

COLLECTIVE
AGREEMENT

Between



MOLSON BREWERIES
Toronto, Ontario

-and-

CANADIAN UNION OF BREWERY
AND GENERAL WORKERS - 325
COMPONENT OF N.U.P.G.E.



January 1, 2000 - December 31, 2005

00668 (06)



ETOBICOKE PLANT

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COLLECTIVE AGREEMENT

THIS AGREEMENT MADE THIS / DAY OF Dec 1999

BETWEEN:

CANADIAN UNION OF BREWERY AND
GENERAL WORKERS - **325**

COMPONENT OF **N.U.P.G.E.**

Toronto, Ontario, (hereinafter called the "Union")
OF THE FIRST PART

- a n d

MOLSON BREWERIES, Toronto, Ontario (hereinafter
called the "Company")

OF THE SECOND PART

WITNESSETH:

In consideration of the mutual terms and covenants hereinafter contained, it is hereby agreed by and between the parties hereto as follows:

SECTION 1 - SCOPE OF THE BARGAINING UNIT

- 1.01 The Union shall be the exclusive collective bargaining representative of all employees of the bargaining unit which consists of all employees of the Company except -
- (a) foremen and **persons** above the rank of foreman;
 - (b) office staff;
 - (c) operating engineers performing shift and maintenance duties, and who constitute a separate bargaining unit represented by the International Union of Operating Engineers, Local No. **772**, provided that if any shift engineer is regularly assigned to that kind of maintenance work which is regularly performed by members of the bargaining unit for more than five days per month, he shall be required to be a member of the Union as provided in Section **2**, but wherever possible only one such operating engineer will be so assigned.
 - (d) guards;
 - (e) employees covered by a subsisting agreement between **Molson** Breweries and Brewery, Malt and Soft Drink Workers, Local **304** or successors thereof

- 1.02 The Company will supply to the Union a list of the supervisory personnel who are classified as supervisor whose duties are mainly supervisory but who may occasionally relieve an employee in the bargaining unit for a short period or work in emergency situations, or to train or demonstrate.
- 1.03 Wherever the masculine is used in this Agreement, it shall be considered as if the feminine has been used where the context so requires.

1.04 PURPOSE AND VALUES

In striving to become a "WORLD CLASS BREWERY", and providing added value for our shareholders, we the members of the **Etobicoke** Brewery, will strive for excellence in **QUALITY** and **RELIABILITY** in order to deliver the highest degree of **SERVICE** to our customers; this will be achieved through the talents and commitments of our people and the use of modern processes and practices. We will establish and maintain a healthy and safe workplace that fulfills individual needs for mutual trust, personal growth, and appreciation for results. The **Etobicoke** operation will be **recognized** as having employees that are willing to learn, to change, and to act quickly, to maintain a leading edge position in a constantly changing and challenging **GLOBAL MARKET** environment.

To **realize** our goal of becoming a “WORLD CLASS BREWERY” requires the combined efforts of Management and Union leaders, and all employees. Therefore, all employees within the Brewery will:

- Meaningfully participate in the decisions which affect them.
- Be willing to do Work and assume all tasks for which they are qualified.
- Develop and maintain a high level of technical, administrative and relationship skills.
- Work toward the satisfaction of shareholders, internal and external customers needs.
- Promote Quality, Reliability, Efficiency, and waste reduction.
- Support initiative, new ideas, trust, mutual respect, equitable treatment and cooperation.
- Communicate information promptly, accurately and completely.
- Assist in training other employees.
- Take pride in their work and promote and adhere to the highest standards.
- Provide support to those employees who have difficulty adapting to change or learning new processes.
- Be willing to do any task which they are capable of performing safely and responsibly (Flow to work concept).
- Know, understand, respect and practice the intent of the Collective Agreement.

Both parties agree that their common objective is the desire to make the operation more RELIABLE and to enhance the JOB SECURITY of all employees. The parties believe that these objectives can be best met through good planning and monitoring; the **BM/UE** (Brewery Management/Union Executives) will provide guidance to all the departments in their efforts to bring lasting changes and sustainable results.

Both parties agree to jointly define long term specific objectives for the **Etobicoke** Brewery. To achieve these objectives, a 6 years implementation plan will be jointly developed and presented to all employees.

SECTION 2 - UNION SHOP

- 2.01 Each member of the bargaining unit shall be a member in good standing of the Brewery Workers Component No. 325.
- 2.02 The Union agrees that any employee engaged by the Company to work in the bargaining unit who is satisfactory to the Company will be allowed to make application for membership in the said union on payment of the regular initiation fees and monthly dues, and will not be denied membership without just cause.
- 2.03 Whenever an employee is suspended or expelled, the Union will give the Company, in writing, the reason for such action.

SECTION 3 - MANAGEMENT FUNCTIONS

- 3.01** The Union acknowledges that it is the exclusive function of the Company to:
- (a) Maintain order, discipline and efficiency.
 - (b) Hire, discharge, transfer, promote, demote or discipline employees provided that the claim that an employee has been discharged, transferred, demoted or disciplined without just cause may be dealt with as hereinafter provided.
- 3.02** It is understood that in exercising these functions the Company must conform to all other clauses of this Agreement. When an employee is disciplined or discharged the appropriate Steward and the Union Secretary will be given in writing reasons for such action.

SECTION 4 - CHECK-OFF

- 4.01** The Company agrees to provide for the convenience of its employees a voluntary revocable check-off arrangement which will permit the employees to have their regular dues and assessments deducted from their pay. The Company shall forward the amount so deducted to the Treasurer of the Union no later than the tenth day of the month following the date on which the dues and assessment deductions have been made, together with a list of the employees, giving particulars

of those who have been terminated or who have been laid off since the previous list was forwarded.

In the event that any such deductions are not made for reasons of sickness, vacations, leave of absence, etc., they should be made upon written request of the Union from the first pay of the next following month in which wages are owing to such employees.

SECTION 5 - HIRING PRACTICE

- 5.01 In the event that the Company engages new employees, it is agreed that these new employees will be required to sign a dues *authorization* card at the time of hiring.

The Company shall promptly notify the Department Steward and the Union Secretary when a new employee is engaged for that Department.

SECTION 6 - UNION ACTIVITIES

- 6.01 No employee shall be discriminated against or discharged for his activity as a Union member or for doing committee or other work for the Union, provided, however, that permission from the employer is obtained if such activities occur during working hours and interfere with the employee's normal duties on behalf of the Company. It is agreed that such permission, if requested, will not be unreasonably withheld in any instance.

- 6.02 The Company agrees to grant leave of absence for a period Of not more than 12 months, or for the balance of the duration of this Agreement, whichever is the longer, to any employee who has been elected or appointed as an Official of the Canadian Union or of the Component, if such duties require him to have leave of absence from his Company duties on a full time basis.
- 6.03 Employees on such leave of absence will be continued as active members of the pension and welfare plan upon payment of the total contributions whether from the Union or from the employee concerned. During such periods of leave of absence the employee's seniority shall continue to accumulate as if he were employed at his regular post by the Company.
- 6.04 Upon written application of the Union, the Company agrees to grant an educational leave of absence, without loss of regular pay, not to exceed three normal working days in any one calendar year, to two Union executives, elected Stewards, Alternate Stewards as defined in the Grievance Procedure Section. Such educational leave shall be so arranged between the Company and the Union so as to minimize disruption of the Company's operations.

An application for leave form will be submitted to the Company at least fourteen (14) calendar days in advance of the date for which leave is requested. The Company shall respond to the request within seven (7) calendar days after receipt of the form.

SECTION 7 - INJURY OR ILLNESS

- 7.01 Sickness or disability resulting from an accident shall not be sufficient cause for discharge. Upon recovery the employee shall receive his former position or some other suitable job in his department if held by an employee with less seniority, if the recovered employee is capable of performing the job in a satisfactory manner.

SECTION 8 - DEFINITION OF SENIORITY

- 8.01 A seniority list for each of the following departments of the Company shall be established and seniority shall be based upon the total length of service with the Company as outlined in the succeeding clauses, and provided further that this shall not affect the present seniority status of any member of the bargaining unit.

8.02 EMPLOYEE DEFINITIONS

A. Probationary Employee

A probationary employee is one who has been hired with a view to his becoming a regular employee.

B. Temporary Employee

A temporary employee is one who has been hired for seasonal periods, vacation and illness relief, short term temporary requirements, emergency situations, or to work in the Retail Store.

C. Regular Employee

A regular employee is one who:

- (i) has actually worked for a period in excess of one hundred and thirty-two (132) working days in a twelve month period as a temporary employee, or
- (ii) has actually worked in excess of ninety (90) working days as probationary employee, or
- (iii) having been reclassified from temporary to probationary status, has actually worked in excess of a total of ninety (90) working days from the commencement of his last employment with the Company.

8.03 SENIORITY STATUS

A. Probationary Employee

A probationary employee shall be placed on the seniority list of the department in which he completed the probationary period and his seniority date shall be determined by selecting a date **90** working days earlier than his **90th** working day, provided that such date shall not be earlier than his actual date of hire.

B. Temporary Employee

A temporary employee shall be placed on the seniority list of the department in which he completed the temporary period and his seniority date shall be determined by selecting a date six calendar months earlier than his **132nd** working day, provided that such date shall not be earlier than his actual date of hire.

8.04 Insurance and Welfare entitlements will commence upon attainment of regular employee status.

8.05 If a probationary or temporary employee is injured or suffers an industrial illness which entitles him to Workers' Compensation coverage, the time periods referred to in **8.02** above shall be increased by the number of days for which he was covered by Compensation, provided however that he shall not be given a seniority date earlier than his actual hiring date.

- 8.06 Seniority lists shall be revised and posted in each department every six months, and copies shall be supplied to Union Officers.
- 8.07 The departments shall be as follows:
- a) Brewing Department, which includes Brewhouse, Fermenting, and Cellars.
 - b) Bottleshop Department, which includes bottling, canning, palletizing, and keggng
 - c) Maintenance Department.
 - d) Shipping department which includes warehouse, including the handling and storage of goods or empties in outside storage locations where the handling and services of such goods or empties is not supplied by the owner or operator of the storage premises.
 - e) Retail Store Department.

SECTION 9 - TERMINATION OF SENIORITY

- 9.01** Seniority shall cease and employment shall be terminated for any of the following reasons:
- (a) If an employee quits;
 - (b) If an employee is absent from work for three (3) consecutive days without having notified the Company in advance, where that is possible and received permission to be absent. Such permission shall not be unreasonably withheld.
 - (c) If an employee has been laid off and fails to report for work within 7 days after written notice to report to work has been sent by registered mail to his last address registered with the Company; provided that when an employee is recalled to work and does not report within 48 hours, the Company may recall the next employee in line, but he is subject to being displaced if the first employee recalled does report within 7 days;
 - (d) If an employee has been discharged for just cause;
 - (e) In case of lay-off for a period of 24 months, unless this period has been extended because the employee was granted leave of absence for sickness or other reasons.

**SECTION 10 - APPLICATION OF SENIORITY TO REDUCTION
OF FORCE IN A DEPARTMENT AND RECALLS**

10.01 Whenever it is necessary to reduce the working staff in any department, the reduction shall be accomplished as follows:

10.02 The Company shall first lay off temporary or probationary employees, plant wide, if any, with the exception that temporary and probationary tradesmen, if any, whose skills continue to be required shall be retained.

Temporaries or probationers who are laid off in a department shall not have any right to displace temporaries or probationers or other employees in other departments.

10.03 If further reduction is necessary, the most junior employees shall be laid off in order of departmental seniority.

If it becomes necessary to layoff employees with five (5) or more years of seniority, for an anticipated duration of one month or more, then such employees will be permitted, if qualified, to displace more junior employees in other departments.

- 10.04 An employee on a seniority list in a department who, to avoid lay-off is transferred to a temporarily vacant position in another department, shall after 5 working days in the new department be subject to bumping by an employee of his regular department who has higher seniority and subsequently is laid off. Conversely, an employee who is on lay-off and is recalled to a temporarily vacant position in another department shall, after 5 working days in the new department be subject to bumping by an employee of his regular department who has higher seniority and has subsequently been laid off.
- 10.05 One Shop Steward designated by the Union in each department except in the Bottle Shop where there shall be two Shop Stewards, and the Plant Chairman shall be exempt from any lay-off so long as there is work in their respective departments which they can perform satisfactorily.
- 10.06 When it is necessary to shut down a machine for the purpose of overhaul, any available work in the department will be given to the most senior men displaced by such temporary reduction of operations if they are capable and willing to accept such assignment.
- 10.07 In all cases employees who are transferred to a different job as a result of the application of these seniority rules must be able to perform the job satisfactorily, and must accept the rate of the job to which they are assigned.

- 10.08 When the working force of a department is increased **following a lay-off, the employees will be recalled to their former jobs in their departments from transfer or lay-off in order of seniority.**
- 10.09 The Guaranteed Wage Plan, which is a supplement to this Agreement, is intended to provide assistance for those eligible employees who have one or more years of seniority who are laid off as a result of the application of above clauses, and is not to be construed as authorization to alter existing practices.

SECTION 11- TRANSFER OF SENIORITY

- 11.01 When an employee is transferred from one department to another as a result of his selection for a posted job, he may return to his original department without loss of seniority (and displace a more junior employee if necessary) if his transfer is cancelled before he has worked **90** working days in his new department or if he is laid off from his new department before he has worked there for **90** working days, but for the purpose of determining his ranking for lay-off purposes in his new department his seniority shall be deemed to have been transferred at the time of his actual transfer.

- 11.02** When an employee is transferred from one department to another for any other reason his seniority position shall remain in the department from which he was transferred for a period of **132** working days. If the transfer remains in effect for a period of **132** working days in a particular department, his seniority shall then be transferred to that department permanently, and he shall have no claim in any other department where he may have worked.
- 11.03** An employee who has been on a seniority list in any department and is promoted to a position not covered by this Agreement and later demoted, shall after **132** working days in any **12** month period in the department to which he has been assigned, be given seniority equivalent to his total service with the Company except if the demotion occurs before he has worked for **132** working days outside of the Bargaining Unit he may return to his original department and regain his total seniority without delay. This kind of demotion shall not take place during periods when seniority employees are laid off.

An employee who has never appeared on a seniority list in any department covered by this Agreement shall, if transferred into any such department, retain credit for his total service with the Company for the purpose of vacation and benefit entitlement and pension but such service shall not be counted towards seniority.

- 11.04 An employee who has been on a seniority list in any department as of January 1, 1985, and is promoted to a position not covered by this Agreement and later demoted, shall, after 132 working days in any 12 month period in the department to which he has been assigned be given seniority equivalent to his total service with the Company in the Bargaining Unit except if the demotion occurs before he has worked for 132 working days outside of the Bargaining Unit he may return to his original department and regain his total seniority without delay.

SECTION 12 - UNEMPLOYMENT INSURANCE FORMS

- 12.01 An employee on being laid off shall receive such documents as required by the Unemployment Insurance Commission to enable him to make a claim for benefits or to accept a temporary job elsewhere during the lay-off. In either case, a regular employee shall retain all his rights and privileges under this Agreement, provided that he reports for work within seven days after written notification to report for work has been sent to his last address registered with the Company.

SECTION 13 - APPLICATION OF SENIORITY TO PROMOTIONS OR VACANT POSITIONS

13.01 Departmental

When a more desirable or higher rated job becomes vacant or a new job is established within a Department, it shall be filled where possible from within the Department on the basis of qualifications, with preference to employees having the greatest seniority according to the Department Seniority List.

- 13.02** If there are no suitable persons within a department so that a vacancy is not filled; or as a result of a transfer or transfers as outlined in 13.01 there is a resultant vacancy; or there is need for additional employees, they will be obtained by first resorting to the lay-off list of that department. In the event that no person with sufficient qualifications can be selected from that list for the vacancy or position or if there are no employees on the departmental lay-off list then the following procedure will be effected.

13.03 Plant Wide

The vacancy or position will be posted throughout the bargaining unit for a period of five working days, and a copy of the posting shall be given to the Union Secretary and the Steward of the department where the vacancy or open position exists. The names of the applicants will be supplied to the Secretary and the Steward following the posting.

- 13.04 When considering which applicant shall be given a job which has been posted, the qualifications of the applicant shall be given primary consideration but if there is any choice to be made between two or more applicants having sufficient qualifications, the most senior applicant shall be given the position, but exceptions may be made in favour of an applicant who needs a transfer because of his health or physical condition. Employees in the bargaining unit having sufficient qualifications shall receive the job in preference to persons outside the bargaining unit.
- 13.05 The Company may fill any position temporarily, either before or after posting, but shall not be obligated to try out all applicants, nor is the Company obligated to fill all vacancies by promotions or transfer from within the bargaining unit. For the purpose of this sub-section temporarily shall mean not more than 30 working days.
- 13.06 No posting shall be required for a vacancy resulting from vacations or illness. No posting shall be required for any vacancy or job which the Company announces is not expected to last for more than 15 working days, then it shall be posted as provided above.
- 13.07 Notwithstanding the above, the following job, Retail Store employee, will not be considered a departmental job and vacancies will be posted through the bargaining unit for a period of five (5) working days.

13.08 Regular employees who are on vacation for the total period during which a job is posted under **13.03** above, shall have two (2) calendar weeks after the **expiry** date of the posting in which to apply.

SECTION 14 - PLANT HOLIDAYS

14.01 The Company will observe the following Plant Holidays as outlined below:

| | <u>2000</u> | <u>2001</u> | <u>2002</u> |
|-------------------------|--------------------|--------------|---------------|
| New Year's Day | Fri. Dec. 31, 1999 | Mon. Jan. 1 | Tue. Jan. 1 |
| January 2 nd | Mon. Jan 3 | Tue. Jan. 2 | Wed. Jan.2 |
| Good Friday | Fri. Apr. 21 | Fri. Apr. 13 | Fri. Mar. 29 |
| Easter Monday | Mon. Apr. 24 | Mon. Apr. 16 | Mon. Apr.1 |
| Victoria Day | Mon. May 22 | Mon. May 21 | Mon. May 20 |
| Canada Day | Fri. Jun.30 | Mon. Jul. 2 | Mon. Jul. 1 |
| Civic Holiday | Mon. Aug.7 | Mon. Aug.6 | Mon. Aug. 5 |
| Labour Day | Mon. Sept. 4 | Mon. Sept. 3 | Mon. Sept.2 |
| Thanksgiving Day | Mon. Oct. 9 | Mon. Oct. 8 | Mon. Oct. 14 |
| Christmas Day | Mon. Dec. 25 | Tue. Dec. 25 | Wed. Dec. 25 |
| Boxing Day | Tue. Dec. 26 | Wed. Dec. 26 | Thur. Dec. 26 |

| | <u>2003</u> | <u>2004</u> | <u>2005</u> |
|-------------------------|---------------|--------------|--------------------|
| New Year's Day | Wed. Jan. 1 | Thur. Jan. 1 | Mon. Jan. 3 |
| January 2 nd | Thur. Jan. 2 | Fri. Jan. 2 | Tue. Jan. 4 |
| Good Friday | Fri. Apr. 18 | Fri. Apr. 9 | Fri. Mar. 25 |
| Easter Monday | Mon. Apr. 21 | Mon. Apr. 12 | Mon. Mar. 28 |
| Victoria Day | Mon. May 19 | Mon. May 24 | Mon. May 23 |
| Canada Day | Tue. Jul. 1 | Thur. Jul. 1 | Fri. Jul. 1 |
| Civic Holiday | Mon. Aug. 4 | Mon. Aug. 2 | Mon. Aug. 8 |
| Labour Day | Mon. Sept. 1 | Mon. Sept. 6 | Mon. Sept. 5 |
| Thanksgiving Day | Mon. Oct. 13 | Mon. Oct. 11 | Mon. Oct. 10 |
| Christmas Day | Thur. Dec. 25 | Mon. Dec. 27 | Mon. Dec. 26 |
| Boxing Day | Fri. Dec. 26 | Tue. Dec. 28 | Tues. Dec. 27 |
| | | | Mon. Jan. 2, 2006 |
| | | | Tues. Jan. 3, 2006 |

And one additional day per year if declared by the Provincial Government

14.02 Employees on the seniority lists and probationary employees who have completed 30 days of work for the Company since their most recent date of hire, will receive 8 hours straight time pay for each of such holidays without being required to work on such days provided that:

- (a) the employee has worked at least 5 days during the 20 working days immediately preceding the day on which such holiday is observed, and
- (b) the employee has not been absent without permission on the last work day scheduled for him immediately prior to the day on which the said holiday is observed or the first work day scheduled for him immediately after the day on which the said holiday is observed.

14.03 In a calendar week in which one or more plant holidays is observed, the number of days in that week which may be worked at straight time shall be reduced by the number of such holidays.

14.04 When an employee is required to work any hours on any of the plant holidays referred to in 14.01, he shall receive double time for the hours worked in addition to pay for the holiday, and if called in to work on such a day he shall be provided at least 4 hours of work or pay at the double time rate.

When an employee is required to work on a plant holiday and he works **40** other hours (consisting of the total of his regular scheduled hours and any premium, but not overtime, hours worked) in that week, he shall instead be paid double time and one-half for all hours worked on the date of the holiday.

Any work performed in excess of eight (**8**) hours on any one plant holiday will be paid triple time and one-half.

In a week in which one or more Statutory Holidays occur, the work week will be reduced by eight (**8**) hours per Statutory Holiday for the purpose of the above overtime payment.

Any hours paid for at double time and one-half (**2-1/2**) or triple time and one-half (**3-1/2**) shall not be any of the regularly scheduled forty (**40**) hours per week.

In no case will overtime or premium compensation be duplicated or pyramided.

- 14.05 When any of the Plant Holidays listed in Article 14.01 are observed during an employee's vacation, he shall receive one day's pay for each of such holidays in addition to his regular vacation payment unless by mutual agreement between the employee and the Company the employee is given another day off with pay in lieu of such holiday. Such lieu day shall be scheduled by mutual agreement between the employee and the Company.

SECTION 15 - VACATION PLAN

15.01 Vacation Leave

An employee continuously absent from work for a period in excess of 104 weeks shall not be entitled to any vacation entitlement thereafter until further entitlement is earned by resumption of active service.

- 15.02 Near the conclusion of the vacation year, an employee with unused vacation entitlement who is then in receipt of Weekly Indemnity or Long Term Disability benefits and who has not been continuously absent from work in excess of 104 weeks shall:
1. cease to receive such benefits and be placed on vacation leave until his unused vacation entitlement is exhausted; end,

2. resume receipt of disability benefits, if still qualified, once his vacation credits are exhausted;

An employee whose disability benefits are interrupted and described above, shall have his eligible benefit period extended by the number of weeks for which he has been placed on vacation leave by the Company pursuant to this clause.

15.03 As of May 1 in each calendar year vacation leave will be established for regular employees according to the following scale:

- (a) regular employees who have achieved seniority as of **May 1st** -- 1 week.
- (b) regular employees who have one year or more of seniority as of **May 1st** -- 2 weeks.
- (c) regular employees who have 3 or more years of seniority as of **May 1st** -- 3 weeks.
- (d) regular employees who have 8 or more years of seniority as of **May 1st** -- 4 weeks.
- (e) regular employees who have 15 or more years of seniority as of **May 1st** -- 5 weeks.
- (f) regular employees who have 20 or more years of seniority as of **May 1st** -- 6 weeks.

(g) regular employees who have 25 or more years of seniority as of May 1st -- 7 weeks.

The initial establishment of the fourth, fifth, sixth and seventh week of vacation will be made with reference to the employee's seniority anniversary date as though established as of **May 1st**.

15.04 Vacation Time

Summer vacation shall be limited to two consecutive weeks which shall be scheduled in the fourteen week period commencing on the second Monday in June. Additional vacation leave shall be scheduled during the slack periods outside the regular summer vacation period.

Vacations are to be granted by seniority and within occupational groups where applicable.

All vacation leaves must be taken within 12 months after they have been established on any **May 1st**, and except as provided in Section **15.05**, an employee is not to remain at work during a vacation leave.

15.05 Vacation Pay

For each week of vacation leave an employee shall receive forty (40) hours' pay at his current hourly wage rate, except that with respect to the first two weeks of vacation taken after May 1st in any year payment shall be at the rate of 4% of earnings during the 12 month period preceding May 1st if the employee has lost fifty days or more in the said 12 month period because of lay-off or other absence not due to illness or accident.

An employee who is to be paid on a percentage basis for his first two weeks of vacation may elect to remain at work and receive the 4% payment without taking any time off. Payment to be made when requested by the employee during the summer vacation.

15.06 Vacation Bonus

In addition to the normal vacation pay provided by Section 15:05, a vacation bonus for certain employees will be established on May 1st of each year when vacation leaves are established, assuming that all such vacation leaves will be paid for on the basis of wage rates then in effect.

The bonus will be paid in a lump sum on the pay day prior to **July 1st** in each year except that any employees who take vacation subsequent to **May 1st** and prior to **July 1st** may request their vacation bonus upon one week of advance notice.

As of **May 1st** of each year employees who have three years or more seniority will be paid a vacation bonus of **20%** of their normal vacation payment.

SECTION 16 - VACATION PAYMENT ON TERMINATION

16.01 All terminations shall be handled on the following basis:

- (a) Employees who had received their vacations earned as of **May 1st** prior to termination shall receive a pro rata payment of **2%, 4%, 6%, 8%, 10%, 12%** or **14%** as applicable of earnings from **May 1st** to date of termination.
- (b) Employees who had not received their earned vacations as of **May 1st** prior to termination shall receive their regular vacation pay in addition to a pro rata payment of **2%, 4%, 6%, 8%, 10%, 12%** or **14%** as applicable of earnings from **May 1st**.
- (c) Temporary employees shall be entitled only to vacation pay in accordance with provisions of the Employment Standards Act.

On termination, an employee will receive any vacation bonus to which he is entitled.

**SECTION 17 - REGULAR HOURS OF EMPLOYMENT AND
OVERTIME CONDITIONS**

- 17.01** Watchmen shall be regularly scheduled to work on any five days including Saturdays and Sundays at straight time rates, but such employees shall be regularly scheduled to have two **pre-arranged** days off per week, and if required to work on such regular days off they shall be paid at the rate of time and one-half for work performed on the first off day and double time for work performed on the second off day.

Watchmen shall also be entitled to receive time and one-half for hours worked in excess of 8 hours per day and double time in excess of 11 hours per day.

- 17.02** Employees in the Shipping, Receiving, Loading, Checking, Maintenance and Brewing Department may be scheduled regularly on a rotating shift basis. They will be scheduled regularly to work five consecutive days or shifts starting the first of such regular days or shifts on either Sunday, Monday or Tuesday.

Hours worked by such employees on Saturday will be paid for at the rate of time and one-half.

If a sixth consecutive day is worked counting from the first of his regularly scheduled days, that day will be paid at the rate of time and one-half; and if a seventh consecutive day is worked counting from the first of his regularly scheduled days, that day will be paid for at the rate of double time; but no day shall be considered a sixth or seventh consecutive day if it is also one of the regularly scheduled days in the next following tour of duty in the following calendar week.

The Company will endeavour to give twenty-four (24) hours notice to employees who are required for overtime assignments planned for the 6th and/or 7th consecutive work day.

The Company retains its unqualified right to assign overtime work without notice where required operationally.

Work performed on Sunday will be paid for at double time rate except where an employee works 40 other hours (consisting of the total of his regular scheduled hours and any premium, but not overtime, hours worked) in that week, he shall instead be paid double time and one-half for work performed on Sunday. Double time and one-half shall be paid for any work performed in excess of 8 hours on any one Sunday.

Any hours paid for at double time and one-half (2-1/2) shall not be any of the regularly scheduled forty (40) hours per week.

In a week in which one or more Statutory Holidays occur, the work week will be reduced by eight (8) hours per Statutory Holiday for the purpose of the above overtime payment.

In no case will overtime or premium compensation be duplicated or pyramided.

Employees so scheduled will also be paid at the rate of time and one-half for any work performed in excess of 8 hours on any one shift and double time in excess of 11 hours.

17.03 Retail Store employees shall be entitled to the rate of time and one half for hours worked:

- (a) in excess of 8 hours per day, or
- (b) in excess of 40 hours per week, or
- (c) on a Saturday, or
- (d) on the sixth consecutive day.

Double time will be paid for hours worked:

- (a) in excess of eleven (11) in one day, or
- (b) on a Sunday, or
- (c) on the seventh consecutive day.

If any such employee is paid at a premium or overtime rate for any hour worked under any of the above headings, that hour cannot be counted for claiming premium or overtime on any other basis, but the employee shall be entitled to the largest premium or overtime allowance that can be claimed under any one of the above headings.

The Company will continue its present practice with respect to a rotating day off in its Retail Store.

Notwithstanding any other provisions of this collective agreement, all overtime hours worked by any employee in the Retail Store operation on a Sunday will be paid at the rate of double time.

17.04 All other employees will be scheduled to work on regular shifts Mondays through Fridays at straight time.

Such employees are entitled to be paid at the rate of time and one-half for hours worked.

(a) in excess of 8 hours on any one shift, or

(b) for any hours worked on Saturdays;

(c) if any such employees are scheduled to work in excess of 11 hours per day or on any hours on Sunday from midnight to midnight they shall be entitled to be paid at the rate of double time.

(d) Work performed on Sunday will be paid for at double time rate except where an employee works 40 other hours (consisting of the total of his regular scheduled hours and any premium, but not overtime, hours worked) in that week, he shall instead be paid double time and one-half for work performed on Sunday. Double time and one-half shall also be paid for any work performed in excess of 8 hours on any one Sunday.

Any hours paid for at double time and one-half (2-1/2) shall not be any of the regularly scheduled forty (40) hours per week.

In a week in which one or more Statutory Holidays occur, the work week will be reduced by eight (8) hours per Statutory Holiday for the purpose of the above overtime payment.

An employee will not be paid at the rate of double time and at the rate of time and one-half for the same hour worked.

17.05 It is understood and agreed that, with the exception of watchmen covered by Section 17.01, all other employees who commence a regular shift on Friday afternoon will be paid for hours worked at the rate of

(a) straight time until 12:00 midnight;

(b) time and one-half from 12:01 a.m., Saturday until 11 hours have been worked from commencement of the shift;

- (c) double time for all hours worked in excess of eleven from the start of the shift.
- 17.06 Except in the Retail Store, the regular day shift shall commence between the hours of 6:00 a.m. and 9:00 a.m. Any shift commencing after 9:00 a.m. and up to and including 5:00 p.m. shall be considered the afternoon shift and any shift commencing after 5:00 p.m. and before 6:00 a.m. shall be considered the midnight shift.
- 17.07 The schedule of the hours to be worked each day shall be posted at least one week in advance of the first of such scheduled days, and the scheduling shall provide for at least 15 hours elapsed time between the close of each man's shift and the start of his next shift, except where an employee is scheduled to change from one group of consecutive shifts to another. In this case the said elapsed time may be reduced to 7 hours.
- 17.08 Without changing schedules posted pursuant to the preceding paragraph an employee may be requested to take over a work assignment different from that which was posted for him, provided he is given four (4) working hours notice of such change, and further provided that at least seven (7) hours time will elapse from the end of his posted assignment to that of his new assignment.

If these two conditions are not met the employee shall be paid at the rate of time and one-half for the first eight (8) hours worked by him on the changed work assignment.

17.09 Before effecting any general change in departmental shift schedules, the Company will endeavour to advise the Union in advance of such change.

17.10 The Company will endeavour to distribute overtime as equally as possible in the Maintenance Department to regular maintenance department employees by occupational skills group and that such information will be available to employees on request.

Overtime refused or an employee not available is considered overtime worked. The phrase "not available" shall be deemed to include unavailability due to periods of illness, W.C.B. claims, leaves of absence, or vacation but shall not include the unavailability of Union officials due to Union business.

17.11 Notwithstanding the provisions in Articles 17.01 to 17.04, it is agreed that employees will work an additional 15 minutes to each eight (8) hour shift, during which time they will be engaged in crew meetings. All references in Articles 17.01 to 17.04 to "8 hours" or "40 hours" shall be deemed to read "8 ¼ hours" or "41 ¼ hours" for the purpose of calculating overtime pay.

SECTION 18 - REST PERIODS

- 18.01 There shall be two break periods per shift totalling forty-five (45) minutes. One break period will be taken in each half of the shift. Break periods in all departments will be scheduled subject to operational requirements.
- 18.02 If any employee is scheduled to work at least 2 hours of overtime in addition to his regular shift he shall be allowed a further **15-minute** rest period before starting the overtime period, and an additional **15-minute** rest period for each two hours of overtime thereafter provided the additional overtime is at least one hour or more in duration.

SECTION 19 - REPORTING ALLOWANCE

- 19.01 When an employee reports for work at the customary time scheduled for him without being notified to the contrary and is assigned less than 4 hours of work he shall be paid at least 4 hours at straight time rate.
- 19.02 It is understood that an employee may be assigned under such circumstances to work other than his regular assignment.
- 19.03 When an employee is called in for break-down or emergency work after leaving the plant following his regular shift and before returning to work for his regular

shift and is assigned less than four hours of extra work outside of his regular shift hours, he shall be paid for at least four hours at the appropriate overtime rate in addition to payment at straight time for any hours worked by him during his regular shift hours; except that if so called in within one hour before his regular starting time he shall be paid only for such extra time worked at the appropriate overtime rate and at straight time for regular shift hours worked.

SECTION 20 - MEAL ALLOWANCE

20.01 Employees who are required to work as much as 3 hours overtime continuous with their regular shift shall be granted a meal allowance of at least **\$3.00**.

SECTION 21 - PAY DAY

21.01 A regular weekly pay day shall be established by the Company, and the employees shall receive their pay on that day. The Company will move to a biweekly pay period no earlier than October **1, 2000**.

- 21.02 The Company may pay by cheque, by cash, or by direct deposit to the employee's bank account. The employee shall receive a statement specifying the number of hours covered by the payment received, with particulars of deductions, and extras, if any. If the Company chooses the direct deposit option, employees will be required to provide the necessary bank account information.
- 21.03 In the event that an error is made by an employee in the submission of his time sheet of eight (8) hours or more equivalent pay, the Company will prepare a manual cheque for the underpayment. Should the error be less than eight (8) hours or result in an overpayment the adjustment shall be made at next pay.

SECTION 22 - RATES FOR TRANSFERRED EMPLOYEES

- 22.01 Employees who are transferred pursuant to the seniority provisions in order to avoid laying them off shall immediately take the rate for the job to which they are assigned.
- 22.02 Employees who are temporarily transferred to a vacant job for the convenience of the Company shall continue to receive their usual rate.
- 22.03 Employees who are temporarily transferred to a higher rated job for the convenience of the Company shall receive the higher rate for all hours worked on the job.

- 22.04 Employees who regularly work on jobs having two rates, if they work for **20** hours per week or more on the higher rated job they shall be paid at the higher rate for all of that week.

SECTION 23 - PROTECTIVE CLOTHING

- 23.01 Rubber boots, aprons and protective clothing shall be furnished to all men when and where necessary. A maximum of two sets of work clothing and 2 "T" shirts per year shall be issued without charge to all regular employees.
- 23.02 A lump sum of **\$110** will be paid by February 1 on an annual basis to all regular employees not issued rubber boots as their regular footwear.
- 23.03 Employees who are not already provided with coveralls as part of their normal clothing issue and who are assigned to a complete regular annual - line overhaul(s) will be provided with 1 pair of coveralls or uniform. Such coveralls and uniforms shall be returned to the Company at the completion of the overhaul(s).

SECTION 24 - GRIEVANCE PROCEDURE

24.01 The Company acknowledges the right of the Union to select a reasonable number of Shop Stewards to assist employees in presenting complaints or grievances to the Company. There shall be one Shop Steward recognized in each of the following departments: Brew House and Maintenance.

Two Shop Stewards shall be recognized in the Bottle Shop, one of whom shall normally work in the Shipping and Receiving Section. There shall be at least one additional alternate Steward in each of the said departments. The alternate Steward shall act in the absence of the regular Steward with respect to any grievance arising in his department.

24.02 The Union shall appoint a Shop Committee of not more than four employees from the Bargaining Unit or three employees from the Bargaining Unit plus one Executive member of the Union.

24.03 For the purpose of the grievance procedure, department heads in the various departments shall be as follows:

(a) in the Brewing Department, the Head Brewer or in his absence his appointee;

- (b) for production employees in the Bottling Department, the Packaging Manager or in his absence his appointee; for non-production employees the Warehouse Manager of the Shipping and Receiving sections or in his absence the supervisor in charge;
- (c) in the Maintenance Department, the Engineering Manager or in his absence his appointee;
- (d) in the Retail Store -the Supervisor, or in his/her absence, his/her appointee.

24.04 The procedure for handling complaints for grievances of employees shall be as follows:

An employee who has a complaint or question shall ordinarily discuss the matter with his supervisor, but if this does not **satisfy** him, or if for any reason his complaint is of such a nature that he prefers to refer it to his Steward first he may do so.

24.05 Step No. 1

If a complaint or grievance is referred by an employee to his Steward and the Steward considers that there may be a reasonable basis for the complaint or grievance, he shall present the matter to the supervisor of the employee involved, within five (5) working days from the time such grievance arose or became apparent, and shall endeavour to arrange a satisfactory settlement.

A grievance presented after the aforementioned time limit shall not be **arbitrable**. If such settlement cannot be arranged, the Steward shall then state the grievance in writing, in duplicate, and give the supervisor **48** hours to provide a written answer. If this answer is not satisfactory, the next step of the procedure may be invoked.

24.06 Step No. 2

Two copies of the written grievance shall be forwarded to the Department Head by the supervisor at the request of the Steward. The Department Head will within five working days after receipt of the grievance confer with the Steward and such others as are necessary which may include the aggrieved employee, and attempt to arrange a settlement. If a settlement cannot be arranged within five working days, the Department Head shall state his disposition of the matter in writing, and the grievance shall be referred back to the Shop Committee as a whole for further consideration.

If the Shop Committee as a whole is not satisfied with the decision of the Department Head, Step No. 3 may be invoked.

24.07 Step No. 3

The Personnel Manager shall (within 5 working days unless mutually agreed to a further time extension) confer with the Shop Committee and one or two additional representatives of the Union's choice may be present if requested by either the Personnel Manager or

the Shop Committee. If the matter is settled the settlement shall be stated in writing and signed by the Personnel Manager and the Shop Committee. If it is not settled within two working days Step No. 4 may be invoked.

- 24.08 Note: With respect to grievances involving discharge, the grievance shall be put in writing by the Steward and Steps Nos. 1 and 2 shall be omitted, and the grievance shall be dealt with by starting with Step No. 3 herein.

24.09 Step No. 4

The grievance may be referred to arbitration upon the written request of either the Company or the Shop Committee. In such case, the referral must be made within sixty (60) calendar days of the third step reply.

- 24.10 The issue to be arbitrated shall be the written statement of the grievance and the answers of the various management officials who have previously dealt with the matter.

- 24.11 It is agreed that any issue to be arbitrated shall be submitted to a single arbitrator that is satisfactory to both parties. In the event agreement to an arbitrator cannot be reached, either party may apply to the Ontario Labour Management Arbitration Commission for a list of five prospective arbitrators to be forwarded to each of the parties. Upon receiving the list, the parties have up to ten working days to accept an arbitrator from the list. If the acceptable person is unable to act and agreement cannot be reached on any of the remaining

names on the list, the Registrar of the Commission will name an arbitrator different from those on the list and he will be accepted by both parties.

- 24.12 The decision of the arbitrator to be final and binding on the parties hereto.
- 24.13 The reasonable cost of such arbitration, including the fees and expenses, stenographic service, etc., of the arbitrator shall be equally shared by both parties to this Agreement.

SECTION 25 - NO-STRIKE CLAUSE

- 25.01 In view of the orderly procedure arranged for the settlement of complaints and grievances it is agreed that there will be no strikes or lock-outs instigated, endorsed or condoned by either party to this Agreement.
- 25.02 It is also agreed that if any dispute arises between the parties to this Agreement concerning the general policy of either the Union or the Company which affects the orderly administration of this Agreement that either party may invoke the grievance procedure and arbitration beginning with a conference at Step No. 3.

SECTION 26 - PROBATIONARY WAGE RATES

- 26.01 The minimum hiring rate will be in accordance with the Schedule set out in Section 27.01.

26.02 At the end of 22 working days this rate shall be increased by 5 cents per hour, and at the end of the probationary period the job rate shall be paid.

SECTION 27 - WAGE RATES

27.01 The following minimum wage rates for the respective classification shall be effective from the dates indicated.

| <u>Job Classification</u> | <u>Effective Jan. 1/00</u> | <u>Effective Jan. 1/01</u> | <u>Effective Jan. 1/02</u> |
|----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Ordinary Bottlers | 25.05 | 25.55 | 26.05 |
| Machine Operators Bottling | 25.10 | 25.60 | 26.10 |
| Bottleshop Shop | | | |
| Lab. Technicians | 25.15 | 25.65 | 26.15 |
| Shipping and Receiving | 25.10 | 25.60 | 26.10 |
| Retail Store Employees | 25.07 | 25.57 | 26.07 |
| Brewing Department Employees | 25.10 | 25.60 | 26.10 |
| Maintenance Mechanics "A" | 29.32 | 29.82 | 30.32 |
| Mechanics Helper-Junior | 25.05 | 25.55 | 26.05 |
| After 1 Year | 25.14 | 25.64 | 26.14 |
| After 3 Years | 25.90 | 26.40 | 26.90 |
| Carpenter | 28.65 | 29.15 | 29.65 |
| Oilers and Battery Changers | 26.05 | 26.55 | 27.05 |
| Watchmen | 24.95 | 25.45 | 25.95 |
| Probationary | 13.84 | 13.84 | 13.84 |
| Temporary | 12.04 | 12.04 | 12.29 |
| Mechanic "A" Probationary | 20.97 | 20.97 | 20.97 |
| Mechanic "A" -Temporary | 19.42 | 19.42 | 19.67 |

| <u>Job Classification</u> | <u>Effective Jan. 1/03</u> | <u>Effective Jan. 1/04</u> | <u>Effective Jan. 1/05</u> |
|---|--------------------------------|--------------------------------|--------------------------------|
| Ordinary Bottlers | 26.55 | 27.05 | 27.55 |
| Machine Operators Bottling Bottleshop Shop | 26.60 | 27.10 | 27.60 |
| Lab. Technicians | 26.65 | 27.15 | 27.65 |
| Shipping and Receiving | 26.60 | 27.10 | 27.60 |
| Retail Store Employees | 26.57 | 27.07 | 27.57 |
| Brewing Department Employees | 26.60 | 27.10 | 27.60 |
| Maintenance Mechanics "A" | 30.82 | 31.32 | 31.82 |
| Mechanics Helper -Junior | 26.55 | 27.05 | 27.55 |
| After 1 Year | 26.64 | 27.14 | 27.64 |
| After 3 Years | 27.40 | 27.90 | 28.40 |
| Carpenter | 30.15 | 30.65 | 31.15 |
| Oilers and Battery Changers | 27.55 | 28.05 | 28.55 |
| Watchmen | 26.45 | 26.95 | 27.45 |
| Probationary | 13.84 | 13.84 | 13.84 |
| Temporary | 12.54 | 12.79 | 13.04 |
| Mechanic "A" - Probationary | 20.97 | 20.97 | 20.97 |
| Mechanic "A" - Temporary | 19.92 | 20.17 | 20.42 |

27.02 It is understood that any Maintenance Department employee may be assigned to any type of maintenance work which is required but that in order for an employee to be classified as Maintenance Mechanic "A" he must be qualified to do without supervision, and must regularly be assigned to work requiring the skill and experience of a qualified coppersmith or welder or electrician, machinist or pipe fitter.

- 27.03 During overhaul periods certain employees may be assigned to work with Maintenance Mechanics to perform jobs requiring Mechanical skills. These employees will be paid the Mechanics Helper after three years rate.
- 27.04 A Maintenance Mechanic Helper is an employee who assists a Maintenance Mechanic "A" and does general labour work pertaining to the Maintenance Department.

27.05 Shift Premiums

Hourly rates contained in schedules of wages of this Agreement shall be paid for all regular or day shift work. The afternoon shift shall receive a premium of 60 cents per hour. The midnight shift premium payable shall be \$1.00 per hour. These premiums constitute separate fixed items of pay and shall not be included in basic rates for the calculation of overtime or premium payments nor shall they be included in the calculation of pay for legal holidays if not worked.

- 27.06 The status of "Mechanics Helpers of 3 years or more service" will be reviewed by the Company annually. Those qualified for progression to higher status will be promoted. Those not qualified will be given reasons for the decision and they shall have recourse to the grievance procedure if they are not satisfied.
- 27.07 Any maintenance, painting or cleaning work which can be done to the satisfaction of the Company by employees who are laid off will be offered to employees

with seniority who are laid off at the rate of wages **applicable to “ordinary bottlers and day workers”** so long as they do not displace employees from their regular jobs.

27.08 Cost of Living Allowance

A Cost of Living Allowance in a lump sum payment will be paid to regular employees for all hours worked, including vacations and statutory holidays, in the period from January 1, 1996 to December 31, 1996, the first pay period following publication of the December, 1996 Consumer Price Index, on the basis of 1 cent per hour for each full .3 change in the Consumer Price Index, in the period from January 1, 1996 to December 31, 1996 calculated by subtracting the Consumer Price Index for the month of December, 1995, after adding thereto 7% of the December, 1995 Consumer Price Index from the Consumer Price Index for the month of December, 1996.

27.09 Personal Incentive Plan (PIP)

Effective Fiscal 2001 (April 2, 2000 to April 1, 2001) regular employees will participate in an annual Personal Incentive Plan based on Profit and Market Share Targets established for each fiscal year. Payments will be based on a 75%/25% split Ontario/National targets to a maximum of 2% of base rate (hourly rate x 2,080 hours).

Temporary employees will participate in the plan if they have worked for the full year and will be paid on their

base rate (hourly rate x actual hours worked to a maximum of **2,080** hours).

First payments, if applicable will be made in June 2001.

SECTION 28

28.01 The Company shall supply adequate manpower on all operations in all departments at all times, and all employees shall perform a fair day's work.

28.02 If an employee is injured on the job or becomes so ill that he cannot complete his shift after reporting for work in good health he will be sent home and paid for the balance of the shift.

SECTION 29 - BEREAVEMENT ALLOWANCE

29.01 Should a bereavement occur in a regular employee's immediate family (members of his household including same sex partner, parents, brothers, sisters, mother-in-law, father-in-law, daughter-in-law, son-in-law) he may request a bereavement leave, and he shall be granted such time off with pay as is reasonable under the circumstances to enable him to look after funeral arrangements or to attend the funeral. The extent of such leave shall be at the discretion of the Company, depending upon the time of the bereavement in relation to his regular time off, the distance to be travelled, etc. The general standard of bereavement time off shall be three **{3}** consecutive days.

- 29.02 Providing prior permission is received, in the event an employee attends the funeral of other in-laws not listed above or of a grandparent or grandchild on a regular scheduled work day, time off with pay shall be granted.

SECTION 30 - WELFARE PLAN

- 30.01 The Company will provide a Welfare Plan for all employees, particulars of which will be provided in a separate booklet.

SECTION 31 - PENSION PLAN

- 31.01 The Company will provide a Pension Plan for employees in the bargaining unit, details of which are the subject of a separate Memorandum of Agreement.

SECTION 32 - NOTICE BOARDS

- 32.01 A notice board shall be supplied by the Company, large enough to accommodate union notices for each Department.
- 32.02 Notices relevant to union activities can be posted if properly signed by authorized union personnel.

SECTION 33 - TOOL ALLOWANCE

- 33.01 The Company agrees to replace any worn or broken tools or to upgrade tools which in its opinion are necessary for use by regular tradesmen in the course of their employment. Effective January 1, 1999, the tool replacement allowance will provide a maximum of \$395.00 per calendar Year

Upon ratification of the second Year of their program, Apprentices will receive \$115.00 tool allowance per calendar year.

SECTION 34 - PICKET LINE

- 34.01 If an employee in the bargaining unit encounters a bona fide picket line in the course of his normal duties there shall be an immediate conference between the parties hereto before any decision is made by either party as to whether the picket line should or should not be respected.

SECTION 35 - JURY DUTY

- 35.01 Should an employee be called for Jury Duty or as Crown Subpoenaed Witness, the Company will supplement his jury pay or witness pay to ensure that the employee will receive totally, monies equivalent to eight (8) hours of straight time pay at his regular rate for those days he would actually have been at work during his service as a jurymen or witness.

SECTION 36 - DISCIPLINE

- 36.01 In the imposition of discipline, prior disciplinary written warnings or reprimands will not be referred to after twelve (12) months; prior suspensions will not be referred to after thirty (30) months.

SECTION 37 - DUPLICATION OF BENEFITS

- 37.01 An employee shall not receive wages or other allowances such as holiday pay, vacation pay, weekly indemnity, LTD, Workers' Compensation, or other similar benefits from more than one source for the same day or part day.

SECTION 38 - SEPARATION PAY

- 38.01 A regular employee shall be entitled to separation pay as set out in subsection .03 provided he has not been excluded by subsection .02 and provided he meets any of the following eligibility provisions:

- (a) If he is terminated for a reason other than set out in subsection .02;

- (b) if he is laid off and on any date during his layoff the hours scheduled for him during the previous twelve (12) consecutive months were less than fifty percent (50%) of normal full time hours provided he is not eligible for any Company or Government pension or for benefits under the Company's insured Weekly Indemnity or Long Term Disability Plans;
- (c) in special cases where a laid off employee appears to have little prospect of recall to regular work within a period of six months he may request immediate termination and separation pay, and with the concurrence of the Company and the Union this may be granted notwithstanding the eligibility clause in (b) above;
- (d) if he is ultimately designated for indefinite lay off as a result of a major technological change as provided in Section 40.02;

An employee eligible for a separation payment hereunder must apply for it not later than six months after he first becomes eligible therefor, otherwise his right to such payment shall be cancelled.

Notwithstanding the above, if the Company permanently discontinues an operation, an employee laid off as a result thereof must apply for and shall receive any separation pay to which he is entitled without waiting the six month's period.

- 38.02 Notwithstanding subsection .01, an employee shall be excluded from separation pay eligibility if:
- (a) he quits;
 - (b) he is terminated for just cause;
 - (c) he is terminated under Section 9.01 of this collective agreement;
 - (d) he has been terminated because of specific direction or decree from any Government authority which has the effect of curtailing any of the Company's operations, unless
 - (i) the direction or decree is the result of an illegal act committed by the Company or one of its representatives, or
 - (ii) the direction or decree purports to change the method of beer distribution or beer retailing within the Province;
 - (e) he has been laid off because of any act of war or the hostile act of any foreign power or by any act of sabotage or insurrection or by any act of God;
 - (f) he is laid off and has arranged with the Company to take leave of absence without pay for a specific period in lieu of his layoff;

(g) he is in receipt of income replacement benefits under the Weekly Indemnity or Long Term Disability Plans or the Worker's Compensation Act;

(h) he is entitled to receive any pension under the Company or Government Pension Plan.

38.03 The amount of the separation payment of an eligible employee shall be equal to:

(a) one week's base earnings (computed on the basis of his hourly rate in effect as of time of layoff) multiplied by the number of his completed years of seniority (as used for vacation entitlement) as of the last day he actively worked in the Bargaining Unit, plus

(b) for employees classified as probationary or regular employees prior to March 21, 1988, an additional Three Hundred and Seventy-five Dollars (\$375.00) multiplied by his completed years of seniority used in (a) above to a maximum of 15 years. However, such eligible employee who applies for separation pay at the time he first becomes eligible **therefor** shall have his separation pay under this part (b) calculated as Seven Hundred and Fifty Dollars (\$750.00) multiplied by his completed years of seniority used in (a) above to a maximum of 15 years. If there is a permanent closure of the brewery the 15 year maximum is replaced with a 22 year maximum.

- 38.04 The Company shall be authorized to deduct from any separation pay payable to an employee hereunder the amount of any Guaranteed Wage Plan payment made to such employee which the employee was not entitled to receive.
- 38.05 If an employee applies for and accepts a separation payment hereunder, his employment is terminated and his seniority and other rights under the Collective Bargaining Agreement are cancelled.

SECTION 39 - UNEMPLOYMENT INSURANCE
PREMIUM REBATE

- 39.01 The employee's share of any Unemployment Insurance Premium Rebate will be retained by the Company to offset a portion of the cost of the benefit improvements contained in this Agreement.

SECTION 40 - TECHNOLOGICAL CHANGE

- 40.01 In the event that, during this Collective Agreement, the Company plans to introduce a major technological change which it anticipates will directly result in the indefinite layoff of ten (10) or more regular employees, the following shall apply:

- (a) The Company will give the Union notice of such technological change at least sixty (60) days before the date on which the technological change is to be effected. After giving notice, the Company shall identify by job classification, the number of jobs to be displaced. The jobs to be displaced shall be grouped by the Company for the purposes of paragraph (c) herein.
- (b) The Company will meet and discuss with the Union the **re-deployment** of the affected regular employees in accordance with the provisions of the Collective Agreement and the provisions as set out in the Guaranteed Wage Plan (G.W.P.); and, in so doing, shall designate the employees to be indefinitely laid off;
- (c) During the first thirty (30) days of the notice period and prior to effecting any layoffs or separations under the Collective Agreement, the Company shall canvass employees eligible for special early retirement ("eligible employees") as to their willingness to elect special early retirement. Such eligible employees shall be approached within each group, determined in paragraph (a), in order of seniority and, if they choose to take special early retirement within the above thirty (30) day period and actually retire within thirty (30) days thereafter, will receive a Technological Change Bonus (TCB). The TCB will be determined by dividing the total amount of the separation pay entitlement of all the employees designated for indefinite layoff in

paragraph (b) above, by the total number of employees so designated. The number of special early retirees in any group who may receive the TCB will not exceed the number of jobs in that group which are to be permanently displaced by the technological change and, if a greater number of eligible employees in any group so elect to take special early retirement, the TCB will only be paid to the most senior of them.

40.02 I f :

- (a) the number of eligible employees in any group who elect to take special early retirement is less than the number of jobs in that group to be permanently displaced by the technological change, or
- (b) the Company did not anticipate the number of layoffs but the introduction of the major technological change actually directly results in the indefinite layoff of ten (10) or more regular employees,

the following provisions shall apply:

- (i) the employees ultimately designated for indefinite layoff hereunder will be permitted to elect separation and to terminate from the Company prior to their scheduled date of layoff. Those employees so electing and terminating from the Company shall be entitled to receive the amount of separation payment calculated in accordance with Section 38

hereof. If any of those employees were classified as probationary or regular employees prior to March 21, 1988, their separation payment calculation shall include an additional One Thousand Dollars (\$1,000.);

- (ii) those employees designated for indefinite layoff hereunder who do not elect to terminate from the Company pursuant to the provisions of the preceding paragraph, and who are eligible for participation in the Guaranteed Wage Plan, shall receive the benefits provided for under that Plan. In addition, such employees shall receive an additional eight (8) weeks of benefit entitlement under that Plan, subject to the following conditions:
 - (a) an employee may use the additional eight (8) weeks of entitlement only once during his employment, and notwithstanding Section 8 of the Plan, the eight (8) weeks can never be restored;
 - (b) the additional eight (8) weeks of entitlement shall be the first weeks used.

SECTION 41 - NON-DISCRIMINATION/NON-HARASSMENT

The Company and the Union agree that there will be no Discrimination or Harassment practiced which is contrary to the Ontario Human Rights Code (OHRC).

SECTION 42 - MATERNITY/PATERNITY

Employees will be granted maternity/parental leave in accordance with the Employment Standards Act.

Regular employees on Maternity or Parental Leave will continue to receive coverage for the following benefits: life insurance, accidental death and dismemberment, major medical and dental, in addition to coverage under the terms of the pension plan.

All regular employees who are eligible for Employment Insurance benefits are eligible to receive top up benefits if they have been a regular employee for at least twelve consecutive months to the date of the commencement of the leave.

Amount of Benefit

For the two week EI waiting period, 60% of pre-leave weekly base earnings.

For a maximum of fifteen (15) weeks thereafter, assuming an EI weekly benefit of \$413.00, a top up equivalent to 60% of the employee's regular pre-tax earnings, less any EI benefits received for the period.

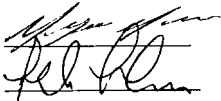
Notwithstanding the foregoing, in no case will the Company be required to make up the difference should the level of weekly EI benefits fall below **\$413.00**. In the event that the level of EI benefits should increase, this shall reduce the supplement to be provided by the Company.

SECTION 43 - TERMINATION CLAUSE

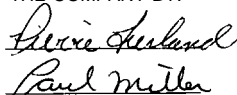
- 43.01** (a) This Agreement shall be in full force and effect from the **1st** of January, **2000** to **31st** of December, **2005** and shall automatically continue from year to year for periods of one year at a time, unless either party serves notice on the other party not more than ninety (**90**) days and not less than thirty (**30**) days prior to an annual **expiry** date stating that negotiations for amendments are desired.
- (b) When such notice has been given by either party bound by this Agreement, the parties shall meet within fifteen (**15**) days from the giving of the notice or within such further period as the parties may agree upon, and they shall bargain in good faith and make every reasonable effort to make a collective agreement.
- (c) A written list of the proposed changes shall be submitted at least thirty (**30**) days before the expiration date.

(d) All conditions of this Agreement are to remain in full force and effect until negotiations are completed and/or conciliation proceedings exhausted.

SIGNED ON BEHALF OF
COMPONENT **325** BY:



SIGNED ON BEHALF OF
THE COMPANY BY:



GUARANTEED WAGE PLAN

THIS AGREEMENT MADE THIS 1 day of 1-2-1999.

BETWEEN:

MOLSON BREWERIES
TORONTO, ONTARIO

- and

CANADIAN UNION OF BREWERY AND GENERAL WORKERS
LOCAL 325
COMPONENT OF N.U.P.G.E.
TORONTO, ONTARIO

WHEREAS the Company has entered into a Collective Agreement with the above named Union covering the Bargaining Unit in Toronto.

AND WHEREAS the said Parties have agreed to make this supplementary Agreement which is to be a supplement to the said Collective Agreement, and any grievances arising out of the administration of this supplement may be dealt with under the Grievance Procedure of the Collective Agreement.

NOW THEREFORE the Parties agree to the continuation of the Guaranteed Wage Plan as hereinafter set forth with such continuation to become effective on the 1st day of September, 2000 or on any later date on which approval for continuation has been received from the Federal Government holding that:

- (a) The Plan meets the requirement of Employment and Immigration Canada with respect to Supplemental Unemployment Benefit Plans,
- (b) Payments by the Company pursuant to this plan will be classed as deductible expenses for corporate income tax purposes, and,
- (c) The receipt by employees of the benefits provided by this Plan will not disqualify such employees from receiving any part of the Unemployment Insurance Benefits to which they would otherwise be entitled.

1. Purpose

The purpose of this Plan is to provide a method of guaranteeing income to certain employees who are laid off.

2. Eligibility for Participation in the Plan

Any regular hourly-rated employee having at least one year of seniority determined as of the September 1st immediately preceding his layoff shall be eligible to participate in this Plan.

Notwithstanding the above, employees not classified as regular employees prior to March 21, 1988 shall not be eligible to participate in this Plan until September 1st of the year following the employee's attainment of three (3) years of seniority.

3. Exceptions

This Plan has no application to and provides no benefits for:

- (a) Employees who have been laid off for disciplinary reasons and if such lay-off is questioned under the Grievance Procedure of the Collective Agreement final disposition of any grievance will determine the employee's status under the Plan.
- (b) Employees who have been laid off because of any strike, lockout, slowdown, picketing or other action by employees of this Company or by employees of any other employer who are represented for collective bargaining purposes by any of the Unions which were party to the Ontario Industry Memorandum of Agreement which led to the renewal of this Plan, or by any Local thereof or successor Unions thereto.
- (c) Employees who have been terminated because of specific direction or decree from any Governmental authority which has the effect of curtailing any of the Company's operations; unless
 - (i) the direction or decree is the result of an illegal act committed by the Company or one of its representatives, or

- (ii) the direction or decree to change the method of beer distribution or beer retailing within the Province of Ontario.
- (d) Employees who have been laid off because of any act of war or the hostile act of any foreign power or by any act of sabotage or insurrection or by any act of God.
- (e) Employees who are laid off and who have arranged with the Company to take leave of absence without pay for a specific period in lieu of their lay-off. These employees will be deemed to have opted out of the Plan for such period.

4. Disqualification for Benefits

An employee who has been laid off and who would otherwise be eligible for participation in the Plan shall not receive any payments under the Plan for any week:

- (i) In which he has been on layoff and has failed to apply for U.I. benefits, or in which he has been disqualified or **disentitled** from U.I. benefits by any reason other than serving a two (2) week waiting period.
- (ii) In which he has been on layoff and has failed to keep himself registered for employment with the Canada Manpower Centre in those cases where such registration is necessary to qualify for U. I. benefits or for reduction of U. I. waiting period.

- (iii) In which he has failed or refused to accept employment deemed suitable for him by the Unemployment Insurance Commission.
- (iv) In which he has failed to accept and report for any appropriate work assignment of at least one normal working day unless excused for reasonable cause.
- (v) In which he is in receipt of a benefit provided by the Company's insured Weekly Indemnity or Long Term Disability Plans.
- (vi) After he has become entitled to receive any pension under the Company or Government Pension Plan.
- (vii) In respect of which he is qualified for compensation from the Worker's Compensation Board for any compensable accident or illness.

5. Definitions

For the purposes of this Plan:

"Wages" shall mean actual earnings for work performed and vacation pay, payment for any leave of absence with pay granted, e.g. jury duty, bereavement pay, payment for Statutory Holidays and call-in pay.

"Week" shall mean the Company's payroll week.

“Compensated and available hours” means as applied to any particular week for any employee:

- (a) All hours worked by the employee for the Company or for any other employer in such week, plus
- (b) All hours not worked by the employee in such week but for which he receives wages from any employer, plus
- (c) All hours scheduled in such week for an employee who is not on layoff and which he has not worked for any reason other than lack of work, plus
- (d) All hours scheduled in such week for an employee who is on layoff and which he has not worked for any reason other than lack of work after being given reasonable notice according to the established practice of the Company that such scheduled hours were available to be worked by him.

“Week of layoff” means a week in which the employee’s compensated and available hours are less than forty (40).

6. Benefits Provided for Laid Off Employees

Subject to the terms and conditions of the Plan as herein set out each eligible employee who is laid off from the Bargaining Unit shall receive in addition to any wages earned in the week a benefit from the Plan for each week of layoff calculated by determining the

product of items 1, 2 and 3 below and deducting from such product the sum of item 4 below.

- (1) Seventy percent (70%) for eligible employees as hereinabove defined.
- (2) The straight time hourly rate of the employee in effect as of time of layoff.
- (3) The excess of forty (40) over the compensated and available hours of the employee.
- (4) The actual benefit, if any, for which such employee is eligible under the Unemployment Insurance Act for such week.

7. Welfare Benefits During Layoff

An employee who is laid off continues to participate in the Welfare Plan of the Company applicable to employees in his Bargaining Unit to the end of the month following the last month in which he has worked in the Bargaining Unit, or until the end of the last month during which he has drawn a benefit under this Plan, whichever is the later. Welfare Plan for the purpose of this section does not include the Pension Plan or the Company's insured Weekly Indemnity and Long Term Disability Plans which cover only indemnity for wages actually lost because of illness or accident.

An employee on layoff who, pursuant to the above, has ceased to participate in the Welfare Plan is restored to

participation immediately upon completion of eight (8) hours work in the Bargaining Unit.

a. Duration of Benefits

The maximum benefit entitlement of an employee at any time shall not exceed that benefit established in accordance with Table 'A'. However, the employee's actual benefit entitlement will be less than the maximum benefit entitlement if he has used any benefits and has not subsequently restored them.

Weeks of benefits are restored based upon the formula of 1/10th of a week for each eight (8) full hours during which the employee earned wages from the Company up to the employee's maximum benefit entitlement set out in Table 'A' below. No credits towards future benefit entitlements are allowed for wages earned during any period in which the employee is already entitled to the maximum benefits set out in Table 'A'.

TABLE "A"

Completed years of
Seniority Determined
as of the September 1st
immediately preceding
his layoff _____

Maximum Benefit Entitlement

| | |
|------------------|----------------------|
| 15 Years or more | 78 Weeks of benefits |
| 10 Years or more | 65 Weeks of benefits |
| 5 Years or more | 52 Weeks of benefits |
| 4 Years or more | 45 Weeks of benefits |
| 3 Years or more | 35 Weeks of benefits |

The maximum number of weeks of benefits which an employee may use during any twelve (12) month period commencing September 1st shall not exceed his Maximum Benefit Entitlement determined as of that September 1st in accordance with Table 'A' above.

Each eligible employee's weeks of benefits shall be decreased by one week for each week in respect of which he is on layoff and in receipt of benefits for more than thirty-two (32) hours; and by 4/5ths of one week for each week in which he is on layoff and in receipt of benefits for more than twenty-four (24) hours; and by 3/5ths of one week for each week in which he is on layoff and in receipt of benefits for more than sixteen (16) hours; and by 2/5ths of one week for each week in which he is on layoff and in receipt of benefits for more than eight (8) hours; and by 1/5th of a week in which he is on layoff and in receipt of benefits for eight (8) hours or less; and his weeks of benefits shall also be decreased by one week for each week in which he is on layoff

but was disqualified for any of the reasons set out in subsections (i), (ii), (iii), and (iv) of Section 4.

9. Deductions

Any payment made under this Plan shall be subject to any deductions required by Federal, Provincial or Municipal authority or by the provisions of the Collective Agreement, or by voluntary authorisation from the employee concerned.

10. Applications

Employees shall be required to observe such rules and follow such procedures and make such reports and applications as shall be prescribed by the Company after consultation with the Union. The willful falsification of any fact material to the determination of an employee's benefit rights under the Plan shall result in the forfeiture of any benefit rights he may have under the Plan for a period of twelve (12) months subsequent to the discovery of such falsification, and this shall not preclude any other disciplinary action which may be imposed subject to the Grievance Procedure of the Collective Agreement.

11. Reporting

The Company will make periodic reports to the Union weekly while employees are laid off and receiving benefits under the Plan and quarterly if no employees are on layoff, giving the Union complete information as to the number of employees who have been laid off, the duration thereof, the payments made to each individual under the Plan, the number of ineligible and disqualified employees, and such other similar information as may be relevant.

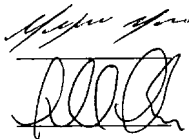
12. Duration of Agreement

This Agreement shall continue until August 31, 2006.

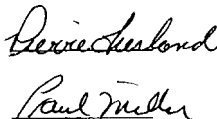
During negotiations for renewal of the relevant Collective Agreement, the Union is free to request amendments to this Agreement which shall also be part of such negotiations, but on the understanding that any amendments to this Agreement will not take effect any earlier than **September 1, 2006**.

IN WITNESS WHEREOF the parties hereto have affixed their signatures this 1 day of DEC, 1999.

Signed on behalf of
Component 325:



Signed on behalf of the
Company:



Memorandum Re: Molson Breweries Pension Plan for Hourly Employees in Ontario and Atlantic Canada (the “Pension Plan”)

Provisions Applicable to Members of the Canadian Union of Brewery and General Workers - 325 Component of N.U.P.G.E.

Preamble

This memorandum represents a summary of the pension plan benefits provided during the term of the Collective Agreement effective January 1, 2000 to December 31, 2005.

Part A - Provisions Applicable to All Members

1. Introduction

This Memorandum covers all eligible employees who are represented in collective bargaining by the Union.

Each Member will receive a certificate showing that he has been registered and enrolled under the Pension Plan.

The terms, conditions and funding arrangements of said Pension Plan will be revised in such manner and detail as in the sole opinion of Molson Canada (the “Company”) are necessary or desirable to effectively and fully implement the understandings herein enumerated.

The main provisions of the Pension Plan, including amendments through to and including December 31, 2005 are summarized below. Except as may be noted in Section 12 of Part B, the Pension Plan shall remain unchanged through to and including December 31, 1999.

2. Eligibility and Membership

Those individuals who participated in the Pension Plan prior to January 1, 2000 shall continue to participate in the Defined Benefit Pension Plan, both for their services before 2000 and for their services after 1999. The Defined Benefit Pension Plan is closed to new Members effective January 1, 2000 and all new Members on or after January 1, 2000 will join the Defined Contribution Pension Plan, not the Defined Benefit Pension Plan.

Effective January 1, 2000, those Employees who are not already Members of the Pension Plan shall become a Member of the Defined Contribution Pension Plan on the first day of January following completion of 2 consecutive calendar years of employment in each of which such Employee earned at least 35% of the YMPE or worked at least 700 hours, or the first of the month following attainment of seniority status, whichever comes first.

Membership in the Defined Benefit Pension Plan or in the Defined Contribution Pension Plan, as applicable, is compulsory.

Part B - Provisions Applicable to Defined Benefit Pension Plan Members

1. Contributions

Commencing January 1, 2000, Members shall contribute to the Pension Plan \$1.02 (Effective January 1, 2001 = \$ 1.04, Effective January 1, 2002 = \$ 1.06, Effective January 1, 2003 = \$ 1.08, Effective January 1, 2004 = \$ 1.10, Effective January 1, 2005 = \$ 1.12) per hour worked to a maximum of 2080 hours per calendar year.

Members will not be required to contribute if they have more than 35 years of Credited Service.

It is understood that hours worked shall include work performed, vacation, call-in and leave of absence such as, for example, jury duty, crown subpoenaed witness, bereavement leave and Plant Holidays.

A date will be determined upon which employee contributions in accordance with Section 1 of Part B shall cease (the "Payback End Date"). This date shall be determined by the Actuary for the Pension Plan using the same methods and assumptions as were employed to determine the payback end date in the Montreal Brewery.

2. Credited Service

Credited Service for periods before January 1, 2000 shall be determined as at December 31, 1999 based on terms of the Pension Plan then in effect.

For service after December 31, 1999, Credited Service shall be computed for each calendar year on the basis of one-tenth of a year for each 208 hours in respect of which Member contributions have been made, where hours shall include work performed, vacation, call-in and leave of absence such as, for example, jury duty, crown subpoenaed witness, bereavement leave and Plant Holidays. Credited Service in any calendar year shall not exceed one year and shall be calculated to the nearest one-tenth of a year.

Once the Payback End Date is reached, Credited Service shall be computed for each calendar year on the basis of one-tenth of a year for each 180 hours. Credited Service in any calendar year shall not exceed one year and shall be calculated to the nearest one-tenth of a year.

Members who are or become totally or permanently disabled, are absent and qualify for benefits under Workers Compensation, the Weekly Indemnity Plan or the Long Term Disability Plan shall continue to accrue Credited Service at the rate in effect at the commencement of the absence, but shall not be required to contribute in accordance with Section 1 of Part B.

In no event shall a Member's Credited Service exceed 35 years.

3. Accrued Retirement Pension

A Member's Accrued Retirement Pension under the Defined Benefit Pension Plan is a monthly amount, subject to adjustment under Section 7 of Part B, equal to the Member's Credited Service multiplied by the applicable lifetime benefit rate, as described in the following table.

| For retirements, deaths, or terminations of employment that occur in the period: | Applicable Lifetime Benefit Rate per year of Credited Service |
|--|---|
| January 1, 2000 to December 31, 2000 | \$73.00 |
| January 1, 2001 to December 31, 2001 | \$74.00 |
| January 1, 2002 to December 31, 2002 | \$75.00 |
| January 1, 2003 to December 31, 2003 | \$76.00 |
| January 1, 2004 to December 31, 2004 | \$77.00 |
| January 1, 2005 to December 31, 2005 | \$78.00 |

4. Full Accrued Retirement

al Normal Retirement - Normal Retirement date is the first day of the month coincident with or next following age 65.

On retirement at Normal Retirement date, the Member shall be entitled to a pension from the Defined Benefit Pension Plan, subject to adjustment under Section 7 of Part B, equal to his/her Accrued Retirement Pension as determined at the date of retirement.

b) 85 Point Retirement - A Member who retires from active employment and has attained age 55 and accumulated 85 points (age plus Credited Service) may elect 85 Point Retirement. Upon 85 Point Retirement the Member shall be entitled to a pension from the Defined Benefit Pension Plan, subject to adjustment under Section 7 of Part B, equal to his/her Accrued Retirement Pension as determined at the date of retirement.

5. Early Retirement

A Member who retires from active employment who is not eligible for Normal Retirement or 85 Point Retirement, and has attained age 55 and completed two years as a Member of the Pension Plan may elect Early Retirement. Upon Early Retirement the Member shall be entitled to a pension from the Defined Benefit Pension Plan, subject to adjustment under Section 7 of Part B, equal to his/her Accrued Retirement Pension as determined at the date of retirement reduced by one-third of 1% for each month by which his/her Early Retirement date precedes his/her Normal Retirement date.

6. Disability Retirement

A Member who has attained age 50 and who has completed 10 years of service, who becomes disabled, may elect Disability Retirement. Upon Disability Retirement the Member shall be entitled to receive a pension from the Defined Benefit Pension Plan, subject to adjustment under Section 7 of Part B, equal to his/her Accrued Retirement Pension as determined at the commencement of disability.

In addition to receiving his/her Accrued Retirement Pension, upon Disability Retirement the Member will also receive a supplementary benefit of **\$14.00** per month multiplied by the number of years of Credited Service. The supplement is payable to the earliest of Normal Retirement date, the death of the Member or the date, the employee is eligible to receive a statutory disability or retirement benefit.

7. Joint and Survivor Pension

A Member who retires with an eligible spouse shall receive a joint and survivor pension unless the Member and spouse deliver to the Plan Administrator a written waiver of such entitlement, in the prescribed form and within the twelve month period immediately preceding retirement.

Unless the joint and survivor pension is waived, the Member's lifetime pension shall be reduced by **10%** and, upon the Member's death, his/her eligible surviving spouse shall receive a pension equal to **60%** of the lifetime pension being paid to the Member immediately prior to his/her death and shall continue throughout the remaining lifetime of the spouse. Further, the lifetime pension shall be subject to actuarial reduction to the extent the spouse is more than **10** years younger than the Member.

8. Benefits on Death before Retirement

If an active Member dies after age **55**, his/her eligible spouse shall receive an immediate pension from the Pension Plan equal to **50%** of the Member's Accrued Retirement Pension as determined at the date of the Member's death.

In no event shall the Member's beneficiary or eligible spouse, as applicable, receive less than **100%** of the value of the vested benefits earned in respect of service on or after **1986** plus a refund of contributions in respect of service before **1987**.

9. Benefits on Death after Retirement

If the death of a Member occurs after his pension has commenced, any benefits due in accordance with the retirement option elected by the Member at retirement shall be paid to his eligible spouse or beneficiary.

10. Escalation of Benefits

For retirements or other terminations of employment occurring after **1999**, there is no commitment to escalate pension benefits.

The Board of Directors of **Molson** Canada may, in its sole and absolute discretion, provide **ad hoc** increases to pensions in payment.

11. Termination of Employment (Vesting)

Upon termination of employment prior to attaining age 55 but after completing two years as a Member of the Pension Plan, a Member shall be entitled to a pension from the Pension Plan, subject to adjustment under Section 7 of Part B, commencing on his/her Normal Retirement date and equal to his/her Accrued Retirement Pension as determined at the date of termination of employment.

12. Other Provisions

- a) As at December 31, 1999 a number of Members already in receipt of pension have entitlement to **unmatured** crossover benefits to be determined once they reach age 65. These entitlements are currently described in Section 6.08 of the Pension Plan. Effective December 31, 1999 the Pension Plan will be amended to provide such Members a one-time irrevocable election when they reach age 65 to either:
- 1) Have his/her pension increased, if applicable, such that the new pension payable from the Pension Plan, when added to the maximum monthly pension payable under the Canada Pension Plan for an individual then retiring at age sixty-five years, produces the following monthly amount:

| Date Age 65 is Reached | Monthly Amount |
|--------------------------------------|----------------|
| January 1, 2000 to December 31, 2000 | \$ 2,451 |
| January 1, 2001 to December 31, 2001 | \$ 2,501 |
| January 1, 2002 to December 31, 2002 | \$ 2,551 |
| January 1, 2003 to December 31, 2003 | \$ 2,601 |
| January 1, 2004 to December 31, 2004 | \$ 2,651 |
| On or after January 1, 2005 | \$ 2,701 |

If the Member had completed less than **30** years of Credited Service, the new pension payable from the Pension Plan as determined above, shall be multiplied by the ratio that the Member's Credited Service bears to **30** years.

If the Member elects this option **1)** then his pension will continue to be escalated in accordance with the provisions of Section **6.10** of the Pension Plan as those provisions existed immediately prior to December **31, 1999**.

- 2) Have his/her pension increased, if applicable, such that the new pension payable from the Pension Plan is equal to the Member's Credited Service at retirement (to a maximum of **30** years) multiplied by an applicable lifetime benefit rate from Section 3 of Part **B**. The lifetime benefit rate shall be chosen as the rate applicable to a Member then retiring in the year the Member entitled to crossover attains age **65**.

If the Member elects this option **2)** then his pension will cease to be escalated and will be subject to Section **10** of Part **B**.

The cost of the Company providing this election opportunity to Members with **unmatured** crossover entitlements will be paid for by supplemental Member contributions in addition to those defined in Section 1 of Part **B**. Between January 1, **2000** and December **31, 2002**, Members shall make a supplemental contribution to the Pension Plan of **\$0.20** per hour worked to a maximum of **2080** hours per calendar year. Members will not be required to contribute if they have more than **35** years of Credited Service. Hours worked shall be as defined in Section 1 of Part **B**.

- b) In no event will retirement benefits or contribution amounts exceed the limits for registered pension plans prescribed by Revenue Canada.

Part C - Provisions Applicable to Defined Contribution Pension Plan Members

1. Contributions

Members shall contribute **4%** of wages to the Pension Plan and the Company will contribute a matching amount.

It is understood that wages shall mean actual earnings for work performed, vacation pay, call-in pay and payment for any leave of absence such as, for example, jury duty, crown subpoenaed witness, bereavement pay and payment of statutory Holidays.

A Member may elect to contribute during a period for which he/she is absent from work and in receipt of Workers' Compensation or Weekly Indemnity payments, at the rate of contribution in effect immediately prior to the period. If the Member elects to contribute, the Company will match those contributions.

In no event shall a Member be permitted to contribute for more than **35** years.

A Defined Contribution account balance shall be maintained for each Member. The account balance will equal total contributions made by the Member and the Company on behalf of the Member, plus investment earnings.

2. Benefits

A Member can retire as early as age **55** or as late as the first of the month coincident with or next following the attainment of age **65**.

If a Member terminates, dies or retires prior to completing two years as a Member of the Pension Plan, he/she forfeits the portion of their Defined Contribution account balance attributable to Company contributions. If a Member terminates, dies or retires and has completed more than two years as a Member of the Pension Plan, he/she has earned the right (is vested) to his/her full Defined Contribution account balance.

The Member can transfer his/her vested Defined Contribution account balance to another employer's pension plan, to a locked-in RRSP, to a Life Income Fund or use the proceeds to purchase an ongoing benefit for himself/herself and spouse, if applicable.

3. Investment Options

Members decide how their contributions and those made by the Company on their behalf are invested and are given several investment funds to choose from, each with its own risk and reward characteristics. The funds offered are the same investment funds offered to the defined contribution members of the Molson Breweries Pension Plan for Salaried Employees.

4. Other Provisions

- a) Investment fees and administration expenses associated with the Defined Contribution Pension Plan shall be paid from the Defined Contribution account balances.
- b) The Company reserves the right to establish the Defined Contribution Pension Plan as a separate plan or to incorporate it into a larger company-sponsored plan, one which potentially includes both defined benefit and defined contribution elements and one which might also include participation by individuals who are not members of the Union. Should the Company incorporate the Defined Contribution Pension Plan within the Pension Plan, the Company agrees not to use surplus in the Pension Plan, if any, to make Company contributions in accordance with Section 1 of Part C.

- c) In no event will contribution amounts exceed the limits for registered pension plans prescribed by Revenue Canada.

WELFARE BENEFITS

The following changes will be effective on the dates shown for each item.

1. **Life Insurance and Accidental Death and Dismemberment Insurance**

The insurance coverage will be **\$45,000.00** for employees actively at work.

Employees not actively at work shall only be provided increased insurance coverage upon their return to active employment.

2. **Dental Plan**

Basic Services

The maximum reimbursement for basic services shall be **\$1,000.00** per year.

Restorative and Orthodontic Services

The combined lifetime maximum for Restorative and Orthodontic Services is **\$4,500.00**. There will be a provision for an annual **re-instatement** of up to **\$500.00** at the beginning of each calendar year, if required, to restore such lifetime maximum to the level of **\$4,500.00**.

3. Major Medical

Effective January 1, 2000, the expense benefits provisions of the Major Medical Plan will provide an annual reinstatement of up to \$5,000.00 at the beginning of each calendar year if required to restore the maximum to the level of \$25,000.00.

Deductible

| | Single | Family |
|---------------------------|--------|--------|
| Effective January 1, 2000 | \$15 | \$25 |
| Effective January 1, 2001 | \$20 | \$30 |
| Effective January 1, 2002 | \$25 | \$35 |
| Effective January 1, 2003 | \$30 | \$40 |
| Effective January 1, 2004 | \$35 | \$45 |
| Effective January 1, 2005 | \$40 | \$50 |

4. Weekly Indemnity

Insured Weekly Indemnity and Long Term Disability Plans:

In case of sickness or any non-occupational accident, a weekly benefit amounting to 70% of wages (hourly rate x 40) in effect at any time during the 26-week period will be paid to eligible employees who are off work and under the care of a doctor. Payments will commence on the first day, if disability is due to an accident, and on the fourth day, if due to sickness, and will continue up to a maximum of 26 weeks for any one period of disability.

Where it is necessary for an employee to have dental surgery, claims under the Weekly Indemnity Plan will be **recognized** and payments will commence on the fourth day and will continue up to a maximum of two weeks for any such claim upon the receipt of the proper certification by a dental oral surgeon.

An insured Long Term Disability Plan will begin at the end of the **26-week** period of disability or at the end of a continuous period of **26** weeks during which an employee has received Worker's Compensation payments and continue until recovery or normal retirement date, whichever occurs first. The Plan will provide payment of **66 2/3%** of wages (hourly rate x **40**) in effect at any time during the first **78** weeks of the Long Term Plan. Following such period the payment will be **66 2/3%** of wages (hourly rate x **40**) in effect at the end of the said **78-week** period. The Long Term Disability Plan and the Weekly Indemnity Plan will be of a standard nature which will include an offset clause for integrating statutory payments such as Canada Pension Plan and Unemployment Insurance, and in the case of Long Term Disability, will also include an offset clause for integrating Worker's Compensation.

The Company is prepared to provide the necessary monies to build up the pension of persons receiving benefits from Long Term Disability Plan at the rate of pension accrual at the commencement of disability.

Commencing after the 26th week, and until 104 weeks from the date of disability, the eligibility for continuance of the coverage shall be inability to do a regular job available in the Bargaining Unit. Starting at the 105th week, eligibility for benefits will depend on the employee's ability to perform duties at any job for any employer for which he is reasonably qualified by training, education or experience to perform.

5. Sick Leave

Effective each January 1, all seniority employees at work will be credited with six (6) days of Sick Leave at the base hourly rate. These days are to be used to offset loss of pay caused by occasional illnesses of up to three normal working days which are not covered by the Weekly Indemnity Benefit Plan. Any unused portion of Sick Leave will be paid to the employee in cash on the last pay day before Christmas.

Employees who attain seniority during the year, shall be credited at one half their then existing daily basic wage rate, for each full month worked from the date they attain seniority.

Regular employees who have been absent for the full 12 month period shall not be entitled to sick leave credits.

Employees who terminate their employment or retire during the calendar year, shall receive Sick Leave benefits prorated at one-half their then existing daily basic wage rate for each full month worked from January 1 to their

termination date less any sick days taken during this period.

6. Welfare Coverage For Pensioners

Future pensioners who retire under Part "B", Section 4, 5, or 6, or qualify under Part C, Section 2 of the Pension Memorandum, shall have continued at Company expense the following:

1. Life Insurance - \$4,000.00
2. O.H.I.P. (until age 65).
3. Major Medical Plan.

7. Vision Care

The Company will arrange for a standard vision care plan to provide the following:

- Coverage for employees and dependents
- Maximum of \$130.00 per person per twenty-four (24) month period.

8. Same Sex Benefits

The parties agree that the terms "spouse" and "dependents" as used within the Major Medical, Dental, Optional Spousal and Dependents Life Insurance, and Voluntary Spousal and Dependents A.D.& D. benefit insurances includes same sex partners and dependents of same sex partners. Conditions for coverage will be the same as for common-law relationships.

September 10, 1999

Mr. G. Greco
President, Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
RE: SECTION 30 -WELFARE PLAN

This will confirm our understanding with respect to the above Section of the collective agreement.

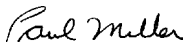
As you are aware, the Company changed the carrier of the insured health and welfare benefits during the terms of the previous collective agreement.

This letter shall be your assurance that, as a result of this change, there will be no change in the terms and conditions or reduction in the level of benefits provided to employees covered by the previous carrier (Great-West Life).

As well, the Company agrees that disputes concerning a particular employee's entitlement to or eligibility for a particular benefit may be referred to arbitration under the collective agreement.

As agreed, this letter shall form part of the collective agreement.

Yours truly,

A handwritten signature in black ink that reads "Paul Miller". The signature is written in a cursive, slightly slanted style.

P. C. Miller

Manager, Human Resources

September 10, 1999

During negotiations leading to the renewal of the current collective agreement the parties agreed to the following terms and conditions in connection with the following:

Benefit Costs

The parties agree that the per employee premium cost to the Company of the combined Life, ADD, Major Medical, Vision, Dental, Weekly Indemnity and Long Term Disability benefits should not exceed 1999 levels. Accordingly, the parties agree to the creation of a Joint Committee which will meet in November of each year following notification of the intended premiums to be charged in the following year. Such Committee will be charged with the responsibility of ensuring that the premium levels payable by the Company in the ensuing year do not exceed the 1999 aggregate premiums. The Committee will determine which changes are required to any of the benefit plans, including, but not limited to, altering the method of delivery of the benefit, creating or altering deductibles, second payer, or co-insurance to accomplish its goal. It is agreed that the committee will not have the ability to reduce current benefit coverage levels, for example, amount of life insurance, percentage of WI payment, dental or major medical maxima, etc.

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

As the result of discussion between the Company and Component 325, it is agreed that the following policy with regard to vacations will be put into effect following ratification of the Collective Agreement.

1. Deferment of Summer Vacation (Block Vacation)

On the first working day of each calendar year, a notice will be posted on all bulletin boards for 2 weeks advising employees that it is permissible to forego their summer vacation and take that year's entire vacation entitlement in one continuous period outside the regular summer vacation time. Those desirous of doing so are to list their names. In order of seniority and within occupational groups, where applicable, the Company will approach those who have applied and will complete and post a schedule in conformity with the following two paragraphs.

The period will commence on the first Monday following September 15 and end on the last Friday prior to the second Monday in June the following year.

The following is the maximum number of men per week to be granted this privilege and, once confirmed, cannot be revoked by either the employee or the Company.

| | |
|------------------------|---|
| Bottling | 6 |
| Brewing | 2 |
| Maintenance | 3 |
| Shipping and Receiving | 2 |
| Kegging | 1 |

Employees waiving summer vacation and taking all their vacation in the off season cannot be bumped from their preferred time by someone of higher seniority who has had summer vacation.

The Company agrees to notify all applicants by January 31st whether they have confirmed dates, so that anyone who is unsuccessful in obtaining "Block Vacation" can still apply for regular summer vacation.

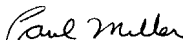
Each department, in calculating the total number of employees normally granted vacation time off each week, will include in the count those who have been given advance confirmation of their total vacation entitlement in the off season, i.e., "Block Vacation".

2. Early Service Vacation and Regular Summer Vacation

From February 1st to February 21st of each year, the "early service weeks" and regular summer vacation schedule will be posted. Employees will indicate their preference of dates during that time period.

From February 22nd to March 15th the Company will make the selection, in accordance with present practice. The number of employees allocated on vacation at any given time cannot be exceeded. This may result in junior employees having to make a second choice. The final approved schedule for the above will be posted on March 16th of that Year.

Yours truly,

A handwritten signature in black ink that reads "Paul Miller". The signature is written in a cursive style with a large initial "P" and "M".

P. C. Miller

Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

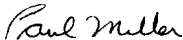
Dear Mr. Greco:

RE: MAINTENANCE VACATIONS

It is understood and agreed that because of the vacation restrictions placed on maintenance employees during the annual overhauls, it is the Company's intention to continue the present practice of scheduling summer vacations during the **14-week** period commencing on the second Monday in June.

Further, during the service vacation period as outlined in Section 15.04, because of the limited number of vacation weeks available, the Company will grant an additional man/week of vacation in the last week of a multiple week overhaul to a Mechanic "A" if he is not scheduled on said overhaul, in order to provide a greater choice of weeks.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in Collective Agreement
RE: BREWING DEPARTMENT VACATION

With regard to all sub-departments within the Brewing Department, in each of these areas, twenty percent (20%) of the regular employees will be allowed to take vacation at one time.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

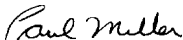
Dear Mr. Greco:

In lieu of the Company laundering one set of uniforms per week at no cost to the employees, seniority employees will receive a payment of \$250.00 per year which will be paid within one month of the signing of the Agreement and annually on the anniversary date of its signing thereafter unless changed by mutual agreement.

Employees who attain seniority in future will receive a pro rata sum to coincide with the anniversary date.

Employees supplied with uniforms must wear same while at work.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

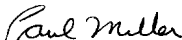
RE: CONTRACTING OUT

During negotiations, the subject of contracting out was discussed.

It is the Company's intention to continue the practice of giving priority to its own employees in performing maintenance, overhaul and painting work, provided it has the manpower, skills, equipment and facilities to do so, within the projected time limits.

When it is necessary to contract out, the Company will inform the Union. Prior to the contracting out, and in order to give effect to the paragraph above, the Company will meet with the Union to give them the opportunity to raise and discuss alternatives to that proposed.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

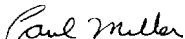
Dear Mr. Greco:

RE: TOOL ALLOWANCE

The Company agrees to maintain the present practice with respect to tool allowance.

The tool allowance will be pro-rated, based on one-twelfth (1/12) of the tool allowance for each month (or part thereof) actually worked as a regular tradesman.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

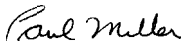
This Letter of Intent will serve to confirm our understanding reached at negotiations.

The Company will, upon the request of an employee, give due consideration to advance monies pending the commencement of weekly indemnity payments, if the following conditions exist:

- (a) It is beyond the control of the employee;
- (b) A weekly indemnity claim has been properly submitted by the employee with no undue delay;
- (c) The claim has been approved and the payment of the claim is delayed.

Repayment of such advance will be effected immediately upon the commencement of weekly indemnity payments.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

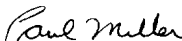
Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

The Company will undertake, upon the request of an employee, to advance monies on Lost Time Workers' Compensation Claims up to weekly indemnity limits so long as the employee has complied with the proper reporting requirements under the Ontario Workers' Compensation Act.

If the claim is denied at the Review Branch stage or three (3) months of advances have been made, then no additional monies will be advanced.

Yours truly,



P. C. Miller
Manager, Human Resources

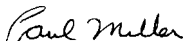
September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

The Company agrees to pay the cost of a letter from a doctor regarding proof of illness, if such letter is requested by the Company.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

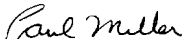
Dear Mr. Greco:

REX DEDUCTIONS FROM
WEEKLY INDEMNITY AND LONG TERM DISABILITY

Employees will have a flat 25% deducted at source from their Weekly Indemnity or Long Term Disability cheques.

The Insurance Company will then issue the appropriate income tax slips each year.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

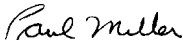
Dear Mr. Greco:

An employee who becomes ill or is injured after having commenced his vacation and as a result is hospitalized or forced to cancel his vacation and return home, may, if qualified for Weekly Indemnity coverage, apply to postpone any remaining full week(s) of vacation and **enroll** in the Weekly Indemnity Plan. The employee must contact his supervisor or the Personnel Department immediately and must comply with the normal Weekly Indemnity reporting provisions.

All approved requests will result in the employee's remaining full **week(s)** of vacation being cancelled the day after the request is received and in his being enrolled in the plan. The remaining vacation time shall be rescheduled at a time mutually agreeable to the Company and the employee.

Any vacation pay held by the employee for the cancelled period shall be returned to the Company and shall be **re-issued** for the rescheduled vacation period.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

Effective January 1, 1991, the elected President of Component 325 will be paid the equivalent of the Mechanic "A" rate as defined in Section 27 -Wage Rates.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component Union 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

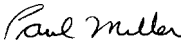
RE: LIEU DAYS: ARTICLE 14.05

The normal number of employees who may be allowed to schedule lieu days on any day will be as follows:

| | |
|-------------|---------------------------|
| Bottleshop | 5 |
| Brewing | 2 |
| Maintenance | 3 (2 Packaging/l Brewing) |
| Shipping | 3 |

If the Department Head allows less than the normal number of employees to receive the same lieu day, he will inform the Union as to the reason for his decision.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario M9W 5E5

Dear Mr. Greco:

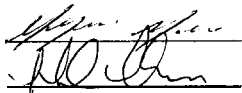
Deferred Retirement — Letter of Intent

Should mandatory retirement at age 65 be no longer permitted by law in this province and a regular employee continues in employment beyond his normal retirement date, the following conditions shall govern such employment and be added to the Collective Agreement.

1. The Pension to which the employee has become entitled at his normal retirement date (the "Pension") shall be frozen as of the employee's normal retirement date as defined in the Pension Plan.
2. The employee's Pension shall become payable as of the first day of the month immediately following the month the employee ceased to be employed with the Company or as of the first day of the month immediately preceding the employee's seventy-first (71) birthday, whichever shall first occur (the "Pension Date").
3. The employee's Pension will include any escalation benefits which occur from his normal retirement date to his Pension Date.

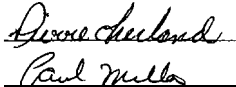
4. No contribution to the Pension Plan will be made after the employee has reached his normal retirement date and no service shall be credited after the aforementioned date.
5. An employee's Pension will not be affected by any amendments made to the Pension Plan after the employee's normal retirement date.
6. An employee's Pension benefits will be actuarially reviewed effective as at the Pension Date having regard to the employee's Pension having been deferred since his normal retirement date.
7. For purposes of calculation, any minimum pension supplement, the Canada Pension Plan and old age security benefits, where applicable, will be taken into account at the level in effect at the employee's normal retirement date.
8. An employee who continues in the employ of the Company after his normal retirement date, as defined in the Pension Plan, shall be entitled to only the insured welfare benefits provided to employees on retirement as at his normal retirement date.

FOR THE UNION:



Handwritten signature of a union representative, consisting of two lines of cursive script.

FOR THE COMPANY:



Handwritten signature of a company representative, consisting of two lines of cursive script.

September 10, 1999

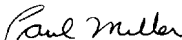
Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

An employee's eligibility for sick days end participation in the Weekly Indemnity and Long Term Disability Plans ceases immediately upon his layoff and is reinstated upon his recall to work and completion of eight (8) hours work in the Bargaining Unit.

Notwithstanding the above, an employee with ten (10) or more years seniority who is laid off, and who, if recalled within two (2) weeks or less, is unable to report to work due to sickness or non-occupational accident, shall be eligible for participation in the Weekly Indemnity and Long Term Disability Plans, effective the date of his recall.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

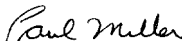
Dear Mr. Greco:

RE: SECTION 10.03

This will confirm our understanding reached during negotiations concerning the application of Section 10.03 of the current collective agreement.

If a lay-off of employees in a department was anticipated to be of a duration of less than one month but, in fact, extends beyond one month, those laid off employees with five (5) or more years of seniority affected by such lay-off will be permitted to displace more junior employees in other departments after one month or more of lay-off.

Yours truly,



P. C. Miller
Manager, Human Resources

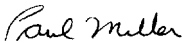
September 10, 1999

Mr. G. Greco
President, Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

**Re: Determining Qualifications in Section 10 and Section 13 of
Collective Agreement**

An employee will be found to be qualified for a job if he is able to perform all duties of the job immediately. If a training period of less than 2 months would be sufficient to provide an employee the minimum requirements to perform the job reasonably, the said employee will be given the opportunity to become qualified within that period for the purpose of these clauses.



PC. Miller
Manager, Human Resources

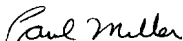
September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

It is understood that Section IO of the current Collective Agreement applies to lay-offs. However, notwithstanding the provisions of Section 10, employees in a department who are temporarily transferred out of their respective departments for more than 5 consecutive working days, without a resultant lay-off, will be entitled, if qualified, to exercise the option of displacing temporary or probationary employees if any in their respective departments, and if necessary, displace the most junior employees who have seniority in order of seniority.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

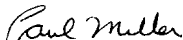
Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in the Collective Agreement
RE: SECTION 13 - APPLICATION OF SENIORITY
TO PROMOTIONS OR VACANT POSITIONS

When posting for permanent Oiler positions under this Section, the positions will be posted initially within the permanent Battery Changer group. If there are no successful applicants, then it will be posted plant-wide.

When posting for permanent Battery Changer positions under this Section, the positions will be posted initially within the permanent Oiler group. If there are no successful applicants, then it will be posted plant-wide.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

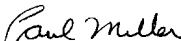
Dear Mr. Greco:

LETTER OF INTENT
Not to be included in Collective Agreement
RE: SECTION 13 - APPLICATION OF SENIORITY
TO PROMOTIONS OR VACANT POSITIONS:
CLAUSE 13.01 - DEPARTMENTAL

In the past, the Company has generally posted a notice in the department. On occasion, because of a small department (for example, Oiler in Engineering), the Supervisors have asked the members.

In future, the Company will post a notice of these jobs on the notice board for five (5) days, and copy the Union. If there are no qualified applicants, the Company will then post a plant-wide notice according to Clause 13.03 (assuming 13.02 has been followed).

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingivew Drive
Etobicoke, Ontario
M9W 5E5

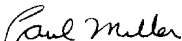
Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in Collective Agreement
RE: SECTION 13 - APPLICATION OF SENIORITY TO
PROMOTIONS OR VACANT POSITIONS
Clause 13.01 - Departmental

The parties agree that with regards to the carton receiving job in Packaging and the Stockman, Warehouse Repack and **Repack** Production in Shipping, vacancies in these jobs will initially be posted within these respective areas.

If there are no qualified applicants, the Company will then post departmentally according to Clause 13.01.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

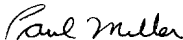
Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in Collective Agreement
RE: PLANT CLOSURE

Further to our discussions during recent negotiations about the issue of Plant Closure, the Company will give the Union six (6) months' notice of its intention to permanently close the Brewery.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

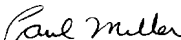
Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
RE: PLANT CLOSURE

In the event of closure of the Etobicoke Brewery, the Company agrees to meet and negotiate with the Union in an effort to reach an appropriate adjustment program. Issues which will be negotiated include but are not limited to: Severance, Pension, Skills and Training Upgrading, Relocation and Job Search.

Yours truly,



P.C. Miller
Manager, Human Resources

September 10, 1999

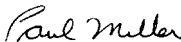
Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in Collective Agreement
RE: JOB ASSIGNMENT

In handling daily work assignments (over and above the posted weekly schedule), respect will be shown for seniority when making transfers or reassignments, (for example, when switching from old glass to bulk glass or utilizing men from the beer dump room) providing the Company's operations are not adversely affected.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
Not to be included in the Collective Agreement
RE: APPLICATION OF SHORT NOTICE RECALL - G.W.P.

During 1988 negotiations, the Company and Union discussed the recall procedure with respect to application of recalls on short notice for employees in receipt of G.W.P. benefits. It was agreed by the Union, that notwithstanding the arbitration award of Ian Hunter, dated October 14, 1987 between Labatt's Ontario Breweries, London Plant and National Brewery Workers Union, Local No. 1, the agreement with respect to procedures for short term lay off established previously between the parties will be continued.

Such procedure is as follows:

1. During your layoff from Molson Breweries, you must be available for recall.

We recognize it is not practical to assume that every employee will sit by his telephone every minute of the day.

cont../2

Mr. G. Greco
September 10, 1999
Page 2

It must, however, be clearly **recognized** that payments will not be made to employees who are not available or who we cannot contact.

Therefore, every employee who is subject to G.W.P. payments must be available to be contacted for recall between the hours of:

7:00 a.m. - 10:00 a.m.
Monday - Friday

It is the responsibility of the employee to advise the Personnel Office, personally if on any given working day, he may not be available during those times and arrange for alternate, satisfactory communication.

Failure to meet these requirements may result in benefit disqualification.

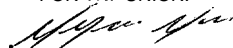
2. All changes of address and phone number must be immediately communicated to the Personnel Department.

FOR THE COMPANY:



P. C. Miller
Manager, Human Resources

FOR THE UNION:



G. Greco.
President, Component 325

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

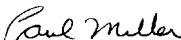
RE: GWP APPLICATION

During the 1991 negotiations, the parties discussed certain arbitration awards concerning the application of the Guaranteed Wage Plan.

It was agreed that the decisions rendered pertaining to the Newfoundland ("must take"), and the Alberta ("use it or lose it"), GWP awards would not be applied in Ontario.

It was further agreed that the Saskatchewan ("less than one week layoff") GWP award would not be applied in Ontario.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF UNDERSTANDING
RE: TEMPORARY EMPLOYEES

The purpose of this letter is to confirm our agreement reached during negotiations respecting amendments to the terms and conditions under which temporary employees will be employed for the duration of this Collective Agreement.

It is agreed that the terms of this Letter will override the provisions of the Collective Agreement where necessary and in the event of any conflict between this Letter and the contractual provisions. Accordingly, we have agreed that this Letter forms part of the Collective Agreement and that this Letter will terminate on December 31, 2005 unless the parties mutually agree to renew it.

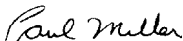
The following are the amended terms and conditions for temporary employees:

1. For the period of time covered by this Letter of Understanding a temporary employee may be employed beyond one hundred and **thirty-two (132)** working days without becoming eligible to acquire seniority and become a

regular employee. At the conclusion of this period, the Company shall either reclassify him or her as a seniority employee in accordance with the principles of employment equity, lay him or her off or terminate his or her employment.

2. Upon completion of one hundred and thirty-two (132) days worked, the temporary employee shall receive an increase to his wage rate. The amount of the increase shall be **\$1.10** per hour in excess of the rate stipulated in the Collective Agreement for temporary employees.

Yours truly,

A handwritten signature in cursive script that reads "Paul Miller".

P. C. Miller
Manager, Human Resources

September 10, 1999

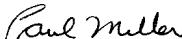
Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF UNDERSTANDING
RE: EMPLOYMENT EQUITY

The parties agree to meet to ensure all the obligations under employment equity legislation are jointly addressed.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

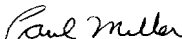
LETTER OF INTENT
Not to be included in the Collective Agreement
RE: OVERTIME POLICY

The Company agrees to continue for the duration of the Collective Agreement, its practice of equal distribution of overtime in the Maintenance, Bottleshop, Shipping and Retail Store departments. Brewing Dept. overtime will continue to be distributed on a seniority basis.

The specific details of overtime assignments shall be in accordance with the individual departmental overtime guidelines.

The Company reserves the right to review overtime guidelines from time to time. Any changes to these guidelines will be made by mutual agreement.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

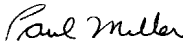
Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in Collective Agreement
RE: ARTICLE 17.09

This will confirm our understanding reached during bargaining that Maintenance overtime will be distributed as equally as possible by occupational skill group within the following functional areas:

- I Packaging Maintenance
- II Brewing Maintenance
- III Fork Truck Maintenance

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

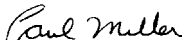
Dear Mr. Greco:

LETTER OF INTENT
RE: APPRENTICESHIP PROGRAM

The Company agrees to continue its current apprenticeship program.

immediately following ratification the BM/UE will review the Brewery's future needs to establish the number and type of apprentices required for the duration of the Collective Agreement.

Yours truly,



P. C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

Re: Apprentice Seniority

As agreed in 1992, the following will apply:

February 13, 1992

Mr. G. Greco
President
Local 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

This will confirm our verbal understanding regarding placement on the Maintenance seniority list of those employees enrolled in the Apprenticeship Program. It is understood that this understanding overrides the

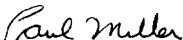
provisions of the Collective Agreement and, in particular, Articles 11.01 and 11.02.

The following agreement applies for purposes of job posting, shift assignment, removal from the Maintenance Department for lack of work and vacation selection but will not affect the exercise of his ordinary seniority rights in other departments. We have agreed that any apprentice whose seniority transfers to the Maintenance Department from another department, will be placed at the bottom of the Maintenance Department seniority list as of the first day that he commenced to work in the Maintenance Department regardless of his ordinary seniority date.

For all other purposes however, the employee's ordinary seniority shall govern.

If the above accurately reflects our agreement, please sign two copies of this letter and return them to me.

Yours very truly,



P.C. Miller
Human Resources Manager

For Local 325:



G. Greco, President

September 10, 1999

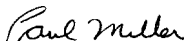
Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

LETTER OF INTENT
Not to be Included in Collective Agreement
RE: BREWING DEPARTMENT
PREFERRED JOB

Brewhouse General

Select senior applicant and assign throughout the year. In addition, during the fourteen (14) week summer period, the current Brewhouse General will become part of the regular rotation. For the remaining thirty-eight (38) weeks of the year, the Brewhouse General will revert to steady days and perform duties as assigned. Notwithstanding this, during those weeks when two (2) people are not present, either due to vacation or for other reasons, the General will replace them directly by temporarily entering the rotation.



P.C. Miller
Manager, Human Resources

September 10, 1999

Mr. G. Greco, President
Component 325
One Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

**RE: Scheduling of Bottling/Canning/Palletizing/Shipping
Employees**

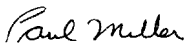
The Company agrees that it will endeavor to assign employees to work groups based on their expressed preference and seniority. In stating their preference, employees will be expected to learn and demonstrate the core operational aspects of all jobs within that work group. The employee will be assigned to a single job selection within the work group giving consideration to seniority, skills, and training. Work group preference and job selection will be recorded and assigned during the month of January 2000 for a period of two years. Thereafter, on an annual basis, the BM/UE will review individual, work group and departmental skill needs and requirements to determine potential changes to work group preference and job selection.

Weekly scheduling will be done based on the above mentioned work group preference and job selection. It is understood that absenteeism, vacation, shift level variations and training activities will affect the Company's ability to accommodate the employee's preference and selection. With the intent of

maintaining work group stability and **minimizing** employee movement, the **BM/UE** will develop guidelines which will be followed by the Supervisor to deal with daily adjustments to the schedule.

If a new job is established in a work group, employees within that work group will be able to **re-select** their jobs in accordance with seniority. If a new work group is established, employees will be given the opportunity to transfer into the work group based on a process established by the **BM/UE**.

Projects or tasks which are assigned through the volunteer process will not be treated as a new job.

A handwritten signature in cursive script that reads "Paul Miller".

P.C. Miller
Manager, Human Resources

LETTER OF AGREEMENT
BETWEEN
MOLSON BREWERIES TORONTO, ONTARIO
AND
CANADIAN UNION OF BREWERY AND GENERAL WORKERS
LOCAL **325**
COMPONENT OF **N.U.P.G.E.**

The parties agree that it is in their mutual interest to insure that the Etobicoke Brewery attains the highest level of production required to maximize our ability to meet our Customers' needs.

To this end, the following understanding is entered into.

It is agreed that the terms of this Letter of Agreement will supercede the provisions of the Collective Agreement where necessary to give it effect and / or in the event of any conflict between this Letter and the Collective Agreement.

1. Hours of Work

- a) The normal hours of work for employees assigned to the Week-end Crew (W.E.C.) will be twelve and one quarter (12¼) hours per day starting or finishing on either Saturday or Sunday. The normal work week will be twenty-four and one half (24½) hours. Full crew on rotating basis; 1/2 Crew 11:00 p.m. Friday to 11:00 a.m. Saturday; 1 1:00 a.m. Sunday to 11:00 p.m. Sunday

b) Regular employees assigned to the W.E.C. will be credited with forty (40) hours worked for provisions of the current collective agreement as appropriate, with respect to:

- 1) Pension Plan;
- 2) Welfare Benefits;
- 3) Vacation;
- 4) G.W.P.;
- 5) COLA

for each twenty-four and one half (24½) hours actually worked on the W.E.C..

2. Employee Staffing

The Company shall determine the staffing of the W.E.C., i.e. whether it will be staffed with all regular employees, all temporary employees, or a mix of each, and it may change the staffing mix from time to time as it deems appropriate.

3. Eligibility / Qualifications

The Company will post a notice annually in each affected department and solicit the names of those regular employees who wish to be considered for inclusion in W.E.C. to the extent that the Company decides to utilize regular employees.

When considering which applicant shall be given a job, the qualifications of the applicant shall be given primary consideration but if there is any choice to be made between two or more applicants having sufficient qualifications, the most senior applicant shall be given the position on the W.E.C.

Once selected, all regular employees will be scheduled on the W.E.C. when required for the life of the posting (one year).

It is agreed that notwithstanding the above, any employee may be removed from the week-end crew for reasons of ill health or cause.

4. Vacation

Regular employees working on the W.E.C. shall be allowed to take vacation during the effective period of the W.E.C. schedule, as per the collective agreement. No more than 14% of the regular employees on the W.E.C. will be allowed on vacation at the same time.

5. Sick Pay

Regular employees on the W.E.C. will be paid under the Sick Leave Plan for qualified absence due to illness or accident, according to the number of hours missed at the straight time rate.

A regular employee on the W.E.C. who is absent due to sickness will be paid under the W.I. Plan after a waiting period of two (2) consecutive twelve (12) hour shifts scheduled for him. A non-occupational accident will be paid in accordance with the collective agreement.

If a regular employee becomes so ill that he cannot complete his shift after reporting for work in good health, he will be sent home and paid for the balance of his shift at his straight time hourly rate.

6. Overtime

While in principle the Company does not wish to have employees work in excess of twelve and one quarter (12¼) consecutive hours, such may be necessary in emergency situations. Daily overtime worked in excess of three (3) hours will be paid at the rate of double time. Treatment of W.E.C. employees will be specifically outlined in the departmental overtime guidelines.

7. Bereavement

Should a regular employee suffer a bereavement in his immediate family which requires time off from his work then, in accordance with Clause 29.01, he shall be compensated for time actually lost up to the general standard of (3) days (24 hours) at straight time. Any additional bereavement leave will be considered at the sole discretion of the Company.

If, as a result of a bereavement, an employee is paid less than thirty-six (36) hours pay, he *will* be given the opportunity to work during the regular work week on a straight time basis in order that regular hours paid will equal thirty-six (36).

8. Plant Holidays

Regular employees shall be paid eight (8) hours at straight time in addition to pay for their week-end work.

9. Pay Day

Employees on the W.E.C. shall receive their pay during their regular working hours on Saturday.

10. Compensation

Regular employees working on the W.E.C. will be paid at the rate of 1.5 times the straight time hourly wage rate for all scheduled hours worked. Notwithstanding Article 27.01 and the temporary employee wage rate increase set out in the Letter on page 126 of the Collective Agreement, temporary employees will be paid at the straight time hourly rate of \$14.00 for all scheduled hours worked, effective January 1, 2000 to December 31, 2001. This wage rate will be increased by \$0.25 on January 1st, 2002, 2003, 2004 and 2005.

11. Shift Premium

Regular employees on the W.E.C. shall be paid an additional 53 cents per hour for all hours worked on Saturday and Sunday.

12. Lunch and Break Periods

Paid breaks for employees on schedules covered by this Memorandum shall be as follows:

Twelve hour shifts-two thirty (30) minute lunch breaks.

13. Implementation

The Company will provide a minimum of two (2) weeks notice of its intention to work employees on the W.E.C. or to return to a conventional eight (8) hour shift schedule.

LETTER OF AGREEMENT
BETWEEN
MOLSON BREWERIES TORONTO, ONTARIO
AND
CANADIAN UNION OF BREWERY AND GENERAL WORKERS
LOCAL **325**
COMPONENT OF **N.U.P.G.E.**

SKILLED TRADES WEEK-END CREW (W.E.C.)

It is agreed that the terms of this Letter of Agreement will supercede the provisions of the Collective Agreement where necessary to give it effect and /or in the event of any conflict between this Letter and the Collective Agreement.

1. Hours of Work

- a) The normal hours of work for employees assigned to the skilled trades W.E.C. will be thirty-two and three quarters (32¾): twelve and one quarter (12¼) hours per day on each of Saturday and Sunday (paid at the W.E.C. rate), plus one (1) additional eight and one quarter (8¼) hour day, either Friday or Monday, (paid at the normal regular pay rate). Management retains the right to determine the Friday and Monday shift assignment.

b) Regular employees assigned to the W.E.C. will be credited with forty (40) hours worked for provisions of the current Collective Agreement with respect to:

- 1) Pension Plan
- 2) Welfare Benefits
- 3) Vacation
- 4) G.W.P.
- 5) COLA

for each thirty-two and three quarter (32 ³/₄) hours actually worked on the W.E.C.

2. Employee Staffing:

The Company shall determine the staffing of the W.E.C., i.e. whether it will be staffed with all regular employees, all temporary employees, or a mix of each, and it may change the staffing mix from time to time as it deems appropriate.

3. Eligibility / Qualifications:

The Company will post a notice annually and solicit the names of those regular employees who wish to be considered for inclusion in the W.E.C. to the extent that the Company decides to **utilize** regular employees

When considering which applicant shall be given a job, the qualifications of the applicant shall be given primary consideration but if there is any choice to be made between two or more applicants having sufficient qualifications, the most senior applicant shall be given the position on the W.E.C..

Once selected, all regular employees will be scheduled on the W.E.C. when required for the life of the posting (one year).

It is agreed that notwithstanding the above, any employee may be removed from the week-end crew for reasons of ill health or cause.

4. Vacation

Regular employees working on the W.E.C. shall be allowed to take vacation during the effective period of the W.E.C. schedule, as per the collective agreement. No more than **14%** of the regular employees on the W.E.C. will be allowed on vacation at the same time.

5. Sick Pay

Regular employees on the W.E.C. will be paid under the Sick Leave Plan for qualified absence due to illness or accident, according to the number of hours missed at straight time rate.

A regular employee on the W.E.C. who is absent due to sickness will be paid under the W.I. Plan after a waiting period of **twenty-four (24)** consecutive hours scheduled for him. A non-occupational accident will be paid in accordance with the collective agreement.

If a regular employee becomes so ill that he/she cannot complete his/her shift after reporting for work in good health, he/she will be sent home and paid for the balance of his/her shift at his/her straight time hourly rate.

6. Overtime

While in principle the Company does not wish to have employees work in excess of twelve and one quarter (12 1/4) consecutive hours, such may be necessary in emergency situations.

For each W.E.C. shift, the first 3 overtime hours will be paid at the rate of time and one-half of the straight hourly rate and subsequent hours at the rate of double time. Treatment of W.E.C. employees will be specifically outlined in the departmental overtime guidelines.

7. Bereavement

Should a regular employee suffer a bereavement in his/her immediate family which requires time off from his/her work then, in accordance with Clause 29.01, he shall be compensated for time actually lost up to twenty-four (24) hours at straight time. Any additional bereavement leave will be considered at the sole discretion of the Company.

If, as a result of a bereavement, an employee is paid less than forty (40) hours pay, he will be given the opportunity to work during the regular work week on a straight time basis in order that regular hours paid will equal forty (40).

8. Plant Holidays

Regular employees shall be paid eight (8) hours at straight time in addition to pay for their week-end work.

13. Implementation:

The Company will provide a minimum of two (2) weeks notice of its intention to work employees on the W.E.C. or to return to a conventional eight (8) hour shift schedule.

September 10, 1999

**LETTER OF AGREEMENT
BETWEEN
MOLSON BREWERIES TORONTO, ONTARIO
AND
CANADIAN UNION OF BREWERY AND GENERAL WORKERS
LOCAL 325
COMPONENT OF N.U.P.G.E.**

SKILLED TRADES MODIFIED WORK WEEK (M.W.W.)

It is agreed that the terms of this Letter of Agreement will supercede the provisions of the Collective Agreement where necessary to give it effect and /or in the event of any conflict between this Letter and the Collective Agreement.

1. Hours of Work

- a) The normal hours of work for employees assigned to the Skilled Trades **M.W.W.** will be forty one (41); ten and one quarter (10¼) hours per day on each of Tuesday, Wednesday and Thursday, plus one (1) additional ten and one quarter (10¼) hour day, on either Monday or Friday. Management retains the right to determine the Monday and Friday shift assignment.

- b) If the Company determines it to be feasible to schedule the **M.W.W.** with "twelve hour" shifts and there are sufficient volunteers to work this shift, then the normal hours of work for employees will be thirty-six and three quarters (36¾)

and forty-five (45) hours occurring on alternate weeks: twelve and one quarter (12¼) hours per day on each of Tuesday, Wednesday and Thursday, plus one (1) additional eight and one quarter (8¼) hour day occurring every other week, either Monday or Friday. Management retains the right to determine the Monday and Friday shift assignment.

- c) Regular employees assigned to the M.W.W. will be credited with actual hours worked on the M.W.W. for provisions of the current Collective Agreement with respect to:

- 1) Pension Plan
- 2) Welfare Benefits
- 3) Vacation
- 4) G.W.P.
- 5) COLA

Temporary employees assigned to the M.W.W. will be credited with one (1) working day for each full eight and one quarter (8¼) hours worked for purposes of the letter on page 126 of the Collective Agreement.

2. Employee Staffing:

The Company shall determine the staffing of the M.W.W. , i.e. whether it will be staffed with all regular employees, all temporary employees, or a mix of each, and it may change the staffing mix from time to time as it deems appropriate.

3. Eligibility / Qualifications:

The Company will post a notice annually and solicit the names of those regular employees who wish to be considered for inclusion in the M.W.W. to the extent that the Company decides to utilize regular employees.

When considering which applicant shall be given a job, the qualifications of the applicant shall be given primary consideration but if there is any choice to be made between two or more applicants having sufficient qualifications, the most senior applicant shall be given the position on the M.W.W. If there are insufficient applications by regular employees for the M.W.W., the junior employee will be assigned.

Once selected, all regular employees will be scheduled on the M.W.W. when required for the life of the posting (one year).

4. Vacation

Regular employees working on the M.W.W. shall be allowed to take vacation during the effective period of the M.W.W. schedule, as per the collective agreement.

5. Sick Pay

Regular employees on the M.W.W. will be paid under the Sick Leave Plan for qualified absence due to illness or accident, according to the number of hours missed at straight time rate.

A regular employee on the **M.W.W.** who is absent due to sickness will be paid under the **W.I.** Plan after a waiting period of twenty-four (**24**) consecutive hours scheduled for him. A non-occupational accident will be paid in accordance with the collective agreement.

If a regular employee becomes so ill that he/she cannot complete his/her shift after reporting for work in good health, he/she will be sent home and paid for the balance of his/her shift at his/her straight time hourly rate.

6. Overtime

While in principle the Company does not wish to have employees work in excess of twelve and one quarter (**12 1/4**) consecutive hours, such may be necessary in emergency situations.

For each **M.W.W.** shift, the first 3 overtime hours will be paid at the rate of time and one-half of the straight hourly rate and subsequent hours at the rate of double time.

Treatment of **M.W.W.** employees will be specifically outlined in the departmental overtime guidelines.

7. Bereavement

Should a regular employee suffer a bereavement in his/her immediate family which requires time off from his/her work then, in accordance with Clause **29.01**, he shall be compensated for time actually lost up to twenty-four (24) hours at straight time. Any additional bereavement leave will be considered at the sole discretion of the Company.

8. Pay Day

Regular employees on the **M.W.W.** shall receive their pay during their regular working hours on Thursday.

9. Compensation

Employees working on the **M.W.W.** will be paid at the straight time hourly wage rate for all scheduled hours worked.

10. Shift Premium

Employees on the **M.W.W.** shall be paid an additional **53** cents per hour for all hours worked on the 12 hour shifts.

11. Lunch and Break Periods

Paid breaks for employees on schedules covered by this Memorandum shall be as follows:

Twelve hour shifts two thirty (30) minute lunch breaks

Eight hour shifts one twenty (20) minute break

one twenty five (25) minute break.

12. Implementation:

The Company will provide a minimum of two (2) weeks notice of its intention to work employees on the M.W.W. or to return to a conventional eight (8) hour shift schedule.

September 10, 1999

Mr. G. Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

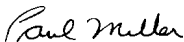
Dear Mr. Greco:

LETTER OF INTENT
RE: WORK REFUSAL

During negotiations, the Union raised its concern regarding possible future changes to the Occupational Health and Safety Act with respect to the rights of employees to refuse to do unsafe work.

It is agreed that the work refusal process in the current Occupational Health and Safety Act, 1995 will be adhered to by the parties for the term of this collective agreement, as long as such process is not in contravention of any prevailing legislation.

In the event that amendments to legislation make adherence to the current process impossible, the Company and Union will meet to make appropriate modifications to the procedure for refusal of unsafe work.



P.C. Miller
Manager, Human Resources

September 10, 1999

Mr. Greg Greco, President
Component 325
1 Carlingview drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

Re: Retail Store Transition

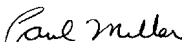
During negotiations leading to the renewal of the Collective Agreement the parties agreed to the following terms and conditions in connection with the use of temporary employees in the Retail Store.

From Monday to Friday, the Retail Store will be staffed by the senior incumbent regular employee, supplemented by temporary employees as required. On Saturday and Sunday, the Retail Store will be staffed by temporary employees. Temporary employees will also be used to replace the regular employee for periods of vacation, illness, and training.

Temporary employees employed in the retail Store may be scheduled on a part time basis, and work hours less than the regular hours of work described in Section 17 of the Collective Agreement.

The use of temporary employees in the Retail Store as described above may continue during the layoff of regular employees and the provisions of Section 10 of the Collective Agreement shall have no application in such circumstances.

Once the incumbent regular employee leaves the Retail Store it will be staffed with temporary employees.

A handwritten signature in cursive script that reads "Paul Miller".

P.C. Miller
Manager, Human Resources

September 10, 1999

During negotiations leading to the renewal of the current collective agreement the parties agreed to the following terms and conditions in connection with the following:

Technician System

Molson Etobicoke Brewery will operate in a new Technician environment. In this environment, all production employees are Technicians who are responsible for the operation, maintenance and administration of their area and understand their individual contribution to achieving the overall business result.

Training will be an integral and ongoing part of this new Technician environment. Technical (Operations and maintenance), Administrative, and Relationship skills will be developed and maintained by each Technician. Additionally, Technicians will learn the core responsibilities of every job in their work group to enhance work flexibility within the group. To ensure that the training and development needs are satisfied, every Technician will be responsible to have an up-to-date Personal Development Plan. Skill development and training will be based on business need, skill, and ability.

Technicians will work in stable, self-sufficient Work Groups which include a Supervisor. The Supervisor supports the other members of the Work Group from the standpoint of direction-setting, coaching, performance management and leadership. The primary responsibility of the Work Group is to run the day-to-day production to achieve the business results. Work Groups will be multi-functional and multi-skilled and will have the necessary skill mix needed to deliver their daily production

expectations. In this structure, individuals will support the entire Work Group by “flowing to the work” necessary to meet the Group expectations. The Work Group will be fully involved in key decisions affecting their area. Accurate, fact-based and timely information will be communicated and will form the basis for these decisions, Each work group will have representatives for the key functional responsibilities affecting their area safety, quality, maintenance, training, and administration.

Based on the above guiding principles, the individual Technician will:

- receive skills training on operations, maintenance, and administration
- perform machine adjustments
- . perform machine changeovers
- . perform process control, including measurement and adjustment
- perform quality checks
- . perform preventative maintenance, including lubrication
- . perform routine maintenance with support, as required, from Maintenance
- . perform line coverage maintenance with support, as required, from Maintenance
- troubleshoot and problem solve issues affecting the area
- . enter operation/maintenance information into the computer
- . perform auditing, including safety, quality, maintenance
- train others Technicians
- . take individual ownership for the key functional responsibilities (i.e. quality, safety, maintenance, training and administration) specific to the work group
- attend all communication meetings

When a Technician is assigned as a Work Group Representative, this individual will:

- . represent the Work Group related to the key functional responsibility
- track, monitor and communicate results related to the function
- . coordinate initiatives and activities related to the function
- . act as a resource for the group related to the function

The Work Group will:

- ensure representation on all key functional responsibilities quality, safety, maintenance, training and administration,
- . track, monitor and communicate group results related to key functional responsibilities
- satisfy internal/external customer requirements
- administer manpower scheduling, overtime allocation, and internal work group rotation (within the guidelines of the Collective Agreement)

The specific tasks and duties are not intended to completely identify all potential activities related to the new environment. New tasks and duties may arise which are fundamentally aligned with the guiding principles of the Technician System.

September 10, 1999

During negotiations leading to the renewal of the current collective agreement the parties agreed to the following terms and conditions in connection with the following:

The New Enhanced Role of Maintenance

The need to focus our resources on high-value added, core brewery-related responsibilities and the introduction of a new Technician environment has necessitated the need to adapt the role of Maintenance in the **Molson Etobicoke Brewery**. Maintenance personnel will be performing a new enhanced role related to brewery-specific tasks and activities. In particular, all maintenance employees will be responsible for planning, coordination, execution and administration of maintenance activities and understand their individual contribution to achieving the overall business result. Additionally, maintenance employees shall be actively involved in the Technician training, high-level troubleshooting and problem solving, and special project planning and coordination.

Training will be an integral and ongoing part of this new Maintenance environment. Technical (operations and maintenance), Administrative, and Relationship skills will be developed and maintained by each Maintenance employee. To enhance work flexibility within the group, Maintenance employees will learn the core responsibilities of other core maintenance jobs in their Work Group. To ensure that the training and development needs are satisfied, every employee will be responsible to have an up-to-date Personal Development

Plan. Skill development and training will be based on business need, skill, and ability.

The primary responsibility of the Maintenance Work Group is to support the day-to-day and ongoing production to achieve the business results. Work Groups will be multi-functional and multi-skilled and will have the necessary skill mix needed to deliver their daily maintenance expectations. In this structure, individuals will support the entire Work Group by “flowing to the work” necessary to meet the Group expectations. The Work Group will be fully involved in key decisions affecting their area. Accurate, fact-based and timely information will be communicated and will form the basis for these decisions. Each work group will have representatives for the key functional responsibilities affecting their area - safety, maintenance quality, maintenance reliability, training, and administration.

Based on the above guiding principles, the individual Maintenance employee will:

- receive skills training on technical (operations and maintenance), administration and relationship
- train other maintenance employees
- perform maintenance responsibilities related to core routine and planned maintenance
- perform advanced technical functions to support process, quality, safety and customer needs
- plan, coordinate and execute work orders based on customer needs
- coach/train Technicians
- support the Technicians on an as-required basis, with Technician-based line coverage maintenance

- support the Technicians on an as-required basis with Technician-based routine and planned maintenance
- troubleshoot and problem solve issues affecting the area
- enter maintenance information into the computer
- perform auditing, including safety, quality, reliability
- take individual ownership for the key functional responsibilities (i.e. maintenance quality, safety, reliability, training and administration) specific to the work group
- attend all communication meetings

When a Maintenance employee is assigned as a Work Group Representative, this individual will:

- represent the Work Group related to the key functional responsibility
- track, monitor and communicate results related to the function
- coordinate initiatives and activities related to the function
- act as a resource for the group related to the function

The Work Group will:

- ensure representation on all key functional responsibilities - quality, safety, reliability, training and administration,
- track, monitor and communicate group results related to key functional responsibilities
- satisfy internal/external customer requirements
- administer manpower scheduling, overtime allocation, and internal work group rotation (within the guidelines of the Collective Agreement)

The specific tasks and duties are not intended to completely identify all potential activities related to the new environment. New tasks and duties may arise which are fundamentally aligned with the guiding principles of the new Maintenance environment.

In order to demonstrate the Company's commitment to transition the current Maintenance organisation to higher level, value-added work, the **BM/UE** (Brewery Management/Union Executive) shall jointly review and establish a transition plan for the following new maintenance roles:

- Production Maintenance Planner
- Building Maintenance Planner
- Maintenance Trainer
- Controls Technician
- Maintenance Project Support

Additionally, the Company intends to modify the role of Oiler and Instrument Technician with new higher level responsibilities which include system maintenance, contract/material coordination, auditing, etc. The **BM/UE** will jointly review and establish a transition plan for these modified positions.

September 10, 1999

During negotiations leading to the renewal of the current collective agreement the parties agreed to the following terms and conditions in connection with the following:

Transition Coordinator Role

In becoming a world class organization, there is a need to provide additional resources to supervisors and employees to facilitate the transition to their new roles. As employees master their new individual and group skills, the transition coordinator role will be phased out.

The direct accountabilities of the transition coordinator role are detailed below:

- . review of general operating information at crew meetings
- Effectively assist operators during line start-up, brand changes and line runout.
- assign and coordinate crew activities per the manning schedule and as instructed by the supervisor.
- complete the production reports including collection and validation of all necessary data.
- collect process check sheets; review and take action as assigned by the supervisor.

- . taking a coordination role in troubleshooting line flow problems including:
 - trades support
 - assisting new employees on equipment basics
 - coordinating with Quality, Logistics, etc.
- . Using the MARS system to input/generate/look-up maintenance work orders.
- Find, withdraw and sign-out common operational parts and supplies:
 - filler tubes and valves
 - gloves
 - earplugs
 - cleaning supplies
- Coordination of beer holds from start to finish inclusive of identification, initiation, communication and rework as assigned by the supervisor.
- . Discuss pertinent production issues at the daily production meeting and coordinate follow-up activities as assigned by the supervisor.

This role also requires a working knowledge and understanding of the following:

Quality

- . awareness of QS function roles
- full knowledge of Quality Policies and Procedures
- . internal and external auditing practices and follow-up

Health & Safety

- procedures for emergency response, medical aid, accident investigation, dept. Health and Safety reps, 1st aiders

Union

- members of UE and stewards
- responsibility of a steward
- procedures for union activities

Production / Maintenance Procedures

- key performance indicators (e.g. line speeds, budgets, targets, shrinkage)
- bottling tank to fillers process including release procedures
- general operating duties and work instructions
- training and sign off processes
- MARS, work order tracking

Customer Service

Knowledge and ability to explain the impact of Packaging scheduling changes on Warehouse and Brewing

- stock keeping units (SKU) attainment process
- domestic and U.S. ordering process
- impact of Packaging performance on customer service

Utilities / Waste Water

- . what can and cannot go down the drain
- dumping procedure
- . impact of caustic on waste water treatment plant
- key contributors to utility wastage

The above duties represent the current view of the transition coordinator role. It is **recognized** that some operators are currently performing some of these duties; this will continue. As the knowledge base of technicians increases, transfer of some of these duties will impact on the transition coordinator role.

September 10, 1999

During negotiations leading to the renewal of the current collective agreement the parties agreed to the following terms and conditions in connection with the following:

Commitment to Learning

For an **Organization** to really change, it must Learn to change. It must implement ways to explore and identify opportunities to change, designing how the **organization** will respond to this opportunity to change, and helping the people within the **organization** make this transition from the old to the new. In short, it must become a Learning **Organization**. Training is a tool to help people learn.

During negotiations the Union raised, with the Company, the need for a serious commitment to Training by the Company. Training is essential to all employees in order to successfully implement and sustain the changes that are required in becoming a "World Class Brewery".

Both parties *recognize* that a "Training System Standard" needs to be jointly develop and implemented. This new Training Standard will serve as the foundation for the **BM/UE** to develop and implement a Training Plan for the **Etobicoke Brewery**.

The primary reason for providing training is to assist **Etobicoke** in achieving its business goals and to improve **organizational** and individual performance.

A needs analysis will be performed before any training is delivered.

Needs analyses will be done using the following methods:

1. Identification and **prioritization** of performance gaps (organizational, operational, individual)
2. Determination of causes.
3. Recommendation of solutions.
4. Consultation with critical partners: those affected by the result of the training and those to be trained.

Training Planning Analysis

1. Identify **organizational/departmental** goals and strategies. (Analyse plans, mission & strategies.)
2. Determine pivotal jobs, roles and processes.
3. Determine new performance requirements.
4. Identify knowledge and skill requirement to support performance.
5. Identify preliminary training and learning actions with consensus from all stakeholders.
6. Prioritise, design, deliver and document.

In order to demonstrate the Company's commitment to Training, a minimum of 4 % of all hours worked by Union members (Brewing, Packaging, Warehouse, Trades) will be dedicated to Training (Capital Project, H&S, Transition to Technician, Trades upgrade, temporary training, etc...) every year, for the term of this agreement. Any additional needs for training will be justified on a "Return" basis (Continuous improvement).

Also, the Company will recognize the “Learning Achievement” of employees through the creation of a multi-level “Learning Bonus”. A series of Levels will have to be achieved by operators and trades. For each level successfully completed, employees will be eligible to a lump sum payment of:

\$200 for achieving Level 1

\$300 for achieving Level 2

\$400 for achieving Level 3

\$500 each for achieving Level 4, 5, 6, 7, 8, 9

Requirements for all levels will be determined by the BM/UE.

September 10, 1999

During negotiations leading to the renewal of the current collective agreement the parties agreed to the following terms and conditions in connection with the following:

Learning Transition

All operators and trades within the **Molson Etobicoke** Brewery will continually strive to become a highly Reliable “World Class Brewery”. Both parties **recognize** that the implementation of a “Technician Environment” is essential in achieving that objective.

The Company **recognizes** that, as the organization transits towards becoming a “World Class Brewery”, operators and trades will need tools and support in order to learn and apply new skills, and contribute to their full potential.

In order to get full commitment from operators and trades in going through this intense phase of changes, the Company **recognizes** that **utilizing** operators and trades in the performance of new tasks, will not result in any regular maintenance employees losing his employment within the maintenance department or any other regular employee losing his employment with the Brewery.

Both parties **recognize** that this commitment to change by all employees is the best strategy to implement in order to attract more volume for the **Etobicoke** Brewery, and sustain employment.

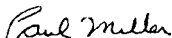
September 10, 1999

Mr. Greg Greco, President
Component 325
1 Carlingview Drive
Etobicoke, Ontario
M9W 5E5

Dear Mr. Greco:

RE: Pilot Project

In order to successfully transition to a "World Class Brewery", the Company and Union agree to jointly participate in a Pilot Project on Bottling Line #5. The purpose of this project is to implement all the concepts discussed and agreed to during negotiations relative to the world class, operationally-reliable, technician environment. A joint Action Plan will be developed by December 1999 for an implementation start of January 2000. As the project evolves, key learning will be introduced in other areas of the Brewery.



P.C. Miller
Manager, Human Resources

