

SOURCE	COMO.
EFF.	941006
TERM	960731
NO. OF EMPLOYEES	109
NOMBRE D'EMPLOYES	109

**COLLECTIVE AGREEMENT**

between

**ZIRCATEC PRECISION INDUSTRIES INC.  
NUCLEAR PRODUCTS DEPARTMENT  
PORT HOPE, ONTARIO**

and

**UNITED STEELWORKERS OF AMERICA  
on behalf of its LOCAL 14193  
A.F. of L., C.I.O. — C.L.C.**

**MAY 25 1995**

**01814(04)**

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## ARTICLE 1

### RECOGNITION

- a) The Company recognizes the Union as the exclusive bargaining agent for all Hourly paid production and maintenance employees at the Company's Port Hope, Ontario plant located on Dorset Street East, save and except all Security Guards and all Salaried employees (including office and clerical employees), all Engineering and Technical employees (including engineers, technicians and Salaried inspectors) and all Supervisory employees.
- b) The Company further recognizes that in the event the Port Hope plant or all of the existing operations of Lab 79 were to cease operations and relocate elsewhere in the Province of Ontario, the United Steelworkers of America would be recognized as provided in Part 1 of this Article.

## ARTICLE 2

### CHECK-OFF

#### Section 1

Membership in the Union is voluntary. No person shall be required, as a condition of employment, to become or remain a member of any Union or other organization, and no statements or representation to the contrary shall be made.

#### Section 2

- (a) The Company agrees to deduct from the pay of each employee an amount equivalent to Union ~~Dues~~, Fees and Assessments as prescribed by the Constitution of the Union. Changes to the Union ~~Dues~~ Formula, Fee and Assessment amounts may be made once per calendar year.
- (b) All employees shall as a condition of employment be required to file with the Company a written authorization to deduct such monthly union dues. Such deductions shall commence the first pay period.
- (c) The dues so deducted as Union ~~Dues~~ shall be remitted, along with a list of employees from whom such deductions have been made, within one week of the end of the month, and payable to the International Treasurer, U.S.W.A., P.O. Box 13083, Postal Station "A", Toronto, Ontario, M5W 1V7.

In the event that such wages are insufficient to pay union dues, such deductions shall be made from the wages payable to the employee on a subsequent pay in the calendar month.

- (d) The monthly remittance shall be accompanied by a statement showing the names of each employee from whose pay deductions have been made and the total amount deducted for the month. Such statement shall also list the names of the employees from whom no deductions

have been made

- (e) The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that shall arise out of or by reason of action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article, or in reliance on any list, notice, assignment or authorization furnished under any of such provisions.
- (f) Total annual dues paid shall be shown on each employee's statement of Remuneration" (T4).
- (g) The Company agrees to introduce all new employees to the chief steward and grant reasonable time for discussion.

### ARTICLE 3

#### MANAGEMENT PREROGATIVES

##### Section 1

The management of the business of the Company and the direction of its personnel, including the right to set hours of work, to hire, discipline or discharge employees for just cause, to transfer, promote or lay them off and to maintain discipline, order and efficiency in its plant are the sole responsibility of the Company, providing the exercise of such rights do not conflict with the provisions of this Agreement.

##### Section 2

The type of products to be developed or manufactured, the location of the plants, the schedules of development or production of products, the methods, processes and means of conducting its business are the Company's prerogatives.

##### Section 3

The Company shall have the right to allow certain engineering and technical personnel to **do** various work, and use all or any equipment throughout the plant in order to familiarize themselves with existing and the development of new production techniques, the development of Company products, and the operations of the equipment, without regard to any of the applicable provisions of this Agreement. However, the operation of this provision shall not act to replace regular employees resulting in demotions or lay-offs. The operation of this provision is not intended to permit non-bargaining unit personnel to become involved in production except for production which is incidental to the above.

ARTICLE 4

SECURITY

Section 1

The Government of Canada through the Atomic Energy Control Board has made the Company responsible for the maintenance of adequate security measures for the work carried out by it in the field of Atomic Energy. It is understood and agreed by the Union that neither the security rules nor their administration are matters for collective bargaining or discussion under this Agreement, and that nothing in this Agreement shall conflict with or place the Company in violation of such security rules or their administration.

Section 2

In the event that an employee is discharged for security reasons, the Company agrees to notify the Union, and while it is understood that the Company may not be able to divulge the information on which the discharge is based due to statutory, regulatory or contractual regulations and obligations binding upon the Company (collectively referred to herein as "Third Party Restrictions"), the Company will provide to an employee discharged for security reasons disclosure of all material facts relating to his dismissal to the extent that such disclosure is not in violation of the Third Party Restrictions.

ARTICLE 5

BULLETIN BOARDS

Section 1

The Company shall provide a bulletin board on which the Union will post notices of Union elections and results thereof, appointments, meetings and social functions of the Union.

No other Union notices, literature or pamphlets shall be displayed or distributed on the Company's premises without the Company's permission.

ARTICLE 6

HOURS OF WORK AND OVERTIME

Section 1

- (a) For other than the purpose of calculating overtime pay, but in compliance with applicable laws, orders and regulations, the normal work week is defined as commencing on Thursday of each week at midnight and ending on the following Thursday at 12:00 midnight. The normal calendar work day is defined as consisting of twenty-four

(24) consecutive hours starting at midnight and ending at 12:00 midnight the following day. Nothing in Article 6 shall be read or construed as a guarantee of hours of work per day or week, or of days of work per week.

- (b) In computing daily overtime hours, a day shall be the twenty-four (24) hour period following the regular starting time of the shift on which the employee is working.

Section 2

Eight (8) hours of work (exclusive of the regular lunch period) at straight time hourly wage rates shall constitute the normal work day. The normal work day shall be designated by the calendar day within which the starting time for the shift falls.

Section 3

- (a) DAY WORKERS - The normal weekly schedule of hours shall consist of five (5) days of eight (8) hours each Monday through Friday inclusive.
- (b) TWO SHIFT WORKERS - The normal weekly schedule shall consist of five (5) days of eight (8) hours each Monday through Friday inclusive.
- (c) THREE SHIFT WORKERS - Where any operation is operated as a three shift operation, the normal weekly schedule shall consist of five (5) days of eight (8) hours each (including a paid lunch period of twenty (20) minutes) Monday through Friday inclusive. An operation will be deemed to be operated on a three shift basis if, on each of three consecutive shifts, at least one employee is engaged in the operation for the majority of that.

Section 4 Furnace Operators

- (a) The working week for furnace operators shall consist of six (6) consecutive days of eight hours each (including a lunch period of twenty (20) minutes) Monday through Saturday inclusive.
- (b) The average work week will consist of thirty-six hours. Operators will be paid for forty (40) hours if they work their scheduled work days. Operators who do not work their scheduled work days will be paid forty (40) hours minus the number of hours not worked.
- (c) Operators required to work more than eight (8) hours in any scheduled work day will receive pay at one and one half (1 1/2) times job rate for the first four (4) hours in excess of eight (8) hours and double (2) times the job rate for the hours worked in excess of twelve (12) hours.
- (d) Operators required to work on their scheduled days off will be paid at a rate of one and one (1 1/2) times job rate for the first eight (8) hours

worked and double (2) times the job rate for the hours worked in excess of the eight (8) hours.

- (e) Operators required to work Sunday(s) will receive two (2) times job rate for all hours worked.
- (f) Operators required to work the sixth consecutive day will be paid a premium of three (3) dollars per hour for all hours worked up to eight (8) hours and the appropriate premium thereafter. Where a six day period includes a specified holiday, the employee will be deemed to have worked such holiday for the purposes of determining entitlement to the premium provided for in this subsection (f).
- (g) The above will only apply when the Company requires the six day work week for Furnace Operators.
- (h) If the Company reverts to a continuous shift operation, employees will be paid at one and a half times their job rate for their sixth consecutive day worked and two times their job rate for their seventh consecutive day worked. Where a seven day period includes a specified holiday, the employee will be deemed to have worked such holiday for the purposes of determining entitlement to the premium provided for in this subsection (h).

#### Section 5

- (a) The Company agrees to give to employees twenty-four (24) hours' notice prior to the commencement of a reassigned shift, except in the case of emergencies beyond the Company's control, or at the request of an employee. The Company shall post shift schedules and changes, and a copy shall be given to the Union.

The employee who does not receive twenty-four (24) hours notice prior to the commencement of a reassigned shift, as referred to above, shall be paid at the rate of time and one-half times the employee's regular rate of pay, for the first eight (8) hour shift.

- (b) The Company agrees to pay ten dollars (\$10.00) towards the cost of a meal to employees who are required to work three (3) hours overtime into another shift and have not been notified prior to the commencement of their shift.

#### Section 6

**An** employee shall receive time and one-half (1 1/2) the employee's regular rate of pay for the following:

- (a) **All** work in excess of eight (8) hours in any regular scheduled work day.
- (b) **All** work performed during an emergency call-in (Sunday and specified

holidays excluded) with a minimum time worked allowance of four (4) hours.

- (c) Except in the case of furnace operators, all work up to 8 hours performed on a Saturday.

#### Section 7

An employee shall receive double (2) the employee's regular rate of pay for the following:

- (a) All work performed in excess of eight (8) hours on Saturday, unless such day falls within the employee's regular shift schedule, when the provisions of Section 6 of this Article will be applicable.
- (b) All work Performed on a paid specified holiday.
- (c) All work performed in excess of twelve (12) consecutive hours on Monday through Friday.
- (d) All work performed on Sunday.
- (e) All worked performed during an emergency call-in on a Sunday or specified holiday with a minimum time worked allowance of four (4) hours.

#### Section 8

If two or more types of premium compensation are applicable to the same hours of work, excepting shift premiums, only the higher rate of compensation shall be paid. The premiums provided for in Section 4(f) may be paid simultaneously. In no other case will premium compensation be duplicated or pyramided.

#### Section 9

All employees whose time cards are punched IN after their normal starting time will be paid from the next tenth of an hour following the employees punching in.

Notwithstanding the above, the Company may grant payment for time lost between normal start time and punched in time. In such cases the employee must request payment and furnish a reason acceptable to the Company.

#### Section 10

- (a) Overtime shall be distributed as equitably as possible among those employees normally performing the work to be done on the shift the overtime occurs. If the Company is unable to obtain sufficient employees among those employees normally performing the work, they will give the opportunity to the employees with the least amount of overtime, who, in the Company's opinion, are capable of performing the work to be done without training.



- (b) If the Company is unable to obtain sufficient employees to perform the overtime as per paragraph (a) above, the employees with the least amount of departmental seniority, who, in the Company's opinion are capable of performing the work to be done without training, shall be scheduled to work.
- (c) An employee who is offered and subsequently excused from working overtime, such offer having been made more than four (4) hours before the end of his shift shall, insofar as the future distribution of overtime is concerned, be deemed to have received those overtime hours for which he was excused.

Section 11

The Company will endeavour to give as much notice as possible to employees who are required to work overtime.

Section 12

In the event that an employee reports to work on his regular shift, without having been previously notified not to report, the employee will be given at least four (4) hours alternate work at his regular rate of pay or if no work is available, the employee will be paid the equivalent of four (4) hours at his regular rate of pay in lieu of work. This will not apply under the following conditions:

- (a) Where the plant or part of it or its equipment is damaged by fire, lightning, flood or tempest.
- (b) Where interruption of work is due to circumstances beyond the Company's reasonable control.

ARTICLE 7

SHIFT BONUS

Section 1

The Company reserves the right to operate the plant on shift schedules

Section 2

Employees required to work on any shift starting before 6:00 a.m. or after 11:00 am will be paid a shift bonus of seventy-five (\$0.75) per hour for all hours worked.

ARTICLE 8

WAGE RATES

Section 1

The Company agrees to maintain the rate and progression schedules attached hereto and marked Appendices "A" and "B" during the term of this Agreement.

Section 2

- (a) The responsibility for the evaluation of any work performed by the employees covered by this Agreement shall continue to be vested in the Company. The evaluation will be made on the basis of the Job Evaluation Programme including the Job Rating Plan. The Job Evaluation Programme, as such, referred to above, having been selected by the Company, may not be the subject of a grievance.
- (b) When a new or changed job classification is introduced, the Company will notify the Union of its implementation, and will supply three (3) copies of the Job Identification, together with the factor rating, labour grade and the date of implementation.
- (c) An incumbent employee in the job classification concerned shall have the right to file a grievance in writing with the Company at Step No. 2 - Article 14, Grievance Procedure alleging that the evaluation of the new or changed job classification is incorrect as a result of improper and inconsistent application of the Job Evaluation Programme. It is provided, however, that any such grievance must be filed not later than five (5) working days from the date when the Union was notified of the implementation of such new or changed job classification.
- (d) In respect to such grievance, the evaluated degree claimed in respect to the evaluated factors will be specified in the written grievance, together with the labour grade resulting from such claim.
- (e) In the event that such grievance is processed to Arbitration, under Article 14, the authority of the Arbitrator shall be limited to: confirming the factor evaluation and the labour grade of the job classification or assigning a revised factor evaluation and labour grade by consistent application of the Job Evaluation Programme and criteria as in Section (a).
- (f) If the grievance and/or arbitration award result in an upgrading of the disputed job classification to a higher labour grade, the wage adjustment will be made retroactive to the date such new or changed job classification was implemented.
- (g) On an application to the Federal Department of Labour, under Article 14, Grievance Procedure, for the appointment of an impartial chairman

in the case of grievances filed under Section 2(c) herein, such chairman shall have qualifications with respect to job evaluation practices.

## ARTICLE 9

### SPECIFIED HOLIDAYS

#### Section 1

All regular employees on the active payroll will receive pay at their regular rate for each of the following holidays:

New Year's Day  
Good Friday  
Victoria Day  
Dominion Day  
Civic Holiday  
Labour Day  
Thanksgiving Day  
The work day immediately prior to Christmas Day  
Christmas Day  
Boxing Day  
The work day immediately prior to New Year's Day  
Two Floater Holidays.

#### Section 2

To be eligible for holiday pay in respect of any of the holidays set out in Section 1 above, an employee must have worked the last regular scheduled work day preceding the holiday and their first regular scheduled work day following the holiday.

Notwithstanding the above, the Company may grant reasonable time off the day before or after a specified holiday to employees with one (1) year's service or more, providing a prior request is filed with the Company.

Such time off will only be granted to relieve hardship and will not affect holiday pay.

#### Section 3

It is understood that any employee scheduled, or who agrees to work on any specified holiday, must report to work and work the scheduled hours or forfeit holiday pay. Holiday pay will be granted if a satisfactory reason is given.

#### Section 4

Holiday pay, as provided in Section 1 of this Article, shall not be considered as days or hours worked for the purpose of computing overtime pay.

Section 5

For the purpose of this Article, if any of the above holidays fall on a Sunday, it shall be observed on the following Monday and if any of the above holidays fall on a Saturday, it shall be observed on the Friday preceding.

Section 6

In the case of continuous shift operators, for the purposes of this Article, if any of the above holidays fall on an operator's scheduled day off, subject to mutual agreement between the affected employee and the Company to the contrary, the holiday will be observed on a date scheduled by the Company falling within 30 days following the holiday. The Company shall provide the employee at least 7 days prior notice of the rescheduled day.

ARTICLE 10

VACATIONS

Section 1

Vacations with pay shall be granted to all employees on the active payroll in accordance with the following schedule:

- (a) Two weeks vacation with pay at 4% of previous year's earnings after 1 year of continuous service, if completed by June 30th.
- (b) Three weeks vacation with pay at 6% of previous year's earnings after 5 year's continuous service, if completed by December 31st.
- (c) Four weeks vacation with pay at 8% of previous year's earnings after 11 year's continuous service, if completed by December 31st.
- (d) Five weeks vacation with pay at 10% of previous year's earnings after 20 year's continuous service, if completed by December 31st.
- (s) **Six** weeks vacation with pay at 12% of previous year's earnings after 30 year's continuous service, if completed by December 31st.
- (f) **An** employee with less than one year of continuous service will be paid a vacation allowance of 4% of their gross earnings.

Section 2

The last pay period in June of each year shall be considered the end of the vacation year for the purpose of computing vacation pay.

Section 3

The Company reserves the right to close the plant for a general vacations period and will announce its intentions with respect to such vacation period(s) not later than May 1st of each year. Any vacation shutdown scheduled during the months of July and **August** shall be for a maximum period of three (3) weeks.

Section 4 The Company may in respect of the fourth, fifth and sixth week of vacation as set out in Section 1 above, exercise an option to make payment for such week(s) in accordance with Section 1, in lieu of scheduling vacation time. Such option shall be exercised only with the agreement of the affected employee.

Section 5 It is agreed that if operating requirements necessitate any employee working during the general vacation period, the employee shall take vacation time off at some other agreed time, but all vacations shall be completed within the calendar year and will not be postponed from one year to another.

Section 6 An employee who qualified for four (4) or more weeks vacation will receive vacation pay equal to the applicable percentage rate of their gross earnings or pay for one hundred and twenty hours (120) at their straight time rate whichever is greater.

## ARTICLE 11

### SENIORITY

Section 1 The word "Seniority" as hereafter used is defined to mean length of continuous service from date of last hire at the Company's Port Hope, Ontario Plant.

Section 2 Seniority shall be established on a plant-wide basis

Section 3 In assessing employees for promotion to available positions within the bargaining unit the Company will include the following:

- (1) Qualifications to do the job
- (2) Length of continuous service from date of last hire in the plant.

It is agreed that no employee shall be considered for promotion unless:

- (1) Work exists for the employee in the higher classification or occupation.
- (2) The employee has the qualifications to perform the work of such higher classification.

When more than one employee has the qualifications for promotion to a higher classification, length of service shall be the governing factor.

Section 4 Operator and Non-Operator Classifications (Group B)

- (a) When it becomes necessary to reduce the number of employees in either the Pelleting operations or the Assembly (Bundle Assembly/Component

Assembly) operations, the employee with the least plant-wide seniority shall be laid off first, subject to the retained employee being able to meet the minimum requirements of the work available after a five (5) day familiarization period.

- (b) The employee so displaced, other than an employee in the janitorial classification, shall have the right to, if the employee wishes, displace an employee in the same or a lower rated job classification, plant-wide, and an employee so displaced in the janitorial classification shall have the right to, if the employee wishes, displace an employee in the same, lower or the 4B and 6B operator classification, plant wide, provided in each case:
  - i) the employee has the skill and ability to perform the work
  - ii) the employee has more plant-wide seniority than the employee being displaced.
  - iii) The employee can meet the minimum requirements of the work available within five (5) working days.
- (c) When it becomes necessary to reduce the working force, in other than the operator classifications, the employee with the least plan-wide seniority shall be laid off first, subject to the retained employees being able to meet the normal requirements of the work available. Employees so displaced shall be subject to the provisions of Section 4 (b) above.

#### Section 5

#### Skilled Classifications (Group A)

- (a) When it becomes necessary to reduce the working force in this category, the employee with the least plant-wide seniority shall be laid off first, subject to the retained employee being able to meet the normal requirements of the work available.
- (b) The employee so displaced shall have the right to, if the employee wishes, displace an employee in the same or a lower rated job classification plant-wide, provided that the employee has the skill and ability to perform the work and has more plant-wide seniority than the employee being displaced, subject to the retained employee being able to meet the minimum requirements of the work available after a five (5) day familiarization period.

#### Section 6

The Company will notify the Union of lay-offs before they occur.

#### Section 7

- (1) Persons shall be recalled from lay-off in order of their seniority provided

they are able to meet the normal requirements of the work available.

- (2) The Company may recall persons from lay-off without regard to seniority for short term employment subject to the following:
  - i) The more senior person could not be contacted by telephone within a two (2) day period.
  - ii) The next most senior person shall be contacted.
  - iii) The Company shall notify the Union when recalling out of seniority.

### Section 8

New employees and those rehired after losing seniority rights shall be regarded as probationary employees for the first forty-five (45) worked days and shall have no seniority rights during such period and are not subject to the terms of this Agreement. Such probationary employees may be removed from the payroll at any time by the Company and there will be no recourse to the Grievance procedure nor will any action be taken by the Union. Probationary employees continuing in the service of the Company after such forty-five (45) worked days shall receive full seniority from the date of last hire.

New hires laid off prior to completion of their forty-five (45) day probationary period and rehired within thirty (30) days, shall receive service credits for the time worked.

### Section 9

- (a) An employee's seniority shall be lost for the following reasons:
  - (1) Discharge for just cause.
  - (2) Quitting voluntarily
  - (3) Failure to report for work within one week from the date of notification to return to work after lay-off . Such notification shall be sent by registered mail to the employee's last known address that is on file with the Company. It shall be the responsibility of the employee to notify the Company of all changes of address. A copy of all such correspondence shall be furnished to the President of the Union. However, if the laid-off employee notifies the Company within such one week of their intentions to return and does return to work within three (3) additional working days, then the employee shall retain their seniority.
  - (4) (a) Absence from work for three (3) or more consecutive working days without notification to the Company unless there is a justifiable reason .

- (4) (b) A laid off employee shall maintain seniority rights for twenty-four (24) months.
- (5) Engaging in gainful employment during a leave of absence unless so specified in the leave of absence.

Section 10

- (a) The Company will furnish a correct Seniority List to the Union within ten (10) days after the signing of the Agreement. The Employer further agrees to give the Union an up-to-date Seniority List every six months during the life of this Agreement.
- (b) Each January, the Company will send to the Union office and to the Recording Secretary of Local 14193, a list of the employees showing their Seniority, Classification, Wage Rate, Address and Telephone Number. In the event that any employee requests that their address or telephone number not be included in this list, the Company shall delete such information from the list with respect to the employee making such request.

Section 11

Any employee who has been transferred to any position outside the Bargaining Unit shall retain seniority while in such position for a period not to exceed nine (9) months from the date of such transfer. If, within the nine (9) month period, such employee is returned to any job within the Bargaining Unit, the employee shall be re-instated with his seniority as computed from the date of last hire by the Company to the date of such transfer outside of the Bargaining Unit.

Section 12

The President, Chief Steward, Financial Secretary and the Recording Secretary, notwithstanding their position on the seniority list, will be retained in the bargaining unit in the event of a work shortage subject to the following conditions.

- (1) that the employee has the skill and ability to perform the work which is available;
- (2) that the employee has occupied the Union position for a period of thirty (30) calendar days prior to any notice of lay-off being issued;
- (3) that the employee has been in the service of the Company in the bargaining unit for a period of not less than one year.

Section 13

The Company may make temporary transfers within the Plant for a period not to exceed Thirty (30) working days provided the employee so transferred suffers no reduction in wages. The Company will use skill, ability and seniority in assessing employees for such transfers.

Section 14

- (a) The Company agrees to post all permanent vacancies as they may occur.
- (b) In assessing employees to fill vacancies within the bargaining unit, the Company will include the following:
  - i) Qualification to do the job
  - ii) Length of continuous service from the date of last hire



- (c) In the event that no employee applies for a posted position, the Company will endeavour to fill such vacancy with an employee having the least plant wide seniority.
- (d) Vacancies resulting from:
  - (i) employees being granted a leave of absence not in excess of 45 days; and
  - (ii) employees absent due to long term disability and workers compensation claims except where there is a medical opinion that it is unlikely that the employee will return to work, will be treated as temporary vacancies.

In the event of a temporary vacancy of more than 45 days duration, the job will be posted on the understanding that the returning employee shall have the right to return to that job. The last employee "in" will be the first employee "out" and will exercise his seniority in transferring to a new job. The Company will inform the Union of its plans to fill temporary vacancies as they occur. Notwithstanding the foregoing, in the event of an employee absent due to long term disability or workers compensation claim, the Company will not be required to treat such vacancy as a permanent vacancy until the 61st day of the absence if the Company has received a medical opinion that the employee is likely to return to work on or prior to the 60th day.

#### Section 15

Any employee may be laid off by the Company up to five (5) working days in each four (4) month period commencing with January 1st of each year, without regard to the seniority provisions of this Article. Laid off employee(s) may displace the employee(s) with the least seniority provided the employ— has the skills and ability to perform the work without training.

Time lost for the following causes will not be subject to the seniority provisions of the Agreement. Neither will it be counted in the five (5) day exception referred to herein:

- (a) Time lost by an employee during the annual vacation shutdown as a result of such employee's vacation entitlement being less than the shutdown period.
- (b) Time lost by an employee during days on which annual inventory is taken up to a maximum of two (2) days per calendar year.
- (c) Time lost by an employee due expressly to a shutdown caused by fire, lightning, flood or tempest, causing damage to the plant, or part of it, or its equipment.

#### Section 16

In the event of a plant closure, seniority employees and permanently laid off employees with ten (10) or more years of seniority are entitled to one (1) week's regular wages (exclusive of overtime) in respect of each year of employment to a maximum of twenty-six (26).

ARTICLE 12

COST OF LIVING

- Section 1 This Article shall remain inactive during the term of this agreement. No Cost of Living wage adjustments shall be made.
- Section 2 Following the release by Statistics Canada of the National All Items Consumer Price Index (hereinafter referred to as the CPI - base 1971 = 100) for April 1985, the Company shall compare such Index figures with the Consumer Price Index for January 1985. A cost of living allowance of one cent (\$ .01) for each full 0.34 points by which the April 1985 Index is higher than the January 1985 Index will be added to all Labour Grade Job Rates. Such cost of living allowance will be effective as of the commencement of the first pay period after the Index for April 1985, is published.
- Section 3 Following the release by Statistics Canada of the CPI for July 1985, the Company shall compare such July 1985 Index figures with the CPI for April 1985, and a cost of living allowance of one cent (\$ .01) for each full 0.34 points by which the July 1985 Index is higher than the April 1985 Index will be calculated. The amount by which the cost of living allowance calculated under this Section 2 exceeds the cost of living allowance which came into effect pursuant to Section 2 of this Article will be added to all Labour Grade Job Rates effective as of the commencement of the first pay period after the Index for July 1985, is published.
- Section 4 Following the release by Statistics Canada of the CPI for October 1985, the Company shall compare such October 1985 Index figures with the CPI for July 1985, and a cost of living allowance of one cent (\$ .01) for each full 0.34 points by which the October 1985 Index is higher than the July 1985 Index will be calculated. The amount by which the cost of living allowance calculated under this Section 3 exceeds the cost of living allowance which came into effect pursuant to Section 2 of this Article will be added to all Labour Grade Job Rates effective as of the commencement of the first pay period after the Index for October 1985, is published.
- Section 5 Following the release by Statistics Canada of the CPI for January 1986, the Company shall compare such January 1986 Index figures with the CPI for October 1985, and a cost of living allowance of one cent(\$ .01) for each full 0.34 points by which the January 1986 Index is higher than the October 1985 Index will be calculated. The amount by which the cost of living allowance

calculated under this Section 4 exceeds the cost of living allowance which came into effect pursuant to Section 3 of this Article will be added to all Labour Grade Job Rates effective as of the commencement of the first pay period after the Index for October 1985, is published.

Section 6 The total of the allowance to be paid under Section 1, 2, 3 and 4 above shall not exceed twenty-five cents (\$.25).

Section 7 The cost of living allowance established under this Article and under the terms of the previous Collective Agreement shall not be paid nor form the basis of payment for hours treated as overtime hours for which a premium is paid.

Section 8 The continuance of the cost of living allowance shall be contingent upon the availability of the relevant Statistics Canada Consumer Price Index in its present form and on the same base period of 1971 100.

### ARTICLE 13

#### UNION REPRESENTATION

Section 1 The Union may elect from among its members and the Company shall recognize four (4) stewards from the following areas:

Pelleting Area  
Bundle Assembly and Sub-Assembly Area  
Machine Shop, Maintenance, and other

One of the above stewards shall also be designated as the Chief Steward.

It is understood that these stewards may, at times, by the nature of their work, shift from one area to another. In cases where a steward is not available in any one area, the Chief Steward may act on their behalf. If the necessity for additional stewards should arise, due to an increase in the bargaining unit, the parties agree to meet to discuss the need for additional stewards. The Union will furnish to the Company and maintain an up-to-date certified list of all Union officers, committeemen and stewards. The Company will do likewise as to its supervisors.

Section 2 The Union acknowledges that Union Stewards, Committeemen or Union Officials will continue to perform their regular duties on behalf of the Company and that they shall report to their Supervisor and obtain permission, which shall not be unreasonably withheld, before leaving their jobs for the purpose of handling grievances in Steps 1, 2 or 3 or Article 14 and shall make known their destination and shall report again to their Supervisor at the time of their return.

Section 3 The Union agrees not to conduct Union business or solicitations on Company

time or property except as provided in this Agreement

Section 4

The Company agrees to allow three (3) members of the Negotiating Committee the day off work with pay on each day the Committee is to meet with members of Management for the purpose of renewing the Collective Agreement.

ARTICLE 14

GRIEVANCE PROCEDURE

Section 1

All grievances and other disputes arising out of the interpretation and application of the terms of this agreement shall be dealt with in accordance with the following procedure:

Step 1: Grievances first shall be presented to the Supervisor involved within five (5) working days of its inception or occurrence, either by the aggrieved employee or by the aggrieved employee and their steward. The Supervisor shall give an answer to a grievance submitted to him in not more than five (5) working days.

Step 2: If the grievance is not satisfactorily adjusted by the Supervisor, it shall be then put in writing in triplicate over the signature of the aggrieved employee and their steward. The steward shall then present the grievance to the Supervisor's immediate supervisor within three (3) working days by giving him two (2) copies of the written grievance. The Supervisor's immediate supervisor shall give a written decision to the steward who presented the grievance to him within three (3) working days.

Step 3: If the grievance is not satisfactorily adjusted in Step 2, it shall be presented to the Grievance Committee within five (5) working days. The Grievance Committee shall consist of three (3) Union members who are employees, and representatives of the Company. At the request of the Union, a staff representative of the Union may be present at such meeting. The Company shall give an answer in writing to the Union within ten (10) working days following such meeting. It is understood that any general grievance involving the interpretation or application of any provision of this Agreement, wherein, no specific employee covered by this Agreement is involved, shall be processed beginning with Step 3 of the grievance procedure. In the event that the Union does not elect to take a grievance to Step 4 within five (5) working days after the decision has been made at Step 3, the grievance

shall be deemed to have been settled unless otherwise mutually agreed to.

- Step 4: (a) (i) Failing settlement under the Grievance Procedure set forth above of any grievance between the parties or any employee's grievance, arising from the interpretation, application, non-application or violation of any of the provisions of this Agreement, including any question as to whether a matter is arbitrable, such may be referred to arbitration by either party serving notice in writing to the other within thirty (30) calendar days from the receipt of the decision in Step 3. Within seven (7) working day of the notice of the election to arbitrate the parties shall select an arbitrator.
- (ii) In the event that the parties cannot agree on an arbitrator, the Federal Department of Labour, upon application of either of the parties hereto, shall appoint the arbitrator.
- (b) The decision of the arbitrator with respect to matters coming within the jurisdiction of the arbitrator pursuant to the provisions of this agreement, shall be final and binding on both parties hereto.
- (c) The arbitrator shall not have the power to add to or subtract from, or modify any of the terms of this agreement, or any agreement supplemental hereto, or to pass upon any controversy arising from the demand of the Union to increase any wage rates prevailing at the time, nor to set or change rates or jobs provided herein.
- (d) Each party shall bear its own expense with respect to preparation and presentation of the matter to arbitration, and both parties shall bear equally the expenses of the arbitrator, including his fee, if any.

## Section 2

It is understood and agreed that any grievance must be filed with the Company within five (5) working days from the date of its occurrence or inception, or the right to process a grievance is waived. It is further agreed that in the event the employer does not give an answer to a grievance within the time limits set forth in Steps 1, 2, 3 and 4 of the Grievance Procedure, 'the Union may file the grievance in the next succeeding step. Any grievance not appealed or referred by the Union to the next appropriate step within the time limits specified in Steps 1, 2, 3 and 4 of the Grievance Procedure shall be considered settled on the basis of the last decision given by the Company and shall not be subject to further consideration.

Section 3 The grievance and arbitration procedure may be invoked by the company, in which case the grievance shall be processed beginning with Step 3. For such purposes, the provisions of this Article 14 shall be read and construed with the necessary changes.

## ARTICLE 15

### DISCHARGE AND SUSPENSION

Section 1 Employees are subject to discharge or suspension for just cause. Where any discharge or suspension action is taken and the affected employee feels that the employee has been unjustly dealt with, the employee shall have the right to submit their case to the Grievance Committee for Review and it shall be processed beginning with Step 3 of the Grievance Procedure as provided for in this Agreement.

Such suspension or discharge grievance may be settled:

- (a) By confirming the Management's action in suspending or dismissing the employee, or
- (b) By reinstating the employee with full compensation for time lost, or
- (c) By any other arrangement which is just and equitable in the opinion of the parties or the Arbitrator.

Section 2 If a grievance concerning a discharge or suspension action is not tiled in writing within five (5) working days from the date of such action, then the action taken by the Company shall be considered final and the case closed.

Section 3 In the case of discharge or suspension a Union Steward will be present with the Employee. As well, the discharged or suspended employee will be given the opportunity to discuss the matter with the Union Steward before leaving the Company premises. The designation of the time and place of such meeting shall be subject to the discretion of the Company and shall be held during the working hours on the day of the discharge or suspension.

Section 4 Subject only to the provisions of Article 4 Section 2, the Company will furnish in writing the reason(s) for the discharge or suspension action to the employee and the Union.

## ARTICLE 16

### LEAVE OF ABSENCE

Section 1 Leaves of Absence without pay may be granted by the Company for legitimate reasons

provided the requirements of the plant permit. Such permission shall not be unreasonably withheld. An employee on such leave of absence shall not be considered on the active payroll and shall not receive holiday or vacation pay or be entitled to Company benefits. Seniority entitlements shall accrue during such leave.

Section 2 Time off without pay for legitimate reasons (personal matters beyond the employee's control) for one (1) week or less is considered as excused absence. In such cases, the employee must arrange notification to the Company as soon as possible, stating the reasons for the absence and when he expects to return. If such a leave should extend beyond one (1) week, then the employee must request a leave of absence as provided in Section 1 of this Article.

Section 3 Employees who are members of the Union, who are required to attend a Union convention or other functions on behalf of the Union necessitating a leave of absence, shall upon application be granted such leaves without pay. The following conditions shall apply:

- (a) Not more than sixty (60) days total per year will be granted
- (b) Not more than three (3) employees will be granted leave at any one time.
- (c) Not less than five (5) days notice will be given by the employee prior to the projected start date.

Employees qualifying under paragraph (a), (b), and (c) above will be paid directly by the Company at straight time for up to eight (8) hours per day, and the Union will reimburse the Company within thirty (30) days.

Vacation credits shall be given for such leaves of absence and seniority shall accrue

The Union agrees that, except for leaves for negotiation purposes, the Company may withhold requested leaves if any leave(s) so requested in respect to any job or area interferes with the normal operating requirements of the Company. The Company agrees that it shall not unreasonably withhold its consent to any requested leaves.

Time spent by an employee on preparation and processes in connection with the re-negotiation of this Agreement and time spent at Arbitration hearings, shall not be subject to (a), (b) or (c) above.

Section 4 Employees failing to return to work upon the expiration of a leave or excused absence shall be considered as having quit voluntarily unless a satisfactory reason is provided within three (3) days after the expiration date.

Section 5 (a) Employees will be granted:  
(i) up to five (5) working days leave of absence without loss of pay to attend the funeral in the event of a death of the employee's spouse or dependent child;

- (ii) up to three (3) consecutive working days leave of absence without loss of pay to attend the funeral in the event of a death in the employee's immediate family. The time to be paid for may be any three (3) consecutive working days from the day of death through the calendar day after the funeral inclusive. It is understood immediate family will include the employee's non-dependent children, brother, sister, father, mother, father-in-law, mother-in-law, grandson and granddaughter; and
- (iii) Payment will be made for one (1) day's absence to attend the funeral in the case of the death of grandfather, grandmother, brother-in-law, sister-in-law, grandfather-in-law, grandmother-in-law, uncle and aunt.
- (b) If an employee is unable to attend the funeral in the event of a death in the employee's immediate family, the employee will be granted one day off with pay for bereavement.

Section 6 The Company agrees to reimburse any employee called for Jury Duty or subpoenaed as a Crown Witness the difference between any fees received and the employee's basic eight (8) hours pay at straight time rates for any time lost during the employee's regular work week. This is provided, however, he reports to work whenever he is not actively serving on the Jury or testifying as a Crown Witness.

Section 7 Leave of Absence without pay may be granted to employees who are elected or appointed to office for international union work for a period of up to one (1) year. Such employee's seniority standing will accrue for the duration of the leave. Upon expiration of such leave, the employee will be provided with re-employment on the basis of their continuity of seniority in their former position or in a similar position at the rate prevailing at the time of such re-employment. An employee on leave shall arrange for their own benefit coverages. Not more than one (1) employee shall have the benefit of this provision at any particular time and the Union shall give the Company as much prior notice as possible.

## ARTICLE 17

### NO STRIKE OR LOCKOUT

Section 1 In view of the orderly procedure established in this Agreement, the Union agrees that neither it nor any of its officers, representatives, or Union members shall, during the life of this Agreement take part in, call, countenance, or encourage any strike, sitdown, slowdown, or curtailment of any of the Company's operations or picket any of the Company's premises, or otherwise restrict or interfere with the company's production.

Section 2 The Company agrees that during the life of this Agreement, it will not engage in any lockout of its employees.



ARTICLE 18

SAFETY

Section 1 The Company shall continue to make reasonable provision for the safety and health of its employees at the plant during the hours of their employment. The Company shall continue to provide proper safety devices for all employees working on hazardous or unsanitary work and no employees will be required to work on a hazardous job without proper equipment. The parties recognize that the observance of all safety regulations and the maintenance of good working conditions are in the best interest of all employees.

Section 2 All employees must submit to a pre-employment examination and a periodic re-examination by the Company doctor upon request of the Company on a basis consistent with the Company's occupational health policies of general application as established by the Company from time to time.

- (a) As part of the examination, all Employees will receive an SMA-12 or equivalent blood test and in the case of all Employees 50 years of age or over the blood tests will also include a test for prostate cancer, unless the employee shall decline such test in writing.
- (b) Any employee offshift will be paid a minimum of one (1) hour at the premium rate of 1 1/2 times his hourly rate for re-examination.
- (c) If an employee has been referred for further medical examination which is determined to be work related, the Company will pay any loss of time at work relating to the examination which is not covered by workers compensation

Section 3 If through injury at work, it is found necessary to remove an injured employee from the plant, the employee will be paid for the balance of his regularly scheduled shift. The Company will arrange for appropriate transportation in cases of accident.

Section 4 The total understanding between the parties regarding Safety and Health is set out in Appendix "C" to this Agreement.

ARTICLE 19

GENERAL PROVISIONS

Section 1 The modification or abrogation of any portion of this agreement by the enactment of any law or by the action of any governmental authority shall not abrogate any other of the provisions thereof.

Section 2 The waiver by either party of any provisions or requirements of this agreement shall not be deemed a waiver of such provisions or requirements for the future, and shall not constitute a modification of this Agreement.

- Section 3 This contract represents complete collective bargaining and full agreement by the parties in respect to rates of pay, wages, hours of employment, or other conditions of employment, which shall prevail during the term hereof.
- Section 4 Upon proof of purchase, trade employees will receive up to fifty dollars (\$50.00) per year for the replacement of damaged or worn tools.
- Section 5 Words imparting the masculine gender shall extend to the feminine gender unless the context otherwise requires.
- Section 6 The Agreement on Pensions and the Agreement on Benefits although not forming part of this hooklet, are a part of the Collective Agreement.
- Section 7 The Company will not contract out work which Bargaining Unit employees can perform if such contracting out would result in the reduction of employees in the Bargaining Unit.
- Section 8 Technological Change
- (a) For the purposes of this article "Technological Change" means i) the introduction of equipment or material not previously utilized and ii) a change in the manner in which the Company carries on the work that is directly related to the introduction of that equipment or material. "Displacement" means lack of work within the affected employees' current job classification.
  - (b) This Article will have application when the Company introduces a technological change and such has the affect of displacing two (2) or more employees with seniority.
  - (c) Prior to the introduction of a technological change which will affect the terms, conditions or security or employment of a significant number of employees, being two (2) or more with seniority, the Company will give the union as much notice as possible and such notice will state:
    - i) The nature of the technological change
    - ii) The date upon which the Company plans to effect the technological change.
    - iii) The approximate number and classification of employees likely to be affected by the technological change.
    - iv) The effect that the technological change is likely to have on the terms and conditions or security of employment of the employees affected.
  - (d) The Company will provide a training period of up to ten (10) working days (which may be extended by agreement provided the affected employee has met the minimum skill requirements of the job within the ten (10) day period) to the

employees on the new or altered job, created or altered by the technological change who are thereby displaced provided that the Company has reasonable evidence that the employees have transferable skills which would enable them to meet the normal requirements of the job within such period.

- (e) In the event displaced employees fail to qualify for training or having qualified for training fail to meet the normal requirements of the job within the training period provided, they shall have recourse to the provisions of Article 11, Sections 4 or 5 as appropriate. regarding possible placement.
- (f) It is agreed that Sections 52, 54 and 55 of the Canada Labour Code do not apply in this regard.
- (g) **If** the technological change results in the introduction of a new job description, Article 8 shall apply.

#### Section 9

#### Humanity Fund

Each year on the anniversary date of the Collective Agreement, the Company will pay twenty dollars and eighty cents (\$20.80) times the number of Hourly employees to the United Steelworkers of America Humanity Fund on behalf of its employees on its active payroll. The Company said amount shall be forwarded to United Steelworkers of America, 234 Eglinton Avenue East, Toronto, Ontario, M4P 1K7 and the Company shall advise in writing both the Humanity Fund at the aforementioned address and the Local Union that:

- (a) such payment ~~has~~ been made;
- (b) the ~~amount~~ of such payment; and
- (c) the names of ~~all~~ employees in the Bargaining Unit on whose behalf such payment has been made.

#### ARTICLE 20

#### Duration

#### Section 1

This agreement shall become effective October 6, 1994 and shall remain in full force

and effect until July 31, 1996 and from year to year thereafter, unless either party desires to amend or abrogate this agreement and shall serve upon the other written notice within ninety (90) days prior to July 31, 1996, it desires to amend or abrogate this agreement and specifies such amendments.

In witness thereof the parties hereto have caused this instrument to be executed by their respective representative this 31<sup>st</sup> day of **January** 1995.

**ON BEHALF OF:**

ZIRCATEC PRECISION INDUSTRIES INC.

D. J. Merry  
D. J. Merry, Operations Manager

C. Anderson  
C. Anderson, Manager Pelleting

J.R. Sirtonski  
J.R. Sirtonski, Manager Assembly

**ON BEHALF OF:**

UNITED STEELWORKERS OF AMERICA, A.F. OF L., C.I.O. - C.L.C.

Local 14193

Elijah Slade  
E. Slade

G. McBride  
G. McBride

R. Stata  
R. Stata

**ON BEHALF OF:**

UNITED STEELWORKERS OF AMERICA

Ron Varley  
R. Varley

**APPENDIX "A-1"**  
**WAGE SCHEDULE AND JOB CLASSIFICATION**  
**EFFECTIVE MAY 25, 1994**

**GROUP B**

LABOUR GRADE	JOB CLASSIFICATION	START RATE	INITIAL RATE	AFTER 3 MONTHS	AFTER 6 MONTHS	AFTER 12 MONTHS
1B *		\$16.470	\$17.089	\$ --		
2B		16.521	17.140	17.267		
3B	Janitor, Monitor, Laundryman	16.735	17.377	17.512		
4B	Operator II	16.898	17.542	17.678		
5B		17.188	17.869	18.021		
6B	Receiver, Storekeeper	17.508	18.225	18.408		
	Truck Driver - Packer					
	Operator, Oxide Fuel Materials					
	Operator, Oxide Fuel Assembly					
	Operator, Sintering Furnace					
	Maintenance Assistance					
	Production Line Loader					
	Operator, Reactor Components Assembly					
7B		17.794	18.512	18.624		
8B	Operator, Beryllium	17.939	18.655	18.776		
	Operator, Waste Treatment					
	Operator/Welder, Reactor Component Assembly					
	Operator, Enriched Special Oxide Fuel Materials					
9B		18.194	18.935	19.087	19.181	
10B	Co-ordinator, Waste Treatment	18.551	19.294	19.529	19.696	

**APPENDIX "A-2"**  
**WAGE SCHEDULE AND JOB CLASSIFICATION**  
**EFFECTIVE MAY 19, 1995**

**GROUP B**

<b>LABOUR GRADE</b>	<b>JOB CLASSIFICATION</b>	<b>START RATE</b>	<b>INITIAL RATE</b>	<b>AFTER 3 MONTHS</b>	<b>AFTER 6 MONTHS</b>	<b>AFTER 12 MONTHS</b>
1B *		\$16.964	\$17.602	\$ --		
2B		17.017	18.654	17.785		
3B	Janitor, Monitor, Laundryman	17.237	17.898	18.037		
4B	Operator II	17.405	18.068	18.208		
5B		17.704	18.405	18.562		
6B	Receiver, Storekeeper	18.033	18.772	18.960		
	Truck Driver - Packer					
	Operator, Oxide Fuel Materials					
	Operator, Oxide Fuel Assembly					
	Operator, Sintering Furnace					
	Maintenance Assistance					
	Production Line Loader					
	Operator, Reactor Components Assembly					
7B		18.328	19.067	19.183		
8B	Operator, Beryllium	18.477	19.215	19.339		
	Operator, Waste Treatment					
	Operator/Welder, Reactor Component Assembly					
	Operator, Enriched Special Oxide Fuel Materials					
9B		18.740	19.503	19.660	19.756	
10B	Co-ordinator, Waste Treatment	19.108	19.873	20.115	20.287	

**APPENDIX "A-3"**  
**WAGE SCHEDULE AND JOB CLASSIFICATION**  
**EFFECTIVE MAY 25, 1994**

**GROUP A**

<b>LABOUR GRADE</b>	<b>JOB CLASSIFICATION</b>	<b>START RATE</b>	<b>INITIAL RATE</b>	<b>AFTER 3 MONTHS</b>	<b>AFTER 6 MONTHS</b>	<b>AFTER 12 MONTHS</b>
1A	Maintenance Mechanic Intermediate	\$18.193	\$18.935	\$ --	19.090	19.181
	Electrician, Assistant Maintenance					
2A	Toolroom Machinest	18.551	19.294	19.537	19.696	19.855
3A	Toolroom Machinist Senior	19.087	19.854	20.106	20.266	20.426
4A	Industrial maintenance Mechanic Millwright Toolmaker Machinist	19.718	20.510	20.753	20.911	21.070
5A	Tool and Die Maker	20.298	21.113	21.388	21.614	21.840
	Industrial Maintenance Electrician					
6A		20.836	21.669	21.892	22.162	22.436

**APPENDIX "A-4"**  
**WAGE SCHEDULE AND JOB CLASSIFICATION**  
**EFFECTIVE MAY 19, 1995**

**GROUP A**

<b>LABOUR GRADE</b>	<b>JOB CLASSIFICATION</b>	<b>START RATE</b>	<b>INITIAL URATE</b>	<b>AFTER 3 MONTHS</b>	<b>AFTER 6 MONTHS</b>	<b>AFTER 12 MONTHS</b>
1A	Maintenance Mechanic Intermediate  Electrician, Assistant Maintenance	\$18.739	\$19.503	\$ --	19.663	19.756
2A	Toolroom Machinest	19.108	19.873	20.123	20.287	
3A	Toolroom Machinist Senior	19.660	20.450	20.709	20.874	
4A	Industrial maintenance Mechanic Millwright Toolmaker Machinist	20.310	21.125	21.376	21.538	
5A	Tool and Die Maker  Industrial Maintenance Electrician	20.907	21.746	22.030	22.262	
6A		21.461	22.319	22.549	22.827	



APPENDIX "B"  
WAGE PROGRESSION

1. Wage progression shall have application to classifications within Groups "A" and "B" of Appendix "A".
2. In its application, wage progression shall be applied to all newly hire employees and in all cases of promotional transfer.
3. In the case of a newly hired employee, progression may be waived dependent upon the qualifications of the employee as determined by the Company.
4. Subject to paragraph 6. hereof, the Company shall afford each employee with the opportunity to become qualified in at least three production operations during the three months following that employee reaching the 4B full job rate.
5. Subject to paragraph 6. hereof, no employee shall progress from the 4B job rate to the initial rate of 6B until that employee has become qualified in at least three production operations.
6. The Company may elect to schedule an employee in a single production operation such that the employee is not provided with an opportunity to become qualified in other production operations as contemplated by paragraph 4. hereof, and in this case the employee's wage progression to the initial rate of 6B shall be automatic after three months following that employee reaching the 4B full job rate.

APPENDIX "C"

SAFETY AND HEALTH

1. The safety and health of employees is a major concern of the Company and the Union. The Company and the Union both have a responsibility and a desire to eliminate or reduce exposure of employees to accidental injury or to conditions detrimental to their health. It is the objective of the parties to ensure that no condition he allowed to exist in the workplace that is likely to cause injury or illness to its employees.
2. The Company and the Union agree to exert joint efforts to develop and maintain high standards of safety, health, and housekeeping in the workplace in order to prevent industrial injury and illness.
3. The Company will provide, without charge, such special protective clothing, equipment and devices as the Company determines are required for the purpose of preventing industrial injury and illness.
4. The Health and Safety Committee will he comprised of members as prescribed in the Canada Labour Code.

The number of members elected or appointed may he varied through consultation between the Company and the Union. Provided however, in the event that the regular monthly inspections referred to in paragraph 7, hereof typically *take* more than one hour, the Company shall have the unilateral right to reduce the number of bargaining unit employees participating in such inspections to three (3).

The parties agree it is preferable that the term for which members of the Committee are elected or appointed shall he staggered to ensure continuity.

5. The Safety and Health Committee is responsible for:
  - (a) promoting safety, good housekeeping and accident and industrial illness prevention measures;
  - (b) seeking the necessary information to properly identify
    - i) practices and procedures
    - ii) materials and equipmentthat may he a source of danger or hazard to employees;
  - (c) recommending to management

- i) accident prevention measures
  - ii) health protection measures
  - iii) programs promoting safety, health and good housekeeping;
- (d) maintaining and keeping minutes and records of its proceedings and making them available for examination by an inspector appointed under the Canada Labour Code or similar legislation; and
- (e) sending copies of minutes, recommendations, etc., to, among others, the Operations Manager, the Manager of Plant Engineering Services, the Union and to post such minutes on the Safety Bulletin Board(s).
6. The Safety and Health Committee will normally meet monthly except in the case of a month in which the Plant has been shutdown for the entire month; in this case, the monthly meeting need not be held.
7. The Safety and Health Committee will conduct a regular monthly inspection of the workplace. In order to make the most efficient use of time during such inspections, except in unusual circumstances, such inspections will be conducted by the Safety and Health Committee members divided into teams which teams will conduct inspections of separate areas of the Plant facility to avoid over-lap and duplication of effort. It is agreed that the inspection referred to herein shall not interfere with the regularly scheduled work of any employees or interfere with productivity in anyway.
8. Members of the Safety and Health Committee are entitled to such time from work as is necessary to attend the scheduled meetings of the Committee and to conduct the inspections outlined in 6 and 7 above without loss of wages for the time so spent.
9. The Company will provide the Safety and Health Committee with a copy of the following documents for each lost time accident:
- (a) the initial report to the Workers' Compensation Board;
  - and
  - (b) the Supervisor's Report of Accident.
10. The Company will post and keep posted in a conspicuous place, the names of the members of the Safety and Health Committee.
11. If an employee has reasonable cause to believe that an unsafe condition exists as a danger to himself or another employee
- (a) they shall immediately notify their supervisor;
  - (b) the supervisor in the presence of the employee shall investigate the matter and if it is

agreed that the condition is unsafe, the supervisor will take all necessary steps to correct the condition and attempt to provide alternate work for the affected employee until such condition is corrected. While alternate work is not available the affected employee will be paid at their hourly wage rate .

- (c) if the supervisor does not agree that the condition is unsafe, but the employee maintains that it is unsafe, the supervisor will notify the Operations Manager, or their representative, who will, without undue delay, notify Labour Canada and request an immediate investigation and decision by an inspector. The supervisor will also advise the Manager of the Safety Department. In the meantime, the supervisor will attempt to provide alternate work for the employee. If alternate work is not available the affected employee will be paid their regular wages. However, if the decision of the inspector is:
- i) the condition is safe, such employee will be returned to the job as soon as possible;
  - ii) the condition is unsafe, such employee will be returned to the job as soon as possible after the unsafe condition is corrected and will be compensated for any loss of regular wages.

12. The supervisor and the employee concerned are to be present during the investigation conducted by the inspector from Labour Canada as the result of the request outlined in 11(c) above. In addition, and provided they are available, the one (1) Company-appointed and the one (1) Union-appointed member of the Safety and Health Committee will be present during the investigation. The employee and such members in question are entitled to such time from work as is necessary to be present during the investigation, without loss of wages for the time so spent.
13. While an inspection is being conducted by an inspector from Labour Canada, the employee is to be accompanied by the supervisor (or their alternate) for each area that is inspected, as well as the one (1) Company-appointed and the one (1) Union-appointed member of the Safety and Health Committee. These two (2) members of the Safety and Health Committee are entitled to such time from work as is necessary to accompany the inspector without loss of wages for the time so spent.
14. The member of the Safety and Health Committee appointed by the Union designated in 12 and 13 above, shall be considered to be the employee authorized by a trade Union" or the "authorized representative referred to in the Canada Labour Code or similar legislation.

The "Operations Manager" means the senior supervisor responsible for production in the Plant, or a part thereof.

15. A copy of any decision or order or direction or report issued by an inspector from Labour Canada will be sent to the appropriate Safety and Health Committee, to the Union, and posted in a conspicuous location in the workplace.

16. The Company will issue a set of Safety Rules to each employee and, depending on the nature of their work, additional manuals such as:

- (a) Safe Practices for Crane Operations;
- (b) Safe practices for Electrical Testing;
- (c) Safe Practices for Fork Lift Truck Operations.

A copy of the Safety Rules and each such manual will be provided to the Union. The Union will actively encourage employees to observe the safety rules, practices and procedures outlined in the documents referenced above, which may be amended, cancelled and/or added to by the Company. The Company will advise the Union of any changes prior to issuing them to employees.

17. (a) The wearing of Company-approved safety toe protection is mandatory for employees whose regular work assignment is in an area designated as a toe protection area. For employees in such designated areas the Company will pay \$110.00 once per calendar year toward the cost of safety shoes approved by the Company.
- (b) Employees who are required to perform duties in both the Pelleting and Assembly Areas will be reimbursed for their first (1st) pair of safety shoes (\$110.00 maximum) required to enable them to work in the Pelleting Area. Reimbursement (\$110.00 maximum) toward the replacement of these safety shoes will be made on an "as needed" basis depending on physical condition and contamination level.
- (c) Employees who work in the Pelleting Area or Beryllium Room will be eligible for reimbursement of up to \$110.00 toward the purchase of a second pair of safety shoes if the first (1st) pair (purchased in the current year) become too contaminated to be serviceable.
18. Company-approved safety glasses will be required to be worn by all employees who work in or enter any area designated as an eye protection area. The Company's responsibility under this program will be to:
- (a) designate the type and style of safety frames and lenses;
  - (b) designate the opticians authorized to dispense prescription safety frames and lenses;
  - (c) provide at no employee cost (other than prescription and fitting costs), through designated opticians,
    - i) one (1) pair of safety frames and lenses,
    - ii) replacement safety frames and lenses, not more often than once every two (2) years, where an employee requires a change in prescription.
  - (d) provide "Plano" safety glasses for employees not requiring prescription glasses not more frequently than once every two (2) years;

- (e) provide visitors' safety glasses for employees and visitors entering an eye protection area who do not normally work in such an area;
- (f) request the Workers' Compensation Board to replace safety glasses broken or damaged as a result of work-related activity;
- (g) replace at no employee cost prescription safety frames or lenses(s) that have been broken or damaged as a result of work related activity, excepting breakage or damage, the replacement cost of which, is available to the employee from the Workers' Compensation Board.

The employee's responsibility under this program will be to:

- (a) provide a prescription from an ophthalmologist or optometrist;
- (b) pay for the lost, damaged, or replaced prescription safety glasses except as otherwise provided herein;
- (c) pay for "Plano" safety glasses that have been lost, broken, or damaged within two (2) years of issue, other than those damaged or broken as a result of work-related activity.

19. At the request of either party a meeting will be held at a mutually convenient time for the purpose of discussing matters related to the safety and health of employees. The party making a request for a meeting will supply to the other, at least three (3) working days in advance of the proposed meeting, a list of the topics to be discussed. Each party will send to the meeting not more than three (3) representatives.
20. Members of the Safety Committee shall be entitled paid absences to participate in up to five days training on safety related issues. Such training programs shall be determined by the Safety Committee.
21. If a representative from Workers' Compensation attends the premises to evaluate or modify a job to facilitate a return to work of an injured employee, the Union's Compensation Representative and a Company representative will accompany the Compensation Representative.

**LETTER OF UNDERSTANDING  
BETWEEN  
ZIRCATEC PRECISION INDUSTRIES INC.  
PORT HOPE PLANT  
AND  
UNITED STEELWORKERS OF AMERICA  
AND ITS LOCAL 14193**

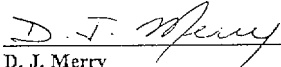
The parties have agreed upon the following administrative practice with respect to providing the benefit referred to in Plan D - Supplementary Medical Plan - Article 2 04(d) of the Benefits Plan:

1. Effective January 5, 1995 the Company will, upon the Employee providing proof of payment, reimburse the Employee for the full cost of services provided by a licensed Chiropractor, after the coverage for such services afforded by a government hospital or health plan in the Employee's home province has been exhausted.
2. Employees who have incurred costs relating to such services prior to January 5, 1995 will, upon the Employee providing proof of payment, be reimbursed for up to \$10.00 per visit for any charges made by a licensed Chiropractor in addition to or excess of coverage provided by a government hospital or health plan in the Employee's home province.

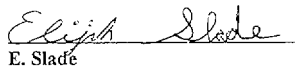
Date: 20 January, 1995

**ZIRCATEC PRECISION INDUSTRIES INC.**

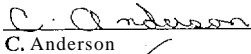
**UNITED STEELWORKERS OF  
AMERICA, LOCAL 14193**

  
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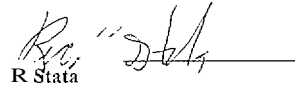
D. J. Merry

  
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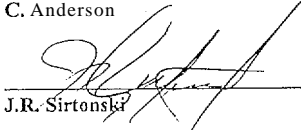
E. Slade

  
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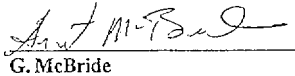
C. Anderson

  
\_\_\_\_\_

R. Stata

  
\_\_\_\_\_

J.R. Sirtonski

  
\_\_\_\_\_

G. McBride

**UNITED STEELWORKERS OF  
AMERICA**

  
\_\_\_\_\_

R. Varley

LETTER OF UNDERSTANDING  
BETWEEN  
ZIRCATEC PRECISION INDUSTRIES INC.  
PORT HOPE PLANT  
AND  
UNITED STEELWORKERS OF AMERICA  
AND ITS LOCAL 14193

Payment of Pro Rata Bonus

For all employees who commenced their employment with the Company after the payment of the cash bonus in 1994, who have satisfactorily completed their probationary period, a cash bonus will be paid in amount equal to:

(A) the Gross Amount less (B) an amount equal to the number of pay periods following the Payment Date which passed prior to the particular employee commencing employment multiplied by the product of dividing the Gross Amount by 26.

For all purposes hereunder, the "Gross Amount" shall be the amount of the cash bonus otherwise payable calculated on the particular employee's initial rate of pay.

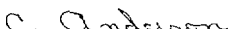
For all purposes hereunder, the "Payment Date" shall be May 25, 1994

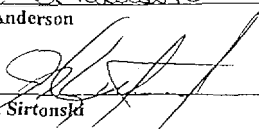
This cash bonus shall be paid on or before February 28, 1995

Date: 20 January, 1995

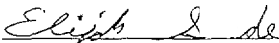
ZIRCATEC PRECISION INDUSTRIES  
INC.

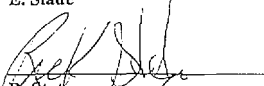
  
\_\_\_\_\_  
D. J. Merry


  
\_\_\_\_\_  
C. Anderson

  
\_\_\_\_\_  
J.R. Sirtanski


UNITED STEELWORKERS OF  
AMERICA, LOCAL 14193

  
\_\_\_\_\_  
E. Slade

  
\_\_\_\_\_  
R. Stafa

  
\_\_\_\_\_  
G. McBride

UNITED STEELWORKERS OF  
AMERICA

  
\_\_\_\_\_  
R. Varley



LETTER OF UNDERSTANDING

BETWEEN

ZIRCATEC PRECISION INDUSTRIES INC.  
PORT HOPE PLANT

AND

UNITED STEELWORKERS OF AMERICA  
AND ITS LOCAL 14193

It is hereby understood and agreed that in recognition of individual special circumstances, the Company has agreed that where the cost of diabetic supplies reasonably incurred in line with prudent medical practice exceeds the \$700.00 annual limit, the Company will pay the full amount of the costs incurred notwithstanding the \$700.00 annual limit of general application.

Date: 6 OCTOBER 1994

Date: \_\_\_\_\_

ZIRCATEC PRECISION INDUSTRIES INC.

UNITED STEELWORKERS OF  
AMERICA, LOCAL 14193

C. Anderson  
C. Anderson

E. Slade  
E. Slade

J. R. Sidtowski  
J. R. Sidtowski

R. Stata  
R. Stata

G. McBride  
G. McBride

UNITED STEELWORKERS OF  
AMERICA

R. Varley  
R. Varley

LETTER OF UNDERSTANDING  
BETWEEN  
ZIRCATEC PRECISION INDUSTRIES INC.  
PORT HOPE PLANT  
AND  
UNITED STEELWORKERS OF AMERICA  
AND ITS LOCAL 14193

it is hereby understood and agreed, that the Company will reimburse employees for the cost of patent medicine not covered under this plan if such medicine is prescribed by a medical doctor.

Date: 6 JANUARY 1995

ZIRCATEC PRECISION INDUSTRIES INC.

D. J. Merry  
D. J. Merry

C. Anderson  
C. Anderson

J. R. Siftonski  
J. R. Siftonski

Date: Jan. 20, 1995

UNITED STEELWORKERS OF  
AMERICA, LOCAL 14193

Elijah Slade  
E. Slade

Rex Stata  
R. Stata

Paul M. McBride  
G. McBride

UNITED STEELWORKERS OF  
AMERICA

R. Varley  
R. Varley

LETTER OF UNDERSTANDING  
BETWEEN  
ZIRCATEC PRECISION INDUSTRIES INC.  
PORT HOPE PLANT  
AND  
UNITED STEELWORKERS OF AMERICA  
AND ITS LOCAL 14193

It is hereby understood and agreed that Company pension contributions to laid off employees as per the collective agreement will discontinue while the Supplementary Unemployment Benefit Program is in effect. Employees laid off during this period will not receive company pension contributions.

If employees are recalled, the pension contributions will be made up for the laid off period.

Date: 6 JANUARY 1995

ZIRCATEC PRECISION INDUSTRIES INC.

D. J. Merry  
D. J. Merry

C. Anderson  
C. Anderson

J. R. Sirtowski  
J. R. Sirtowski

Date: Jan. 20/95

UNITED STEELWORKERS OF  
AMERICA, LOCAL 14193

Elijah Slade  
E. Slade

R. Gata  
R. Gata

G. McBride  
G. McBride

UNITED STEELWORKERS OF  
AMERICA

R. Varley  
R. Varley

LETTER OF UNDERSTANDING  
BETWEEN  
ZIRCATEC PRECISION INDUSTRIES INC.  
AND  
UNITED STEELWORKERS OF AMERICA  
LOCAL 14193

It is hereby understood and agreed as follows with respect to the Plan G - Supplemental Unemployment Insurance Benefits (S.U.B.):

1. The language of the Collective Agreement does not accurately reflect the Company's interpretation of the agreement on the mechanics of the S.U.B. Benefit.
2. A S.U.B. Plan as set out in Schedule A to this Letter will be registered with the appropriate Federal authorities and such S.U.B. Plan as accepted by such authorities for registration (the "Registered Plan") shall describe the S.U.B. Plan benefit for the Bargaining Unit employees for the term of the current Collective Agreement.
3. The Registered Plan does not reflect the Company's position on the S.U.B. Benefit and the Registered Plan is intended as a compromise position which will permit the registration of an effective plan. The Company's position on the S.U.B. Benefit is as set out in Schedule B to this letter.

Letter of Understanding  
- Plan G - S.U.B. Benefits

Page 2  
PH1-5782.95

Date: MARCH 14, 1995

ZIRCATEC PRECISION INDUSTRIES INC.

D. J. Merry  
D. J. Merry

C. Anderson  
C. Anderson

J. R. Sirtowski  
J. R. Sirtowski

Doc. PH1-5782.95

Date: March 14/95

UNITED STEELWORKERS OF  
AMERICA, LOCAL 14193

E. Slade  
E. Slade

R. Stata  
R. Stata

G. McBride  
G. McBride

UNITED STEELWORKERS OF  
AMERICA

Ron Varley  
R. Varley

SUPPLEMENTAL UNEMPLOYMENT BENEFIT (S.U.B.) PLAN  
FOR  
HOURLY EMPLOYEES OF  
ZIRCATEC PRECISION INDUSTRIES INC.  
NUCLEAR PRODUCTS DEPARTMENT  
PORT HOPE, ONTARIO

1. General

The Company undertakes to implement a S.U.B. Plan for its Hourly employees to supplement unemployment insurance benefits paid by the Canada Employment and Immigration Commission for unemployment caused by a shortage of work.

2. Eligibility

Full-time, permanent, Hourly employees of Zircatec precision Industries Inc., Local 14193, United Steelworkers of America, Nuclear Products Department, Port Hope are eligible for benefits under the S.U.B. Plan in the event of lay-off providing they meet the requirements set out under Section 5 - Registration, below.

3. Supplemental Unemployment Benefit (S.U.B.)

The benefit level paid under this plan is set at ninety per cent (90%) of the employee's standard weekly after-tax wage. It is understood that in any week, the total amount of S.U.B., unemployment insurance gross benefits and any other earnings received by the employees will not exceed ninety per cent (90%) of the employee's standard weekly after-tax wage. The maximum number of weeks for which S.U.B. is payable during a lay-off is fifty-two (52).

4. Plan Duration

The plan will remain in effect from \_\_\_\_\_, 1995 until July 31, 1996.

5. Registration

A S.U.B. benefit under this Plan cannot be paid for any period of disqualification or disentitlement to U.I. benefits. Employees must apply for and be in receipt of U.I. benefits before S.U.B. payments become payable. Payment of S.U.B. will commence on a bi-weekly basis only when Zircatec Precision Industries Inc. has verified, through the Canada Employment and Immigration Commission, that the employee has received U.I. benefits.

SUPPLEMENTAL UNEMPLOYMENT BENEFIT (S.U.B.) PLAN  
FOR  
HOURLY EMPLOYEES OF  
ZIRCATEC PRECISION INDUSTRIES INC.  
NUCLEAR PRODUCTS DEPARTMENT  
PORT HOPE, ONTARIO

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3. Supplemental Unemployment Benefit (S.U.B.)

The benefit level paid under this plan is set at ninety per cent (90%) of the employee's standard weekly after-tax wage. It is understood that in any week, the total amount of S.U.B., unemployment insurance gross benefits and any other earnings received by the employees will not exceed ninety per cent (90%) of the employee's standard weekly after-tax wage. The maximum number of weeks for which S.U.B. is payable during a lay-off is fifty-two (52).

4. Plan Duration

The plan will remain in effect from March 14, 1995 until July 31, 1996.

5. Registration

A S.U.B. benefit under this Plan cannot be paid for any period of disqualification or disentitlement to U.I. benefits. Employees must apply for and be in receipt of U.I. benefits before S.U.B. payments become payable. Payment of S.U.B. will commence on a bi-weekly basis only when Zircatec Precision Industries Inc. has verified, through the Canada Employment and Immigration Commission, that the employee has received U.I. benefits.

6. Termination of Benefits

S.U.B. payments will cease to become payable to any employee on the earliest of the following dates:

- a) Effective date of recall as indicated to the employee in writing.
- b) Date U.I. benefits cease to become payable.
- c) Date Plan terminates.

Employees who refuse to return to work on recall or who fail to report other full-time employment will automatically become ineligible for S.U.B. payments under this Plan.

7. In addition to the S.U.B. Plan, the Company will also provide paid group life insurance.

8. Modifications

Zircatec Precision Industries Inc. will inform the Canada Employment and Immigration Commission of any changes agreed to in the plan between Local 14193 United Steelworkers of America and Zircatec Precision Industries Inc. within thirty days of the effective date of the change.

9. Vested Interest

Employees do not have a right to S.U.B. payments except for supplementation of U.I. benefits during the unemployment period as specified in the plan.

10. Other Income

Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

11. The plan is financed by the employer's general revenues.

12. Supplementary Medical and Dental Care

(a) Supplementary medical and dental care will be made available to laid off employees at no cost:

- (i) to the end of the month following the month in which an employee, with less than one year of pensionable service, was laid off, or
- (ii) to the end of the third month following the month in which an employee, with one or more years of pensionable service was laid off,

and thereafter at the cost of the employee on a cost reim-



bursement rate calculated by the Company (acting reasonably).

(b) Coverage is optional for either or both supplementary medical and dental.

13. In the event U.I.C. does not provide a S.U.B. Plan for Zircatec Precision Industries Inc., the negotiated S.U.B. Plan, Schedule 'A', will become a form of layoff assistance subject to U.I.C. regulations.

NAME: 6B

EMPLOYEE NUMBER: \_\_\_\_\_

1. Calculation of Bi-weekly S.U.B. Payment

Current bi-weekly gross \$ 1472.64

Less: Income taxes \$ 360.20

C.P.P. \$ 36.10

U.I.C. \$ 44.18

Current Take Home Pay \$ 1032.16

90% of Take Home Pay \$ 928.94

55% of UIC Insurable Earnings \$ 809.95 \*

Amount of Zircatec S.U.B. Payment \$ 118.99

\* Approximation - determined up to and including final pay period.

2. S.U.B. payment to commence after two week UIC waiting period. U.I.C. should be applied for immediately upon receipt of your Record of Employment Form on your final pay period.

3. In addition to the S.U.B. Plan, the company will also provide paid group life insurance. The company will discontinue pension contributions for the layoff period. In the event of a recall, the provisions of the Collective Agreement shall apply.

4. Supplementary medical and dental care coverage will be made available to you, by payroll deduction, at a cost of Medical \$??/month and/or Dental \$??/month. If you have less than one year's service, medical and dental care will be made available at no cost to the end of the month following the month in which you are laid off. If you have one or more year's of pensionable service, medical and dental care will be made available at no cost to the end of the third month following the month of layoff.

Please indicate which benefits you require.

Medical \_\_\_\_\_ Dental \_\_\_\_\_ Both \_\_\_\_\_

These benefits are for in-province expenses only and no coverage is available for out-of-country or out-of-province expenses.

I understand and accept the benefits and conditions provided in conjunction with the S.U.B. Plan.

Signature \_\_\_\_\_

Date \_\_\_\_\_

SUPPLEMENTAL UNEMPLOYMENT BENEFIT (S.U.B.) PLAN  
FOR  
HOURLY EMPLOYEES OF  
ZIRCATEC PRECISION INDUSTRIES INC.  
NUCLEAR PRODUCTS DEPARTMENT  
PORT HOPE, ONTARIO

1. General

The Company undertakes to implement a S.U.B. Plan for its Hourly employees to supplement unemployment insurance benefits paid by the Canada Employment and Immigration Commission for unemployment caused by a shortage of work.

2. Eligibility

Full-time, permanent, Hourly employees of Zircatec Precision Industries Inc., Local 14193, United Steelworkers of America, Nuclear Products Department, Port Hope are eligible for benefits under the S.U.B. Plan in the event of lay-off providing they meet the requirements set out under Section 5 - Registration, below.

3. Supplemental Unemployment Benefit (S.U.B.)

The benefit level paid under this plan is set at ninety per cent (90%) of the employee's standard weekly after-tax wage. It is understood that in any week, the total amount of S.U.B., unemployment insurance gross benefits and any other earnings received by the employees will not exceed ninety per cent (90%) of the employee's standard weekly after-tax wage. The maximum number of weeks for which S.U.B. is payable during a lay-off is fifty-two (52).

4. Plan Duration

The plan will remain in effect from \_\_\_\_\_, 1995 until July 31, 1996.

5. Registration

A S.U.B. benefit under this Plan cannot be paid for any period of disqualification or disentitlement to U.I. benefits. Employees must apply for and be in receipt of U.I. benefits before S.U.B. payments become payable. Payment of S.U.B. will commence on a bi-weekly basis only when Zircatec Precision Industries Inc. has verified, through the Canada Employment and Immigration Commission, that the employee has received U.I. benefits.

6. Termination of Benefits

S.U.B. payments will cease to become payable to any employee on the earliest of the following dates:

- a) Effective date of recall as indicated to the employee in writing.
- b) Date U.I. benefits cease to become payable.
- c) Date Plan terminates.

Employees *who* refuse to return to work on recall or who fail to report other full-time employment will automatically become ineligible for S.U.B. payments under this Plan.

7. In addition to the S.U.B. Plan, the Company will also provide paid group life insurance.

8. Modifications

Zircotec Precision Industries Inc. will inform the Canada Employment and Immigration Commission of any changes agreed to in the plan between Local 14193, United Steelworkers of America and Zircotec Precision Industries Inc. within thirty days of the effective date of the change.

9. Vested Interest

Employees do not have a right to S.U.B. payments except for supplementation of U.I. benefits during the unemployment period as specified in the plan.

10. Other Income

Payments in respect of guaranteed annual remuneration or in respect of deferred remuneration or severance pay benefits are not reduced or increased by payments received under this plan.

11. The plan is financed by the employer's general revenues,

12. Supplementary Medical and Dental Care

(a) Supplementary medical and dental care will be made available to laid off employees at no cost:

- (i) to the end of the month following the month in which an employee, with less than one year of pensionable service, was laid off, or
- (ii) to the end of the third month following the month in which an employee, with one or more years of pensionable service was laid off,

and thereafter at the cost of the employee on a cost reim-

bursement rate calculated by the Company (acting reasonably).

(b) Coverage is optional for either or both supplementary medical and dental.

13. In the event U.I.C. does not provide a S.U.B. Plan for Zircatec Precision Industries Inc.; the negotiated S.U.B. Plan, Schedule "A", will become a form of layoff assistance subject to U.I.C. regulations.

NAME : 6B

EMPLOYEE NUMBER: \_\_\_\_\_

1. Calculation of Bi-weekly S.U.B. Payment

Current bi-weekly gross	\$ <u>1472.64</u>
Less: Income taxes	\$ <u>360.20</u>
C.P.P.	\$ <u>36.10</u>
U.I.C.	\$ <u>44.18</u>
Current Take Home Pay	\$ <u>1032.16</u>
95% of Take Home Pay	\$ <u>980.55</u>
60% of UIC Insurable Earnings	\$ <u>883.58*</u>
Amount of Zircatec S.U.B. Payment	\$ <u>96.97</u>

\* Approximation - determined up to and including final pay period.

- 2. S.U.B. payment to commence after two week UIC waiting period. U.I.C. should be applied for immediately upon receipt of your Record of Employment Form on your final pay period.
- 3. In addition to the S.U.B. Plan, the company will also provide paid group life insurance. The company will discontinue pension contributions for the layoff period. In the event of a recall, the provisions of the Collective Agreement shall apply.
- 4. **Supplementary medical and dental care coverage** will be made available to you, by payroll deduction, at a cost of Medical \$??/month and/or Dental \$??/month. If you have less than one year's service, medical and dental care will be made available at no cost to the end of the month following the month in which you are laid off. If you have one or more year's of pensionable service, medical and dental care will be made available at no cost to the end of the third month following the month of layoff.

Please indicate which benefits you require.

Medical \_\_\_\_\_ Dental \_\_\_\_\_ Both \_\_\_\_\_

These benefits are for in-province expenses only and no coverage is available for out-of-country or out-of-province expensea.

I understand and accept the benefits and conditions provided in conjunction with the S.U.B. Plan.

Signature \_\_\_\_\_

Date \_\_\_\_\_

54