

Collective Agreement

Dated: 01 January 2000

Ending: 31 December 2002

Between:

Bonar Inc.

Burlington, Ont.

And:

**The Communications, Energy
& Paperworkers Union**

Local 1178

INDEX

<u>Article</u>	<u>t e n t s</u>	<u>Page</u>
	Agreement	3
	General Purpose of Agreement	3
1	Recognition and Membership	3
2	Work by Excluded Persons	4
3	Strikes and Lockouts	4
4	Union Security	5
5	Management Rights and Responsibilities	6
6	Hours of Work	7
7	Overtime	8
8	Wages	9
9	Paid Holidays	12
10	Vacations	13
11	Seniority	17
12	Grievance Procedure	20
13	Discharge and Disciplinary Procedure	23
14	Plant Rules	25
15	Leave of Absence	25
16	Safety and Health	28
17	Meal Allowance	29
18	Change of Work	29
19	Bulletin Boards	30
20	Copies of Agreement	30
21	Non-Employee Union Representatives	30
22	Benefit Plans	31
23	Clothing	34
24	Automation and Technological Change	34
25	Duration of Agreement	36

114(11)(02)

APPENDIX

A)	Schedule of Wages	40
B)	Plant Rules	49
C)	Lines of Progression	56
D)	Continuous Operation	59
E)	Cont' Op. 2 Crews	62
F)	12 Hr Shift Vacations	65

LETTERS

A)	Continuous	67
B)	Criteria for Overtime	70

LABOUR AGREEMENT

This Agreement by and between Bonar Inc. Burlington, Ontario, hereinafter called the Company, and the Communications, Energy & Paperworkers Union and it's Local 1178 of the CLC, hereinafter called the Union.

WITNESSETH that the parties hereto recognising their mutual interest in and responsibility for the successful operation of the company agree that it is the duty of the Employer and the Employees to promote at all times the progress of the plant by co-operating to the fullest extent in all matters having to do with the successful operation of the Company and

WITNESSETH that , in the pursuance of these objectives, it is expedient to enter into an agreement covering wages, hours of work, and working conditions as follows:

P R E A M B L E

GENERAL PURPOSE OF AGREEMENT

The General purpose of the agreement is in the mutual interest of the Employer and Employee, to provide for the operation of the plant hereinafter mentioned under methods which will further to the fullest extent possible the safety, welfare and health of the Employees, economy of operation, quality and quantity of output, cleanliness of plant and protection of property. It is recognized by the agreement to be the duty of the Company and the Employees to co-operate fully, individually and collectively, for the advancement of these conditions.

ARTICLE 1

RECOGNITION AND MEMBERSHIP

The Company recognizes the Union as the sole collective bargaining agent for all the Employees of the Paper Division of the Company at Burlington, save and except supervisor persons above the rank of supervisor, office, customer service and sales staff.

ARTICLE 2
WORK BY EXCLUDED PERSONS

The Union and Employer recognize that supervisors are excluded from the provisions of the Labour Contract and accordingly, it is improper for supervisors to do the kind of work which is done by those defined as Employees in the Contract. It is also recognized that for the practical and efficient operation of the plant, there are occasions when a supervisor may instruct by demonstration. Such occasions must be temporary in nature and must not result in the displacement or exclusion of Employees under the Contract.

Supervisory Employees may instruct plant personnel by demonstration when running-in new equipment, trouble shooting equipment or production problems and in training of new Employees.

Supervisory Employees may work on equipment for any of the following reasons:

1. Everyday repair work, involving equipment breakdown when plant maintenance personnel are not immediately available.
2. To operate equipment for production purposes but only if capable plant personnel are not available.

Supervisory Employees will only perform the work in items 1 and 2 above if steps have been taken to call in a maintenance or production person.

The Company will not contract out any repairs or maintenance work which is regularly performed by the Employees, for which the plant is equipped, for which crews are available, and which Employees are capable of doing.

ARTICLE 3
STRIKES AND LOCKOUTS

During the continuance of this Agreement, there shall be no strikes of any kind, stoppages of work, slowdown or any kind of interferences with, or interruption of the Company's busi-

ness by the Union or by the Employees and there shall be no lockouts by the Company.

ARTICLE 4
UNION SECURITY

Section 1. Present Members

All Union members in the bargaining unit must, as a condition of employment, maintain their membership in the Union for the life of this agreement to the extent of paying the periodic dues and initiation fees uniformly required of all Union members.

Section 2. New Members

New Employees must, as a condition of employment, join the Union after four hundred and eighty (480) hours of work (hours cumulative during life of this agreement).

Section 3. Union Dues

The Company will:

1. Have Employees sign a Union Dues Deduction Card when hired.
2. Deduct initiation dues at the point of completion of probation.
3. Thereafter deduct dues monthly from all persons with forty (40) or more hours worked in the month.
4. Provide a monthly list, showing whether deductions were made and reasons for not making deductions.
5. Indicate deductions on T-4 tax slips.
6. Remit dues within ten (10) days to the Union official designated.

The Union will:

1. Advise the Company in writing of any arrears in dues to be collected.
2. Advise in writing of any change in the amount of monthly deductions at least two (2) weeks in advance.
3. Save the Company harmless from any claim as a result of any Employees deductions directed to be made on behalf of the Union.

ARTICLE 5
MANAGEMENT RIGHTS AND **RESPONSIBILITIES**

Operating Control

a) Subject to the terms of this agreement, the Management of the plant shall retain the direction of the working force, including the right to hire, suspend, or discharge for cause, to assign the jobs, to transfer Employees within the plant, to increase or decrease their working force, to determine the production to be handled, produced or manufactured, the schedules of production and the methods, processes and the means of production are vested exclusively in the Company provided that this will not be used to any purpose of discrimination against any Employees, or for the purpose of avoiding the effects of the provisions of this agreement.

b) The Management reserves the right to determine and establish standards of performance for all machines and operations. Such standards shall be established on a basis of fairness and equity consistent with quality of workmanship, reasonable productivity of experienced and capable Employees, and the reasonable productive capacities of equipment.

Co-operation

a) The Union agrees to assist the Company in every way possible in maintaining friendly and harmonious relations between the Company and its Employees and between the Employees themselves.

b) The Union will assist the Company in its operations, endeavouring to reduce the cost of its manufacturing, improve the quality of the products, reduce absenteeism, reduce the complaints on products, and to co-operate on all branches of manufacture and generally assist the Company to produce satisfactory products.

c) The Company will assume responsibility for the proper maintenance of the equipment and the Employees will assume responsibility for the equipment being given proper care.

d) The Company agrees to provide for continuous work if at all possible, to provide proper working conditions, to co-operate

with Employees and the Union as much as possible, and endeavour to maintain friendly relationships and to see that Employees are fairly and justly treated in all cases.

e) The Company agrees to meet to inform the Union at least thirty (30) days in advance of any changes in job content that could affect the work force.

f) In the wording of this agreement the male gender will be considered to include the female gender except where the context of the language indicates that this should not be the case.

g) The Company agrees to post current provincial non discrimination legislation on the bulletin boards.

ARTICLE 6 HOURS OF WORK

a) Shift hours of work will be as follows:
Days 7:00 a.m. to 3:00 p.m.
Afternoons 3:00 p.m. to 11:00 p.m.
Nights 11:00 p.m. to 7:00 a.m.

b) A 20 minute lunch break will be provided each shift. Employees may be required to continue to supervise equipment and maintain services and equipment in operation during lunch or other breaks, and through shift changes. This shall be handled by staggered breaks and/or relief personnel

c) A 10 minute paid break will be provided during each 1/2 shift for employees on 3 shift, 5 day operations.

d) The regular work week for other than 7 day operations will be Monday to Friday, 8 hours per day, for a total of 40 hours per week.

e) The above times of starting and stopping shift hours and of break periods, may be changed at any time with mutual consent between the Company and the Union Committee

f) Work schedules for the following week shall be posted not later than the end of the day shift Wednesday.

ARTICLE 7
OVERTIME

Section 1 -Definition of Regular Straight Time Hourly Rate
The regular straight time hourly rate means an Employee's straight time hourly rate and does not include any shift, Lead Hand, Crew Co-ordinator, Job Instructor or any other premium.

The above definition does not exclude the Lead Hand, Crew Co-ordinator, and Job Instructor premiums from being paid on actual hours worked during overtime.

Section 2 -Overtime Premium Pay

a) Overtime at the rate of time and one half -

- i) for all work performed on Saturday
- ii) for all work in excess of the regular work week as defined in Article 6 of this agreement
- iii) for all hours worked outside of the regular starting and stopping times as defined in Article 6

b) Overtime at the rate of double time will be paid for all work performed on Sundays and paid holidays. However, should work be scheduled for Saturday but performed on a Sunday or a paid holiday at the request of the Employee, the rate of pay will be calculated as if the day worked was a Saturday.

Section 3 - No Duplication of Overtime Pay

Payment of overtime rates shall not be pyramided.

Section 4 - Relief Periods

A relief period of ten minutes will be allowed prior to commencement of any overtime which will extend two hours or more beyond the Employee's regular shift. In addition, such regular break periods as occur during the overtime hours may be observed. Those Employees engaged in continuous operations will be expected to take their breaks in the normal manner.

Section 5 - Shift Change

Any employee required to change shifts once the work schedule has started shall be given 24 hours notice of the shift change. 24 hours notice shall be defined as being 24 hours prior to the beginning of the new shift assignment. In the ab-

sence of notification above, overtime provisions shall apply for that shift.

Section 6 - Overtime Distribution

Inssofar as possible, the Company will give as much advance notice of overtime work. Any overtime work, including work during a paid holiday as per this agreement, will be on a voluntary basis and will be distributed as equitably as practical among the Employees who normally perform the required jobs, and in accordance with the overtime assignment rules agreed to by the Company and the Union. To ensure equitable distribution of overtime hours, a tabulation will be kept for each Employee, and rejections of overtime by an Employee will be included in the tabulation. This tabulation will be made available to the Union on a monthly basis. The tabulation will revert to zero at the calendar year end. However, if there are not enough qualified people to do the necessary work, the Company will have the right to choose or name the Employees in reverse order of seniority and those chosen cannot refuse unless for just cause and in such case the Company shall select those necessary and those chosen must do the required work. Refer to Mutual Letter of Agreement on Criteria for Overtime, Letter B.

**ARTICLE 8
WAGES**

Section 1 - Wage Rates

Wage rates as indicated in the attached appendix "A" shall constitute and form part of this Agreement.

Section 2 - Rate Changes

The rates on new job(s) shall be determined by negotiations between the Union and the Company, and when agreed to, the rate will be retroactive to the date of the change. Thirty (30) days notice will be given before any changes are made.

Section 3 - Rates for Lead hands, Crew Co-ordinators and Job Instructors

a) Lead Hand shall be paid a premium of \$1.00 per hour over the highest rate of their L.O.P.

b) Crew Co-ordinator shall be paid a premium of \$1.00 per hour over his regular rate while so acting.

c) Employees classed as Instructors shall be given a premium of 25 cents over the Employee's current hourly rate for the actual hours that the Employee is assigned as an Instructor to a trainee.

d) The appointment of Lead Hands, temporary replacements for salaried supervisors and Crew Co-ordinators shall be at the discretion of the Company.

Section 4 - Shift Premiums

a) A shift premium of 48 cents (year 3 - 50 cents) will be paid to afternoon shift Employees for all hours designated for the afternoon shift per Article 6 - Hours of Work.

b) A shift premium of 56 cents (year 3 - 60 cents) will be paid to night shift Employees for all hours designated for the night shift per Article 6 - Hours of Work.

c) Premiums set out in (a) and (b) above shall not be paid on hours designated when such hours are worked as a result of mutually agreed upon change in the hours of starting and stopping a regular shift, or on hours which are part of the regular day shift for a day worked.

d) Shift premium shall not be paid for any hours which are being paid for at an overtime rate, unless a full overtime shift is worked.

Section 5 - Call in Pay

a) Employees may be called in for work not as part of their scheduled day or shift in cases of emergency or necessity.

b) When Employees are called in for work which is not part of their regularly scheduled shift, they shall be paid at one-and-a-half times their straight time rate for the hours worked, or four (4) hours at straight time pay, whichever is greater.

c) When an Employee works overtime and he chooses to go home and return at some later time, then call-in pay will not apply. d) This clause does not apply to Employees called in one hour prior to their regular starting time.

Section 6 - Starting and Stopping of Work

a) Day workers shall be at their respective posts ready to begin work at the time their pay starts and shall not quit work in advance of the time their pay stops. For example, if an Employee's pay time is from 8:00 a.m. to 12:00 noon and from 1:00 p.m. to 5:00 p.m.; he shall be at his post ready to work at 8:00 a.m. and 1:00 p.m. and shall not quit work until 12:00 noon and 5:00 p.m. with exception of the rest periods.

b) If for any reason such as breakdown of equipment, unusual business conditions, lack of some special equipment, or on unbalanced operations, certain portions of the Plant will operate on a shift basis whenever necessary. If a worker is unavoidably prevented from reporting, he must give notice to a supervisor or their designate at least 2 hours before their shift is to start, except day shift where 1/2 hour notice will be sufficient.

c) In cases where an individual's replacement from the oncoming shift is late, the outgoing Employees are expected to co-operate in keeping the equipment operating until their replacement arrives. Any overtime obtained under these circumstances should be approved by obtaining a Supervisor's signature on the lime card.

d) In cases of shutdowns and startups, irrespective of equipment operated or shutdown, the shift rotation schedule in effect prior to the shutdown will continue unaltered as though days of shutdown had been worked.

Section 7 - Reporting for Work

An Employee who reports for work at the beginning of his scheduled shift and finds that his work schedule has been changed and he has not been notified of such change shall be given an opportunity of performing four (4) (6 hours for a person on 12 hour shifts) hours work as directed. If no work is available he shall be paid an equivalent of four (4) hours (6 hours for a person on 12 hour shifts) pay.

Section 8 - Rate Progression Step

In this agreement, the word 'month' will refer to one hundred and sixty (160) hours of time credits. Where an Employee

works overtime in their classification, overtime hours will also be counted as time spent on the job towards the next progression step.

ARTICLE 9
PAID HOLIDAYS

Section 1 - Eligibility for Payment

When any of the following holidays occur on a standard work day on which the Employees would otherwise have worked, the Company will pay each eligible Employee his payroll rate for the number of straight time hours the Employee would otherwise have worked on such paid holiday without requiring the Employee to render service during the period observed. An Employee is eligible for this payment who has completed his period of probation with the Company, and has worked his regular scheduled shift upon the last working day preceding such a holiday and his regular scheduled shift upon the first working day succeeding such a holiday. However, payment for this holiday will be made if the Employee worked sometime within sixty (60) days prior to the holiday(s) but is absent on the above days due to death in the immediate family, or has obtained prior written permission from the Management to be absent on those days. The Company will pay the difference between the regular statutory holiday pay and the Weekly indemnity payment for the statutory holiday if the absence on the holiday(s) was due to a verified illness (i.e.: Employee on Weekly Indemnity benefits), providing the entire duration of illness has not exceeded sixty (60) days at the time of the paid holiday.

Section 2 - Employee on Lay-Off

If a holiday occurs during the period when an Employee, who otherwise is eligible for holiday pay, is laid off, he shall receive pay for such holiday when he returns to work providing the entire duration of his lay-off has not exceeded thirty (30) working days.

Section 3 - Holidays During Vacation

If a paid holiday occurs during an Employee's vacation, he shall receive an additional days vacation with pay to be taken at a date mutually satisfactory to the Employee and management during the current vacation year.

Section 4 - Pay for Holidays Worked

Employees requested and willing to work on any paid holidays shall be paid at the rate of double-time for all hours worked plus holiday pay as per Section 1 of this Article.

Section 5 - Paid Holidays

The following shall be recognized as paid holidays:

	Year 1 <u>2000</u>	Year 2 <u>2001</u>	Year 3 <u>2002</u>
Good Friday	Apr. 21	Apr. 13	Mar. 29
Victoria Day	May 22	May 21	May 20
Canada Day	July 3	July 2	July 1
Civic Holiday	Aug. 7	Aug. 6	Aug. 5
Labour Day	Sept. 4	Sept. 3	Sept. 2
Thanksgiving Day	Oct. 9	Oct. 8	Oct. 14
Christmas Eve Day	Dec.27	Dec 24	Dec. 24
Christmas Day	Dec. 25	Dec. 25	Dec. 25
Boxing Day	Dec. 26	Dec. 26	Dec. 26
New Year's Eve Day	Dec. 29	Dec. 31	Dec. 31
New Year's Day	Jan 1/2001	Jan1/2002	Jan. 1/2003
Heritage Day	-Third Monday in February -		

ARTICLE 10
VACATIONS

Section 1 - Vacation Entitlement

The vacation periods are figured from May 1st to April 30th. Employees are entitled to one of the following vacation periods with pay depending on their length of service:

- a) Under one year's service as of April 30th, 1 day defined as 8 hours of vacation for each 168 hours worked (no half days awarded). Pay for this vacation will be 4 percent of the employee's gross earnings in the year proceeding April 30th.
- b) All employees with more than twelve months service, but less than 4 years service at April 30th will receive 2 weeks vacation.
- c) All employees with more than 4 years service, but less than 9 years at April 30th will receive 3 weeks vacation

- d) All employees with more than 9 years service but less than 20 years at April 30th will receive 4 weeks vacation.
- e) All employees with more than 20 years service but less than 27 years at April 30th will receive 5 weeks vacation.
- f) All employees with more than 27 years service at April 30th will receive 6 weeks vacation.
- g) Pay allotment for each week of vacation will be as follows:
 - (i) Forty hours per week or 2% of the employee's gross pay for the year preceding April 30th, whichever is the greater.
 - (ii) For employees working continuous operations (Appendix D or E) at the time their vacation starts; forty-two hours per week or 2% of the employee's gross pay for the year preceding April 30th, whichever is the greater.)
- h) Time allotment for each week of vacation will be as follows:
 - i) For those working a forty-hour week, forty hours per week."
 - ii) For employees working continuous operations (Appendix D or E) at the time their vacation starts; forty-two hours per week.

Section 2 -Vacation Eligibility

To be eligible for vacation, employees must have been employed continuously and have worked at least 900 hours of the full time hours available on their job in the 12 months immediately preceding the said May 1st. Employees who did not work at least 900 hours will be entitled to vacation in accordance with the Employment Standards Act only. Employees will receive prior to going on vacation the amount of money due them for vacation pay, in addition to the regular pay which they are due to receive at the time the vacation starts.

Periods of disability as recognized by the Worker's Compensation Board shall be considered as hours worked but shall cease to accumulate towards vacation eligibility after one (1) years absence. Periods of absence as a result of non-occu-

pational illness or accident, substantiated by a Doctor's certificate will be considered as hours worked but shall cease to accumulate towards vacation eligibility after six (6) months absence.

When Employees are off sick, their vacation schedule will be cancelled and rescheduled at a later date within the current vacation year. Vacation payments will be made not later than April 30th of the current vacation year.

Section 3 - Vacation Administration

The allotment of vacation time shall be at the discretion of the Management, but wherever possible, an Employee's wishes will be considered, and seniority will be the governing factor. Vacations must be taken in the vacation year and cannot be accumulated or advanced except by permission of Management.

The Plant will shut down for a two week period beginning at the end of shift #3 on the Friday two weeks prior to the annual Civic Holiday, and will recommence normal operations beginning with shift #1 immediately following the Civic Holiday.

In March of a given year, a posting will be made for a two-week period requesting volunteers to run specified equipment during the shut down period. Prior to April 1, the volunteers will be confirmed and if openings exist, the most junior qualified employees will be appointed and immediately confirmed. Those employees so appointed will be offered an alternate two weeks in the July to August period if they wish. Vacation schedules will be determined in April, and are to be published prior to May 1st and no changes will be made after this date unless mutually agreed to.

In order to facilitate the scheduling of vacations and operations throughout the summer months, Management can employ temporary help. Temporary help would only be used in the event that there are no Employees on lay off. Such temporary employees will not accumulate seniority or be eligible for benefit coverage.

The vacation shut down will not effect scheduling of the third, fourth, fifth and sixth weeks or the supplementary vacation that the Employees are entitled to.

Section 4 - Supplementary Vacation

An Employee who is eligible to receive vacation with pay, will receive beginning in the calendar year in which he will complete twenty-five (25) or more years of continuous employment and in which he will reach

60 years of age	-	1 week
61 years of age	-	2 weeks
62 years of age	-	3 weeks
63 years of age	-	4 weeks
64 years of age	-	5 weeks

in addition to his regular vacation entitlement

This section will not apply to employees hired after January 1, 2000.

Section 5 - Outstanding Vacation

We recognize that employees may not be able to use up all of their vacation time during a current vacation year because of absence from work due to industrial accident or illness.

In the event of this occurring, we agree to the following procedure.

1. A final vacation cheque for the current vacation year will be prepared with the payroll that coincides with the second last week of the current vacation year.
2. This cheque will be held by the Company; not given to the employee at the time of preparation, but in no case will this cheque be held beyond the vacation year.
3. When the employee is certified fit for "Return to Work", his/her vacation will be handled as follows:
 - A) Employees off work up to six (6) calendar months - vacation time will be taken prior to returning to work with vacation money paid at that time.
 - B) Employees off work longer than six (6) calendar months -
 - (1) may take or may waive any or all vacation time (subject to Employment Standards legislation).

If waiver is approved by Employment Standards, the employee will receive his/her vacation pay and return to work. If the waiver is not approved by Employment Standards, the employee will receive his/her vacation pay and **take vacation** time.

- (2) employees transferring from the Short Term Disability to Long Term Disability plans - employees will take vacation time and pay after Short Term Disability coverage is exhausted and prior to starting on Long Term Disability coverage.

ARTICLE 11 SENIORITY

Section 1 - Purpose

The purpose of the seniority provisions of this article is to provide the maximum job security and promotional opportunity for all Employees based on length of service while giving full consideration to Employee's skill and ability, and to efficient plant operations.

Section 2 - Computation

The seniority of an Employee shall be determined by his length of continuous service which shall be computed from the most recent date at which he shall have been employed by the Company.

An employee will acquire seniority after he joins the Union in accordance with Article 4, Section 2. After this period the employee becomes a regular employee and their seniority will be computed from the most recent date at which the Company shall have employed him. Notwithstanding any other provision of the collective agreement, including, but not limited to Article 12, during the trial period an employee may be disciplined or discharged in the sole discretion of and for any reason satisfactory to the company, provided such discipline or discharge is not for grounds which constitute discrimination, arbitrariness, or bad faith on the part of the company. The parties agree that such standard amounts to a lesser standard than just cause in accordance with the provisions of the Labour Relations Act

and that such action by the Employer is not subject to the grievance and arbitration procedures and does not constitute a difference between the parties, unless the discharge was for reasons which constitute discrimination contrary to statute, or bad faith or arbitrariness.

Section 3 - Causes for Loss of Seniority and Continuous Service

An employee will lose all seniority and their employment will be terminated if the employee's service is interrupted for any of the following reasons

- a) He quits his employment
- b) He is discharged
- c) He is absent for three (3) complete consecutive working days unless excused for reasonable cause
- d) He does not return to work within three complete (3) consecutive working day after being notified by a registered letter addressed to the address last known to the Company.

A copy of said letter to be given to the shop steward on day of mailing. The Employee can be excused if reasonable cause is shown.

- e) If he does not report for work upon expiration of an authorized leave of absence, unless excused for reasonable cause.
- f) If he has been on lay-off for lack of work as follows:
 - i) More than twenty four months, for an Employee with two (2) years of service or more.
 - ii) For a period of either one year or length of service, whichever is the greater, when an Employee has less than two (2) years service.

Section 4 - Seniority Lists

The local Management will prepare accurate seniority lists and copies will be distributed to the Local Union on March 1 and September 1 each year. Employee's names will appear on

the seniority lists in order of their seniority date. Where two (2) or more Employees have the same seniority date, their names will be placed on the list in alphabetical order.

Section 5 -Transfers Outside the Bargaining Unit

Any Employee(s) transferred by the Company to a position outside the bargaining unit shall maintain their seniority for a period of up to six (6) months for the purpose of transferring back into the bargaining unit. If such Employee(s) remain on the job outside the bargaining unit for more than six (6) months, he will lose all length of continuous service in the bargaining unit.

Employees formally transferred outside the bargaining unit must pay all Union dues on a normal basis until such time as the transfer becomes permanent.

Section 6 - Layoff and Recall

In the event that it is necessary to lay Employees off, plantwide seniority shall apply; on recall, the reverse procedure will apply. However, the Company reserves the right to maintain at all time, crews capable of performing the jobs required.

Should a work interruption occur due to an Act of God (lightning, weather conditions, power failure) incoming crews on the following two shifts may be rescheduled at no penalty to the Company.

Section 7 - Notice of Layoff

An Employee will be given three (3) calendar days notice of a layoff; if not so notified he will be paid three days pay. The Union President will be notified of any pending layoffs.

Section 8 -Job Posting

(a) Permanent Job Posting

When a permanent vacancy occurs in a department, the Company shall post on bulletin boards throughout the plant, within fifteen (15) days a notice concerning the bottom job in the department affected. Such posting shall be for a period of five (5) working days and the Company shall have the right to make a temporary appointment without penalty. Such temporary appointment shall not count as experience in the considera-

tion of a selection. In selecting the Employee for permanent appointment, the Company shall take into consideration seniority and ability to perform the required task. Any Employee granted a posting may not post laterally or downward according to job classification within the next six (6) months.

Any Employee granted a posting may request to return to his previous job within thirty-five (35) working days. The Company will have the right to re-assign him to his previous job within thirty-five (35) working days for just cause. Employees on layoff will be notified by the Company of any job posting within the plant. Notice will be by regular mail sent on the first day of the posting.

(b) Temporary Job Posting

A temporary vacancy shall be posted if the Superintendent receives confirmation that the duration of the vacancy will exceed forty-five (45) working days. Such posting shall be for a period of five (5) working days and the Company shall have the right to make a temporary appointment without penalty. Such temporary appointment shall not count as experience in the consideration of a selection. In selecting the Employee for the temporary posting, the Company shall take into consideration seniority, and ability to perform the required task. The temporary posting automatically expires upon the return to work of the incumbent. No job seniority is accumulated during the duration of the temporary posting. The Employee awarded the temporary posting retains former job and line of progression seniority. Should the vacancy become permanent, the temporary posting expires, and a permanent job posting as in (a) above, shall be made.

ARTICLE 12
GRIEVANCE PROCEDURE

(a) "Grievance" means the difference or dispute between the Company and any employee(s) coming specifically under this collective agreement concerning the interpretation, application, or alleged violation of this agreement

(b) Upon notification in writing by the local Union, the Company will recognize Employee Stewards, to a maximum of 5. A

Steward will be allowed to process grievances within and for **his department during working hours without lost time, provided** that there is no interruption in the operation of the department. A Steward will not leave his regular duties without **permission from his supervisor, and such permission shall not** be unreasonably withheld.

(c) The Company will recognize a shop committee of three, elected by the Plant Membership from the employee group. Members of this committee will make themselves available to meet with management. All grievance meetings, excluding arbitration shall be held at a time mutually agreed upon by the parties. Grievance Committee Members and Shop Stewards attending during their scheduled working hours will not suffer any loss of pay. Grievance Committee Members and Shop Stewards attending Grievance Committee Meetings with the Company outside of their regular scheduled working hours will be paid their regular straight time rate for time spent in the meetings.

Union personnel described will be allowed time off to attend Stage 2 and Stage 3 grievance meetings.

The Grievance Committee consisting of three (3) members and if required, a representative of the National Union, shall represent the Employees of the Company in matters pertaining to this agreement.

No Employee will have a grievance until they have given their Supervisor an opportunity to adjust their complaint, except in cases of discharge, then the grievance goes directly to Stage 2. For Stage 1 of the Grievance Procedure noted below, the grieving Employee, together with their Steward, will meet with the Department Supervisor. For Stage 2, the Grievance Committee consisting of at least two members shall attend. For Stage 3, the Committee, plus the National Officer will meet with the Manufacturing Manager. Policy or group grievance will be submitted and dealt with at Stage 3.

Should any Employee or group of Employees feel that any of the provisions of this agreement have been violated, he or they shall have the right to process a grievance in writing. A griev-

ance will not be considered after thirty (30) days from when the alleged grievance occurred. The following procedure will be followed....

Stage 1

To the Supervisor, who must give a decision within two (2) working days. If the decision is not satisfactory to the grievor, he may, within two (2) working days, refer his grievance to the Production Manager.

Stage 2

The Production Manager will give his decision within three (3) working days. If the problem is unresolved, it may be referred within five (5) working days.

Stage 3

To the Manufacturing Manager. If a solution at Stage 3 is still not found, the problem may be referred to arbitration. The Manufacturing Manager will give his decision within ten (10) working days from the date of any 3rd stage meeting. Notice of referral to arbitration must be given within ten (10) working days.

Should the Company have a grievance, the Company has the right to process the grievance starting at stage 2 of this Grievance Procedure.

Should the Company's grievance be a result of a customer complaint, the date upon which the complaint was received shall be considered as the date of the grievance.

The Arbitration Committee shall consist of one member chosen, by the Company, one member chosen by the Union and a Chairman agreed upon by the two members. If a Chairman cannot be agreed upon within ten (10) days, the Minister of Labour for the Province of Ontario, shall be asked to appoint a Chairman. A decision of the Arbitration Committee shall be final and binding on both parties.

In determining any grievance arising out of discharge or other discipline, the Board may dispose of the claim by affirming the Company's action and dismissing the grievance or by setting aside the disciplinary action involved and restoring the grievor

to his former position with or without compensation or in such other manner as may in the opinion of the Board be justified. Such decisions shall be final and binding on both parties to this Agreement.

It is agreed that each party shall pay the expense of their own nominee and shall each pay half of the expenses of the Chairman.

All time limits in this procedure can be extended by mutual agreement. However, both parties will seek convenient time for discussion, with operational needs a major factor in time selection.

Notwithstanding provisions which indicate a Board of Arbitration, the parties to the agreement may agree upon a single arbitrator and submit the grievance to that arbitrator for settlement. In this case all reference to the "Board" or "Chairman" of such board shall apply to such arbitrator.

ARTICLE 13 DISCHARGE AND DISCIPLINARY PROCEDURE

Section 1

a) The Company shall have the right to discipline or discharge Employees for proper cause.

b) Discharge may result from refusal to comply with Company rules, provided that such rules shall be posted in a conspicuous place where they may be read by all Employees, and further, that no changes in present rules or no additional rules shall be made that are inconsistent with this Agreement, and further provided that any existing or new rules or changes in rules may be the subject of discussion between the Union Standing Committee and the local Plant Manager, and in case of disagreement, the procedure for other grievances shall apply.

c) When other penalties are necessary in administering plant discipline, the following shall apply.....

- 1) Personal reprimand confirmed by letter to Employee and to Union.

- 2) Suspension from work from one (1) day to two (2) weeks, according to the gravity of the offence and the previous record of the Employee over the past twelve (12) months.
- 3) Dismissal from service. This penalty to be applied in case of flagrant or wilful violation of the rules of the Company, when upon thorough investigation, the Employee concerned is proved to be guilty.
- d) When an Employee is called into the office for a disciplinary reprimand, he will be accompanied by the appropriate Union Steward, or any available Union representative, who will bear witness only to the reprimand proceedings.
- e) If upon investigation it is found that an Employee has been unjustly suspended or discharged, he shall be reinstated without loss of pay.

Section 2 - Record of Penalty

- a) A complete record of each case of penalty imposed including suspensions and dismissals from the Company's service and penalties imposed on the same Employee will be kept by the Company in accordance with the following terms:
 - i) A copy of such record will be provided to the Employee and to the local Union.
 - ii) Twelve (12) months from the receipt of a warning and providing the Employee does not receive a notice for infringement during this twelve (12) month period, the warning notice shall be stricken from the Employee's record.
 - iii) Eighteen (18) months from the receipt of a suspension and providing the Employee does not receive another suspension during this eighteen (18) month period, the suspension notice shall be stricken from the Employee's record for any infringement including that which would normally be cause for discharge.
- b) This record shall consist of:
 - Offence charged

- Managements report of the offence
- Disposition of the case

Section 3 - Dismissal

The following may be considered just causes for immediate dismissal:

1. Insubordination or disobedience
2. Dishonesty
3. Reporting for work under the influence of liquor or non-prescribed drugs, or bringing or consuming either on the premises
4. Removal or deliberate destruction of Company or other Employees' property
5. Deliberately punching another Employee's time card (i.e.: attempt to deceive)
6. Smoking in prohibited areas
7. Assault

ARTICLE 14 PLANT RULES

Rules and regulations shall be established for the common guidance of all Employees in the plant. Failure to abide by these rules will result in disciplinary action.

All questions or disputes regarding the application, interpretation and enforcement of Rules & Regulations as described above shall be subject to the provisions of the Grievance Procedure of the Agreement.

ARTICLE 15 LEAVE OF ABSENCE

Section 1 - Leave for Personal Reasons

Leave of absence without pay for legitimate personal reasons may, at the discretion of Management, be granted without loss of seniority. Applications of more than one day shall be made in writing. Should an Employee require a leave of more than one day and due to unusual circumstances, not have time to request it in writing, he shall complete the leave of absence form on his return.

Section 2 - Leave of Absence for Other than Personal Reasons

Leave of absence will be granted on written requests to any Employee who has been elected or appointed to Union, Federal, Provincial or Civic Office, only for the term for which he has been elected or appointed. Employees who do not return to work within seven (7) days of the termination of such election or appointment, shall be considered as having terminated their employment.

Section 3 - Bereavement Leave

1) In case of death in the Employee's immediate family, the Employee shall be entitled to a paid leave of "X" days, excluding his regular day or days off. The "X" day leave shall be taken within a seven (7) calendar day period and one of the days will be the day of the funeral. If the funeral is held on Saturday or Sunday, then the "X" days may be taken during any "X" days immediately preceding or following the weekend in which the funeral was held. "X" will equal:

- five (5) for the spouse (including common law), mother, father, sons, daughters or stepchildren of the Employee. Spouse and spousal relations based on current spouse only.
- three (3) for the brothers (step), sisters(step), father-in-law, mother-in-law, grandfather, grandmother, step-father, step-mother, son-in-law, daughter-in-law of the Employee.
- two (2) for the Employee's brother-in-law and sister-in-law
Brother-in-law and sister-in-law is defined as spouses of the Employee's brother and sisters and the brothers and sisters of the Employees spouse.
- one (1) for the grandparents of the employee's spouse and grandchildren.

All relations of spouse in bereavement section to be based on current spouse only.

- 2) The Employee shall be paid eight (8) hours at his regular rate for each of the "X" days lost. Regular rate at straight time is understood to mean the rate the Employee would

have received had he not been on funeral leave.

- 3) Paid funeral leave will only be paid if the Employee attends the funeral.
- 4) Bereavement leave will only be paid to Employees who have completed their probationary period.
- 5) All paid bereavement days must be days on which the Employee was scheduled to work.

If an Employee off on vacation or paid holiday suffers a bereavement as per this article, they will be placed on bereavement leave and the affected days will be rescheduled.

- 6) Employees unable to attend the funeral will receive eight (8) hours pay.

Section 4 -Leave for Jury or Subpoenaed Witness Duty
Any permanent Employee who is required to perform jury duty or to serve as a subpoenaed witness, will be entitled to reimbursement at the straight time hourly rate of his regular job for the hours necessarily lost from work as a result of serving, provided however, that such reimbursement shall not exceed (8) hours (twelve (12) hours for those working 12 hour shifts) per day, or forty (40) hours (forty two (42) hours for those working 12 hour shifts) per week less pay received for jury duty. The Employee will be required to furnish a signed statement from a responsible officer of the court as proof of jury service and jury duty pay received. Hours paid for jury duty will be counted as hours worked for the purpose of computing vacation and holiday pay but will not be counted as hours worked for the purpose of computing any overtime.

The Company recognizes the responsibility of its Employees to serve for jury duty when requested to do so. However, in unusual situations where leave for jury duty would create a serious hardship on the Company, permission to be excused may be requested by the Company.

In the event of an Employee being called for such service, but being excused therefrom on any given day or days, he shall be required to report to the Company and carry out such work as may be made available to him.

Section 5 - Maternity Leave

leave of absence taken under this clause shall be granted in accordance with the Provincial Legislation as amended. With the exception that leave of absence will only be granted if the Employee has six months service with the Company prior to the start of her leave of absence.

The Company will post on the Employees' bulletin board the most current legislation dealing with maternity leave.

Section 6 - Union Conferences and Conventions

An Employee elected or named by the Union to attend education sessions or to exercise other Union business, will be given, for this purpose, a leave of absence without pay for the required time. Such delegates cannot include more than (3) Employees, not more than two of whom shall be from the same department. The accumulated leave, excluding negotiations, will not exceed 20 working days per year per person and no single leave will be longer than two (2) weeks. Successful applicants to the Labour College of Canada will be granted the necessary time off.

**ARTICLE 16
SAFETY AND HEALTH**

Section 1

Every Employee is expected to be familiar with the plant safety rules and to see to the best of their ability that they work safely and with concern for accident prevention.

The Company, Union and Employees agree to abide by safety rules published and suggested by the Workplace Safety and Insurance Board, the industrial Accident Prevention Association and the Ministry of Labour.

The Company agrees to provide the Union with a copy of all Form 7's submitted to the Workplace Safety and Insurance Board.

Section 2

All hourly Employees will be required to wear safety shoes as a condition of employment. The Company will pay \$110 (year 2 - \$115) per pair up to a maximum of one pair per year for the

initial or replacement cost of safety shoes.

The safety shoe allowance will be allowed once a year on a bona-fide purchase receipt for safety shoes. It will not be an automatic annual cash allowance. The anniversary date for subsequent allowance will be the calendar date of the initial purchase.

New Employees who purchase safety shoes will be reimbursed the safety shoe allowance on the next pay following the date the Employee completes his probationary period.

Where required, the additional cost of metatarsal protection guards will be at the Company's expense.

ARTICLE 17 MEAL ALLOWANCE

An employee working overtime for at least 2 hours without being notified the previous day shall be provided a meal allowance of \$8.00

ARTICLE 18 CHANGE OF WORK

When an Employee temporarily changes from his regular job to a job paying a higher rate of pay, he shall start to receive the higher rate on the next full shift or on the next scheduled shift.

When an Employee temporarily changes from his regular job or a job paying a lower rate of pay, the Employee shall receive a reduction in pay after five (5) days, with the following provisions....

1. He shall retain his regular rate of pay for the balance of his daily shift.
2. After five (5) days he shall then take the rate for job being worked but if the rate reduction is more than ten (10) cents per hour, then he shall not have his rate reduced by more than ten (10) cents per hour.
3. At the end of ten (10) working days at the reduced rate, the Employee shall then take the rate for the job being worked

, but his rate shall not be reduced below a further ten (10) cents; and no further reductions shall be made in the Employee's rate.

When an Employee returns to his regular job from a higher or lower rated temporary job, he shall start receiving his regular rate of pay immediately.

When an Employee temporarily changed from his regular job to a job paying a lower rate of pay, and such change is made at the request of the Company, the Employee shall retain his regular rate of pay during such temporary change.

ARTICLE 19 BULLETIN BOARDS

The Company will furnish the Union with a bulletin board in the plant. The Union will use this space for posting Union notices and official papers. Notices will be posted only by officially authorized Union representatives and will be in keeping with the spirit and intent of this agreement.

ARTICLE 20 COPIES OF AGREEMENT

The Company, the local Management and the Union want every Employee to be familiar with the provisions of this agreement and his rights and duties under it. For this reason, the Company will print the agreement and the local Management will give a copy to each Employee, and make a reasonable number of copies available to the Union for their use.

Copies of the Agreement will be provided no later than ninety (90) days after the date of ratification.

ARTICLE 21 NON-EMPLOYEE UNION REPRESENTATIVES

If an authorized Union representative who is not employed by the Company wants to speak to a local Union representative in the plant about a grievance or other official Union business, he should request permission to do so from the Plant manager or his designate, explaining the purpose of his visit.

ARTICLE 22
BENEFIT PLANS

Section 1 - Group Life Insurance

The Company will pay premiums for both term life, and accidental death and dismemberment insurance coverages to a level of:

- Effective 1st of the month following ratification \$58,000
- January 1, 2001: \$60,000
- January 1, 2002 \$62,000

(as in past years, amount paid based on coverage in effect at the time employee last worked)

Life insurance premiums and insurance coverage cease when an Employee is terminated, laid off, or retires. In cases of illness or injury causing absence from work, coverage will continue until the earlier of death, retirement, or cessation of disability payments (LTD and compensation).

Section 2 - Weekly Indemnity Insurance

The weekly indemnity insurance plan to cover the loss of income when Employees are disabled and unable to work due to sickness or non-occupational accident will be as follows:

Payment - to be 66 2/3% of the employee's regular straight time hourly pay for time lost due to above causes, to the maximum of \$485.00 per week (year 3 - \$500.00) for up to a 52 week period (as in the past, effective for new claims only). Employees must be under the care of a physician for the period to be covered (medical certificate presented). In cases of psychological illnesses, a medical certificate from an appropriate specialist will be required.

Coverage - first working day coverage for non-occupational accident or hospitalization. Fourth working day coverage for illness.

Coverage will cease if an Employee voluntarily quits, is terminated, is on lay-off, extended leave of absence, or retires. Life, health and dental premiums will continue to be covered during the period of weekly indemnity so that Employees may make

claims during this period.

Premiums - Company to pay 100% of premium costs. Any E.I. rebate will belong in full to the Company.

Eligibility - 1st of the month following completion of the probationary period.

Section 3 - Hospital Medical Coverage

EHT and semi-private hospitalization -The Company will provide for the term of this agreement standard EHT with semi-private coverage for all employees who complete their probationary period. The 100% payment of premiums will commence on the first regular monthly billing date following the completion of the Employees probationary period.

Section 4 - Extended Health Plan

The Company will provide for the term of this agreement an extended health plan with a \$20.00/\$40.00 deductible clause for all insured services including prescription drugs. The Company will pay 100% of the premium costs of this plan and the Employees will be covered on the first day of the month following the completion of their probationary period.

Major medical coverage to continue for employees on lay off for a period of two months following the month of layoff.

Section 5 - LTD Plan

The Company will provide at no cost to Employees a long term disability plan which will take effect when an Employee has exhausted his coverage under the weekly indemnity insurance plan. A copy of the master policy will be made available to the Union.

Benefits are paid from the point at which weekly indemnity benefits cease, should the same non-occupational accident or illness continue. Monthly benefit level will be 60% of the regular hourly rate at the date when indemnity payments commenced, calculated as follows:

- hourly rate x 2080 divided by 12 to a maximum of \$2,100 (Effective 1st of month following ratification \$2,200 (year 3 \$2,300)

Employees eligible for disability payments from government programs, which may reduce the level of L.T.D. coverage, must apply for these benefits.

Life insurance premiums only will continue to be covered during the period of L.T.D. Employees who wish further coverage may purchase extended health and hospital coverage by paying the premiums monthly in advance.

Section 6 - Dental Plan

The Company will provide a dental plan.

All active seniority Employees will be covered on the effective date of the plan. All probationers or new Employees will be eligible on the 1st of the month following completion of 6 months service.

Benefits will be 100% coverage for all routine preventive diagnostic and restorative treatments, and 50% for major restorative treatments, based on the following Provincial Dental Association schedule of fees to a maximum annual reimbursement of \$1,700 per person. In 1999 benefits will be based on the 1998 ODA schedule of fees. Effective date of ratification 2000 benefits will be based on 1999 ODA schedule of fees. In 2001 benefits will be based on the 2000 ODA schedule of fees. In 2002 benefits will be based on the 2001 ODA schedule of fees.

Coverage is for the period only when the Employee is actively at work. However, coverage will continue during absences while on weekly indemnity or Worker's Compensation to a maximum of one (1) year.

Section 7 - Vision Care

The Company will provide a vision care benefit of \$125 (1st of month following ratification - \$150) every 24 months per Employee and their dependent(s) for the purchase of prescription eyewear, to include frames, lenses and contact lenses.

Section 8 - Pension Plan

The Pension Plan For Hourly Employees of Bonar Inc. shall be made available to employees within the bargaining unit. Details of the pension plan are contained in the formal text filed with the Pension commission of Ontario.

ARTICLE 23
CLOTHING

The Company will supply clean shirts and pants or coveralls to: press crews, sewn bottomer operators, maintenance crews, slitter laminator and helper. 404 Tuber crews, bottomer operators and bottomer 2nd persons will be given access to coveralls for the weekly cleanup.

ARTICLE 24
AUTOMATION AND TECHNOLOGICAL CHANGE

(a) Technological change shall include automation, mechanization, the introduction of equipment, or a change in the operation that is directly related to the introduction of that equipment.

In view of the interest and concern by the parties to this agreement in the impact on manpower and condition of employment resulting from competitive automation in the converting industry, it is agreed that the parties in this plant utilize all scientific developments to the best advantage of the Company and its Employees, in the interest of reducing costs and keeping the Company competitive in its field of operation.

(b) The Company and Union Standing committee will constitute a joint committee on automation. It shall be the function of this committee to study the effect of automation on employment in this plant generated by introduction of new machinery and/or modification of old machinery to ensure that the interests of the Company and employees are mutually protected.

(c) The joint committee will discuss as follows any significant changes in the employment status of permanent Employees if such changes are due to the introduction of automation.

1) In the event termination is necessary, crews will be reduced in accordance with the Seniority Section of the Agreement including those who have recall rights.

2) An Employee who is set back to a lower paid job because of automation will receive the rate of his regular job at time of setback for a period of three months and for a further period of

three months will be paid an adjusted rate which will be midway between the rate of his regular job at the time of setback and the base rate. At the end of this six month period, the regular rate of his new job or jobs will apply. However, such Employee will have the option of terminating his employment and accepting severance pay as outlined in following subsection (3) below provided he exercises this option within three months.

3) An Employee with five (5) or more years of continuous service and whose permanent job has been automated and eliminated and for whom no other work is available will, upon termination receive a severance allowance of one week's pay for each year of employment computed on the basis of forty (40) straight time hours at the Employees regular rate. The maximum severance allowance payable is twenty-six (26) weeks pay. Such Employees for whom no employment is available will be given at least thirty (30) calendar days notice of separation.


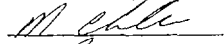
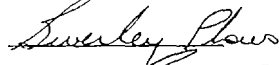

4) When an Employee is terminated as a direct result of automation, Management will, when requested, assist the Union in communicating with Canada Manpower to advise them of the suitability of the former Employee for retraining and relocation in another job and request that they use their facilities for that purpose.

ARTICLE 25
DURATION OF AGREEMENT

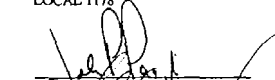
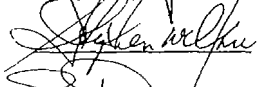


The parties hereto agree that this Agreement shall be effective from January 1 2000 to December 31 2002 and thereafter from year to year unless notice of desire to amend or terminate the agreement is given by either party to the other party within a period of not more than ninety (90) calendar days and not less than thirty (30) calendar days prior to the expire date of the agreement If notice of desire to amend or terminate the agreement is given by either party, then the parties agree to meet for the purposes of negotiations within fifteen (15) days after the giving of such notice, if requested to do so.

IN WITNESS WHEREOF, we the undersigned have, as the accredited representatives of respective parties to this Agreement, hereunto set our signatures this 24th day of August 2000.

BONAR INC
PAPER DIVISION
BURLINGTON, ONTARIO

COMMUNICATION ENERGY AND PAPERWORKERS UNION
LOCAL 1178

MAINTENANCE CLASSES ARE DEFINED AS FOLLOWS:

Fourth Class

The starting rate in the maintenance department. This is a probationary and learning period. A good knowledge of hand tools must be exhibited and mechanical aptitude should be evident within the first month.

The length of time in this class should not exceed six months unless extenuating circumstances have been discussed with the Supervisor.

Type of work - routine jobs such as cleaning and lubricating under the direction of the lead hand. Assisting senior persons on larger jobs.

Third Class

To obtain this rate the Employee must be able to handle the routine jobs as assigned without direct supervision. He must have a good mechanical maintenance knowledge of the smaller pieces of equipment and lift trucks. He must be working to learn gas and electric welding. The length of time in this class should be six to twelve months

Type of work.

- routine jobs without supervision.
- gas or electric welding under supervision.
- repairs to smaller pieces of equipment subject to approval of maintenance supervisor.
- assisting senior men on major repairs or maintenance programs.

Second Class

To obtain this rate the Employee must be able to gas or electric weld proficiently. He must be able to perform any required mechanical maintenance to all equipment and lift trucks. He must be working to become proficient in both types of welding and the utilization of each. The length of time in this class should be six to twelve months.

Type of work.

- routine jobs without supervision.
- gas or electric welding under supervision.

- repairs to all equipment, subject to approval of maintenance supervisor.
- working on PM program without direct supervision.
- able to work shift exhibiting a good judgement on repairs.

First Class

To obtain this rate the Employee must be able to weld with gas or electric with equal proficiency, and know where each is used with what type of rods, He must be able to perform any required mechanical repair, and do PM work without direct supervision. All classes must exhibit safe working habits at all times in all areas of the plant.

CREW CO-ORDINATOR

Definition:

1. An individual who performs the listed primary duties in addition to his/her usual job duties.
2. An individual who is appointed to or declassified from Crew Co-ordinator status at the discretion of the Company.

Primary Duties:

1. An individual who will:
 - a) Open and/or close the Employee Entrance door and/or see to the security of the Plant.
 - (b) Turn off/on services - lights, air compressor, etc.
 - (c) Answer the telephone - receiving and relaying messages and notify supervisor of unscheduled absences where absenteeism will affect scheduled production.
 - (d) Act in the event of emergency as follows:
 1. Personal Injury - Should any employee in the Plant be injured, the individual will render all possible assistance to the extent of administering First Aid and/or summoning Management or other assistance.
 2. Fire, Flood, Power Failure, or other Emergency - Should any emergency situation arise, the in-

individual will act to direct all other employees, taking action to ensure their safety, and whatever other action is necessary, including summoning Management or other assistance, to minimize damage to machines, supplies and building.

Premium, as stipulated in Article 8, Section 3(B) of Collective Agreement. The rate will apply so long as the individual is classified as Crew Co-ordinator and is fulfilling the job.

APPENDIX 'A'
SCHEDULE OF WAGES

Effective	Jan 1 2000	Jan 1 2001	Jan 1 2002
Class 1			
General Labour			
Re-Inspectors			
Group			
B. Starting Rate	16.63	16.96	17.30
A. After 3 months on the job	16.92	17.26	17.61
Class 2			
(applicable after 3 months at Class 1 rate)			
Job 3 - Sewing Machine Feeders & Offbearers,			
B. Starting Rate	17.43	17.78	18.14
A. After 6 months on the job	18.55		18.92
			19.30
Job 4 - 503, 522, 524 & 506 Offbearers			
Bottomer Offbearers			
Automatic Sewer Offbearers			
Pinch Bottomer Offbearer			
B. Starting Rate	17.52	17.87	18.23
A. After 6 months on the job	18.55	18.92	19.30
Class 3			
Job 6 - ^{^^} 522, 524 2nd Persons			
B. Starting Rate	17.52	17.87	18.23
A. After 6 months on the job	18.73	19.11	19.49
^{^^} (applicable after 3 months at Class 1 rate)			
(Note: team concept to continue)			
Class 4			
Warehouse Person Paper Storage			
Shipping and Receiving Helper			
Waste Control			

Effective	Jan 1 2000	Jan 1 2001	Jan 1 2002
Pallet Press Operator Group			
B. Starting Rate	18.12	18.48	18.85
A. After 6 months on the job	18.66	19.03	19.41
Class 5			
Inline Offbearer 404, 405 & 406 Tuber Offbearers Trainee Machine Operator			
(Applies to Trainee working with experienced operator. Any time spent on the job as a trainee will be credited towards the 6 mth operator rate).			
Group			
A. Rate	18.73	19.11	19.49
Class 6			
Assistant Inline Operator Group			
B. Starting Rate	19.28	19.67	20.06
A. after 12 months on the job	19.91	20.31	20.72
++406 Tuber Operator Group			
A. Rate	20.08	20.48	20.89
522, 524 - Pinch Bottomer Operators Group			
D. Starting Rate	18.91	19.29	19.68
C. After 6 months on the job	19.28	19.67	20.06
B. After 12 months on the job	19.61	20.00	20.40
A. After 18 months on the job	19.91	20.31	20.72

Effective	Jan 1 2000	Jan 1 2001	Jan1 2002
Slitter/Laminator Operator Group			
B. Starting Rate	18.71	19.08	19.46
A. After 6 months on the job	19.38	19.78	20.18
Class 7			
Assistant Shipper/Receiver Group			
C. Starting Rate	18.81	19.19	19.57
B. After 6 months on the job	19.15	19.53	19.82
A. After 12 months on the job	19.44	19.83	20.23
Class 7A			
Shipper/Receiver (one only) Group			
A. After 12 months on the job in Class 7	19.93	20.33	20.74
Class 8A			
Sewing Machine Adjuster Group			
D. Starting Rate	19.06	19.44	19.83
C. After 6 months on the job	19.28	19.67	20.06
B. After 12 months on the job	19.52	19.91	20.31
A. Alter 18 months on the job	19.80	20.20	20.60
Class 9			
+Mounter/Proofer Group			
A. Rate	19.97	20.37	20.78
A.A. Rate after 18 months on the job and with ability to mount 4 colour process plates	20.74	21.16	21.58

Effective	Jan 1 2000	Jan 1 2001	Jan1 2002
Class 10A			
2 Colour Press Operator Group			
D. Starting Rate	19.28	19.67	20.06
C. After 6 months on the job	19.47	19.86	20.26
B. After 12 months on the job	19.79	20.19	20.59
A. After 18 months on the job	20.03	20.43	20.84
Class 10B			
4 Colour Press Operator Group			
D. Starting Rate	19.31	19.70	20.09
C. After 6 months on the job	19.52	19.91	20.31
B. After 12 months on the job	19.82	20.22	20.62
A. After 18 months on the job	20.06	20.46	20.87
AA. After 18 months on the job and printing solvent FLEXO	20.54	20.95	21.37
Class 11			
Plate Assembler Capable of storage and retrieval of plates proofs, artwork & films, records, plate repair layouts, plate assembly			
	19.34	19.73	20.13
Plate Maker Capable of above plus vulcanizing, capable of making photopolymer plates			
	20.24	20.65	21.06
Mechanical Artist Capable of above work plus black and white artwork and filmwork, operating typesetting equipment, operating camera equipment			
	20.77	21.19	21.61

Effective	Jan 1 2000	Jan 1 2001	Jan1 2002
Class 11A			
Design Artist (one only) Capable of above plus Original Creative Art Group			
A. Rate	20.99	21.41	21.84
* Class 12			
6 & 4 Colour Press 2nd Person Group			
A. Rate	19.29	19.68	20.07
Inline 2nd Person Stepped-End Tuber & Bottomer 2nd Person Group			
A. Rate	19.16	19.54	19.93
Class 12A			
Stepped-End Tuber & Bottomer Operators Group			
E. Starting Rate	19.28	19.67	20.06
D. After 6 months on the job	19.52	19.91	20.31
C. After 12 months on the job	19.80	20.20	20.60
B. After 18 months on the job	20.05	20.45	20.86
A. After 24 months on the job	20.26	20.67	21.08
AA. After 24 months on the job & operating #405,#404 Tuber or 503, 506 Bottomer	20.57	20.98	21.40

Effective	Jan 1 2000	Jan 1 2001	Jan1 2002
Class 13			
6 Colour Press Operators			
Group			
E. Starting Rate	19.52	19.91	20.31
D. After 6 months on the job	19.83	20.23	20.64
C. After 12 months on the job	20.06	20.46	20.77
B. After 18 months on the job	20.28	20.69	21.10
A. After 24 months on the job	20.65	21.06	21.48
AA. After 24 months on the job & operating #212 Press	20.89	21.31	21.74

Class 13A			
+Inline Operator			
Group			
C. Class	19.80	20.20	20.60
B. Class	20.58	20.99	21.41
A. Class	21.35	21.78	22.22

Class 14			
Maintenance			
Group			
D. Class	20.07	20.47	20.88
C. Class	20.36	20.77	21.19
B. Class	20.63	21.04	21.46
A. Class	21.58	22.01	22.45

(C.I.M. is a requirement and provincially certified person may be required (diploma D.E.P.Quebec). Current persons working on C.I.M. accommodated).

+NOTE -The parties will continue to require at least one employee capable of mounting and Proofing 4 colour process work. Mounter proofers at 26 April 1989 will be accorded the right to refuse any permanent upward movement in the line of progression, however, once a permanent move up is accepted, no further right to refuse will be provided. Mounter proofers will make themselves available to assist the operator of the 232 Press as required when the nature of the job or task being performed requires more than one person to complete the job

(i.e. changing cylinders, loading and unloading winding stands, threading web and changing anilox rolls).

+NOTE - When operating the 406 Tuber there will be one operator, one offbearer and a shared backtender (2nd person). In the event that neither the 404 or 405 Tuber is running, a backtender (2nd person) will be assigned by their supervisor for the shift. It is recognized that any future technological changes may affect the manning requirements and management reserves the right to make such changes as may be necessary. 404 and 405 backtenders (2nd persons) will receive an additional 22 cents per hour when acting as a backtender on the 406, in addition to their normal duties on the 404 and 405.

• **NOTE** - Time spent on this rate will count towards a maximum accumulation of six months time credits in the Operator Classification when moving up to an operator position. No employee will be expected to move to Operator without training if they have less than 6 months on the job as a 2nd Person. 2nd Person with over 6 months time credits will be required to fill in for the Operator during his absences. When more than one 2nd Person is available and time permits, seniority will govern.

+Inline Operator:

Class C - this rate is achieved by demonstrating ability to set up and operate equipment to handle all types of bags at production speeds, consistently meeting quality standards on the bottoming section of the equipment

Class B - this rate is achieved by demonstrating ability to set up and operate equipment to handle all types of bags at production speeds, consistently meeting quality standards on both bottoming and tubing sections of the equipment

Class A - this rate is achieved by demonstrating ability to set up and operate equipment to handle all types of bags at production level speeds, consistently meeting quality and efficiency standards, able to troubleshoot and quickly determine corrective action to improve production and quality and minimize downtime. Operators will be expected to demonstrate this ability

during a 12 month period as a Class B operator.

An employee in the "Assistant Inline Operator" category may qualify as a Class C or B Inline Operator, and would therefore receive the applicable Class C or B rate when acting as "Inline Operator".

COST OF LIVING ALLOWANCE

Section 1

Each Employee covered by this Labour Agreement shall receive a cents per hour Cost of Living Allowance (COLA) in addition to his hourly wage rate in accordance with sections 3 and 4 below.

Section 2

The Cost of Living Allowance shall be determined in accordance with changes in the official Consumer Price Index for Canada (all items), published by Statistics Canada

(1961= 100) and hereafter referred to as the Statistics Canada Consumer Price Index.

Section 3

There will be no COLA during the term of this Agreement.

Section 4

The amount of Cost of Living Allowance will be equal to one cent (.01) for each 0.35 point rise in the Statistics Canada Consumer Price index, as determined by the preceding calculations, counting as a full cent any fraction in excess of one-half cent. (0.5).

Section 5

In the event that the Statistics Canada Consumer Price Index declines, only the Cost of Living Allowance will be subject to reduction. In no event will a decline in the Statistics Canada Consumer Price Index below the figure for March 1992 provide the basis for a reduction in the wage scale by job classification.

Section 6

The amount of any Cost of Living Allowance in effect at the time will only be paid for all hours actually worked on and after

July 1992 and shall be included in the calculations of pay for Statutory Holidays, annual vacation, supplementary vacation and allowance for failure to provide work. The Cost of Living Allowance shall not be used in computing overtime premium or in the calculation of any other pay, allowance or benefit. (No COLA during the term of the Agreement).

Section 7

In the event that Statistics Canada does not issue the Consumer Price Index on or before the beginning of the periods referred to above, any adjustments required will be made at the beginning of the first pay period after publication of the Consumer Price Index. In the event a retroactive adjustment is made by Statistics Canada to the Consumer Price Index, the paid allowance to Employees will not be adjusted retroactively.

Section 8

The continuance of the Cost of Living Allowance is dependent upon the availability of the monthly Statistics Canada Consumer Price Index in its present form and calculated on the same basis as the Index. If the Consumer Price Index is not available, Statistics Canada will be asked to make available a monthly Consumer Price Index in the present form and calculated on the same basis.

Section 9

The COLA adjustments made on the first day of July 1992, October 1992 and January 1993, will be incorporated into the base wage rate on April 11993 and the total of these adjustments will not exceed seventy (70) cents per hour.

APPENDIX "B"

PLANTRULES

Section 1 - Safety

The Company recognizes that the safety of its Employees is of great interest to it, ranking in importance with production, quality and costs. The Company recognizes Management's responsibility in providing the safest possible working conditions for its Employees, but to be effective, responsibility for safety must be accepted by EVERYONE within the Company by Management, staff and by the entire working force.

The Company has found that the best way to do a job is the safe way, that efficiency and safety are equally dependent on planned and organized work methods. There is no urgency that prevents our taking the time to perform our work safely.

The following safety rules are designed to maintain a safe working environment and shall be adhered to by all:

1. A First Aid Room is provided and adequate supplies are available for the benefit and protection of all Employees. Employees are cautioned against improper use of these facilities.
2. Employees are not expected to do dangerous work and may refuse to do so. They must familiarize themselves with their duties and any hazards involved.
3. All accidents must be reported at once to the Supervisor or Superintendent. All injured Employees must be looked after immediately.
4. Employees must report immediately to the Supervisor or Superintendent any dangerous defects in machinery or methods and must not work on the job until the dangerous condition has been corrected.
5. Employees must familiarize themselves with locations of emergency exits and fire extinguishers. Any use of a fire extinguisher or any accident which might impair its efficiency must be reported immediately to the Supervisor or Superintendent. EMERGENCY EXITS, STAIRWAYS, MARKED AISLES AND ACCESS TO FIRE EXTINGUISHERS MUST BE KEPT CLEAR AT ALL TIMES.

6. In order to protect the health of all Employees, any Employee with an infectious disease shall be suspended from work until he presents a clear doctor's certificate.
7. Established safety guards must be in position and operative while equipment is manned for the purpose of producing product.
8. Maintenance staff must always replace guards when removed for maintenance work.
9. All scrap must be placed in proper containers provided for this purpose. Good housekeeping is important in ensuring safety of operations.
10. All Employees working on moving machinery must not wear clothing that can be readily entangled therein.
11. Safety shoes will be worn as per procedure laid down and Employees may familiarize themselves by seeing the Plant Superintendent.
12. Employees with long hair must wear an approved hair net in an approved manner in plant working areas (annual free issue by Company).
13. Safety helmets shall be worn by all persons working in areas in danger of falling objects.
14. All cleaning solvents and volatile liquids shall be kept in, and dispensed from approved safety containers.
15. Soiled wipers shall be placed in approved safety receptacles.
16. Hoisting, or lifting devices provided for use on equipment shall be used for their intended purpose.
17. Power lift trucks will be operated by authorized personnel only.
18. Riding on power or hand trucks, other than in the prescribed manner for operator of the truck, is prohibited.
19. Maintenance personnel working on equipment shall "lock out" the electrical system on the equipment to prevent it being started by other than authorized personnel.

20. Running and/or horseplay on the Company premises is prohibited.
21. Approved safety cage, ladder, scaffold or belt shall be used for work at an elevated level.
22. Lift truck batteries and chargers to be handled and serviced by authorized personnel only.
23. Protective devices such as safety glasses, hair nets, safety helmets, safety shoes, welding masks etc., shall be worn by all personnel when assigned to do so while performing certain tasks.
24. Use of safety locks on machine "run" button during set ups and machine adjustments to prevent accidental machine start up is essential.
25. All oil, grease, water or similar fluid on floor shall be cleaned up immediately.
26. Production equipment shall not be left running unattended.
27. The wearing of hearing protection is mandatory for all areas with noise levels over 85 decibels.

Section 2 - Health

1. Absence

Employees absent from work due to injury or illness will see the Site Nurse, when available, upon their return to work. After an absence due to illness or accident of three (3) or more days they will present a medical certificate clearing them for return to work to the Site Nurse. The Employee will also notify a Supervisor prior to his intention to return to work.

2. Leaving Work

Employees who wish to leave work due to illness will see the Supervisor first, and then, if available, the Site Nurse before departing.

3. Accidents

Employees will report all accidents requiring first aid on the forms provided in the first aid kits, in the First Aid Room as per Worker's Compensation regulations.

4. Medical Limitation

(a) In the event of an Employee sustaining injuries at work or becoming affected by occupational diseases during the course of employment and becoming handicapped as a result thereof, the Company will endeavour to give the

handicapped Employee such suitable employment as is available and for which the Employee is qualified and for which he is eligible by virtue of seniority.

b) Any Employee who is restricted from regular duties due to a medical limitation will use his seniority to work in any occupation for which he is capable and able to obtain by virtue of seniority or Company assignment. Rate protection during change of work will not apply in this case.

Section 3 - Smoking Areas

Smoking is allowed only in the following areas in the plant. Any Employee found smoking outside these areas is liable to dismissal.

1. Designated tables in plant cafeteria
2. Designated area in Press Department
3. Designated area by 503 Bottomer
4. Designated area in Plate Services
5. Maintenance shop

for employees assigned to the respective departments only.

Section 4 -Time Card Regulations

There are two warning bells two minutes before work starts to give you time to be on your machine for start up in the morning, at lunch and also break periods. Machines must be kept running until the shift end bell rings - personal clean-up comes after this time.

The following rules will be enforced:

1. Employees must punch in prior to their authorized starting time.
2. Punching out before the *authorized* quitting time is not permitted unless approval has been given by a supervisor.

Anyone punching out with permission will be docked the actual time lost. Anyone punching out early without permission will be docked the actual time lost and will be considered absent without cause.

3. Employees leaving the plant for other than Company business shall punch out. If an Employee leaves the plant site during lunch break he must punch "out" prior to leaving and "in" upon returning.

4. Any card punched late will be docked for all lost time to the nearest quarter hour.

5. Any person found punching other than their own card is liable to immediate dismissal.

6. Employees forgetting to punch their cards in or out shall have their card initialled and corrected by a Supervisor to show the time that should have been punched.

Section 5 - Bulletin Board

Bulletin Boards are provided for notices of interest to all Employees. Employees should check Bulletin Boards regularly for shift times etc. and for all information which the Company or Union wishes to convey to the Employees.

Only authorized Company or Union personnel shall remove their respective notices or bulletins from the Bulletin Board.

If any Employee wishes to post a notice he should prepare the notice and pass it to the Plant Manager for his approval. If approved, the Plant Manager will have it posted.

The Company will expect Employees to be familiar with all posted notices.

Section 6 - Out of Bounds

The following areas are out of bounds to all Employees except those having immediate business therein:

- Head Office Building
- Machinery Division
- Plastics Division
- Plant Offices
- Mechanics Shops

Production or Superintendent Office
First Aid Room
Shipping and Receiving Areas
Paper Storage

The plant is out of bounds to all Employees after working hours except under special circumstances, permission having been obtained from their Department Foreman or Plant Superintendent.

The plant is out of bounds to all persons other than regular Employees unless special permission has been granted by the Manager.

Section 7 - Plant Visitors

Special visitor pass cards will be issued and carried by all visitors entering the plant. These cards will be made out in full and signed by the Plant Manager or in his absence a delegated representative. The visitors pass must be returned to the receptionist on leaving the plant.

Section 8 - Parking

Employees must park in the space provided by the Company and must not allow vehicles at any time to block entrance or exit doors.

Section 9 - Employees' Entrance

Employees must always enter and leave by the designated Employees Entrance, except in case of emergency.

Employees' doors will be closed and locked on weekends and as follows:

Paper Division - 3:30 p.m. to 6:30 a.m.

Section 10 - Plant Security

All shipping, receiving and emergency exits are to be kept locked from 4:00 p.m. to 7:00 a.m. and on weekends unless shipments are being made. These doors are not to be opened for any other reason without approval of the Supervisory staff.

Section 11 - Employee's Lockers

Employees will be allocated a personal locker in one of the washrooms, or other designated areas, in which to keep their

clothing and valuables. Employees will be responsible for supplying their own padlock. The Company will not be responsible for articles that are lost or stolen.

Section 12 - Tool Kits

Employees requiring tools to make machine adjustments will be issued with a tool box and the necessary tools. He shall sign for these and be responsible for them at all times. He shall provide his own lock for the tool box.

The Supervisors may call for tool kit inspections from time to time as they see fit, to be sure that all operators are properly equipped to do their work. Missing tools will be sold to the operator at our cost. Broken tools will be replaced at no charge to the operator on presentation of the broken one.

Employees who leave the employ of the Company without turning in a complete tool kit shall have all shortages deducted from their last pay cheque.

Section 13 - Pay Period

Employees will receive either a cheque or direct deposit advice after 1:00 p.m. Thursday for the preceding week. Cheques and advices will be distributed by the Supervisor during the Employee's shift, Those Employees working afternoon or night shift may obtain their cheque from the Production office between the hours of 2:00 p.m. and 3:00 p.m.

Section 14 -Telephones

Plant telephones are primarily for business purposes. Anyone wishing to call out will use the pay telephone at the Employees' entrance and only at break periods unless it is an emergency situation. Incoming calls for Employees will be taken by the Switchboard Operator and passed on to the individual. In cases of emergency the Operator will arrange for immediate contact with the Employee.

APPENDIX "C"

- A) Lines of Progression -Operating Rules**
- 1) In a Line of Progression, only the Junior job is posted.
 - 2) In a Line of Progression a person moves upward through each position by seniority as openings become available.
 - 3) A person may refuse to move upward to the next position for:
 - a) Personal reasons acceptable to the Company and Union, and in writing.
 - b) Medical reasons which must be substantiated.
 - 4) If a position is "Blocked" (that is, an opening exists above it and all persons in that position refuse to move upward) then the senior person in that position who is refusing for personal reasons must move upward to fill the opening except where mutually agreed otherwise by the Company and the Union. Each exception is to be dealt with as an individual case.
 - 5) If a position is "Blocked" and all persons in that position have medical reasons for refusing to move upwards (#3B above), or are an exception to moving upward (#4 above), then the next senior person in the Line of Progression must move upward.
 - 6) Once the next senior person has assumed the position he shall remain ahead in job seniority in the Line of Progression, providing there is no reduction in the Line of Progression.
 - 7) In the event that there is a reduction in the number of people required in a Line of Progression, people will move downward in the same manner as they moved upward. Once this movement has occurred the Employee's *regular* job and rate of pay will reflect his new position in the Line of Progression.
 - 8) If a person is about to be laid off then he may exercise Plant seniority to bump into the highest rated job in the Plant for which they are qualified by Job History.

B) Changes to the Line of Progression

1. Equipment not employed and/or positions not filled for a period of one year shall be removed from the line of progression. In such cases, employees who are unable to maintain themselves in the department will be returned to the department from which they came immediately prior to being awarded a position in that department. Such persons will be inserted into the old department based upon the last job performed in the old department. Employees so moved must be capable of performing their old job after a reasonable period of familiarization.

2. In the event of the permanent elimination of equipment, those persons whose regular job is on such equipment will follow the normal line of progression rules within the department. If such employee is unable to maintain a position in the department (or the department is eliminated), the employee will use their plant seniority to bump to the highest paid job for which they are qualified by job history. Employees so moved must be capable of performing such job after a reasonable period of familiarization. In such cases item 1. of this section will not apply.

LINES OF PROGRESSION

MAINTENANCE	SHIPPING and WAREHOUSES	ART ROOM	PRINTING	TYPING	INLINE	ROTOMERS
A	Shipper/Receiver	Design Artist	6 Colour Press Op	404 Operator	Inline Operator	503 Operator
B	Assistant Shipper	Mechanical Artist	Mounter Proofreader	405 Operator	Inline Assistant Operator	522 Operator 506 Operator
C	Shipping Receiving	Plate Maker	4 Colour Press Op 2 Colour Press Op	404 2nd Person 405 2nd Person	Inline 2nd Person	503 2nd Person 522 2nd Person 506 2nd Person
D						524 2nd Person
Maintenance	Waste Control	Plate Assembler	Press 2nd Person	404 O/Hbearer 405 O/Hbearer	Inline O/Hbearer	503 O/Hbearer 522 O/Hbearer 506 O/Hbearer 524 O/Hbearer
Class 14	Class 4	Class 11	Class 12	Class 5	Class 5	Class 1, 6, 12

Classes 1, 2 & 3 - Automatic Progression

The following jobs are available for bidding but do not form part of any line of progression:

- Sewing Machine Adjuster
- Slitter/Laminator Op.
- Pallet Press Op.

APPENDIX D
CONTINUOUS OPERATION

7 Days - **24 Hrs.** - 4 Crews on **42 Hour Average Week 12**
Hour Shifts

Week		S	M	T	W	T	F	S
1	Day	A	C	C	B	B	D	D
	Nt.	B	D	D	A	A	C	C
2	Day	D	A	A	C	C	B	B
	Nt.	C	B	B	D	D	A	A
3	Day	B	D	D	A	A	C	C
	Nt.	A	C	C	B	B	D	D
4	Day	C	B	B	D	D	A	A
	Nt.	D	A	A	C	C	B	B

1. The Company will make every effort to ensure that the above schedule will operate for a complete period of 4 weeks before reverting to any other shift.
2. Regular scheduled working hours in the calendar week may vary from week to week but will average 42 hours per week 11:00 p.m. Sunday to the following 11:00 p.m. Sunday.
3. Shifts will begin at 7:00 a.m. or 7:00 p.m.
4. All breaks will be taken at machine side while the equipment is running. These are to be staggered to maintain continuous manning. Break and Meal periods are as follows: each 12 hour shift shall have 2 - 20 minute breaks no more than 5 hours apart and 2 - 10 minute breaks.
5. Premiums paid will be as follows:
 - i. A premium of 50 cents will be paid for all hours worked on Saturday commencing at 7:00 a.m. to 7:00 p.m.

- ii. A premium of 1/2 the straight time hourly rate will be paid for all hours worked on Sunday. (Unless the Sunday is a regularly scheduled day off for the employee in which case iv below shall apply and not ii). (7:00 a.m.Sunday to 7:00 a.m. Monday).
- iii. Night shift premiums will be paid for all hours worked on night shift. No other premium will apply.
- iv. Time and one half (1 1/2) the hourly rate will be paid for all hours worked on an employee's regularly scheduled day(s) off except, should the day off be Sunday, which will be paid at double (2) time and/or shift premium amounts.
- v. Double time will be paid for all hours worked on a statutory holiday commencing 7:00 a.m. to 7:00 a.m.

6. Overtime will be paid at 1 1/2 times hours in excess of 12 per day or 44 per week. Article 7 Section 2 of the Labour Contract shall not apply. There will be no pyramiding of overtime and/or shift premium amounts.

7. Article 15 Bereavement Leave. Change section 3, item 6 to show 12 hours pay.

8. Article 9 Paid Holidays. To read Article 9 Section 1, 1st sentence of the labour contract as follows:

"Employees may be required to work on statutory holidays and will receive 2 times their regular salary for the number of hours worked on the holiday plus the holiday pay at 8 hours times their regular rate."

Article 9 Holidays During Vacation shall be read as follows:

"If a paid holiday occurs during an Employee's vacation, additional days will not be provided for Employees on 12 hour shifts but will be paid for at Et hours times the regular rate.

If a paid holiday occurs on a day which is scheduled but not worked due to observance of the paid holiday, then it will be paid for at 12 hours times the regular rate. If a paid holiday occurs on a day which is not an Employee's scheduled work

day they will be paid 8 hours at their regular rate."

9. Article 10 Vacations, Section 1, change as follows:

(b) After "eighty (80) hours" add (eighty-four (84) for 7 day continuous operations)".

(c) After "one hundred and twenty (120) hours" add "(one hundred and twenty-six (126) hours for 7 day continuous operations)".

(d) After "one hundred and sixty (160) hours" add "(one hundred and sixty-eight (168) hours for 7 day continuous operations)".(e) After "two hundred (200) hours" add "(two hundred and ten (210) hours for 7 day continuous operations)".

(f) After "two hundred and forty (240) hours" add "(two hundred and fifty-two (252) hours for 7 day continuous operations)".

Vacations will be scheduled per appendix d and will be according to the shifts being worked by the Employee and not necessarily the calendar week.

APPENDIX E

CONTINUOUS OPERATION

7 Shifts per week - 2 crews on **42** Hour Average Week **12** Hour Shifts

SUN	MON	TUES	WED	THURS	FRI	SAT	EFFECT
	A B	A B	A B	A			A Has 3 day weekend B Has 4 day weekend
	B A	B A	B A	B			B Has 3 day weekend A Has 4 day weekend
	A B	A B	A B	A			A Has 3 day weekend B Has 4 day weekend
	B A	B A	B A	B			B has 3 day weekend A Has 4 day weekend

1. The Company will make every effort to ensure that the above schedule will operate for a complete period of 4 weeks before reverting to any other shift.
2. Regular scheduled working hours in the calendar week may vary from week to week but will average 42 hours per week 11:00 p.m. Sunday to the following 11:00 p.m. Sunday.
3. Shifts will begin at 7:00 a.m. or 7:00 p.m.
4. All breaks will be taken at machine side while the equipment is running. These are to be staggered to maintain continuous manning. Break and Meal periods are as follows: each 12 hours shift shall have 2 - 20 minute breaks no more than 5 hours apart and 2 - 10 minute breaks.
5. Premiums paid will be as follows:
 - i. A premium of 50 cents will be paid for all hours worked on Saturday.
 - ii. A premium of 1/2 the straight time hourly rate will be paid for all hours worked on Sunday. (Unless the

Sunday is a regularly scheduled day off for the Employee in which case iv below shall apply and not ii).

- iii. Night shift premiums will be paid for all hours worked on night shift. No other premium will apply.
- iv. Time and one half (1 1/2) the hourly rate will be paid for all hours worked on an Employee's regularly scheduled day(s) off except should the day off be Sunday, which will be paid at double (2) time and/or shift premium amounts.

6. Overtime will be paid at 1 1/2 times hours in excess of 12 per day or 44 per week. There will be no pyramiding of overtime and/or shift premium amounts.

7. Article 15 Section 3, Bereavement leave shall be read as follows:

"five (5) to be read "five (5) and a maximum 40 hours pay"

"three (3) to be read "three (3) and a maximum 24 hours pay"

"two (2) to be read "two (2) and a maximum 16 hours pay"

Change the first sentence to read:

"The Employee shall be paid twelve (12) hours at his or her regular rate for each of the "X" days lost to the maximum hours shown.

Bereavement pay will not result in a greater amount than if the employee had worked all or part of the time shown on his regular shift".

8. Article 9 Paid Holidays. To read Article 9, Section 1, 1st sentence of the labour contract as follows:

"Employees may be required to work on statutory holidays and will receive 2 times their regular salary for the number of hours worked on the holiday plus the holiday pay at 8 hours times their regular rate."

Article 9 Holiday During Vacation shall be read as follows:

"If a paid holiday occurs during an Employee's vacation, additional days will not be provided for Employees on 12 hour shifts, but will be paid for at 8 hours times the regular rate.

If a paid holiday occurs on a day which is scheduled but not worked due to observance of the paid holiday then it will be paid for at 12 hours times the regular rate. If a paid holiday occurs on a day which is not an Employee's scheduled work day they will be paid 8 hours at their regular rate."

9. Article 10 Vacations, Section 1, change as follows:

(b) After "eighty (80) hours" add "(eighty-four (84) for 7 day continuous operations)".

(c) After "one hundred and twenty (120) hours" add "(one hundred and twenty six (126) hours for 7 day continuous operations)".

(d) After "one hundred and sixty (160) hours" add "(one hundred and sixty-eight (168) hours for 7 day continuous operations)".

(e) After "two hundred (200) hours" add "(two hundred and ten (210) hours for 7 day continuous operations)".

(f) After "two hundred and forty (240) hours" add "(two hundred and fifty-two (252) hours for 7 day continuous operations)".

Vacations will be scheduled per Appendix d and will be according to the shifts being worked by the Employee and not necessarily the calendar week.

APPENDIX F
VACATIONS

The following will be used for 12 hour shifts:

1. Employees working the Appendix D schedule will be allowed to book their vacation in "blocks". Blocks are groups of work days between scheduled days off.

e.g. S M T W T F S S M T W T F S S
 - 12 12 - - 12 12 12 - - 12 12 - - -
 block block block

2. Blocks will normally consume 24 or 36 hours of vacation time.
3. Vacation entitlement will be converted to hours in order to determine entitlement for employees.

e.g. 2 weeks entitlement = 84 hours
 3 weeks entitlement = 126 hours

4. Employees with 12 hours or more or 24 hours and less will be allowed to book a 24 hour block and will be paid their actual vacation owing.
5. Employees transferred to a position to an 8 hour schedule with less than 40 hours remaining will be provided their normal time (1 week) for vacation but will be paid their actual vacation owing only.
6. Employees with less than 12 hours vacation entitlement left will receive pay only, for the remaining vacation entitlement owing.

Company agrees to continue % calculation per labour contract where applicable.

TOPICAL INDEX OF CONTENTS	CONTRACT SECTION
ABSENCES	8(6), 11(3)
BENEFIT INSURANCE	22
BREAKS	6 (b), (c), 7(4), 8(6) , APPENDIX B(5.3)
CALL-IN	8(5)
CLOTHING	16(2), 23, APPENDIX B(1), 10, 11, 12, 13, 23, 27
COOPERATION	5
DISCIPLINE	13(1)(2)
DISPLACEMENTS	18, 24(C) 1-4, 11(5), 6(g)
DISCRIMINATION	Purpose, 3
DUES	4
GRIEVANCES	12
HOLIDAYS	9
HOURS OF WORK	6, 7(4), 8(6) APPENDIX B(5)
JOB SECURITY	2, 5 (Co-operation), 8(2), 24
LAYOFF	9(2), 11(3) (6) (7)
LEAVES	15
LEAVING WORK	APPENDIX B(2)2
MEALS	17
NOTICES	19, APPENDIX B(6)
OVERTIME	7, 9(4)
POSTINGS	11(8)
PREMIUM	8(3) (4)
PROMOTIONS	8(8), 1i (9), APPENDIX A (Various & Note) APPENDIX A
REPORTING TO WORK	8(7), APPENDIX B(2), (5), (7), (8), (9), (10)
SAFETY & HEALTH	16, APPENDIX B(1)(2)(3)
SENIORITY	11
STRIKES	3
TERMINATION	11(3), 13, APPENDIX B(13)
TOOLS	APPENDIX B(13)
VACATIONS	10, 9(3)
WAGES	APPENDIX A, APPENDIX B (14)
ILLNESSES & ACCIDENTS	9(1), 10(2), 11(2), 22

LETTER OF UNDERSTANDING A
between
BONAR INC.
BURLINGTON, FLEXIBLE PACKAGING - PAPER DIVI-
SION
and
C.E.P.UNION, LOCAL 1178

The intent of this Agreement is to provide for the operation of the plant equipment on a four (4) shift basis in the Burlington Paper Division.

The intent would be to operate any equipment on a 4 shift basis when volume is of a level to make this possible. The schedule to be worked, will be as per Appendix "D" and "E" of the Collective Agreement.

1. The Company will make every effort to ensure that the schedule referenced in Appendix "D" and "E" will operate for a complete period of 4 weeks before reverting to any other shift. The Company agrees to provide 10 days notice when implementing or coming off a continuous operation, and to give the same notice to those individuals who temporarily are required to go in or out of the four shift schedule.
2. Regular scheduled working hours in the calendar week may vary from week to week but will average 42 hours per week 11:00 p.m. Sunday to the following 11:00 p.m. Sunday.
3. Shifts will begin 7:00 a.m. or 7:00 p.m.
4. All the normal break periods will be observed in accordance with past practice.
5. Premiums paid will be as follows:
 - I. A premium of 50 cents will be paid for all hours worked on Saturday.
 - II. A premium of 1/2 the straight time hourly rate will be paid for all hours worked on Sunday. (Unless the Sunday is a regularly scheduled day off for the employee in which case IV below shall apply and not II.)
 - III. Night shift premiums will be paid for all hours worked on night shift. No other premium will apply.

- IV. Time and one half (1 1/2) the hourly rate will be paid for all hours worked on an employee's regularly scheduled day(s) off except, should the day off be Sunday, which will be paid at double time and/or shift premium amounts.
6. Overtime will be paid at 1 1/2 times hours in excess of 12 per day or 44 per week. Article 7 Section 2 of the labour contract shall not apply. There will be no pyramiding of overtime and/or shift premium amounts.
7. Article 15 Section 3, Bereavement Leave shall be read as follows:
"live (5)" to be read "five (5) and a maximum 40 hours pay"
"three (3)" to be read "three (3) and a maximum 24 hours pay"
"two (2)" to be read "two (2) and a maximum 16 hours pay"
Change the first sentence to read:
"The employee shall be paid twelve (12) hours at his or her regular rate for each of the "X" days lost to the maximum hours shown.
Bereavement pay will not result in a greater amount than if the employee had worked all or part of the time shown on his regular shift.
8. Article 9 Paid Holidays. To read Article 9 Section 1, first sentence of the labour contract as follows:
"Employees may be required to work on statutory holidays and will receive two (2) times their regular salary for the number of hours worked on the holiday, plus the holiday pay at eight (8) hours times their regular rate."
Article 9 Holidays During Vacation shall be read as follows:
"If a paid holiday occurs during an employees vacation, additional days will not be provided for employees on 12 hour shifts, but will be paid for at eight (8) hours at their regular rate.
If a paid holiday occurs on a day which is scheduled but not worked, due to observance of the paid holiday, then it

will be paid for at twelve (12) hours times the regular rate. If a paid holiday OCCURS on a day which is NOT an employees scheduled work day, they will be paid eight (8) hours at their regular rate."

9. The Company believes that additional employees may be required in other areas of the Plant. The parties agree that additional persons may be scheduled on a regular seven (7) day shift basis if necessary.

10. Article 10 Vacations Section 1, change as follows:

(b) After "eighty (80) hours" add "(eighty-four (84) for 7 day continuous operations)"

(c) After "one hundred and twenty (120) hours" add "(one hundred and twenty-six (126) hours for 7 day continuous operations)".

(d) After "one hundred and sixty (160) hours" add "(one hundred and sixty-eight (168) hours for 7 day continuous operations)".

(e) After "two hundred (200) hours" add "(two hundred and ten (210) hours for 7 day continuous operations)".

(f) After "two hundred and forty (240) hours" add "(two hundred and fifty-two (252) hours for 7 day continuous operations)".

Vacations will be scheduled per Appendix d and will be according to the shifts being worked by the employee and not necessarily the calendar week.

Dated this __ day of _____ 19__.

For the Company

For the Union

_____	_____
_____	_____
_____	_____
_____	_____

LETTER OF AGREEMENT B
between
BONAR INC.
BURLINGTON, FLEXIBLE PACKAGING - PAPER DIVI-
SION
and
C.E.P.UNION, LOCAL 1178

CRITERIA FOR ASSIGNMENT OF OVERTIME

SECTION 1: PRESS LINE OF PROGRESSION

A. Overtime prior to or at the end of a regularly scheduled shift during the week.

OPERATOR:

- a) Ask operator scheduled to the Press on that shift
- b) Ask all operators on that shift who are qualified
- c) Ask qualified 2nd Person on the Press
- d) Ask all 2nd Persons on that shift who are qualified
- e) Ask Mounter Proofer
- f) Ask Lead Hand
- g) Ask qualified employees outside of the department (taking overtime tabulated previously into account)

2ND PERSON:

- a) Ask 2nd Person scheduled to the Press on that shift
- b) Ask all 2nd Persons on that shift
- c) Ask Operator on that shift
- d) Ask Operators on other presses on that shift
- e) Ask Mounter Proofer
- f) Ask Lead Hand
- g) Ask qualified employees outside the department (taking overtime tabulated previously into account)

B. Scheduled overtime on weekends.

OPERATOR:

- a) Ask Operator assigned to the Press, starting with the Operator who worked the required shift during the week

- b) Ask Operators assigned to that shift during the week from other presses
- c) Ask Operators on other presses on other shifts
- d) Ask qualified 2nd Person on that shift
- e) Ask qualified 2nd Person from other presses
- f) Ask Mounter Proofer
- g) Ask Lead Hand
- h) Ask qualified employees outside department (taking overtime tabulated previously into account)

2ND PERSON:

- a) Ask 2nd Person assigned to the Press, starting with the 2nd Person who worked the required shift during the week
- b) Ask 2nd Person assigned to that shift during the week from other presses
- c) Ask 2nd Person on other press on other shifts
- d) Ask Operators on other presses on that shift
- e) Ask Operators on other presses on other shifts
- f) Ask Mounter Proofer
- g) Ask Lead Hand
- h) Ask qualified employees outside department (taking overtime tabulated previously into account)

SECTION 2: ALL OTHER LINES OF PROGRESSION

- A. Overtime prior to or at the end of a regularly scheduled shift during the week.
 - i) Ask person scheduled to the machine/function for that week
 - ii) Ask the qualified person scheduled to that shift to the same job on other machine/function in the Line of Progression
 - iii) Ask the remaining qualified person or persons scheduled to the machine in the Line of Progression where overtime originated
 - iv) Ask subsequent qualified person in the Line of Progression who is assigned to the same shift until the necessary personnel are obtained
 - v) Ask subsequent qualified person in the Line of Progression until the necessary personnel are obtained
 - vi) Ask Lead Hand

vii) Ask qualified person outside the Line of Progression
(Steps ii) through v) take overtime tabulated previously into account).

B. Scheduled overtime on weekends.

- i) Ask individual assigned to that job and shift during the week
- ii) Ask the qualified person scheduled to that machine function during that week
- iii) Ask the qualified person scheduled to that shift for that week to the same job on other machine function in the Line of Progression
- iv) Ask subsequent qualified person in the Line of Progression until the necessary personnel are obtained
- v) Ask Lead Hand
- vi) Ask qualified person outside the Line of Progression

(Steps ii) through v) take overtime tabulated previously into account).

SECTION 3: CONTINUOUS OPERATIONS

A. APPENDIX B SCHEDULE

Within this schedule after one complete cycle of four weeks, a given crew will work four (4) two day and off periods and two (2) three day and off periods. With this stated the overtime selection criteria is as follows:

- i) For coverage on the first day of a two day work period, the qualified crew/individual immediately preceding that shift will be asked to work.
- ii) For coverage on the second day of a two day work period, the qualified crew/individual immediately following that shift will be asked to work.
- iii) For coverage on the second day of a three day work period, the selection made for the qualified crew/individual will be based on overtime tabulated previously. On this basis the employees selected may

come from the crew preceding and/or following the shift which requires coverage.

- iv) Ask qualified person in the Line of Progression until the necessary personnel are obtained.
- v) Ask Lead Hand.
- vi) Ask qualified person outside the Line of Progression.

(Steps iii) through iv), take overtime tabulated previously into account).

B. APPENDIX C SCHEDULE

This schedule has two crews assigned on twelve hour shifts, three and one half days per week. This schedule allows no overtime coverage within the assigned crews, therefore the overtime selection criteria is as follows:

- i) Ask qualified person in the Line of Progression until the necessary personnel are obtained.
- ii) Ask qualified person outside the Line of Progression.

(Steps i) and ii) take overtime tabulated previously into account).

SECTION 4: GENERAL OPERATING RULES

- 1) Tabulated overtime includes overtime worked and overtime rejected according to Article 7, Section 5 of the Labour Agreement.
- 2) Weekday overtime goes to the person working on the job that day. Weekend overtime goes to the person working the most regular hours on that job during the week.
- 3) If any error or omission is detected in establishing overtime coverage, by an individual or management, then those individual(s) previously assigned will have no recourse to seek remedy.
- 4) Once overtime coverage has been established, employees are obligated to it as if it were a regularly scheduled shift, and must follow the guidelines as established in Article 8 Section 6 b).

- 5) When assigning overtime, those asked first will be "Qualified Persons".

QUALIFIED LISTS

When assigning overtime under Section 1, 2 or 3 of the "Criteria for Assignment of Overtime" Agreement, those asked first will be "Qualified Persons".

"Qualified Persons" are those whose names appear on the Qualified List for the job being assigned. Qualified Lists will be updated semi-annually (in March and September), and posted with the Lines of Progression.

ADMINISTRATION

When assigning overtime under Sections 1, 2 or 3 of the Criteria, the Foreman would ask those whose names were on the Qualified List for that job (taking overtime tabulated previously into account).

Qualified Lists would be established by a posting for each intermediate job, for a period of 3 weeks. Those employees who are Qualified, and interested in Overtime Assignments to any of the jobs posted, should sign their names to the respective posting.

The Company will screen those who respond to the posting, and advise who is accepted. Some employees, especially those with no recent experience, may be asked to demonstrate the necessary job skills before acceptance.

The Lists will be posted with the Lines of Progression when they are complete. After that those employees who wish to have their names added to the various Lists may request job training through their Foreman.

An employee who wishes to withdraw from a List may do so by a request to the Superintendent in writing.

Qualified Lists will be updated and posted semi-annually (in March and September) with the Lines of Progression.

The positions which will be posted are as follows:

- Bottomer 2nd Person
- Tuber 2nd Person
- Tuber Offbearer
- Press 2nd Person
- Shipping Helper
- Warehouse Person Paper Storage
- Waste Control
- Pallet Press Op.
- Baling

Dated this __ day of _____ 19__.

For the Company

For the Union

PENSION PLAN FOR HOURLY PAID EMPLOYEES

January 1, 1994

Bonar Inc.



Table Of Contents

Prior Plans	2
Plan Continuance And Registration	2
Membership In The Plan	2
Contributions To The Plan	3
Retirement Dates	4
Retirement Benefits	4
Benefit From Voluntary Contributions	6
Form Of Pension Benefits	6
Benefits In Case Of Termination Of Employment	
Death Benefits	8
Beneficiary Designation And Settlement Of Benefits	3
Pension Fund	9
Administration Of The Plan	9
General Provisions	10
Maximum Pension Payable	10
Future Of The Plan	10
Glossary of Commonly Used Pension Terms	12

This booklet provides general information on the pension plan and is a summary only. All provisions of the pension plan and fund are ruled by the official text as filed with government authorities and not this booklet. This booklet shall not be construed or used to interpret, to provide, or to expand any employment rights.

Pension Plan For Hourly-Paid Employees Of Bonar Inc.

(with amendments effective January 1, 1994)

Prior Plans

Prior to the pension plan described in this booklet, pension plans were provided to hourly employees of the companies that were predecessors to Bonar Inc. (Bonar Packaging Ltd., once Thomas Bonar Co. Ltd.; and Bonar & Bemis Ltd.) Following an amalgamation, those plans were merged into a single plan which has been amended from time to time to reflect benefit changes and improvements, and to comply with legislative requirements.

Plan Continuance And Registration

The Plan qualifies as a registered pension plan under the Ontario Pension Benefits Act and the Income Tax Act. Consequently, the Plan is subject to registration by the Pension Commission of Ontario and Revenue Canada.

While the Company expects and intends to maintain the Plan in force indefinitely, it reserves the right to amend or to terminate the Plan either in whole or in part.

Membership In The Plan

In this and later sections of this booklet calculations are described using the "Y.M.P.E.", which is the "Yearly Maximum Pensionable Earnings". Essentially, the Y.M.P.E. is the maximum pay amount counted in any year for calculation of Canada/Quebec Pension Plan benefits. The Y.M.P.E. amount is set each year by the government.

Each full time employee hired on or after January 1, 1991 must enroll in the Plan after completing 24 months of continuous service. Some provinces have rules which require or permit enrollment for part time employees after specific periods of employment. These are:

Manitoba -	24 months of continuous service and, 25% of Y.M.P.E. or greater in each of 2 consecutive calendar years
Alberta .	24 months of continuous service and, 35% of Y.M.P.E. or greater in each of 2 consecutive calendar years
Ontario	24 months of continuous service and, in each of 2 consecutive calendar years, 35% of Y.M.P.E.; or 700 hours of employment.

A Quebec member, whether full-time or part-time, is eligible to enroll voluntarily after earning at least 35% of the Y.M.P.E. or completing 700 hours of

employment in the calendar year *preceding* the date of application for membership.

Once enrolled in the Plan, a person must remain a member as long as he or she remains an employee.

If a member's employment is terminated and the member is later *re* employed, he or she is then treated as a new employee for purposes of eligibility of membership and benefits. (Prior vested benefits are not affected.)

Any benefit earned after the date of rehire is calculated based on the member's continuous plan membership after that date.

Contributions To The Plan

Company Contributions

The Company makes contributions to the pension fund as required, based on the advice of the actuary (a certified professional), to cover the normal cost of benefits currently accruing to members and to cover **amortization** of any unfunded liability or solvency deficiency. Assets of the fund, contributions of members and other relevant factors are taken into account in determining such contributions.

When assets of the pension fund are larger than the benefit liabilities of the Plan, the excess may be used by the Company to reduce its contributions, subject to any limitations prescribed under the Pension Benefits Act.

Company contributions for the normal cost of benefits are paid in monthly **installments** within **30** days after the month for which contributions are payable. Special payments may be made to **amortize** any unfunded liability or solvency deficiency, and these are made in equal monthly **installments** throughout the plan year.

Amounts contributed by the Company in the Plan year that are in excess of the amount necessary may be returned to the Company out of the Pension fund, subject to the prior approval of the Superintendent of Pensions of Ontario.

Member Contributions

Required contributions: Each member contributes **1.8%** of earnings up to the **Y.M.P.E.** and **2.7%** of earnings above the **Y.M.P.E.**

Voluntary contributions: Members may make additional voluntary contributions by payroll deduction amounts for current service. These must not exceed the maximum amount which may be deducted from taxable income under the Income Tax Act. Members may revoke the decision to make voluntary contributions at any time, but contributions already made cannot be withdrawn from the Plan while the member remains an employee.

Retirement Dates

Normal retirement date: The first of the month coincident with or following the date on which you attain the age of 65.

Early retirement date: Members entitled to a deferred pension who leave active employment with the Company after attaining age 55 and before Normal Retirement Date, shall be considered to have early retired on the first of the month coincident with or following the date on which the member leaves active employment.

Postponed retirement date: If a member has remained employed after Normal Retirement Date, the member may retire on the last day of any month after his Normal Retirement Date, but will retire not later than December 1st of the calendar year in which the member attains age 71.

Disability retirement date: A member not in active employment due to Total and Permanent Disability, and not in receipt of benefits from a long term disability plan sponsored by the Company, is eligible to retire on his Disability Retirement Date. The Disability Retirement Date will be on or after attainment of age 60 or, if earlier, on or after completion of 20 years of continuous service.

Retirement Benefits

Regular benefit: Pension plan members retiring on their Normal Retirement Date on and after January 1, 1994 are entitled to an annual pension, beginning on their Normal Retirement Date, of:

1. 1.2% of earnings up to the Y.M.P.E. and 1.5% of earnings above the Y.M.P.E. for each year of credited service beginning on or after January 1, 1994; and

2. 0.9% of earnings up to the Y.M.P.E. and 1.35% of earnings above the Y.M.P.E. for each year of credited service from January 1, 1987 to December 31, 1993; and

3. an amount equal to 50% of the members required contributions with credited interest to December 31, 1986.

Minimum benefit: Pension plan members are entitled to have their pension benefit increased if necessary so that pension benefits for credited service on and after January 1, 1973:

a. For members retiring on or after January 1, 1996, \$24.00 per month for each completed year of credited service on and after January 1, 1973.

b. For members retiring on or after January 1, 1995, \$22.00 per month for each completed year of credited service on and after January 1, 1973.

c) for members retiring on or after January 1, 1994, \$20.25 per month for each completed year of credited service on and after January 1, 1973.

In addition, pension plan members retiring on or after January 1, 1994 are entitled to a monthly pension of \$13.50 for each year or part thereof, of credited service prior to January 1, 1973.

Early retirement benefit: Members retiring after attaining age 55 and before Normal Retirement Date are entitled to receive a pension commencing on the first day of any month on or following his Early Retirement Date up to his normal retirement date. The pension to be paid is the actuarial equivalent of the pension calculated according to the regular retirement pension, based on credited service up to the date the member leaves active employment.

Members who retire early who have 20 years of service and have reached age 60, but not 62, will receive a pension calculated without actuarial reduction.

Members who retire early who, have 20 years of service and have reached age 62, will receive a pension calculated without actuarial reduction, and, if the retirement occurs on or after January 1, 1994; a supplementary pension calculated based on the number of completed years of service of the member multiplied by \$13.00, to a maximum of 30 years, and this amount shall be payable until age 65 or death, which ever comes first.

Postponed retirement benefit: Members who remain in Company employment past Normal Retirement Date will continue to accrue benefits during the period of continued employment. Benefit payments begin on the first of the month *on* or right after the date of *actual retirement*, but no later than December 1st of the calendar year in which the member turns age 71.

Benefits are calculated as shown above, up to the date of actual retirement. (Due to regulation, Quebec members benefits are calculated under the normal formula up to Normal Retirement Date and then actuarially increased from the Normal Retirement Date to the date of actual retirement)

Disability retirement benefit: Members who retire as described under "Retirement Dates" due to a disability, will be entitled to a pension beginning on the first of the month on or right after the Disability Retirement Date. Benefits are calculated as if retirement occurred on Normal Retirement Date, based on credited service up to the Disability Retirement Date.

However, a reduction of 1/4 of 1% for each month by which Disability Retirement Date precedes the Normal Retirement Date will be applied to the pension calculated, if the member is at least age 60 on Disability Retirement Date,

If the member is less than 60 but has at least 20 years of continuous service, the reduction will be a 1/4 of 1% for each month by which Disability Retirement Date precedes age 60.

Disability Accrual

Members are not required to contribute to the Plan during any period of total and permanent disability and when in receipt of benefits from a long term disability plan sponsored by the Company. Each year or part of such period counts as a year or part of continuous and credited service under the Plan.

For the purpose of disability accrual, a member's earnings are deemed to be equal to the rate of earnings received by the member immediately prior to the start of the disability.

Benefit From Voluntary Contributions

If a member makes voluntary contributions to the Plan, upon retirement the member is entitled to a refund of these contributions with credited interest. The annual rate of credited interest is disclosed each year in the member statement. Voluntary contributions do not increase the regular pension benefits described in other sections of this booklet.

Form Of Pension Benefits

The pension payable is provided as monthly payments for the life of the member and in any event for a period of not less than 60 months, (This is called a "Life, 5 year guarantee") If the member dies before receiving 60 monthly payments, the member's beneficiary is entitled to receive the remaining balance of the 60 payments.

The normal form of pension required for a member with a spouse is a "Joint and Survivor 60%" pension ("Joint and Survivor 66 2/3%" for a Manitoba member). This pension annuity is payable in monthly installments for the life of the member and in case of the member's death, 60% (or 66-2/3%) of the original amount is paid monthly to the member's spouse for his or her life. The "Joint and Survivor" pension amount calculated is the equivalent value ("actuarial equivalent") of the "Life, 5 year guarantee" pension amount.

A member with a spouse may elect any other form of pension that provides a lesser benefit to the spouse if the spouse provides a written waiver permitting the alternate form of benefits. Such a waiver may not be revoked after the date on which the payments are to start.

Examples of other forms of pension available include:

"Life only"-paid only for the life of the member, without any minimum guarantee period

"Life, 10 year guarantee"- paid for the life of the member, and in any event for a period of not less than 120 monthly payments, the member's beneficiary entitled to receive the remaining balance of the 120 monthly payments.

"Joint and Survivor, 100%" - paid for the life of the member, and in case of the member's death, the same amount paid monthly to the member's spouse for his or her life.

The pension amount paid in a form other than "Life, 5 year guarantee" is the actuarial equivalent of the amount of pension paid in the "Life, 5 year guarantee" form.

Pension benefit payments cease with the payment due for the month in which the member's death occurs, subject to the terms of the normal or optional form of pension.

Benefits In Case Of Termination of Employment

Voluntary contributions: Upon termination of employment other than by death or disability, a member will receive a refund of any voluntary contributions he or she may have made, with credited interest.

Required contributions: Provincial regulations specify different conditions and effective dates for the payment of pensions, refunds and *credited interest*. In general a member who terminates employment with the Company after 2 years (Alberta, 5 years of continuous service) is not permitted to withdraw any required contributions made under the Plan, but is permitted to receive a pension based upon the amount accrued in the Plan when he or she retires.

Provincial regulations affecting refunds, deferred pensions and credited interest have various "effective dates". This means that some amounts may be able to be withdrawn by employees who terminate their employment, instead of receiving them as a pension when he or she retires. However, any member who has achieved age 45 and 10 years continuous service will not be permitted to withdraw any required contributions, but must receive the amount as a pension when he or she retires,

Excess contributions: The amount of employee contributions that are in excess of 50% of the commuted value of a member's pension, and as defined under the Plan, may be refunded to the member.

Transfer of value of deferred pension: Members entitled to a pension for their retirement may elect. to have the commuted value of the deferred pension:

- a) **Transferred** to another registered pension plan that will accept such a transfer.
- b) **Transferred** to a locked-in Registered Retirement Savings Plan or to a Locked-In Retirement Account as provided for in government legislation,
- c) **Apply** against the purchase of a life annuity from a licensed insurance company (in some provinces).

Upon such a transfer or purchase, the member will cease to be a member of the pension plan and will have no further entitlement under the pension plan. Any such transfer or purchase is subject to Bonar's being satisfied that the transaction complies with applicable legislation affecting pension benefits.

Small benefits payable: Some members benefits, due to low service or for other reasons, may be small enough to permit payment of the commuted value of the pension or deferred pension to the member in full discharge of all obligations to the member under the Plan.

Death Benefits

Provincial regulations vary widely on the payment of death benefits. The Plan text and regulations required by the appropriate province will apply. In addition to Plan benefits, a refund of voluntary contributions with credited interest will be provided. The general rules of the plan are as follows:

Death prior to vesting: If a member dies in active service, the death benefit payable to the members beneficiary is a lump sum equal to the member's required contributions (from the date specified by provincial regulation) plus credited interest. In some provinces the benefit is payable to the members spouse, not the beneficiary.

Death after vesting: If a member dies in active service, the death benefit payable to the members spouse is the commuted value of the member's pension (from the date specified by provincial regulation). The spouse may elect to receive a lump sum if he or she elects to do so within 90 days of being advised of the entitlement to a pension and the right to make such an election. In some provinces it is possible to sign a waiver permitting payment of the benefit to the beneficiary rather than the spouse.

Death after termination, before pension begins: In the case of a vested member who has not ceased to be a member through transfer of his or her benefits out of the Plan, a death benefit (from the date specified by provincial regulation) is payable as described in "death after vesting".

Death after retirement: If a member dies after retirement, the death benefit payable is based upon the form of pension elected at the time of retirement.

Beneficiary Designation And Settlement Of Benefits

A member may designate in writing a person or persons as beneficiary to receive the benefits payable under the Plan after his or her death. Members may also alter or revoke any such designation from time to time prior to his or her death. (subject to legislation which would apply to such designation of beneficiary)

If on the death of the member there is no beneficiary or the beneficiary is not living, any benefits payable under the Plan on or after the members death will be payable to the member's estate.

If a beneficiary dies before the end of any period of payments which is guaranteed under the Plan, the remainder of the payments will be paid to the estate of the beneficiary.

Pension Fund

The Company has established a pension fund to receive contributions and provide benefits under the Plan. Benefits are subject to regulation and may be paid only to the extent that there are sufficient assets in the pension fund.

No liability is attached to the Company, its officers, directors, shareholders or employees for payment of benefits under the fund except to the extent provided under the Plan and funding agreement.

The Company may from time to time require the funding agency to purchase out of the pension fund from a life insurance company, benefits of equal amount and payable under the same conditions as the pension to which a member or beneficiary is entitled under the Plan.

All usual and reasonable fees and expenses incurred in the operation of the pension fund and the Plan are paid from the pension fund, unless paid by the Company.

Subject to the consent of government authorities all or part of any surplus certified by the actuary to be in excess of the liabilities of the pension fund may be refunded to the Company.

The fiscal year of the pension fund is the calendar year.

Administration Of The Plan

The administrator is responsible for all matters relating to administration of the Plan and may delegate matters as he or she deems appropriate. The Company may enact rules and regulations relating to the administration of the Plan to carry out the terms of the Plan text, and will decide all matters relating to the operation, interpretation and application of the Plan in accordance with the provisions of the plan, the funding agreement and the applicable pension benefits legislation.

A plan summary (this document) is provided to the members of the Plan. This plan summary does not contain all of the provisions of the plan and is only a summary. Notice and explanation of any amendment of the Plan is provided to each member.

Annual statements are provided to each member under the Plan. Termination statements are provided to any member who terminates employment or otherwise ceases to be a member of the Plan. The actual text and documents relating to the plan are available to eligible individuals as prescribed by legislation.

General Provisions

Membership in the Plan does not: constitute any enlargement of any rights, contract of employment, or confer any rights to an employee or employees, or limit the company in any way in its right to discharge any employee.

Money payable under the Plan is subject to certain restrictions:

a) Transactions that purport to assign, charge, anticipate or give as security any money payable under the Plan are void; and

b) Money payable under the Plan is exempt from execution, seizure or attachment: and

in addition certain legal rights exist with regard to marriage breakdown.

Contributions made by the company do not constitute an enlargement of the amount of any benefit defined in the Plan and do not at any time create for any person other than the Company any right, title or interest in the assets of the Company or the pension fund, except as specifically provided for in applicable legislation.

Maximum Pension Payable

As provided under the Income Tax Act, the maximum pension payable from a defined benefit pension (like this one) sponsored by a Company is equal to the member's pensionable service multiplied by the lessor of:

- 1) \$1,715 or such greater amount permitted under the Income Tax Act;
- 2) 2% of the average of the members best 3 consecutive years' remuneration from the Company.

For the purpose of the maximum pension calculation, a member's pensionable service before January 1, 1992 shall not exceed 35 years.

Future Of The Plan

The Company expects and intends to maintain the Plan in force indefinitely but necessarily reserves the right to amend or terminate the Plan, either in whole or in part. The Plan may be wound up in whole or in part. The legal

text and pension regulations describe how funds should be applied or benefits paid in such circumstances. Any excess assets remaining after provision for benefits payable to members has been made shall be refunded to the Company without further liability as long as it complies with pension regulations.

Commonly Used Pension Terms

Accrued Pension	Amount of pension credited to a plan member according to service, earnings, etc., up to a given date.
Actuary	A certified professional responsible for calculating insurance risks and premiums, In Canada, professional recognition requires fellowship in the Canadian Institute of Actuaries.
Annuity	Periodic payments (usually monthly) provided by the terms of a contract, for a specific period (ie. a "lifetime") for the recipient or the recipient and his or her beneficiary.
Assets	The amount of "value" held by the pension fund. While this is usually measured in dollars, it usually represents investments in different types of stocks and bonds or cash.
Amortize	The same thing that happens when someone finances a house by taking a mortgage. Payment of an amount can be "amortized" over a period and regular payment amounts established so that the cost is spread out over the period.
Commutated Value	Amount of an immediate lump sum payment estimated to be equal in value to a future series of payments using assumptions prescribed by pension legislation.
Credited Service	Length of service used in the plan formula to calculate benefits.
Defined Benefit	The benefit 'defined' is based upon service, earnings, etc., and not based upon the contributions made.
Life Income Fund	A prescribed retirement savings arrangement that can be purchased with funds locked in by pension legislation.
Locking in	Legislative requirement that pension contributions cannot be withdrawn or otherwise forfeited on termination of employment if the employee is vested.
Excess Assets	If a pension plan's assets exceed the plan's total liabilities, the difference is the excess.
Member	An eligible person who has completed the necessary enrolment forms and who continues to be entitled to benefits or rights under the plan.

Pension Fund	The fund established on behalf of the pension plan, to which all contributions are made and from which all benefits payable under the plan are paid.
Pension Liabilities	The present value of the total accrued pensions of the members.
Unfunded Liability	If a pension plan's assets are less than the plan's total liabilities, the difference is said to be "unfunded".
Remuneration	"Pay" or compensation of a person which is counted under the plan formula.
Y.M.P.E.	The Year's Maximum Pensionable Earnings from time to time in effect under the Canada or Quebec Pension Plan, whichever is applicable.



ManulifeFinancial

Bonar Packaging Corp.

Burlington Paper Hourly

Benefit Booklet



Bonar Packaging Corp.

Group Policy Numbers: GL & GH 17386, GH 17892 and GH 38078

Burlington Paper Hourly

Employee Name: _____

Certificate Number: _____

Welcome to Your Group Benefits Program

Group Policy Benefits and Effective Dates:

Life, Hospital, Major Medical, Weekly Indemnity, Accidental Death and Dismemberment: February 1, 1980

Dental: April 1, 1982

Long Term Disability: May 1, 2000

As a valued employee, you are entitled to the medical and financial security of your Group Benefit Program, provided by Bonar Packaging Corp. in partnership with **Manulife** Financial.

This Benefit Booklet has been specifically designed with your needs in mind, providing easy access to the information you need about the **benefits** to which you are entitled.

Group Benefits are important, not only for the financial assistance they provide, but also for the security they provide for you and your family, especially in case of unforeseen needs.

Your Plan Administrator can answer any questions you may have about your **benefits**, or how to submit a claim.

Table of Contents



How to Use Your Benefit Booklet	5
Explanation of Common Insurance Terms.....	6
Why Group Benefits?	8
Your Plan Administrator.. .....	.8
Applying for Group Benefits	8
Making Changes.. .....	.8
The Claims Process	9
How to Submit a Claim.. .....	.9
Co-ordination of Hospital, Major Medical and Dental Benefits .....	.
Who Qualifies for Coverage?	12
Eligibility	12
Evidence of Insurability.. .....	.12
Late Application	12
Effective Date of Coverage..	12
Termination of Insurance..	13
Your Group Benefits	14
Employee Life Insurance .....	.14
The Benefit	14
Submitting a Claim .....	.14
Waiver of Premium	14
Conversion Privilege .....	.15
Accidental Death and Dismemberment	15
The Benefit	15
Schedule of Losses..	15
Submitting a Claim	16
Exceptions	16
Hospital	17
Submitting a Claim	17
Expenses Not Covered .....	.17
Extension of Benefits .....	.17
Major Medical .....	.18
The Benefit	18
Eligible Expenses.....	18
Submitting a Claim	20
Expenses not Covered	21
Extension of Benefits	22
Drug Benefit For Persons Who Reside In Quebec.....	.22
Dental Care	24
The Benefit	24
Eligible Expenses.....	24
Extension of Benefits	26
Submitting a Claim	26
Expenses Not Covered	26
Weekly Indemnity	27
The Benefit	28
Recurrent Disabilities	30
Extension of Benefits	30
Submitting a Claim	30
Exceptions and Limitations	30
Long Term Disability Benefit	31
The Benefit	31

Table of Contents

Recurrent Disabilities..	34
Extension of Benefits	34
Submitting a Claim	34
Exceptions and Limitations..	34

How To Use Your Benefit Booklet



*Designed With Your
Needs in Mind*

*How to Use Your **Benefit** Booklet*

Designed with Your Needs in Mind

This booklet provides the information you need about your Group Benefits and has been specifically designed with YOUR needs in mind. It includes:

- a detailed Table of Contents, allowing quick access to the information you are searching for,
- Explanation of Commonly Used Terms, which provides a brief explanation of the terms used throughout this Benefit Booklet,
- a clear, concise explanation of your Group Benefits,
- information you need, and simple instructions, on how to submit a claim.

Important Note

The purpose of this booklet is to outline the benefits for which you are eligible as an employee of Bonar Packaging Corp.. The information in this booklet is a summary of the provisions of the Group Policy. In the event of a discrepancy between this booklet and the Group Policy (available from your Plan Administrator), the terms of the Group Policy will apply.

Possession of this booklet alone does not mean that you or your dependent(s) are insured. The Group Policy must be in effect and you must satisfy all the requirements of the Policy.

We suggest you read this benefit booklet carefully, then file it in a safe place with your other important documents.

Important Note

Explanation Of Common Insurance Terms

Explanation of Common insurance Terms

Accident

an unexpected or unforeseen happening or event involving an external force, causing loss or injury.

Child(ren)

- your unmarried children (including adopted, foster and stepchildren) who are less than 21 years of age. Unmarried children, who are full-time students and dependent upon you for support, will be eligible until age 25. Children are insured from birth.
- any mentally or physically handicapped child may remain insured past the maximum age. The child, upon reaching maximum age, must still be incapable of self-sustaining employment and be completely dependent on you for support and maintenance.

Deductible

the amount of eligible expenses for which you are responsible prior to consideration of payment of benefits.

Drug

medications that have been approved for use by the Federal Government of Canada and have a Drug Identification Number.

Earnings

your gross earnings excluding bonus, commissions and overtime. For Weekly Indemnity, the definition of earnings excludes bonuses, commissions and overtime, but will be adjusted to meet Employment Insurance legislation requirements concerning the definition of insurable earnings.

Immediate family member

you, your spouse or child, your parent or your spouse's parent, your brother or sister, or your spouse's brother or sister.

boss of life

for Accidental Death & Dismemberment, death resulting from one of the following:

- an accidental injury visible on the surface of the body or disclosed by an autopsy.
- a disease or infection resulting directly from an accidental injury.
- an accidental drowning.

Medically necessary

broadly accepted and recognized by the Canadian medical profession as effective, appropriate and essential in the treatment of a sickness or injury, in accordance with Canadian medical standards.

Explanation of Common Insurance Terms



Spouse

a person who either:

- is married to you through an ecclesiastical or civil ceremony, or
- although not legally married to you, continuously cohabits with you in a conjugal relationship, which is **recognized** as such in the community in which you reside, for at **least 1 year** at the time a claim is incurred, provided neither party is legally married or 3 years at the time a claim is incurred if one of the parties is prohibited from **marrying** by reason of a previous marriage. The **term** conjugal relationship shall be deemed to include a conjugal relationship between partners of the same sex.

Totally disabled

except for Long Term Disability or Weekly Indemnity, you are unable to work and earn an income due to sickness or bodily injury that leaves you wholly and continuously disabled.

Why Group Benefits?

Why Group Benefits?

Government health plans can provide coverage for such basic medical expenses as hospital charges and doctors' fees. In case of disability, government plans (such as Employment Insurance, Canada/Quebec Pension Plan, Workers' Compensation Act, etc.) may provide some financial assistance.

But government plans provide only basic coverage. Medical expenses or a disability can create financial hardship for you and your family.

Private health care and disability programs supplement government plans and can provide benefits not available through any government plan, providing security for you and your family when you need it most.

Your Group Benefit Program is provided by **Bonar Packaging Corp.**, in partnership with The Manufacturers Life Insurance Company.

Your Plan Administrator

Your Plan Administrator is responsible for ensuring that all employees are covered for the **Benefits** to which they are entitled by submitting all required premiums, reporting all new enrolments, terminations, changes etc., and by keeping all records up to date.

As a member of this Group Benefit Program, it is up to you to provide your Plan Administrator with the necessary information to perform such duties.

Your Plan Administrator is _____ Phone Number: (_____) _____ - _____

Please record the name of your Plan Administrator and contact number in the space provided.

Applying for Group Benefits

To apply for Group Benefits, you must submit a completed Enrolment or Reinstatement Application form, available from your Plan Administrator.

Making Changes

To ensure that coverage is kept **up-to-date** for yourself and your dependents, it is vital that you report any changes to your Plan Administrator. Such changes could include:

- . change in Dependent Coverage
- change of Beneficiary
- . change in Name
- . applying for coverage previously waived

To **make** such changes, you must complete the *Application for Change form*, available from your Plan Administrator.

Your Plan
Administrator

Applying for Group
Benefits

Making Changes

The Claims Process



The Claims Process

How to Submit a Claim

How to Submit a Claim

All claim forms, available from your Plan Administrator, must be correctly completed, dated and signed. Remember, always provide your Group Policy Number and your Certificate number to avoid any unnecessary delays in the processing of your claim.

Your Plan Administrator can assist you in properly completing the forms, and answer any questions you may have about the claims process and your Group Benefits Program.

Payment of Hospital, Major Medical and Dental Claims

*Payment of Hospital,
Major Medical and
Dental Claims*

Once the claim has been processed, Manulife Financial will send an Explanation of Benefits to you.

The top portion of this form outlines the claim or claims made, the amount subtracted to satisfy deductibles, and the benefit percentage used to determine the final payment to be made to you. If you have any questions on the amount, your Plan Administrator will help explain.

The bottom portion of this form is your claims payment, if applicable. Simply tear along the perforated line, endorse the back of the cheque and you can cash it at any chartered bank or trust company.

You should receive settlement of your claim within three weeks from the date of submission to Manulife Financial. If you have not received payment, please contact your Plan Administrator.

Co-ordination of Hospital, Major Medical and Dental Benefits

*Co-ordination of
Hospital, Major Medical
and Dental Benefits*

If you or your dependents are insured for similar benefits under another Plan, Manulife Financial will take this into account when determining the amount of expenses payable under this Program.

This process is known as Co-ordination of Benefits. It allows for reimbursement of insured medical and dental expenses from all Plans, up to a total of 100% of the actual expense incurred.

Plan means:

- other Group Benefit Programs;
- any other arrangement of coverage for individuals in a group; and
- individual travel insurance plans,

Plan does not include school insurance or Provincial Plans.

Order of Benefit Payment

*Order of Benefit
Payment*

A variety of circumstances will affect which Plan is considered as the "Primary Carrier" (i.e., responsible for making the initial payment toward the eligible expense), and which Plan is considered as the "Secondary Carrier" (i.e., responsible for making the payment to cover the remaining eligible expense).

The Claims Process

- If the other Plan does not provide for Co-ordination of **Benefits**, it will be considered as the Primary Carrier, and will be responsible for making the initial payment toward the eligible expense.
- If the other Plan does provide for Co-ordination of **Benefits**, the following rules are applied to determine which Plan is the Primary Carrier.
 - For Claims incurred by you or your Dependent Spouse:

The Plan insuring you or your Dependent Spouse as an employee/member pays benefits before the Plan insuring you or your Spouse as a dependent.

In situations where you or your Dependent Spouse have coverage as an employee/member under more than one Plan, the order of **benefit** payment will be determined as follows:

 - The Plan where the person is covered as an active full-time employee, then
 - The Plan where the person is covered as an active part-time employee, then
 - The Plan where the person is covered as a retiree.
 - For Claims incurred by your Dependent Child:

The Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birthdate, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.

However, if you and your Spouse are separated or divorced, the following order applies:

 - The Plan of the parent with custody of the child, then
 - The Plan of the spouse of the parent with custody of the child (i.e., if the parent with custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay **benefits** for the Dependent Child), then
 - The Plan of the parent not having custody of the child, then
 - The Plan of the spouse of the parent not having custody of the child (Le., if the parent without custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay **benefits** for the Dependent Child).
- A claim for accidental injury to natural teeth will be determined under health care plans with accidental dental coverage before it is considered under dental Plans.
- If the order of benefit payment cannot be determined from the above, the benefits payable under each Plan will be in proportion to the amount that would have been payable if Co-ordination of Benefits did not exist.
- If the insured person is also covered under an individual travel insurance plan, benefits will be co-ordinated in accordance with the guidelines provided by the Canadian Life and Health Insurance Association.

*Submitting a Claim
for Co-ordination of
Benefits*

Submitting a Claim for Co-ordination of Benefits

To submit a claim when Co-ordination of Benefits applies, refer to the following guidelines:

The Claims Process



- As per the Order of Benefit Payment section, determine which Plan is the Primary Carrier and which is the Secondary Carrier.
- Submit all necessary claim forms and original receipts to the Primary Carrier.
- Keep a photocopy of each receipt or ask the Primary Carrier to return the original receipts to you once your claim has been settled.
- Once your claim has been settled by the Primary Carrier, you will receive a statement outlining how your claim has been handled. Submit this statement along with all necessary claim forms and receipts to the Secondary Carrier for further consideration of payment, if applicable.

Who Qualifies for Coverage?

Who Qualifies for Coverage?

Eligibility

Eligibility

You are eligible for Group Benefits if you:

- are a full-time hourly employee and work at least the required number of hours,
- are younger than the Termination Age,
- are residing in Canada, and
- have completed the Waiting Period.

The Termination Age and Waiting Period may vary from benefit to benefit. For this information, please see the section entitled Your Group Benefits.

Your dependents are eligible for insurance on the date you become eligible or the date you first acquire a dependent, whichever is later. You must apply for insurance for yourself in order for your dependents to be eligible.

Required Number of Hours

Required Number of Hours

Full-time employees – 30 hours per week

Evidence of Insurability

Evidence of Insurability

Medical evidence is required for all benefits, except Dental insurance, when you make a Late Application for insurance on any person.

Medical evidence can be submitted by completing the Evidence of Insurability form, available from your Plan Administrator. Further medical evidence may be requested by **Manulife** Financial.

Late Application

Late Application

An application is considered late when you:

- apply for insurance on any person after having been eligible for more than 31 days; or
- apply for insurance on any person which had earlier been cancelled.

If you apply for benefits that were previously waived because you were covered for similar benefits under your spouse's plan, your application is considered late when you:

- apply for insurance more than 31 days after the date **benefits** terminated under your spouse's plan; or
- you apply for insurance and benefits under your spouse's plan have not terminated.

Effective Date of Coverage

Effective Date of Coverage

If Evidence of Insurability is not required, your Group Benefits will be effective on the date you are eligible.

If Evidence of Insurability is required, your Group **Benefits** will be effective on the date you become eligible or the date the evidence is approved by **Manulife** Financial, whichever is later.

Who Qualifies for Coverage?



For All Benefits Except Dental: You must be actively at work for insurance to become effective. If you are not actively at work on the date your insurance would normally become effective, your insurance will take effect on the next day on which you are again actively at work.

Your dependent's insurance becomes effective on the date the dependent becomes eligible, or the date any required evidence of insurability on the dependent is approved by **Manulife** Financial, whichever is later.

If one of your dependents (other than a new-born infant) is **hospitalized** on the date coverage would normally become effective, coverage will commence on the day following discharge from the hospital. Your dependent's insurance will not be effective prior to the date your insurance becomes effective.

Termination of Insurance

Termination of Insurance

Your Group Insurance will terminate on the earliest of:

- the date you cease to be an eligible employee,
- you enter the **armed** forces of any country on a full-time basis,
- the date the Group Policy terminates,
- the date you reach the Termination Age, or
- the date any required contribution is due but not paid.

Your dependent's insurance terminates on the date your insurance terminates or the date the dependent ceases to be an eligible dependent, whichever is earlier.

Your Group Benefits

Your Group Benefits

Employee Life Insurance

If you die while insured, this benefit provides financial assistance to your beneficiary. If your beneficiary dies before you or if there is no designated beneficiary, this benefit is payable to your estate.

The Benefit

Benefit Amount – \$58,000

Termination Age – your benefit amount reduces by **50%** when you attain age **65**, and terminates at age **70** or retirement, whichever is earlier

Waiting period -the first of the month following completion of **480** worked hours

Submitting a Claim

To submit an Employee Life Insurance claim, your beneficiary must complete the Life Claim form, which is available from your Plan Administrator. Documents necessary to submit with the form are listed on the form.

A completed claim form should be submitted as soon as reasonably possible.

To submit a claim for the Waiver of Premium benefit you must complete a Waiver of Premium claim form, which is available from your Plan Administrator. Your attending physician must also complete a portion of this form.

Waiver of Premium

If you become totally disabled, premiums for your Employee Life Insurance will continue without payment of premium, provided the following conditions are met:

- Total disability commences while you are insured and before you reach age **65**.
- Total disability exists for at least 6 months.
- You submit proof of this disability within **12** months of the date total disability commenced.

Waiver Of Premium Conditions

Once your application for Waiver of Premium is approved, premiums for your Employee Life Insurance will be waived from the premium due date coincident with or immediately following 6 months after the date you became totally disabled until the earliest of the following events:

- You are no longer totally disabled.
- You fail to submit further proof of total disability, if requested.
- You fail to take a physical examination and/or a mental evaluation, if requested.
- You are no longer under satisfactory and continuing medical supervision and treatment.

*Employee Life
Insurance – The
Benefit*

*Employee Life
Insurance -
Submitting a Claim*

*Employee Life
Insurance Waiver of
Premium*

Your Group Benefits



Employee Life Insurance
Conversion Privilege

- Your coverage would normally cease, for any reason other than termination of the policy, if you were not totally disabled.
- The date you reach age 65.
- The date of your death.

Conversion Privilege

If your Group Benefits terminate or reduce, you may be eligible to convert your Employee Life Insurance to an individual policy, without medical evidence. You must apply for the individual policy, and pay the first monthly premium within 31 days of the termination of your Employee Life Insurance. If you die during this 31-day period, the amount of Employee Life Insurance available for conversion will be paid to your beneficiary or estate, even if you didn't apply for conversion.

For more information on the conversion privilege, please see your Plan Administrator.

Accidental Death and Dismemberment

If you sustain an accidental injury while insured and suffer a loss specified in the Schedule of Losses below, this benefit provides financial assistance to you or your beneficiary. In the event of your death, the benefit is payable to your beneficiary. If your beneficiary dies before you or if there is no designated beneficiary, this benefit is payable to your estate. For losses other than Loss of Life, the benefit is payable to you.

AD&D - The Benefit

The Benefit

Benefit Amount-same as Life

Termination Age – your benefit amount reduces by 50% when you attain age 65, and terminates at age 70 or retirement, whichever is earlier

Waiting period -the first of the month following completion of 480 worked hours

AD&D - Schedule of Losses

Schedule of Losses

A loss shown in the schedule is covered provided it:

- is a direct result of an accidental injury,
- occurs within 365 days from the date of the accidental injury, and
- is total and irreversible or irrecoverable.

Loss	Amount Payable
Loss of Life	100%
Loss both hands	100%
Loss of both feet	100%
Loss of sight of both eyes	100%
Loss of one hand and one foot	100%
Loss of one hand and sight of one eye	100%
Loss of one foot and sight of one eye	100%
Loss of one hand	50%
Loss of one foot	50%
Loss of sight of one eye	50%
Loss of thumb and any finger of the one hand.. .....	.25%

Your Group Benefits

Loss of hearing in both ears and speech	100%
Loss of use of both hands	100%
Loss of use of both arms	100%
Loss of use of both legs	100%
Loss of use of one arm	75%
Loss of use of one leg	75%
Loss of use of one hand	50%
Hemiplegia	* 100%
Paraplegia	100%
Quadriplegia	100%

If you suffer more than one loss as a result of the same accident, the total benefit payable will not exceed the benefit amount.

No more than one loss, the largest, is payable for multiple injuries to the same limb.

*AD&D - Exposure
And Disappearance*

Exposure And Disappearance

The benefit for a loss will also be payable if, as a result of an accidental injury, you suffer a loss due to unavoidable exposure to the elements of nature, within 365 days of the accident.

If as a result of the disappearance, wrecking or sinking of the conveyance in which you were riding at the time of an accident, you disappear and the body is not found within 365 days following the accident, the benefit for loss of life will be payable on the presumption of death due to the accident.

*AD&D - Submitting a
Claim*

Submitting a Claim

To submit an Accidental Death Claim, your beneficiary must complete a Life Claim form. To submit a Dismemberment Claim, you must complete an Accidental Dismemberment Claim form, Both forms are available from your Plan Administrator, and require a physician's statement.

Proof of claim should be submitted within 90 days of the date of loss.

AD&D - Exceptions

Exceptions

No benefit will be payable for any claim arising as a direct or indirect result of:

- Suicide or self-inflicted injuries while sane or insane.
- War, or any act of war, whether declared or not.
- Service in the armed forces of any country which is in a state of war.
- Performing any act or work pertaining to any occupation or employment for wage or profit with any employer.
- Riding in, boarding or leaving, or descending from, any aircraft if:
 - you are the pilot, the operator, or a member of the crew.
 - the aircraft is owned, operated or leased by or on behalf of the employer.
 - the aircraft is piloted by an unlicensed person.
 - the aircraft does not have a valid certificate of airworthiness.

Your Group Benefits



Hospital

If you, or a covered dependent, are confined in a licensed hospital, you will be reimbursed for room and board charges in excess of ward accommodation up to the level of semi-private accommodation, plus the daily co-insurance charge (if applicable). If confined in a private room, payment will be based on the hospital's charge for semi-private room and board.

Submitting a Claim

To submit a Hospital Claim, have the hospital complete their section of the claim form and give it to you for completion. When completed, submit the form to **Manulife Financial**.

All claims must be submitted by the end of the calendar year following the year in which the expense was incurred. However, upon termination of your insurance, all claims must be submitted no later than **90** days from the termination date.

Claims for Out-of-Canada expenses must first be submitted to the Provincial Plan for payment. Any outstanding balance should be submitted to **Manulife Financial**, along with the explanation of payment from the Provincial Plan.

Expenses Not Covered

No payment will be made for expenses resulting from:

- Self-inflicted injuries or illness while sane or insane.
- Injury resulting directly or indirectly from insurrection, war, service in the armed forces of any country or participation in a riot.
- Any injury or illness for which the person is entitled to benefits under any workers' compensation act.
- Examinations required for the use of a third party.
- Travel for health reasons.
- Cosmetic surgery or treatment (when so classified by **Manulife Financial**) unless such surgery or treatment is for accidental injuries and commenced within **90** days of an accident.
- Services, treatments or supplies eligible under this Plan and payable under any government plan, whether or not the claimant is covered under such a plan. **Manulife Financial** will only consider that amount of an eligible expense which is over and above the amount that would be payable by the government plan.

Extension of Benefits

If you are totally disabled when your Hospital Benefit terminates, benefits will be payable, as long as you remain disabled, up to a maximum period of **90** days after termination. However, coverage will terminate if you become eligible for insurance under another group plan.

If one of your covered dependents is hospitalized when your insurance terminates, then benefits will be payable in the same manner as your own or until your dependent is discharged from the hospital, whichever is earlier.

Extension of the Hospital benefit will cease if the Policy should terminate.

Hospital - Submitting a Claim

Hospital - Expenses Not Covered

Hospital - Extension of Benefits

Your Group Benefits

Major Medical

If you or one of your dependents incurs charges for any of the Eligible Expenses specified, your Major Medical benefit can provide financial assistance.

The Benefit

Overall Benefit Maximum – Expenses incurred are subject to a maximum of \$1,000,000 per person in any 3 consecutive calendar years.

Deductible

- Vision Care: nil
- All other expenses: \$20 per person, or \$40 per family. Each family member may contribute any amount, not to exceed \$20 towards the family maximum

Benefit Percentage (Co-insurance) – 100%

Termination Age – employee's age 70 or retirement, whichever is earlier

Waiting period – first of the month following completion of 480 worked hours

Eligible Expenses

The expenses specified are covered to the extent that they are reasonable and customary, as determined by Manulife Financial, provided they are:

- medically necessary for the treatment of sickness or injury and recommended by a physician (except for clinical psychologist and speech therapist under Professional Services)
- incurred for the care of a person while insured under this Group Benefit Program
- not covered under the Provincial Plan or any other government-sponsored program.

Prescription Drug Plan

- Drugs, sera and injectables available only on a prescription* by a physician or dentist and dispensed by a pharmacist, dentist or a physician.

**Those drugs which legally require a written prescription in order to be purchased.*

- Drugs and supplies of a non-prescription nature required as a result of a colostomy or ileostomy and/or for the treatment of cystic fibrosis, diabetes, parkinsonism or heart disease.
- Charges for oral contraceptives, intrauterine devices and diaphragms.
- This expense does not include vitamins or vitamin preparations, unless injected, or propriety or patent medicines as defined in the Propriety or Patent Medicines Act on March 1, 1977.

Health Care Facilities

- Hospital charges for diagnostic procedures limited to the amount that would be payable under the Ontario Provincial Plan.

Major Medical- The Benefit

Major Medical - Eligible Expenses

Major Medical - Prescription Drug Plan

Major Medical - Health Care facilities

Your Group Benefits



*Major Medical - Medical
Transportation Services*

*Major Medical - Medical
Supplies and Services*

*Major Medical - Dental
Services*

*Major Medical -
Professional Services*

- Room, board and normal nursing care provided in a licensed private hospital (other than a home for the aged or a nursing home) under the supervision of a Registered Graduate Nurse or a Physician, up to a maximum expense of \$10 per day and subject to a lifetime maximum of 120 days per person.

Medical Transportation Services

- If medically necessary, professional ambulance service incidental to hospitalization.

Medical Supplies and Services

- Radium and radioactive isotope treatment, bandage or surgical dressings or blood transfusions.
- Purchase of trusses, braces, splints, casts, cervical collars, catheters, urinary kits, external breast prosthesis (following a mastectomy), ostomy supplies (where a surgical stoma exists), artificial limbs or eyes and corrective prosthetic lenses and frames (once in an insured person's lifetime for a person lacking an organic lens or following cataract surgery).
- Elastic support stockings.
- Specially custom-made boots or shoes or modification and/or adjustments made to stock footwear.
- **Glucometer**, needles, syringes, test strips, alcohol swabs and cotton balls for treatment of diabetes.
- Rental, or at Manulife Financial's option, purchase of a wheelchair (electrical wheelchairs are excluded unless a certified orthopaedic specialist recommends a power driven unit because of a medical necessity), hospital bed, crutches, cane, walker, oxygen set and respirator.

Dental Services

- Dental treatment required due to breakage of the teeth as a direct result of accidental injury to natural teeth (other than breakage due to an object placed either intentionally or unintentionally, in the mouth), provided such treatment is commenced within 90 days and completed within 1 year of the accident, and the claimant's coverage, as well as this policy, are still in force. (The expenses for such treatment are limited to those incurred only to repair the damage resulting directly from the accident, and to an amount for the least expensive procedure which will provide a professionally adequate result.).

Professional Services

- Physicians' services, where permitted by law, for expenses incurred inside the claimant's province of residence.
- Nursing services of a Registered Graduate Nurse (R.N.) who is not related to the patient by birth or marriage or is not an employee of the hospital in which the patient is confined. Services are subject to a maximum of \$2,500 per person in any 3 consecutive calendar years.

Your Group Benefits

Any such expense shall not include agency fees, commissions or overtime charges.

- Services of the following licensed, certified or registered paramedical practitioners when operating within their **recognized** fields of expertise, up to the levels specified for each such practitioner in the following. (Where applicable, no payment can be made until the provincial plans have paid their yearly maximum.)
 - Clinical Psychologist – Expenses are subject to a maximum payment of **\$35** for the initial visit, and a maximum payment of **\$20** per hour for each subsequent treatment or therapy, subject to an overall maximum payment of **\$200** per person during any period of **12** consecutive months.
 - Speech Therapist – Expenses are subject to a maximum payment of **\$200** per person during any period of **12** consecutive months.
 - Masseur – Expenses are subject to maximum payment of **\$7** per visit and subject to a maximum of **12** visits per person during any period of **12** consecutive months.
 - Physiotherapist – Subject to the maximum payment the Ontario Health Insurance Plan pays for such expense after the Ontario Health Insurance Plan has paid its yearly maximum.

Under some circumstances, benefits may not be payable until the government plan concerned has paid its yearly maximum. Check with your Plan Administrator if you require further details

Major Medical -
Vision Care

Vision Care

- Frames, lenses and the fitting of any type of prescription glasses (including contact lenses), up to a total payment of **\$150** per person in any 2 consecutive calendar years.

Vision Care expenses are eligible when recommended by a physician or an optometrist.

Major Medical -
Outside Province of
Residence Coverage

Outside Province of Residence Coverage

In the event of an emergency which occurs while the claimant is travelling, vacationing or otherwise temporarily residing outside the employee's province of residence, physicians' charges for professional services, where permitted by law, for the difference between the Physician's fee and the fee suggested in the current Ontario Medical Association Fee Guide will be considered for reimbursement as eligible expenses.

Major Medical -
Submitting a Claim

Submitting a Claim

To submit a Major Medical claim, you must complete a Major Medical claim form, except when claiming for physician or hospital expenses incurred outside your province of residence. For these expenses, you must complete an **Out-of-Province/Out-of-Canada** claim form. Claim forms are available from your Plan Administrator.

Submit the claim to **Manulife Financial**. All applicable receipts must be attached to the completed claim form when submitting it.

Your Group Benefits



All claims must be submitted by the end of the calendar year following the year in which the expense was incurred. However, upon termination of your insurance, all claims must be submitted no later than 90 days from the termination date.

Claims for Out-of-Canada expenses must first be submitted to the Provincial Plan for payment, Any outstanding balance should be submitted to **Manulife** Financial, along with the explanation of payment from the Provincial Plan.

Expenses not Covered

*Major Medical -
Expenses not Covered*

No payment will be made for expenses incurred which are payable under any other benefit or claims resulting from:

- Self-inflicted injuries or illness while sane or insane.
- Injury resulting directly or indirectly from insurrection, war, service in the armed forces of any country or participation in a riot.
- Any injury or illness for which the person is entitled to benefits under any workers' compensation act.
- Examinations required for the use of a third party.
- Travel for health reasons,
- Charges levied by a physician or dentist for time spent travelling, broken appointments, transportation costs, room rental charges or for advice given by telephone or other means of telecommunication.
- Cosmetic surgery or treatment (when so classified by **Manulife** Financial) unless such surgery or treatment is for accidental injuries and commenced within 90 days of an accident.
- Any charges for services, treatment or supplies:
 - for which there would be no charge except for the existence of insurance.
 - which are performed or provided by an immediate family member or a person who lives with the patient.
 - which are provided while confined in a hospital on an in-patient basis,
 - which are not specified as an Eligible Expense under this plan.
- Expenses incurred outside the province of residence for hospital charges for ward accommodation, hospital services or supplies furnished during hospital confinement, or physicians' services, except for specified treatment (Major Medical Eligible Expenses - Outside Province Of Residence Coverage). Such expenses incurred outside the province of residence on an elective basis or on the referral of a physician located in the province of residence are not payable.
- Drugs, **sera**, **injectables** and supplies which are not approved by Health and Welfare-Canada (Food and Drugs) or are experimental or limited in use whether or not so approved.
- Experimental medical procedures or treatment methods not approved by the Provincial Medical Association or the appropriate medical specialty society.
- Services, treatments or supplies eligible under this Plan and payable under any government plan, whether or not the claimant is covered under such a plan. **Manulife** Financial will only consider that amount of an eligible expense which is over and above the amount that would be payable by the government plan.

Your Group Benefits

Extension of Benefits

If you are totally disabled when your Major Medical benefit terminates, benefits for such disability will be payable, as long as you remain disabled, up to a maximum period of **365** days after termination. However, coverage will terminate if you become eligible for insurance under another group plan.

If one of your covered dependents is **hospitalized** when your insurance terminates, then benefits will be payable in the same manner as your own or until your dependent is discharged from the hospital, whichever is earlier.

Extension of the Major Medical benefit will cease if the Policy should terminate.

Drug Benefit For Persons Who Reside In Quebec

If you and your dependents reside in Quebec, the following provisions apply to your drug benefit coverage.

Covered Drug Expenses

The following expenses are covered:

- drugs that are on the List of Insured Drugs that is published by the **Régie de l'assurance-maladie du Québec (RAMQ List)**, provided such drugs are on the list at the time the expense is incurred; and
- drugs that are listed as a covered expense in this Benefit Booklet, but are not on the RAMQ List.

Coverage for drugs on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List)

The following provisions apply only to the coverage of drugs that are on the RAMQ List. Coverage for all other drugs will be subject to the regular provisions included in this Benefit Booklet:

a) Benefit Percentage

Prior to the annual out-of-pocket maximum being reached, the percentage of covered drug expenses payable under this benefit will be as follows:

- i) For any drug on the RAMQ List which is not otherwise covered under the terms of this Benefit, the percentage payable is **75%**.
- ii) For any drug on the RAMQ List which is covered under the terms of this Benefit, the percentage payable is the greater of:
 - the benefit percentage stated under The Benefit: and
 - **75%**

After the annual out-of-pocket maximum has been reached, the percentage of covered drug expenses payable under this benefit will be **100%**.

b) Annual Out-of-Pocket Maximum

The annual out-of-pocket maximum is the portion of covered drug expenses which must be paid by you and your spouse in a calendar year, before the percentage payable under this benefit will be **100%**. Amounts that will be applied to the annual out-of-pocket maximum are:

Your Group Benefits



- i) deductible amounts, and
- ii) the portion of covered drug expenses that is paid by an insured person, when the percentage of covered expenses payable under this benefit is less than 100%.

The annual out-of-pocket maximum for you and your spouse is **\$750** each, including those portions of covered drug expenses paid for your dependent children.

For the purposes of calculating the out-of-pocket maximum for you and your spouse, those portions of covered drug expenses paid for your dependent children will be applied to the person who is closest to reaching the annual out-of-pocket maximum.

c) Deductible

Deductible amounts (if any) for the drug benefit will apply, until the annual out-of-pocket maximum is reached. Thereafter, the deductible will not apply.

d) Lifetime Maximums

Lifetime maximums (if any) for the drug benefit will not apply. Drug coverage provided after the lifetime maximum stated under The Benefit is reached is subject to the following conditions:

- i) only drugs that are on the **RAMQ** List are covered, and
- ii) the percentage payable by **Manulife Financial** for covered expenses is **75%**.

e) Eligible Dependent Children

Your eligible dependent children who are in full-time attendance at an accredited educational institution will be covered until the later of:

- i) the age specified in this Benefit Booklet (please refer to definition of child in the Explanation of Common Insurance Terms), and
- ii) age **26**.

Drug coverage provided for dependent children after the age stated in this Benefit Booklet is subject to the following conditions:

- only drugs that are on the **RAMQ** List are covered, and
- the percentage payable by **Manulife Financial** for covered expenses is **75%**.

f) Termination Age

Provided you are otherwise eligible for the drug benefit, the Termination Age (if any) for the drug benefit will not apply. Drug coverage provided after the Termination Age specified under The Benefit is subject to the following conditions:

- i) only drugs that are on the **RAMQ** List are covered,
- ii) a calendar year deductible of **\$100/individual; \$200/family** applies to covered expenses,
- iii) the percentage payable by **Manulife Financial** for covered expenses is **75%**,
- iv) the Annual Out-of-Pocket Maximum is **\$750**, and
- v) the premium required for the drug coverage is the premium for Extended Health Care

Your Group Benefits

Coverage for drugs that are listed as a covered expense in this Benefit Booklet but are not on the RAMQ List

Coverage for drugs that are listed as a covered expense under this Benefit but not on the RAMQ List will be subject to all the standard provisions included in this Benefit Booklet.

Dental Care

If you or your dependents require any of the dental services specified under Eligible Expenses, your Dental Care benefit can provide financial assistance.

The Benefit

Deductible – nil

Dental Fee Guide -Ontario General Practitioners or Specialists Dental Fee Guide used in 1999 or the minimum fee specified in the Ontario Denturist Fee Guide used in 1999.

Benefit Percentage (Co-insurance)

100% for Basic

50% for Major

Benefit Maximums

\$1,700 per person per calendar year for Basic and Major expenses combined.

Termination Age – employee's age 70 or retirement, whichever is earlier

Waiting Period -first of the month following completion of 6 months employment

Eligible Expenses

Eligible expenses are those which are recommended as necessary by a physician or dentist and are not in excess of the Dental Fee Guide.

Dental treatments are considered eligible if performed by a dentist or denturist who practices within the scope of his license.

There are several dental procedures which are covered by Provincial Health Plans up to certain maximums. If the dentist or dental surgeon chooses to charge more than the amount payable by the Provincial Plan, legislation in some provinces does not permit the excess charges to be eligible under this Plan.

Basic Services

- The following services will be eligible for payment once every 6 months:
 - Oral examinations.
 - One unit of scaling and one unit of polishing (or prophylaxis {light scaling and polishing} when the service is performed in Quebec).
 - Topical fluoride treatment.
 - Preventive recall packages.
 - Bite-wing x-rays.
- Full mouth series of x-rays once every 24 months.

Dental Care - The Benefit

Dental Care - Eligible Expenses

Dental Care - Basic Services

Your Grow Benefits



- Consultation required by the attending dentist,
- Provision of space maintainers for missing primary teeth, and provision of habit breaking appliances.
- Amalgam, silicate, acrylic and composite fillings.
- **Endodontic** Treatment (i.e. The treatment of diseases of the dental pulp including root canal therapy.)
- **Periodontic** Treatment of diseases of the gums and other supporting tissue of the teeth including:
 - scaling not covered under Preventive Services, and root planing, up to a combined maximum of 16 units per calendar year;
 - provisional splinting; and
 - **occlusal** equilibration, up to a maximum 4 units per calendar year.

However, procedures for guided tissue regeneration are considered eligible only if performed in conjunction with the following periodontal surgical procedures: Flap approach or Osseous grafts - autografts or allografts, provided natural teeth are involved.

- Relining, rebasing or the repair of an existing denture or existing bridge.
- Diagnostic x-ray and laboratory procedures required in relation to dental surgery.
- General anaesthetic or conscious sedation required in relation to dental surgery.
- Surgical extractions, including extractions of impacted teeth.
- Simple **alveolectomy** (incision into tooth socket) at time of tooth extraction.
- Surgical removal of tumours, cysts, neoplasms, plus the incision and drainage of an abscess.

Major Services

Dental Care - Major Services

- Crowns, including gold and porcelain, when the major portion of the clinical crown is decayed, heavily filled or the cusps are fractured and cannot be restored using basic restorative materials. When crowns are rendered on molar teeth, only the cost of metal material will be considered.
- **Onlays** when the major portion of the clinical crown is decayed, heavily filled or the cusps are fractured and cannot be restored using Basic Services.
- Inlays when 3 or more surfaces are involved and the tooth cannot be restored using basic restorative materials.
 - If only 1 or 2 tooth surfaces are involved, the inlay will be considered for reimbursement under Basic Services and payment will be determined based on the cost of a comparable amalgam or composite restoration.
- The creation of an initial bridge or initial denture.
- The replacement of an existing bridge or denture, under one of the following circumstances:
 - If necessitated by the extraction of additional natural teeth while insured under the group dental plan.
 - If the existing bridge or denture is at least 3 years old and cannot be made serviceable.

Your Group Benefits

- If the existing bridge or denture is temporary and is replaced with a permanent bridge or denture within 12 months of the installation of the temporary appliance.
- Other necessary oral surgical procedures not specifically listed under Basic Services.
- Injection of antibiotic drugs when prescribed by a Dentist.

*Dental Care -
Alternate Treatment*

Alternate Treatment

Where any two or more courses of treatment covered under this benefit would produce professionally adequate results for a given condition, **Manulife** Financial will pay benefits as if the least expensive course of treatment were used. **Manulife** Financial will **determine** the adequacy of the various courses of treatment available, through a professional dental consultant.

*Dental Care Pre-
Determination Of
Benefits*

Pre-Determination Of Benefits

If the cost of any proposed dental treatment is expected to exceed **\$500**, **Manulife** Financial suggests that you submit a detailed treatment plan, available from your dentist, before the treatment begins. You can then be advised of the amount you are entitled to receive under this benefit.

*Dental Care -
Extension of
Benefits*

Extension of Benefits

Eligible expenses incurred after the date coverage ceased will not be reimbursed, regardless of whether or not a treatment plan has been filed with **Manulife** Financial, unless the expenses are the result of either of the following situations:

- An impression for a denture, bridge, crown, inlay or onlay had been taken prior to the date coverage ceased and the denture, bridge, crown, inlay or onlay is installed within 30 days after the coverage ceased.
- Coverage ceased due to your death, and, within 90 days following the death, a dependent of the deceased employee has dental work done which is part of a series of planned dental treatment which had begun, or for which definite dental appointments had been made, while you were living.

*Dental Care -
Submitting a Claim*

Submitting a Claim

To submit a claim, you and your dentist must complete a Dental Claim form which is available from your Plan Administrator.

Submit the claim to **Manulife** Financial. All applicable receipts must be attached to the completed claim form when submitting it.

All claims must be submitted by the end of the calendar year following the year in which the expense was incurred. However, upon termination of your insurance for any reason, all claims must be submitted no later than 90 days from the termination date.

*Dental Care -
Expenses Not
Covered*

Expenses Not Covered

No payment will be made for expenses resulting from:

Your Group Benefits



- Self-inflicted injuries or illness while sane or insane.
- Injury resulting directly or indirectly from insurrection, war, service in the armed forces of any country or participation in a not.
- Any injury or illness for which the person is entitled to benefits under any workers' compensation act.
- Examinations required for the use of a third party.
- Charges levied by a physician or dentist for time spent travelling, broken appointments, transportation costs, room rental charges or for advice given by telephone or other means of telecommunication.
- Cosmetic surgery or treatment (when so classified by **Manulife** Financial) unless such surgery or treatment is for accidental injuries and commenced within **90** days of an accident.
- Any charges for services, treatment or supplies:
 - for which there would be no charge except for the existence of insurance.
 - which are performed or provided by an immediate family member or a person who lives with the patient.
 - which are not specified as an Eligible Expense under this plan.
- Services, treatments or supplies eligible under this Plan and payable under any government plan, whether or not the claimant is covered under such a plan. **Manulife** Financial will only consider that amount of an eligible expense which is over and above the amount that would be payable by the government plan.
- Dental treatment received from a dental or medical department maintained by an employer, an association, or a labour union.
- The replacement of an existing dental appliance which has been lost, mislaid or stolen.
- Dental services and supplies rendered for full-mouth reconstruction, for a vertical dimension correction, or for a correction to temporomandibular joint dysfunction.
- Treatment which is not generally **recognized** by the dental profession as an effective, appropriate and essential form of treatment for the dental condition.
- Implants, or any services rendered in conjunction with implants.
- Orthodontic treatment.

Weekly Indemnity

If you become Totally Disabled while insured and meet the Entitlement Criteria for this benefit, **Manulife** Financial will pay a disability benefit.

Definition of Totally disabled

Totally Disabled means the inability to work for your employer for wages or profit due to bodily injury or sickness.

*Weekly indemnity -
Definition of Totally
disabled*

Your Group Benefits

Weekly Indemnity - The Benefit

The Benefit

Benefit Amount – 66.7 % of your weekly earnings, up to a maximum amount of \$485 per week (\$500 per week effective January 1, 2002)

Qualifying Period

Your benefits will commence on the earlier of:

- The 1st day of a disability due to an accident.
- The 4th day of a disability caused by sickness.
- The 1st day of **hospitalization**. For benefits to be payable from the first day of **hospitalization**, you must be a registered bed patient who has been formally admitted and assigned to a bed in a hospital on a physician's order.

Maximum Benefit Period - During any one period of disability, your benefits will continue until you recover or have received a maximum of **52** weeks in benefits, whichever is earlier.

Termination Age – employee's age 70 or retirement, whichever is earlier

Waiting Period – 1st day of the month following completion of **480** worked hours

Entitlement Criteria

To be entitled to Weekly Indemnity benefits, you must meet the following criteria:

- you must be continuously Totally Disabled throughout the Qualifying Period.
- you must be under the continuing care of a physician.

At any time, **Manulife Financial** may require you to submit to a medical, psychiatric, psychological, educational and/or vocational examination or evaluation by an examiner selected by **Manulife Financial**.

Amount of Disability Benefits Payable

The amount of disability benefit payable to you is the Benefit Amount shown above reduced by any disability benefits you receive or are entitled to receive from the following source(s) for the same or related disability:

- Any plan of automobile insurance providing income replacement indemnity which has been approved as an acceptable limitation by the Employment Insurance Commission.
- Earnings or payments from any employer.
- Earnings recovered through a legally enforceable cause of action against some other person or corporation (in accordance with provisions under Third Party Liability).
- Disability benefits payable under Canada/Quebec Pension Plan including those benefits payable to you on behalf of a dependent.

The amount of benefit payable by **Manulife Financial** will not be affected by changes in your Canada or Quebec Pension Plan benefit unless the changes result from:

- A correction due to an error made when your award was originally determined.

Weekly Indemnity - Entitlement Criteria

Weekly Indemnity - Amount of Disability Benefits Payable

Your Group Benefits



- A change of 10% or more in the benefit formula under the government plan.
- A change in dependent status (where applicable).

Manulife Financial reserves the right to estimate the amount of the Canada or Quebec Pension Plan award pending advice of the actual award.

Third Party Liability

If your disability is caused by another person and you have a legal right to recover damages, **Manulife** Financial will request that you complete a subrogation reimbursement agreement when you submit your Weekly Indemnity claim.

On settlement or judgement of your legal action, you will be required to reimburse **Manulife** Financial those amounts you recover which, when added to the disability benefits that **Manulife** Financial paid to you, exceed 100% of your lost income.

Tax Status of Benefits

The tax position of any payments you receive under this benefit depends on whether you or your employer pays the cost of the benefit.

If your employer pays a portion or all of the cost, then any disability benefit payments you receive will be taxable. If you pay the full cost of the benefit, then any disability benefit payments you receive will be non-taxable.

Payment of Disability Benefits

Disability benefit payments will be made weekly in arrears. Any payment for a period of less than one week will be made at a daily rate of one seventh of your weekly benefit amount.

Cessation Of Benefit Payments

Your weekly payments will cease on the earliest of:

- The date you are no longer totally disabled.
- The date you have received benefit payments for the maximum benefit period specified above.
- The date you reach the age 70. However, if you have not yet received 15 weeks of benefit payments for your disability, benefit payments will continue during the disability until you have received benefit payments for 15 weeks.
- The date you fail to undergo, when requested by **Manulife** Financial, a physical examination and/or mental evaluation.
- If you should die.
- The date you retire.

Weekly Indemnity - Third Party Liability

Weekly Indemnity - Tax Status of Benefits

Weekly Indemnity - Payment of Disability Benefits

Weekly Indemnity - Cessation Of Benefit Payments

Your Group Benefits

Weekly Indemnity - Recurrent Disabilities

Recurrent Disabilities

If you become Totally Disabled again from the same or related causes within 2 weeks of full-time active employment from the end of the period for which Weekly Indemnity **benefits** were paid, **Manulife** Financial will treat the disability as a continuation of your previous disability.

You will not be required to satisfy any applicable Qualifying Period again. The **benefit** payable to you will be based on your earnings as at the date of your previous disability. Benefits for all such recurrent disabilities will not be paid for a combined period longer than the Maximum Benefit Period for this benefit.

Weekly indemnity - Extension of Benefits

Extension of Benefits

If you are totally disabled on the date of termination of insurance for any reason, and such disability continues uninterrupted, you will be eligible to receive Weekly Indemnity Benefits until the earlier of:

- the date total disability ceases
- the date on which the maximum Weekly Indemnity Benefit is received.

Weekly Indemnity - Submitting a Claim

Submitting a Claim

To submit a claim, you must complete the Weekly Indemnity claim form which is available from your Plan Administrator. Your attending physician must also complete a portion of this form.

A completed claim **form** must be submitted to **Manulife** Financial within **90** days from the end of the Qualifying Period.

Weekly Indemnity - Exceptions and Limitations

Exceptions and Limitations

Weekly Indemnity is not payable for the following:

- A disability caused by self-inflicted injuries or illness.
- A disability resulting from insurrection, war, service in the armed forces of any country, or participation in a riot.
- A disability for which you are entitled to benefits under any workers' compensation act.
- A disability at any time when you are on vacation and receiving full pay.
- Cosmetic surgery or treatment, when so classified by **Manulife** Financial, unless such surgery or treatment is for accidental injury and commenced within **90** days of an accident.

Complications due to pregnancy are covered. However, any disability due to any cause will not be eligible for benefits at any time when you are on pregnancy leave of absence or could be placed on such leave by your employer in accordance with relevant government legislation or the leave agreed upon by you and your employer.



Long Term Disability Benefit

If you become Totally Disabled while insured and meet the Entitlement Criteria for this benefit, Manulife Financial will pay a disability benefit.

Definition of Totally Disabled

Totally disabled means you are wholly and continuously disabled due to illness or bodily injury and, as a result, you are not physically or mentally fit to perform the essential duties of your normal occupation during the Qualifying Period and the succeeding 24 months. After this time, you will still be considered totally disabled provided you are unable to perform the essential duties of your normal occupation and any other occupation:

- for which you are, or may become fitted, by education, training and/or experience, and
- for which the current monthly earnings are 75% or more of the current monthly earnings for your normal occupation.

The availability of such occupations, jobs or work will not be considered in assessing your disability.

Confinement is not normally required. However, you must be under the regular care of a physician, and be prepared to attempt rehabilitative employment, or participate in a rehabilitation program considered appropriate by Manulife Financial.

If you must hold a government permit or license to perform your duties you will not be considered totally disabled solely because such permit or license has been withdrawn or not renewed.

The Benefit

Benefit Amount – 60% of your monthly earnings as of the date your disability commenced, rounded to the next higher \$1 if not already a multiple, up to a maximum of \$2,200 per month (\$2,300 per month effective January 1, 2002)

Qualifying Period – 52 weeks

- Benefits are payable from the end of the Qualifying Period. Benefits are not payable during the Qualifying Period
- You must be receiving regular, ongoing care and treatment from a physician during the Qualifying Period in order for benefits to be payable at the end of the Qualifying Period.

Maximum Benefit Period -to age 65

Termination Age -to age 65 less the Qualifying Period, or retirement, whichever is earlier.

Waiting Period – 1st day of the month following completion of 480 worked hours.

Entitlement Criteria

To be entitled to Long Term Disability benefits, you must meet the following criteria:

- you must be continuously Totally Disabled throughout the Qualifying Period.
- you must be under the continuing care of a physician.

LTD - Definition of
Totally Disabled

LTD - The Benefit

Your Group Benefits

At any time, Manulife Financial may require you to submit to a medical, psychiatric, psychological, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

*LTD - Amount of
Disability Benefit
Payable*

Amount of Disability Benefit Payable

The Benefit Amount will be reduced by other income you may be entitled to receive from the following sources, including public pension plan disability benefits paid to you on behalf of your dependents:

- Disability benefits payable under the Canada/Quebec Pension Plan.
- Earnings or payments from any employer.
- Disability benefits payable under any other group, association or franchise insurance plan.
- Disability and income replacement benefits payable under any government plan (excluding Employment Insurance Benefits).
- Benefits payable under any workers' compensation act.
- Retirement or pension benefits provided by an employer and/or a government.
- Income replacement indemnity payable under any plan of automobile insurance.
- Earnings recovered through a legally enforceable **cause** of action against some other person or corporation (in accordance with provisions under Third Party Liability).

*LTD -All-Source
Limitation*

All-Source Limitation

The benefit, as calculated, will be further reduced by any amount by which such benefit, plus the income from all sources just outlined, exceeds 85% of your pre-disability earnings.

Benefits payable from other sources will not be adjusted to take into account any difference between the tax status of those benefits and the benefit payable by Manulife Financial.

*LTD - Public
Pension Plans*

Public Pension Plans

The Benefit Amount will not be affected by changes in your Canada or Quebec Pension Plan benefit unless the changes result from:

- A correction due to an error made when your award was originally determined.
- A change of 10% or more in the benefit formula under the government plan.
- A change in dependent status (where applicable).

The Benefit Amount will not be reduced by disability benefits payable under a public pension plan (CPP/QPP) until actual determination of the award has been made, if, at the time you submit your claim, you sign an agreement to reimburse Manulife Financial.

Otherwise, CPP/QPP benefits which have not been determined by the time your benefit is payable will be estimated and deducted from your monthly benefit. Adjustments to correct such payments will be made after the award has been determined.

Your Group Benefits



LTD - Third Party Liability

Third Party Liability

If your disability is caused by another person and you have a legal right to recover damages, **Manulife** Financial will request that you complete a subrogation reimbursement agreement when you submit your Long Term Disability claim.

On settlement or judgement of your legal action, you will be required to reimburse **Manulife** Financial those amounts you recover which, when added to the disability benefits that **Manulife** Financial paid to you, exceed 100% of your lost income.

LTD - Tax Status of Benefits

Tax Status of Benefits

The tax position of any payments you receive under this benefit depends on whether you or your employer pays the cost of the benefit.

If your employer pays a portion or all of the cost, then any disability benefit payments you receive will be taxable. If you pay the full cost of the benefit, then any disability benefit payments you receive will be non-taxable.

LTD - Rehabilitation

Rehabilitation

Rehabilitation provisions are applicable to you if your benefit period is longer than 2 years. Once **Manulife** Financial determines that you are Totally Disabled, if appropriate, and at **Manulife** Financial's discretion, you may be offered rehabilitation to assist you in returning to gainful employment, either to your pre-disability occupation or to another occupation.

In order to participate in a Rehabilitation program not developed by **Manulife** Financial, **Manulife** Financial must approve the program.

Although most income reduces your benefit payment, for up to 24 months only half of your income from a Rehabilitation program will be used to reduce your payments.

If the income you receive from rehabilitative employment equals 75% or more of the current monthly earnings for your normal occupation, your benefit payments will cease. Otherwise, while earning income from a Rehabilitation program, your income from all sources cannot be greater than 100% of your earnings prior to your disability.

LTD - Cessation of Benefit Payments

Cessation of Benefit Payments

Your monthly payments will cease on the earliest of the following events:

- The date you are no longer totally disabled.
- The date you reach age 65. However, should you complete the qualifying period after your 64th birthday but prior to your 65th birthday, the monthly income payments will continue beyond age 65 until a total of 12 monthly payments have been made.
- The date you have received benefit payments for the maximum benefit period.
- The date you fail to undergo, when requested by **Manulife** Financial, medical, psychiatric, psychological, educational and/or vocational examinations by examiners selected by **Manulife** Financial.
- The date you fail to undergo medical, psychiatric or psychological treatment or participate in a rehabilitation program or alcoholism, drug addiction or substance abuse treatment program when recommended by **Manulife** Financial.
- The date you are incarcerated in a prison or mental institution by authority of a criminal court.

Your Group Benefits

- The date you refuse to complete and return a Reimbursement Agreement/Direction form or comply with the terms of a signed Reimbursement Agreement/Direction form, when requested, in accordance with the provisions under Third Party Liability.
- The date you die.

LTD - Recurrent Disabilities

Recurrent Disabilities

If you become Totally Disabled again from the same or related causes within 6 months of full-time active employment from the end of the period for which Long Term Disability benefits were paid, Manulife Financial will treat the disability as a continuation of your previous disability.

You will not be required to satisfy any applicable Qualifying Period again. The benefit payable to you will be based on your earnings as at the date of your previous disability. Benefits for all such recurrent disabilities will not be paid for a combined period longer than the Maximum Benefit Period for this benefit.

If you cease to be Totally Disabled at any time during the Qualifying Period and become totally disabled again, due to the same cause, within 2 weeks, the Qualifying Period will be extended by the number of days during which you were not Totally Disabled.

LTD - Extension of Benefits

Extension of Benefits

Long Term Disability benefits will extend beyond your termination date provided you became disabled while you were still insured. Benefits will continue to be paid according to the contract provisions regardless of the subsequent termination of the Group Policy.

Manulife Financial reserves the right to request proof of the continuance of total disability, and submit to an examination by Manulife Financial's medical advisors when requested.

LTD - Submitting a Claim

Submitting a Claim

To submit a claim, you must complete the Long Term Disability claim form which is available from your Plan Administrator. Your attending physician must also complete a portion of this form.

A completed claim form must be submitted to Manulife Financial within 6 months from the end of the Qualifying Period.

LTD - Exceptions and Limitations

Exceptions and Limitations

Disability Income is not payable for the following:

- A disability caused by self-inflicted injuries or illness.
- A disability resulting from insurrection, war, service in the armed forces of any country, or participation in a riot.
- A disability related to any condition that commenced prior to the date you became insured under this plan and for which you received treatments within the 3 consecutive months immediately preceding the date insured under this plan. This limitation applies if you became insured after May 1, 2000 and will not apply after you have been actively at work and insured under this plan for 12 consecutive months.

Your Group Benefits

Complications due to pregnancy are covered. However, any disability due to any cause will not be eligible for benefits at any time when you are on pregnancy leave of absence or could be placed on such leave by your employer in accordance with relevant government legislation or the leave agreed upon by you and your employer.



GL1266E (11/2000) Ce document est aussi disponible en français. GL1266F.

© 2000. The Manufacturers Life Insurance Company.

All rights reserved. No part of this work covered by the publisher's copyright may be reproduced or copied in any form or by any means (graphic, electronic, or mechanical, including photocopying, recording, taping or information and retrieval systems) without written permission of the publisher.

The Manufacturers Life Insurance Company