bid posting will be filled by a qualified and available cutback employee, or if no employees are cutback, an employee from the General Labour classification for the specified temporary job period.

Reduction and Recall

In the event that there is a need to reduce the workforce from the temporary job posted, the following procedures for reduction in staff would apply in this order:

- temporarily assigned
- temporary bid employee
- regular bid employee

The reverse order will apply to recall staff to the job bid, The temporary bid employee, if cutback, would retain their seniority rights to the regular bid job they hold.

A request for extension of the original time period specified in the temporary bid posting will be given in writing to the Associate Manager Human Resources at least 10 work days prior to the extended date. This request will be reviewed with the Union President and may be extended by mutual agreement. If the decision is to make the temporary job a regular bid position, then the job will be posted plantwide as per Article 24.

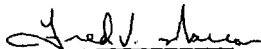
vertime Distribution

As per Appendix " E temporary bid and any employees holding the bid will follow under Section (a). Employees holding a temporary bid will go one hour more than the highest employee in their regular bid classification when their temporary bid job is completed.

This memorandum only applies to a Temporary Job Posting providing it does not exceed 12 calendar months.

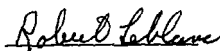
Signed at Cobourg, Ontario this 31st day of May 1994.

For the Company



Manager of Human
Resources

For the Union



Union President, UFCW
Local 1230

Letter of Agreement

Pre-Testing of Applicants

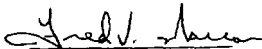
This letter will confirm the Company's willingness to modify our interpretation of Articles 24.6 (a) and (b), on a without prejudice basis, for the remainder of the life of the current collective agreement. The procedure for pre-testing will be as follows:

- i) All bid job applicants and/or current employees who will be temporarily assigned to a job where the qualifications have been determined to include a specific skill or ability which can be pre-determined through the testing procedure will be pre-tested by seniority.
- ii) Outside applicants who do not meet the standards for that skill or ability, as indicated on the tests, **will** not be hired.
- iii) An employee who does not meet the standards for that skill or ability, as determined by the tests, will be given the opportunity to proceed through the on-the-job training and evaluation of performance on the job, following training. However, prior to beginning the training, this employee will be advised of the test results, and will be clearly counselled with regard to the expectations of performance in the areas during training, and in the evaluation following training.
- iv) As per Article 24.3, an employee who fails to qualify for the job shall be returned to his former classification/position.
- v) Skills and abilities that may be assessed by pre-testing may include, but are not limited to: mechanical aptitude, team work, problem solving, english reading, writing and comprehension.
- vi) Skilled trades positions are excluded from **this** Letter of Agreement.

- vii) Pre-testing will not be required for an employee(s) temporarily assigned to one specific task of a multi-task job providing that the employee is scheduled for 30 work days or less to meet immediate business needs, in times of short term absences, personal leaves, vacations and shut-down coverage. The temporarily assigned employee(s) will receive their rate protection from their cutback bid job. If they do not qualify to carry rate protection, they will be paid the General Labour rate during their assignment.

Applicable as per date of signing this agreement
June 13, 1994.

For the Company



Manager of Human
Resources

For the Union



Union President, UFCW
Local 1230

Letter of Understanding

Flexible Work Schedules

Process for Developing and Implementation

Both the Company and the Union agree to the implementation of Flexible Work Schedules for the list of job classifications contained below. One job classification from this list will be selected for implementation in January 1995. Other classifications from the list below can be implemented effective April 1995.

To ensure that development plans, communications and implementation is done within the parameters of Appendix "H" of the Collective Agreement, both the Company and Union agree to the following procedures:

Development

Department Manager determines which of the classifications from the list below that he chooses to apply to a Flexible Work Schedule.

Department Manager proposes a plan to the Department Steward and bid employees in the classification affected, based on the parameters of Appendix "H". The Department Manager will solicit input from the employees in the classification to try and develop a workable Flexible Work Schedule to satisfy business needs.

A detailed plan will be put together by the Department Manager and submitted to the Flexible Work Schedule Committee fifteen (15) work days prior to implementation. This Committee is made up of the President and Vice President of the Union Executive plus one Human Resources Representative and the Department Manager from the area involved. Other members from the membership and Company will be added to the Committee as resources, as needed.

Flexible Work Schedules Committee

The role of the Flexible Work Schedule Committee will be as follows:

Within fifteen (15) work days from the receipt of the implementation schedule from the Department Manager, the Committee will -

Review and assess the details of the submitted plan for impacts on the Collective Agreement Articles and the procedures for filling vacancies.

It will be the responsibility of this Committee to develop a Letter of Understanding outlining the Articles of the Collective Agreement impacted if the proposed schedules are unique and have not been previously developed.

Assists the Department Manager in filling the required vacancies.

Assists the Department Manager in developing a communication plan so that employees affected and support areas such as Payroll, Scheduling and Security are aware of the plan and implementation date.

Assist the Department Manager to evaluate the learnings from the 3 month staged area and implement these changes for institutionalization.

Intent - Flexible Work Schedules will not be designed
a) to have employees work on both a Saturday and Sunday in a one week work schedule
b) to have employees lose compensation as a result of going to a flexible work schedule.

Both parties agree that by mutual agreement this Letter of Understanding will be reviewed by both parties to adapt to successful learnings on the principle of continuous improvement.

The following classifications as per Appendix "A" will be eligible to be implemented in the Flexible Work Week as per Appendix "H":

Cereals/Rice Department

Janitor - Cereals Services
Janitor - Packaging
Janitor - Processing
Machine Cleaners
Sanitizer - Cereals/Rice

Desserts/Beverages Department

Janitor - Packaging
Janitor - Sanitizers
Machine Cleaners
Sanitation Person

Plant Services Department

Janitor - Waste Handler

Distribution Department

Utility Warehouse Custodian

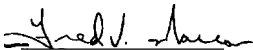
Receiving Department

Utility Warehouse Custodian

During the life of this Agreement, other classifications, which provide opportunities to the Company may be added to this list on the basis of mutual agreement with the Union.

Signed at Cobourg, Ontario this 14th day of June 1994.

For the Company



Manager of Human
Resources

For the Union



Union President, UFCW
Local 1230