

Agreement

between

**Ford Motor Company
Of Canada, Limited**



And

**National Union,
C.A.W.**



September 24, 2012

LOCAL 200
LOCAL 584
LOCAL 707
LOCAL 1520

Windsor
Bramalea
Oakville
St. Thomas

01932 (10)

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MEMORANDUM OF AGREEMENT entered into on the **24th** day
of **September, 2012**

Between:

FORD MOTOR COMPANY OF CANADA,
LIMITED,
hereinafter called the "company"

- and -

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA
(CAW-CANADA),
hereinafter called the "national union"

WITNESSETH:

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ARTICLE 1

DEFINITIONS

1.01 Except where otherwise expressly stated in this agreement:

"Apprentice" shall mean a person who is engaged in learning or assisting in the trade to which he/she has been assigned under the standards of apprenticeship and who is covered by a written agreement or contract with the company providing for his/her training in accordance with the standards of apprenticeship and who is registered with the registration agency.

"Appropriate Local" shall mean Local 200 or Local 584 or Local 707, as the case may require.

"Bramalea employee" shall mean an employee within the bargaining unit of which Local 584 is the bargaining agent.

"Employee" shall mean an employee within the bargaining units defined in sections 2.01, 2.02, and 2.03.

"Supervisor" shall mean general supervisor or supervisor of the section or department concerned.

"Human resources manager" shall mean the person performing the function of human resources manager in the area concerned.

"Journeyman/woman" shall mean a person who:

1. In the effective date of this agreement was employed by the company in one of the trades listed in appendix 'F', or appendix 'H';
2. has satisfactorily completed an apprenticeship training course in the trade concerned; or
3. at the date of entry into the trade concerned meets one of the above requirements, or can establish that he/she has worked in the trade concerned at least four (4) years longer than the time required for an apprentice to complete his/her training course for "journeyman/woman" status.

"Local 200" shall mean Local 200, National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW).

"Local 584" shall mean Local 584, National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW).

"Local 707" shall mean Local 707, National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW).

"Nominee of the president of the Local" shall mean an officer of the appropriate Local designated in writing to the company by the president of the appropriate local to function in his/her absence.

"Oakville employee" shall mean an employee within the bargaining unit of which Local 707 is the bargaining agent.

"Occupational group" shall mean one or more groups of employees within a department, the members of which are qualified to

perform any certain specific operations or duties therein as specified by the company, subject to the general grievance procedure.

"Superintendent" shall mean the superintendent having jurisdiction but shall include the manager having jurisdiction.

"Umpire" shall mean the umpire selected and appointed as provided in section 11.08.

"Union" shall mean the national union, Local 200, Local 584 and Local 707.

"Windsor employee" shall mean an employee within the bargaining unit of which Local 200 is the bargaining agent.

ARTICLE 2 RECOGNITION

The company recognizes the national union and the appropriate local for the duration of this agreement as the exclusive bargaining agent on behalf of the employees of the company in each of the following bargaining units:

2.01 All employees of Ford Motor Company of Canada, Limited in its plants at Windsor except:

- Supervisors and persons above the rank of supervisor;
- All employees of office departments in the company's offices at Windsor and salaried employees performing office operations in the plants at Windsor;
- Qualified engineers doing engineer's work;
- Draftspersons;
- Plant protection officers;
- Chemists;
- Metallurgists;
- Salaried confidential clerks;
- Work standards and methods persons;
- Time clerks;
- Employees of the plant human resources department;
- Employees of the human resources department except first aid attendants, leader first aid attendants, first aid drivers and first aid clerks.

It is understood and agreed that the above bargaining unit does not include salaried technical personnel performing work in the plants. Without limiting the generality of the foregoing, examples of such technical personnel are: processors, work standards and methods persons, chemists, metallurgists, quality control engineers and technicians, power house meter control persons, material handling methods persons.

2.02 All employees of Ford Motor Company of Canada, Limited in its plants at Oakville except:

- Supervisors and persons above the rank of supervisor;
- All employees of office departments in the company's offices at Oakville and salaried employees performing office operations in the plants at Oakville;
- Qualified engineers doing engineer's work;
- Draftspersons;
- Plant protection officers;
- Chemists;
- Metallurgists;
- Time study and methods persons;
- Time clerks;
- Salaried confidential clerks;
- Employees of the human resources department;
- Budget and plant work order analysts;
- Salaried quality control engineers and technicians;
- Restaurant workers;
- Stationary engineers, boilerhouse service persons, pump and compressor mechanics and instrument mechanics employed at the company's Oakville boilerhouse.

It is understood and agreed that the above bargaining unit does not include salaried technical personnel performing work in the plants. Without limiting the generality of the foregoing, examples of such technical personnel are: processors, work standards and methods persons, chemists, metallurgists, quality control engineers and technicians, material handling methods persons.

2.03 All employees of Ford Motor Company of Canada, Limited in its Bramalea parts distribution centre except:

- Supervisors and persons above the rank of supervisor;
- Office staff;
- Plant protection officers;
- Nurses.

2.04 — NOT IN USE —

2.05 The question as to whether or not the incumbent of a new job not now in existence or the incumbent of a job now in existence which changes in duties or responsibilities is entitled to belong to the bargaining unit will be discussed between the union and the company and if agreement cannot be reached will be referred to the umpire and dealt with at step four of the general grievance procedure. The umpire, in making his/her decision, will have regard to the fact that the parties agree that persons having access to confidential information belonging to the company, or exercising managerial functions, should be excluded.

2.06 If it shall be determined (by the Ontario Labour Relations Board or otherwise) that the union or any local of the union is the collective bargaining agent for a new bargaining unit of company employees in Ontario not covered by this agreement (including such a unit at a new location) and if such unit comprises employees who are engaged in the production of automobiles or trucks or the production and distribution of parts thereof and such unit does not include employees in groups described as excluded in sections 2.01, 2.02 and 2.03 hereof, then the general provisions of this agreement shall extend automatically to such unit and the parties and representatives of the new local, if any, shall meet to negotiate the specific provisions which are to be applicable to such unit.

ARTICLE 3

RESERVATIONS TO MANAGEMENT

3.01 The union recognizes the right of the company to hire, promote, demote, transfer, discipline, suspend or discharge any employee subject to such regulations and restrictions governing the exercise of these rights as are expressly provided in this agreement and subject to the right of the employee concerned to lodge a grievance in the manner and to the extent herein provided. Any change in rules and regulations to be observed by employees shall be negotiated by the parties.

3.02 The union recognizes the right of the company to operate and manage its business in all respects in accordance with its commitments and responsibilities, and that the location of plants, the products to be manufactured or dealt with, the schedules of production and distribution, the methods, processes and means of manufacturing and dealing with such products are solely the responsibility of the company.

3.03 The company agrees that it will not exercise its management rights for the purpose of restricting or limiting the rights of its employees herein granted.

3.04 (a) It is the policy of the company that employees of an outside contractor will not be utilized in a plant or parts distribution centre covered by this agreement to replace seniority employees on production assembly or manufacturing work, warehousing work, or fabrication of tools, dies, jigs and fixtures, normally and historically performed by them, when performance of such work involves the use of company-owned machines, tools or equipment maintained by company employees.

(b) This policy will not affect the right of the company to continue arrangements currently in effect; nor will it limit the fulfillment of warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

(c) It is the policy of the company to fully utilize its seniority employees in the skilled trades (Appendix F and H) in the performance of maintenance and trades work, in accordance with its letter to the union of April 23, 1968. It is the company policy in all cases, except where time and circumstances prevent it, to have advance discussion with local union representatives and/or skilled trades representatives as may be applicable prior to letting such a contract. In this discussion local management is expected to review its plans or prospects for letting a particular contract. The local union representatives and/or skilled trades representatives should be advised of the nature, scope and approximate dates of the work to be performed and the reasons (equipment, manpower, etc.) why management is contemplating contracting out the work. At such times, company representatives are expected to afford the union an opportunity to comment on the company's plans and to give appropriate weight to those comments in the light of all attendant circumstances.

(d) In no event will any seniority employee who customarily performs the work in question be laid off as a direct and immediate result of work being performed by any outside contractor on the plant premises.

ARTICLE 4

WORK BY SUPERVISORS

4.01 Supervisors and all other supervisory employees above the rank of supervisor are not eligible for membership in the union and shall not perform the regular work of an employee in the bargaining units defined in sections 2.01, 2.02 and 2.03. However, a supervisory employee may perform operations where an emergency arises and he/she may also perform operations for purposes of investigation, inspection, experiment, information or instruction as may be necessary in the discharge of his/her supervisory duties, provided that the act of performing the aforementioned operations, in itself, does not reduce the hours of work or pay of any employee.

ARTICLE 5
MODIFIED UNION SHOP AND CHECK-OFF OF
UNION DUES

5.01 All employees who are members of the union as at the date of this agreement will be required to continue to be members of the union as a condition of employment with the company.

5.02 Any employee who is hired subsequent to the date of this agreement shall become a member of the union within thirty (30) days of his/her hiring and will be required to continue to be a member of the union as a condition of his/her employment.

5.03 The company will deduct from the pay of each employee who is a member of the union the monthly dues, initiation fees and other assessments and dues authorized by the constitution of the union. The deductions are to be made from pay for pay periods ending in the calendar month.

5.04 The company will deduct from the pay of each employee who is not a member of the union as at the date of this agreement the monthly dues for general union purposes as authorized by the constitution of the union. It shall be a condition of remaining in the employment of the company that such employee authorize the company to make such deduction. The deductions are to be made from pay for pay periods ending in the calendar month.

5.05 Commencing with the first pay period ending after January 1, 1985 all sums deducted from pay shall be remitted to the financial secretaries of the local unions in two payments, the first payment to be made within fifteen (15) days after the first pay period in each month and the second payment, including deductions from the remaining pay periods of the month, to be made not later than the 10th day of the next succeeding month after which such deductions are made, the same to be by them allocated and distributed in accordance with the constitution, laws and regulations of the union.

The company and the union shall work out a mutually satisfactory arrangement by which the company will furnish the financial secretaries of the local unions semi-monthly a record of those for whom deductions have been made, together with the amounts of such deductions.

5.06 The recording in the books of the company of the amounts so deducted shall constitute such amounts as moneys held by the company in trust for the appropriate local.

5.07 The company will notify the trustee under the Supplemental Unemployment Benefit Plan to deduct as provided in the Plan from each employee's Regular Supplemental Unemployment Benefits.

(a) the monthly dues and other assessments and dues authorized by the constitution of the union for each employee who is a member of the union, and

(b) the monthly dues for general union purposes as authorized by the constitution of the union for each employee who is not a member of the union, provided that at the time of such deduction there is in the possession of the company a subsisting written assignment, executed by the employee. In the case of each employee hired after January 1, 1974, and for any employee in employment prior to January 1, 1974 who is laid off after January 1, 1974 and authorizes the deduction of dues from his/her regular Supplemental Unemployment Benefits, the authorization shall be in the form attached as appendix 'N'. The company will further notify the trustee to make the deductions from the Regular Supplemental Unemployment Benefits for weeks ending in the calendar month in a manner agreed upon with the union.

5.08 Any employee shall have the right to become a member of the union by paying the initiation fee and complying with the constitution and by-laws of the union.

5.09 Any dispute as to an alleged breach of the provisions of this article or as to the interpretation of any of the terms or conditions thereof shall be dealt with under the general grievance procedure beginning at step three.

ARTICLE 6

RESPONSIBILITY FOR UNION LOCALS

6.01 Local 200, Local 584 and Local 707 are Locals of the national union chartered by and in good standing with it. The national union acknowledges its responsibility to the company for the acts and omissions of each of Local 200, Local 584 and Local 707, their respective officers, agents and representatives pertaining to this agreement or any breach thereof as fully as though such acts were the acts of the national union, its officers, agents and representatives.

ARTICLE 7

MISCELLANEOUS

7.01 (a) In continuance of the policy established and maintained since the inception of their collective bargaining relationship, the company and the union acknowledge that the provisions of this agreement shall apply to all employees without discrimination, and in carrying out their respective obligations under this agreement, neither will discriminate against any employee on account of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, same-sex partnership status, family status, or disability as prohibited under applicable human rights legislation.

(b) The company and the union agree to encourage the use of the procedure outlined in Appendix 'O' of the Collective Agreement whenever a complaint is made regarding discrimination against an employee.

7.02 The union and its members shall not on company time conduct union activities except as in this agreement expressly provided, nor shall union meetings of any kind be held at any time on the company's premises without the prior written consent of the company.

7.03 The company shall provide for the use of the union bulletin boards in the plants and parts distribution centre of the company to be prepared and located by the company provided, and it is agreed that the use by the union of such bulletin boards shall be restricted to the posting thereon only of such notices as shall have received prior approval of the human resources manager or his/her nominee. Such approval shall not be unreasonably withheld and such notices shall be restricted to those of the following types:

- (a) Notices of union recreational and social affairs;
- (b) Notices of union elections, appointments and results of elections;
- (c) Notices of union meetings;
- (d) Credit Union notices.

Provisions for the number of such bulletin boards may be included in a supplemental agreement with the appropriate local.

7.04 From time to time, at the request of the appropriate local, the company shall designate a suitable area on the property of the company in which the union may locate the facilities required for employees to cast their ballots for the election of stewards, committeepersons, chairpersons, delegates to conventions and executive officers of the appropriate local.

7.05 The national union and the central labour affairs staff of the company shall be authorized to rearrange, simplify, and clarify the language of the present agreement to facilitate its use as a working document; but not to change in any way its substance or meaning. When both the national union and the central labour affairs staff are satisfied that they have a revised version of the agreement which meets the foregoing standards, they are authorized to substitute the revised form of the agreement for this present form of the agreement, but only upon the understanding that if any disputes should develop later concerning the meaning or intent of any of the terms of such revised agreement, reference shall be made back to the agreement in its present form for the purpose of resolving such disputes.

7.06 The Apprenticeship Plan covering the employment and training of apprentices for certain of the skilled trades is set out in appendix 'J'.

7.07 Wherever in this agreement the masculine gender is used, it shall also include the feminine.

ARTICLE 8

NO STRIKE OR LOCKOUT

8.01 The union will not cause or permit its members to cause, nor will any member of the union take part in any sit down, stay-in, or slow-down in any plant or parts distribution centre of the company, or any curtailment of the work or restriction of or interference with production of or distribution by the company. The union will not cause or permit its members to cause, nor will any member of the union take part in any strike or stoppage of any of the operations of the company or picket any of the plants, parts distribution centres or premises of the company until all of the grievance procedure outlined in this agreement shall have been exhausted and not even then unless authorized by the national executive board of the national union and a copy of such authorization shall have been delivered to the company.

8.02 Subject to the provisions of government regulations, in the event a strike occurs this agreement may be terminated by the company upon notification of such termination to the national union by the company.

8.03 The company reserves the right to discipline any employee who violates any provision of this article.

8.04 In the event of violation of this article by employees who are excluded from the bargaining units defined in sections 2.01, 2.02 and 2.03 the company agrees to discipline such employees in the same manner and to the same extent as the company

disciplines employees within the bargaining units who may violate this article.

8.05 The company will not cause or sanction a lockout until all of the grievance procedure outlined in this agreement shall have been exhausted.

8.06 Subject to the provisions of government regulations in the event such a lockout occurs this agreement may be terminated by the national union upon notification of such termination to the company by the national union.

ARTICLE 9

ACCESS TO POWERHOUSES, ETC., AND PLANTS DURING DISPUTES

9.01 In the event of a dispute between the company and employees the union agrees that it will at all times during the currency of this agreement take such steps as may be necessary to ensure that all employees, whether within the bargaining units defined in sections 2.01, 2.02 and 2.03 or not, employed in any power house, boiler house, propane plant, pump house, transformer station or any sub-station of the company and including the East Windsor Cogeneration Facility (the "Facility"), shall be permitted free and unobstructed entrance into and exit from the premises and plants of the company and the Facility in order that such employees may at all times be enabled to perform the regular duties to which they are assigned in the power house, boiler house, propane plant, pump house, transformer station or any sub-station of the company or the Facility.

9.02 In the event of a dispute between the company and employees the union agrees that it will ensure that all employees, whether within the bargaining units defined in sections 2.01, 2.02 and 2.03 or not, required for urgent maintenance repairs to the company's plants, parts distribution centres or premises will be permitted free and unobstructed entrance into and exit from such plants, parts distribution centres or premises and that the company's plant supervision, plant protection staff and office staff and personnel shall be allowed free and unobstructed entrance into and exit from the company's plants, parts distribution centres or premises. Provided that if at any time during such dispute the company attempts to put any new employee to work in the company's plants, parts distribution centres or premises on operations therein performed by employees in the bargaining units or attempts to employ in such work any members of the plant supervision, plant protection staff or attempts to employ employees

required for such repairs in work other than such repairs, thereupon the union shall no longer be bound by the provisions of this article.

ARTICLE 10

REPRESENTATION

10.01 The number of stewards, committeepersons and chairpersons which each of Local 200, Local 584 and Local 707 may appoint and which the company shall recognize shall be as in this article appears.

10.02 The appointment and recognition of each such steward, committeeperson or chairperson, except as otherwise specifically provided in the case of full-time committeepersons or chairpersons, shall be conditional upon his/her being an employee having regular company duties to perform and having at least twelve (12) months' seniority.

10.03 The appropriate allocation of stewards, committeepersons and chairpersons to their respective jurisdictions, zones, plants and shifts shall be the responsibility of the local concerned.

10.04 Each such steward, committeeperson or chairperson shall be permitted to function as a steward, committeeperson or chairperson, as the case may be, only as in this agreement provided.

10.05 The appropriate local shall notify the labour relations department or human resources manager, as the case may be, in writing from time to time of the names of the stewards, committeepersons and chairpersons, the respective effective dates of their appointment and the names, if any, of those former stewards, committeepersons and chairpersons whom they may be replacing. Chairpersons at Windsor and Oakville and the chairperson of the negotiating committee at Bramalea shall have the authority to notify the labour relations department or human resources manager, as the case may be, by telephone of changes in the appointment of stewards, committeepersons, chairpersons, or their respective alternates, subject to confirmation in writing to the labour relations department or human resources manager, as the case may be, by the appropriate local.

10.06 (a) When a steward, committeeperson or chairperson leaves the premises of the company prior to the completion of his/her shift due to sickness or accident involving himself/herself or a member of his/her immediate family, or due to death in his/her immediate family, or due to his/her suspension from work, or for the purpose of reviewing grievances on appeal to the umpire, or

when a full-time chairperson leaves the premises of the company prior to the completion of his/her shift for any reason, or when a steward or committeeperson replaces a committeeperson or chairperson who has left the premises in such circumstances, the union may appoint an alternate to replace such steward, committeeperson or chairperson, as the case may be. Such alternate shall, with the consent of the supervisor of the department in which he/she is employed, be permitted to leave his/her regular company duties for a reasonable length of time to function as a steward, committeeperson or chairperson, as the case may be, as in this agreement provided. Such absence shall not exceed a time which, when added to the time already used for this purpose by the employee whom he/she is replacing, equals the maximum time that such employee would have been permitted absence from his/her regular company duties.

(b) Provided the consent of the appropriate human resources manager or his/her nominee is first obtained, in the event that it should become necessary for a steward, committeeperson or chairperson to leave the premises of the company prior to the completion of his/her shift due to a compelling personal reason other than one of those referred to in section 10.06 (a), the union may appoint an alternate to replace such steward, committeeperson or chairperson and he/she shall be permitted to function in accordance with section 10.06 (a).

10.07 A steward, committeeperson or chairperson, when continued at work during an overtime period, shall be permitted to leave his/her regular company duties to deal with only such grievance matters as may arise during that overtime period.

10.08 A steward, committeeperson or chairperson upon obtaining the consent of his/her supervisor shall punch 'out' on his/her special clock card provided for that purpose, and upon returning to his/her regular company duties he/she shall punch 'in' on that card.

10.09 The union may appoint and the company shall recognize a master negotiating committee not to exceed **twelve (12)** members, **ten (10)** of whom shall be employees of the company and two (2) members national representatives. The **ten (10)** employee members shall consist of five (5) members of Local 200, four (4) members of Local 707 and one (1) member of Local 584. One (1) member of the committee shall be appointed as chairperson of the master negotiating committee.

WINDSOR
Essex Engine Plant & Windsor Engine Plant
(Section 10.10 – 10.16 inclusive)

10.10 For the purpose of operating under this agreement, employees at the Windsor site shall be entitled to representatives on company time in accordance with the following provisions:

(a) When the hourly plant population is less than one hundred and twenty-five (125) employees, there shall be three (3) committeepersons, including the chairperson, all of whom shall be on a part-time basis.

(b) When the hourly plant population is one hundred and twenty-five (125) to one hundred and ninety-nine (199) employees, there shall be three (3) committeepersons, including the chairperson, all of whom shall be on a part-time basis.

(c) When the hourly plant population is two hundred (200) to three hundred and ninety-nine (399) employees, there shall be three (3) committeepersons, including the chairperson. When the plant is operating three (3) shifts on production, an additional committeeperson may be appointed. The chairperson shall have the right to devote his/her full-time to his/her duties, as such, but the remaining committeepersons shall be on a part-time basis.

(d) When the hourly plant population is four hundred (400) to five hundred and ninety-nine (599) employees, there shall be four (4) committeepersons, including the chairperson. The chairperson and one (1) other committeeperson shall have the right to devote their full-time to their duties, as such, but the remaining committeepersons shall be on a part-time basis.

(e) When the hourly plant population is six hundred (600) to seven hundred and ninety-nine (799) employees, there shall be four (4) committeepersons, including the chairperson. The chairperson and two (2) other committeepersons shall have the right to devote their full-time to their duties, as such, but the remaining committeepersons shall be on a part-time basis.

(f) When the hourly plant population is eight hundred (800) to nine hundred and ninety-nine (999) employees, there shall be four (4) committeepersons, including the chairperson, all of whom shall have the right to devote their full-time to their duties, as such.

(g) When the hourly plant population is one thousand (1,000) to one thousand one hundred and ninety-nine (1,199) employees, there shall be five committeepersons, including the chairperson, all of whom shall have the right to devote their full-time to their duties, as such.

(h) When the hourly plant population is one thousand two hundred (1,200) to one thousand three hundred and ninety-nine (1,399) employees, there shall be six (6) committeepersons, including the chairperson, all of whom shall have the right to devote their full-time to their duties, as such.

(i) Provided the hourly plant population is one thousand four hundred (1,400) or more, the Local may, according to the number of employees therein, have the number of full-time representatives, including the chairperson, indicated in the following table:

No. of Employees	No. of Representatives
1,400 to 1,599	7
1,600 to 1,799	8
1,800 to 1,999	9
2,000 to 2,199	10
2,200 to 2,399	11
2,400 to 2,599	12
2,600 to 2,799	13

and so forth with one additional representative for each additional two hundred (200) employees.

(j) In addition to the above, when the number of employees in either the Windsor Engine Plant or the Essex plant is one thousand and one (1001) or more, an additional committeeperson on a part-time basis shall be allowed on the No. 1 and No. 3 shift when more than twenty-five (25) but less than two hundred (200) employees in either the Windsor Engine Plant or the Essex Engine Plant are working on such shift.

10.11 Where a change in the number of representatives is required, because of deviations in the number of employees working above or below the number on which the representation structure is based, the requisite changes shall be accomplished within two (2) weeks of the notice to the local of the occurrence of the deviation in employment requiring it.

10.12 The following provisions are applicable to both full and part-time representatives:

(a) All committeepersons except the chairperson shall remain in the plant, and except when their duty requires them elsewhere, in their respective areas, while on company time, and shall register their attendance in the same manner as other employees are required to do. A committeeperson shall report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(b) The company recognizes the privilege of the chairperson to leave the plant in the course of the performance of his/her functions as such, but he/she shall notify the designated company representative, if he/she is available, when leaving and returning to the plant during working hours. The chairperson shall register the time when he/she enters the plant and the time when he/she leaves the plant with at least eight (8) hours between such times, or get an approval of failure to register such times from the designated company representative. In the absence of evidence that the chairperson is abusing this privilege, the approval referred to above shall be given.

10.13 The following provisions are applicable to representatives who are on a part-time basis:

(a) The company accords to representatives the privilege of leaving their work for the time necessary to promptly perform their duties as outlined in this agreement without loss of time, on the understanding that this privilege will not be abused and representatives will continue to work at assigned jobs at all times not required for the performance of such duties. A representative shall report to his/her supervisor when it becomes necessary to leave his/her job, and will report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(b) A representative shall be permitted to work during layoffs so long as one of his/her constituents is at work and there is work available which he/she is able and willing to perform, and so long as he/she does not lose his/her status as a representative through readjustment of the representation structure as provided in section 10.11, without regard to the seniority provisions of this agreement.

(c) A representative shall be entitled to work overtime, if he/she so requests, whenever one or more of his/her constituents is called upon for overtime work, and there is work available which he/she is able and willing to perform. His/her privilege to leave his/her job during overtime hours, however, is limited to the handling of grievances relating to or arising from the work during these hours, on behalf of constituents working during such hours.

The representative shall be notified, if he/she is in the plant, of the overtime work at the same time as are his/her constituents who are to work.

10.14 The following provisions are applicable to representatives who are on full-time basis:

(a) Where shifts in employment not affecting the overall employment level of the (plant) unit sufficiently to require a change in the structure of representation take place, it shall be the responsibility of the local union to see that representatives are assigned areas in such manner as to justify their devoting full-time to their functions.

(b) It is understood that each representative shall be entitled to be on company time only for the same number of hours as the employees in his/her zone and shift are normally scheduled to work. When all of the employees on a shift in the plant work overtime, all of the representatives regularly on that shift in the plant may come in on overtime to represent them. When part of the employees on a shift in the plant work overtime, the number of representatives on that shift in the plant, including the chairperson, who may come in on overtime to represent them shall be proportionate to the number of employees on that shift in the plant who are called in to work such overtime, subject to the provisions of section 10.15.

The proportion shall be based on the ratio of employees called in for overtime on that shift to employees working on that shift during that workweek. The chairperson or his/her nominee shall be notified when there is to be overtime worked, and he/she shall notify the representatives who may come in to represent the employees during such overtime.

(c) A committeeperson will be entitled to devote his/her full-time to his/her duties as such during temporary layoffs when the number of employees in his/her zone is 65% or more of the number of employees in his/her zone at the time the layoff commenced. When the number of employees in his/her zone remaining at work during such layoff is less than 65%, the committeeperson shall be permitted to come in so long as one of his/her constituents is at work and there is

work available which he/she is able and willing to do, but at such times he/she shall be governed by the provisions applicable to representatives on a part-time basis, as set forth in section 10.13.

10.15 Whenever, under section 10.14 (b) one (1) representative only is entitled to come in as such, such representative shall be entitled to devote his/her full-time to his/her duties as such if more than one hundred and fifty (150) of his/her constituents are at work. When one hundred and fifty (150) or less of his/her constituents are at work, he/she shall be permitted to come in so long as one of his/her constituents is at work and there is work available which he/she is able and willing to do, but at such times he/she shall be governed by the provisions applicable to representatives on a part-time basis, as set forth in section 10.13.

10.16 Whenever a regular committeeperson or the chairperson is absent from the plant on his/her own time during periods when he/she is entitled to act as such, the company will recognize an alternate committeeperson or chairperson designated by the chairperson.

(Sections 10.10W - 10.17W inclusive)

-- Not in Use --

10.17 (a) Local 200 may appoint and the company shall recognize a skilled trades chairperson who shall be a member of the local negotiating committee and serve **both** of the plants. The skilled trades chairperson shall be permitted full-time for the performance of his/her duties as such.

(b) The skilled trades chairperson shall be assigned to the day shift and shall work the hours of the day shift whenever any employees in any of the trades listed in appendix 'F' assigned to **either** of the plants are scheduled to work such shift. In addition, he/she shall be entitled to be at work whenever employees on the day shift in any of the trades listed in appendix 'F' are required to work overtime or extra time on such shift. He/she shall be responsible to the plant manager of the plant in which he/she is employed, or his/her nominee.

10.18 Local 200 may appoint and the company shall recognize a local negotiating committee not to exceed **eight (8)** members, **six (6)** of whom shall be employees of the company and two (2) members national representatives.

10.19 (Section not in use)

10.20 An employee who is a member of the executive board of Local 200 shall not, so long as he/she continues to be a member of the executive board, be required by the company to work a shift of which the regular quitting time is later than 6 p.m. For the purpose of this section the executive board shall not consist of more than **thirteen (13)** members. Local 200 shall notify the company in writing from time to time of the names of the employees who are members of the executive board, the respective dates on which they became members and the names of former members whom they may be replacing.

10.21 When the president of Local 200 wishes to enter the company's plants in Windsor, he/she shall notify the human resources manager or his/her nominee. The same shall apply to the vice president of the local when he/she is acting for the president and is on leave of absence from his/her regular company duties, or to the nominee of the president of the local.

10.22 (a) The company agrees to make available a conference room equipped with a desk and telephone for the use of any employee who for the time being may be a plant chairperson, such conference room to be located in the plant in which such employee is regularly employed.

(b) The company agrees to make available a filing cabinet with three (3) drawers equipped with locks for the combined use of any employee who for the time being may be a committeeperson and any employees who for the time being may be stewards in that committeeperson's zone, for the keeping of documents and records, which filing cabinet shall be located in the area of the plant where the committeeperson concerned functions as a committeeperson.

(c) The company agrees to make available a conference room equipped with a desk and telephone for the use of any employee who for the time being may be the skilled trades chairperson at the Windsor plants.

OAKVILLE

(Sections 10.23 - 10.33 inclusive)

10.23 For the purpose of operating under this agreement, Oakville employees shall be entitled to representatives on company time in accordance with the following provisions:

(a) When the bargaining unit is less than one hundred and twenty-five (125) employees, there shall be three (3) committeepersons, including the chairperson, all of whom shall be on a part-time basis.

(b) When the bargaining unit is one hundred and twenty-five (125) to one hundred and ninety-nine (199) employees, there shall be three (3) committeepersons, including the chairperson, all of whom shall be on a part-time basis.

(c) When the bargaining unit is two hundred (200) to three hundred and ninety-nine (399) employees, there shall be three (3) committeepersons, including the chairperson. When the plant is operating three (3) shifts on production, an additional committeeperson may be appointed. The chairperson shall have the right to devote his/her full-time to his/her duties, as such, but the remaining committeepersons shall be on a part-time basis.

(d) When the bargaining unit is four hundred (400) to five hundred and ninety-nine (599) employees, there shall be four (4) committeepersons, including the chairperson. The chairperson and one (1) other committeeperson shall have the right to devote their full-time to their duties, as such, but the remaining committeepersons shall be on a part-time basis.

(e) When the bargaining unit is six hundred (600) to seven hundred and ninety-nine (799) employees, there shall be four (4) committeepersons, including the chairperson. The chairperson and two (2) other committeepersons shall have the right to devote their full-time to their duties, as such, but the remaining committeepersons shall be on a part-time basis.

(f) When the bargaining unit is eight hundred (800) to nine hundred and ninety-nine (999) employees, there shall be four (4) committeepersons, including the chairperson, all of whom shall have the right to devote their full-time to their duties, as such.

(g) When the bargaining unit is one thousand (1,000) to one thousand one hundred and ninety-nine (1,199) employees, there shall be five committeepersons, including the chairperson, all of whom shall have the right to devote their full-time to their duties, as such.

(h) When the bargaining unit is one thousand two hundred (1,200) to one thousand three hundred and ninety-nine (1,399) employees, there shall be six (6) committeepersons, including the chairperson, all of whom shall have the right to devote their full-time to their duties, as such.

(i) Provided the number of employees in the bargaining unit is one thousand four hundred (1,400) or more, Local 707 may, according to the number of employees therein, have the number of full-time representatives indicated in the following table:

No. of Employees	No. of Representatives
1,400 to 1,599	7
1,600 to 1,799	8
1,800 to 1,999	9
2,000 to 2,199	10
2,200 to 2,399	11
2,400 to 2,599	12
2,600 to 2,799	13

and so forth with one additional representative for each additional two hundred (200) employees.

(j) The plant chairperson will be in addition to the number of representatives provided by the table.

(k) One (1) additional full-time committeeperson will be added to each bracket of the table if the number of employees in the bargaining unit is less than four thousand (4,000).

(l) Local 707 may appoint and the company shall recognize a skilled trades chairperson who shall be a member of the local negotiating committee. The skilled trades chairperson will be in addition to the number of representatives provided by the table and shall be permitted full-time for the performance of his/her duties as such. **The skilled trades chairperson shall be assigned to the day shift and shall work the hours of the day shift whenever any employees employed in the trades listed in Appendix H are scheduled to work the day shift. He/she shall also be entitled to be at work whenever employees on the day shift, employed in the trades listed in Appendix H are required to work overtime or extra time on such shift. He/she will be responsible to the Human Resources Manager or his/her nominee.**

(m) Two (2) additional full-time committeepersons will represent skilled trades employees, one (1) each on the No. 1 and No. 3 shifts. **A skilled trades committeeperson assigned to the No. 1 or No. 3 shift shall be entitled to work overtime on a weekday whenever one or more of his/her constituents is called upon for overtime work on a weekday.** In the event of a shift elimination, one (1) skilled trades committeeperson per eliminated shift will be reduced.

10.24 Local 707 may appoint and the company shall recognize a local negotiating committee not to exceed nine (9) members,

eight (8) of whom shall be employees of the company and one (1) member a national representative.

10.25 Where a change in the number of representatives is required, because of deviations in the number of employees working above or below the number on which the representation structure is based, the requisite changes shall be accomplished within two (2) weeks of the notice to the local of the occurrence of the deviation in employment requiring it.

10.26 The following provisions are applicable to both full and part-time representatives:

(a) All committeepersons except the chairperson shall remain in the plant, and except when their duty requires them elsewhere, in their respective areas, while on company time, and shall register their attendance in the same manner as other employees are required to do.

A committeeperson shall report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(b) The company recognizes the privilege of the chairperson to leave the plant in the course of the performance of his/her functions as such, but he/she shall notify the designated company representative, if he/she is available, when leaving and returning to the plant during working hours. The chairperson shall register the time when he/she enters the plant and the time when he/she leaves the plant with at least eight (8) hours between such times, or get an approval of failure to register such times from the designated company representative. In the absence of evidence that the chairperson is abusing this privilege, the approval referred to above shall be given.

10.27 The following provisions are applicable to representatives who are on a part-time basis:

(a) The company accords to representatives the privilege of leaving their work for the time necessary to promptly perform their duties as outlined in this agreement without loss of time, on the understanding that this privilege will not be abused and representatives will continue to work at assigned jobs at all times not required for the performance of such duties. A representative shall report to his/her supervisor when it becomes necessary to leave his/her job, and will report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(b) A representative shall be permitted to work during layoffs so long as one of his/her constituents is at work and there is work available which he/she is able and willing to perform, and so long as he/she does not lose his/her status as a representative through readjustment of the representation structure as provided in

section 10.25, without regard to the seniority provisions of this agreement.

(c) A representative shall be entitled to work overtime, if he/she so requests, whenever one or more of his/her constituents is called upon for overtime work, and there is work available which he/she is able and willing to perform. His/her privilege to leave his/her job during overtime hours, however, is limited to the handling of grievances relating to or arising from the work during these hours, in behalf of constituents working during such hours.

The representative shall be notified, if he/she is in the plant, of the overtime work at the same time as are his/her constituents who are to work.

10.28 The following provisions are applicable to representatives who are on full-time basis:

(a) Where shifts in employment not affecting the overall employment level of the bargaining unit sufficiently to require a change in the structure of representation take place, it shall be the responsibility of the local union to see that representatives are assigned areas in such manner as to justify their devoting full-time to their functions.

(b) It is understood that each representative shall be entitled to be on company time only for the same number of hours as the employees in his/her zone and shift are normally scheduled to work. When all of the employees on a shift in the plant work overtime, all of the representatives regularly on that shift in the plant may come in on overtime to represent them. When part of the employees on a shift in the plant work overtime, the number of representatives on that shift in the plant, including the chairperson, who may come in on overtime to represent them shall be proportionate to the number of employees on that shift in the plant who are called in to work such overtime, subject to the provisions of section 10.29. The proportion shall be based on the ratio of employees called in for overtime on that shift to employees working on that shift during that workweek. The chairperson or his/her nominee shall be notified when there is to be overtime worked, and he/she shall notify the representatives who may come in to represent the employees during such overtime.

(c) A committeeperson will be entitled to devote his/her full-time to his/her duties as such during temporary layoffs when the number of employees in his/her zone is 65% or more of the number of employees in his/her zone at the time the layoff commenced. When the number of employees in his/her zone remaining at work during such layoff is less than 65%, the committeeperson shall be permitted to come in so long as one of his/her constituents is at work and there is work available which

he/she is able and willing to do, but at such times he/she shall be governed by the provisions applicable to representatives on a part-time basis, as set forth in section 10.27.

10.29 Whenever, under section 10.28 (b) one (1) representative only is entitled to come in as such, such representative shall be entitled to devote his/her full-time to his/her duties as such if more than one hundred and fifty (150) of his/her constituents are at work. When one hundred and fifty (150) or less of his/her constituents are at work, he/she shall be permitted to come in so long as one of his/her constituents is at work and there is work available which he/she is able and willing to do, but at such times he/she shall be governed by the provisions applicable to representatives on a part-time basis, as set forth in section 10.27.

10.30 Whenever a regular committeeperson or the chairperson is absent from the plant on his/her own time during periods when he/she is entitled to act as such, the company will recognize an alternate committeeperson or chairperson designated by the chairperson.

10.31 An employee who is a member of the executive board of Local 707 shall not, so long as he/she continues to be a member of the executive board, be required by the company to work on a shift of which the regular quitting time is later than 6 p.m. For the purpose of this section the executive board shall not consist of more than thirteen (13) members. Local 707 shall notify the company in writing from time to time of the names of the employees who are members of the executive board, the respective dates on which they became members and the names of former members whom they may be replacing.

10.32 When the president of Local 707 wishes to enter the company's plants in Oakville, he/she shall notify the human resources manager or his/her nominee. The same shall apply to the vice president of the local when he/she is acting for the president and is on leave of absence from his/her regular company duties, or to the nominee of the president of the local.

10.33 (a) The company agrees to make available a conference room equipped with a desk and telephone for the use of any employee who for the time being may be a plant chairperson, such conference room to be located in the plant in which such employee is regularly employed.

(b) The company agrees to make available a filing cabinet with three (3) drawers equipped with locks for the combined use of any employee who for the time being may be a committeeperson for the keeping of documents and records, which filing cabinet shall be located in the area of the plant where the committeeperson concerned functions as a committeeperson.

BRAMALEA

(Sections 10.36 - 10.43 inclusive)

10.36 Local 584 may appoint and the company shall recognize a chairperson of the local negotiating committee. Local 584 may also appoint and the company shall recognize:

(a) **One (1) part-time committeeperson when the number of employees in the bargaining unit is less than seventy-five (75);**

(b) **Two (2) part-time committeepersons when the number of employees in the bargaining unit is greater than seventy-five (75) but less than one hundred and fifty (150);**

(c) Two (2) committeepersons when the number of employees in the bargaining unit is one hundred and fifty (150) but less than four hundred and fifty (450);

(d) Three (3) committeepersons when the number of employees in the bargaining unit is four hundred and fifty (450) to six hundred and seventy-four (674);

(e) Four (4) committeepersons when the number of employees in the bargaining unit is six hundred and seventy-five (675) or more.

10.37 (a) Local 584 may appoint and the company shall recognize a local negotiating committee consisting of the two (2) committeepersons and the chairperson of the local negotiating committee.

(b) A national representative of the union may be present and participate in meetings between the local negotiating committee and the human resources manager or his/her nominee. More than one national representative may participate with the committee whenever mutually agreed upon.

(c) The president of Local 584, provided that he/she is an employee, shall be an ex-officio member of the local negotiating committee, but he/she shall not be paid by the company while attending meetings of the local negotiating committee.

10.38 Each committeeperson shall be allocated as provided in section 10.03 to represent a designated group of employees (hereinafter referred to as his/her "jurisdiction").

10.39 (a) A committeeperson shall, with the consent of his/her supervisor, be permitted to leave his/her regular company duties for a reasonable length of time to function as a committeeperson as in this agreement provided. Prior to functioning as a committeeperson in a section supervised by other than his/her own supervisor, he/she shall first report to the supervisor of that section. When the number of employees in the bargaining unit is less than six hundred (600), absence from his/her regular company duties for the purpose of functioning as a

committeeperson as in this agreement provided shall not exceed six (6) hours per working day for each committeeperson. When the number of employees in the bargaining unit is six hundred (600) or more, absence for each committeeperson from his/her regular company duties for the purpose of functioning as a committeeperson as in this agreement provided shall not exceed six (6) hours per working day, except two (2) committeepersons will be permitted full-time for the performance of their duties as such.

(b) When the number of employees in the bargaining unit is less than one hundred and fifty (150) the committeeperson shall be permitted absence from his/her regular duties for the purpose of functioning as a committeeperson as provided for in this agreement but such permitted absence from regular duties shall not exceed four (4) hours per working day.

10.40 (a) When the number of employees in the bargaining unit is one hundred and fifty (150) or more, the chairperson of the local negotiating committee will be permitted full-time for the performance of his/her duties as such. He/she will be assigned to the day shift in the parts distribution centre and he/she will work the hours of the day shift whenever employees in the bargaining unit are scheduled to work such shift period. In addition he/she will be entitled to be at work whenever employees of the day shift are required to work overtime on such shift. He/she will be responsible to the human resources manager, or his/her nominee. When he/she ceases to hold office he/she will be returned, consistent with his/her seniority, to the classification in which he/she was employed at the time of his/her appointment as chairperson.

(b) When the number of employees in the bargaining unit is less than one hundred and fifty (150) the chairperson of the local negotiating committee shall be permitted absence from his/her regular company duties to function as chairperson for four (4) hours per working day.

10.41 The consent of the supervisor to a committeeperson who has been recognized by the company as provided in this article leaving his/her regular company duties to function as a committeeperson, as in this agreement provided, shall not be unreasonably withheld.

10.42 An employee when elected to any of the following executive offices of the local, namely: president, vice president, recording secretary, financial secretary, shall not so long as he/she retains such office be required by the company to work a shift of which the regular quitting time is later than 6 p.m. The foregoing provisions shall also apply to the members of the local negotiating committee and the employee who holds the office of chairperson

of the education committee. Local 584 shall notify the company in writing from time to time of the names of the employees elected to the offices enumerated in this section, the respective dates of their election and the names of former officers whom they may be replacing.

10.43 (a) The company agrees to make available a conference room in the parts distribution centre, equipped with a desk and telephone, for the use of the employee who is the chairperson of the local negotiating committee.

(b) The company agrees to make available two (2) filing cabinets, each with three (3) drawers, equipped with locks for the combined use of the employee who is the chairperson of the local negotiating committee and any employees who are committeepersons, for the keeping of documents and records, which filing cabinets shall be located in the parts distribution centre.

ARTICLE 11

GENERAL GRIEVANCE PROCEDURE

11.01 No grievance shall be considered which usurps the function of management; provided that the question of whether or not the subject matter of the grievance comes within this provision may itself be carried through the grievance procedure as part of the grievance and determined accordingly.

11.02 The consent of the appropriate representative of the appropriate local must be obtained prior to the initial presentation of any grievance and to the filing of each appeal to the next step in the grievance procedure.

11.03 (a) The best efforts of the company and union representatives concerned shall be employed in resolving a grievance at each of the following steps of the grievance procedure.

(b) The decision of management at each step of the grievance procedure will be delivered to the appropriate representative of the appropriate local.

11.04 (a) Any employee, having a grievance may present it in writing to his/her supervisor or superintendent on forms to be supplied by the company on request of the employee or his/her steward or committeeperson (the Oakville skilled trades chairperson in the case of an employee employed on the day shift in one of the trades listed in appendix 'H'), without enquiry on the part of the company as to why such form is requested by or on behalf of the employee.

(b) The supervisor or superintendent shall deal with the grievance and shall deliver his/her decision in writing as soon as possible (step one), but in any event not later than the 2nd regular working day next following the day upon which he/she receives the grievance.

(c) The company may, however, at its discretion decline to consider any grievance which is lodged more than ten (10) working days after the cause of the grievance should have become known to the employee.

11.05 In the case of a Windsor employee:

(a) If the decision of the supervisor is not satisfactory to the employee concerned, an appeal therefrom may be lodged in writing and signed by the employee, with the superintendent having jurisdiction within three (3) regular working days of delivery of the decision.

(b) The superintendent shall deal with the appeal and deliver his/her decision in writing not later than the 3rd regular working day next following the day upon which the appeal is received (step two).

11.06 (a) If the decision of the supervisor or the superintendent is not satisfactory to the employee concerned, an appeal therefrom may be lodged in writing and signed by the employee with the human resources manager within three (3) regular working days of the delivery of the decision. If the decision of the supervisor or superintendent is not delivered within the time limits herein provided, the grievance may be appealed directly to step three of the grievance procedure.

(b) Thereupon the appeal shall be placed upon an agenda for consideration at the conference next following between the human resources manager and the local negotiating committee of the appropriate local. A conference shall be arranged, not more often than once per calendar week, between the human resources manager and the local negotiating committee of the appropriate local for the consideration of appeals so appearing on the agenda for that conference, providing there is an agenda. The agenda, if any, shall be supplied by the appropriate local to the human resources manager at least two (2) regular working days before the day of the conference at which the appeals listed thereon are to be discussed.

(c) Management's decision on appeals taken up at a conference shall be in writing, and shall be delivered to the appropriate chairperson not later than the 3rd regular working day following the day upon which the conference is held (step three). A copy of such decisions shall be delivered to the president of the appropriate local.

11.07 (a) If management's decision is not satisfactory to the employee concerned, written notice of appeal signed by the employee may be served on the appropriate human resources manager within thirty (30) calendar days of the delivery of the decision, appealing therefrom to the umpire (step four).

(b) Not less frequently than once every three (3) months, unless otherwise arranged by the parties, the appropriate local and the company shall review the grievances on appeal at step four. In the course of this review, the parties shall endeavour to resolve those grievances which can be settled without resorting to the umpire.

(c) Prior to settling a list of appeals to be allocated to the umpire, the appropriate local and the company shall request a further review by the national union and the central labour affairs staff of the company of the grievances which have not been resolved in the course of the review described in section 11.07 (b). The president of the appropriate local and the chairperson concerned with the grievances under review, along with the human resources manager and the labour relations supervisor concerned may participate in this review.

(d) From time to time the appropriate local and the company shall settle lists of appeals to be allocated to the umpire as provided in appendix 'E' by selecting appeals from the grievances remaining unresolved following the review described in section 11.07 (c).

11.08 (a) The impartial umpire shall be a person jointly selected by the parties and shall continue to serve only so long as he/she continues to be acceptable to both parties.

If at any time either party desires to terminate the service of the umpire, it shall give notice in writing to that effect, specifying the date of termination, and sending one copy to the umpire and one copy to the other party.

The party terminating the umpire's services shall specify in its notice whether or not it is agreeable to have said umpire render decisions in all cases pending before him/her up to the date of said termination, and if it determines that the umpire may decide such pending cases, the umpire shall render decisions thereon not later than thirty (30) days from the date of said notice.

If the party terminating the services of the umpire elects not to have the cases pending before him/her decided by that umpire, he/she shall render no further decisions subsequent to the time fixed in the notice, and all cases then pending before him/her shall be referred to his/her successor or to any other person the parties may agree upon.

Pending the selection of a new umpire, the parties shall, if necessary, forthwith request the Minister of Labour for Ontario to

designate a sole umpire to hear and determine appeals in the interim.

(b) The parties have agreed on rules of procedure to govern appeals to the umpire. The rules are set out in appendix 'E' to this agreement.

(c) It shall be the obligation of the umpire to the company and the union to rule on cases heard by him/her within thirty (30) days after the hearing. Priority shall be given to deciding discharge cases. If, for good and proper reasons additional time is required, the umpire may request an extension of the time limits set forth above by the parties and a reasonable extension thereof shall be granted.

11.09 The decision of the umpire shall be final and binding.

11.10 The umpire shall not alter, add to, subtract from, modify or amend any part of this agreement.

11.11 Subject to any law or any regulation having the force of law, scales of wages and classifications may be the subject of a supplementary agreement, and unless otherwise provided therein, the umpire hereunder shall have no jurisdiction in relation to such scales and classifications; but this shall not affect his/her jurisdiction over the matter of the application to any employee of such classifications as may from time to time be in effect.

11.12 The expense of the umpire, if any, shall be borne in equal shares by the company and the appropriate local. The shares shall be paid directly to the umpire by each.

11.13 An employee appearing before the umpire on the hearing of his/her appeal shall, if his/her grievance is sustained by the umpire, be paid by the company at his/her regular hourly wage rate for such time so expended by him/her at the hearing as may be certified by the umpire to have been reasonably necessary for the purpose of such hearing provided this shall not be construed as obligating the company so to pay employees concerned in a group grievance, save to the number of such employees whose evidence given at the hearing the parties agree is essential to the proper hearing of the appeal. Arrangements may be made between the company and the appropriate local for the cheque covering such payment to be sent to the president of the appropriate local for delivery to the employee entitled to such payment.

11.14 In the event of an appeal to an umpire under this article, a full-time official of the union will, on request made to the human resources manager or parts distribution centre manager, be permitted to view any operation in the plant or parts distribution centre which is to be the subject of review by the umpire in the hearing before him/her on such appeal.

11.15 In the absence or inability to act of the company representatives referred to throughout the grievance procedure, the company may act through nominees of the respective representatives.

11.16 The grievance procedure hereinbefore prescribed shall apply to a grievance lodged by a group of employees, save that an appeal on a group grievance shall not be rejected on the ground of lack of signature by the employees alleging the grievance, provided one such employee signs each notice of appeal.

ARTICLE 12

SPECIAL GRIEVANCE PROCEDURE

12.01 The following special procedure shall be applicable to a grievance alleging improper discharge of an employee or suspension of an employee and may be used by an employee alleging improper layoff or discrimination as defined in section 7.01 of this agreement.

(a) The consent of the appropriate local must be obtained prior to the initial presentation of the grievance and to the filing of an appeal to the next step in the grievance procedure.

(b) The grievance may be lodged in writing by the discharged or suspended employee with the human resources manager within five (5) regular working days of the discharge or suspension. In the case of an allegation of improper layoff or discrimination, the grievance may be lodged in writing by the affected employee within five (5) regular working days after the cause of the grievance should have become known to the employee.

(c) Thereupon the grievance shall be handled as an appeal to the human resources manager at step three of the general grievance procedure.

(d) If the decision is not satisfactory the matter may then proceed, on the giving of the prescribed notice of appeal as an appeal to the umpire at step four of the general grievance procedure.

12.02 Notwithstanding anything contained elsewhere in this agreement, no grievance shall be lodged or prosecuted against the termination of employment by the company of a probationary employee unless the employee alleges that his/her discharge is not for cause or unless the employee alleges that he/she has been discriminated against in such termination of employment by reason of union activity, and the umpire shall not reverse his/her termination of employment on any other ground. This shall not

prevent a probationary employee from lodging a grievance on any other working condition.

12.03 On request by a discharged employee to his/her supervisor the employee will be given an opportunity to discuss his/her discharge with his/her committeeperson, his/her chairperson or, in the case of a Windsor or Oakville employee, his/her steward, provided such representative is then at work, before leaving the company's premises.

12.04 (a) An allegation by the union that the company has violated or misinterpreted this agreement, where the alleged violation or misinterpretation relates to only one (1) of the bargaining units defined in article 2, may be lodged in writing by the president, the vice president or a nominee of the president of the local with the human resources manager concerned and shall be reviewed by him/her and his/her decision thereon shall be given as in the case of an appeal to him/her on a grievance. If the decision of the human resources manager is not satisfactory to the local concerned, the matter may then proceed as an appeal to the umpire at step four of the general grievance procedure.

(b) An allegation by the union that the company has violated or misinterpreted this agreement, where the alleged violation or misinterpretation relates to more than one (1) of the bargaining units defined in article 2, may be lodged in writing by the chairperson of the master negotiating committee with the vice president, human resources and shall be reviewed by him/her and his/her decision thereon shall be given in writing within fourteen (14) regular working days following the day upon which the allegation was received by him. If the decision of the vice president, human resources is not satisfactory to the union the matter may then proceed as an appeal to the umpire at step four of the general grievance procedure.

12.05 Informal discussions between the company and the union with respect to a particular grievance lodged under article 11 or article 12 which has not been settled at step three may be held even though notice of appeal to the umpire has been given pursuant to section 11.07 upon the following basis:

(a) Either party may request that a particular grievance be discussed informally.

(b) No discussion will take place unless both parties are in agreement that such discussion should take place. Any such discussion shall be without prejudice to the rights of either party under the grievance procedure and shall not affect the times prescribed in which appeals must be lodged.

(c) If both parties are in agreement that a particular grievance should be discussed informally, a meeting will be held

as soon as possible between the company and the union for this purpose at a location determined by mutual agreement.

ARTICLE 13

CONFERENCES

13.01 Conferences between the local negotiating committee of the appropriate local and representatives of the company shall be held at the request of either party. Matters to be discussed at any such conference shall be listed in an agenda to be supplied by the party requesting the conference to the other party at least one (1) working day prior to the day for which the conference is requested unless otherwise arranged by the parties. The president of the appropriate local or, in his/her absence, the vice president, or the nominee of the president of the local may be included in any such conference with the local negotiating committee.

13.02 Conferences between the master negotiating committee and representatives of the company shall be held at the request of either party. Matters to be discussed at any such conference shall be listed in an agenda to be supplied by the party requesting the conference to the other party at least seven (7) working days prior to the day for which the conference is requested unless otherwise arranged by the parties.

13.03 Conferences between representatives of the appropriate local at Windsor and Oakville and company representatives shall be held from time to time at the request of either party for the purpose of discussing the work of skilled tradespersons. At such conferences the local shall be represented by the skilled trades chairperson and two (2) in-plant representatives, and the company representatives shall include one (1) member who is familiar with the work of skilled tradespersons.

13.04 When conferences under sections 13.01 and 13.03 are initiated at the request of the company, the time spent at such conferences shall not be charged against the time allowance provided under this agreement for any chairperson, committeeperson or steward attending the conference to function as a chairperson, committeeperson or steward as the case may be.

ARTICLE 14

ADMINISTRATION OF DISCIPLINE

14.01 When an employee is removed from his/her work to the desk or office of a supervisor or general superintendent or is called to an interview by a member of the staff of the human resources office for the purpose of investigating alleged misconduct which may result in suspension or discharge of such employee, he/she shall be notified that, at such interview, if he/she desires:

(a) In the case of an interview by a supervisor or general superintendent, a Windsor or Oakville employee may require the presence of his/her steward, and a Bramalea employee may require the presence of his/her committeeperson, and

(b) In the case of an interview by a member of the staff of the human resources office, a Windsor or Oakville employee may require the presence of his/her committeeperson and a Bramalea employee may require the presence of the chairperson of the local negotiating committee.

A steward, committeeperson or chairperson when called to such an interview at the request of the employee concerned shall not have the time spent on these duties charged against the time allowance provided under this agreement for him/her to function as a steward, committeeperson or chairperson as the case may be.

14.02 If, following such investigation, an employee is suspended or given a warning, he/she will be given written notice of such suspension or warning as soon as possible after the investigation has been completed. If the employee was represented at an interview held under the provisions of section 14.01 by a steward, committeeperson or chairperson the company will, on the request of the chairperson concerned, furnish the chairperson with a copy of such notice of suspension or warning.

14.03 When the company contemplates disciplinary action for failure to meet an established production standard, the employee will be so notified and the steward will be promptly advised that the employee has been notified and the reasons for such notification.

ARTICLE 15

SENIORITY

15.01 (a) Different seniority provisions may be applicable in respect of different types of operations. Provisions which may be appropriate to one type of operation may prove to be unreasonably restrictive when applied to another type of operation.

The operations of the company at Windsor are manufacturing and engineering, at Oakville the operation is assembling complete vehicles, and at Bramalea they are warehousing and distributing parts.

The union and the company have therefore agreed on the provisions with regard to seniority contained in this agreement.

(b) Deviations from the terms of this article with respect to a particular temporary layoff (except with respect to the provisions of section 15.01 (c) below) may be made by agreement between local management and the appropriate local. Any other agreement to deviate from this article shall be subject to written approval of the national union and the central labour affairs staff of the company.

(c) Upon request of the appropriate local, the local parties shall enter into an agreement applying the concept of inverse seniority where:

(i) the layoff is for a definite time and limited duration, and

(ii) all employees with less than one year's seniority have been laid off from the affected group referred to below. The union agrees that any such agreement with an appropriate local shall give full consideration to and shall not impair plant operating efficiencies, including, but not limited to, those inefficiencies which might occur as a consequence of undesirable bumping or replacement of employees. Consistent with this requirement, it is further agreed that employees shall be laid off and recalled under the terms of this inverse seniority layoff procedure by groups (defined by classification and department) to be negotiated by the local parties. It is expressly understood that the local parties shall not enter into arrangements which permit employees on inverse seniority layoff to return to work to be replaced on layoff by other employees during the period of limited layoff. Nor will an employee who is laid off pursuant to an inverse seniority arrangement be permitted to return to work as a result of exhaustion of, or disqualification from, Employment Insurance Benefits or company-provided Supplemental Unemployment Benefits. Nothing in the foregoing shall preclude the company from recalling any employee prior to the expiration of the limited

layoff period. Local unions which believe that a particular layoff which does not meet the above criteria warrants the application of inverse seniority may make a request to that effect to the national union. The national union may take up any such requests which it believes to be meritorious with the central labour affairs staff.

(d) Any employee who has basic seniority in one (1) bargaining unit and who, as of November 18, 1984, is on the active employment rolls of another bargaining unit or who subsequently is placed in or transferred to another bargaining unit under circumstances where he/she does not carry his/her seniority with him/her, shall, at his/her first layoff thereafter in an indefinite layoff, have his/her seniority determined by whichever of the following he/she then elects:

(i) Such employee may irrevocably waive his/her seniority in his/her basic bargaining unit and retain at the other bargaining unit his/her latest date-of-entry seniority, which will then become his/her basic seniority (it being understood that such waiver will not break the employee's "company seniority" for purposes of such plans as the vacation, holiday pay, jury duty pay, SUB or retirement plans where company, rather than plant, seniority is taken into account); or

(ii) Such employee may elect to return to his/her basic bargaining unit, in which event he/she shall be placed in, or on the recall list of, his/her basic seniority unit with full credit for seniority accumulated while working in the other unit to be included in determining his/her seniority in such basic unit, and he/she shall retain no seniority rights in any other bargaining unit.

Any employee who does not elect (i), above, in writing at the place designated by the company within five (5) calendar days after his/her layoff shall be deemed to have elected (ii).

SENIORITY - WINDSOR

(Sections 15.02 - 15.20 inclusive)

15.02 Fundamentally, rules respecting seniority are designed to provide to Windsor employees an equitable measure of security based on length of service with the company at Windsor.

15.03 Upon completion of employment to the extent of ninety (90) days within any period of twelve (12) consecutive months, a Windsor employee shall be entitled to have his/her name placed on the seniority list of the occupational group in which he/she is employed, or if he/she is employed in the general group, then on the seniority list thereof.

15.04 (a) The name of a Windsor employee shall appear on a seniority list as of the date of his/her employment, provided that the date of employment of a Windsor employee who shall have completed intermittent employment to the extent of ninety (90) days within any period of twelve (12) consecutive months, shall be considered to be the date three (3) months prior to the date upon which such employee shall have attained seniority.

(b) A Windsor employee who on the effective date of this agreement is employed in a trade listed in appendix 'F' shall have the seniority which he/she had attained in that trade as of that date.

(c) Except as provided in section 17.02, in the event that an employee whose date of seniority has been determined in accordance with section 15.04 (b) elects to leave his/her employment in the trade concerned and transfer to other employment with the company, he/she shall thereupon forfeit all seniority rights in such trade.

(d) Subject to the provisions of section 15.03 and 15.04 (a) and (e), a Windsor employee who was not employed in a trade listed in appendix 'F' as of the effective date of this agreement, but who is thereafter employed in a trade listed in appendix 'F' shall be entitled to have his/her name placed on the seniority list of the classification of the trade in which he/she is employed as of the date of commencement of his/her employment in such trade.

(e) Upon completion of his/her apprenticeship, an apprentice shall be given seniority equal to the calendar days subsequent to his/her last hiring date as an apprentice and prior to the date of completion of his/her apprenticeship.

15.05 A Windsor employee shall be considered a probationary employee until he/she shall have become entitled to have his/her name placed upon a seniority list, and as such shall not have any seniority rights.

15.06 (a) Seniority lists for each department of the company's plants at Windsor shall be maintained at all times by the company, and shall be made available to any steward for inspection to the extent reasonably necessary for such steward to ascertain the seniority status of an employee employed within the jurisdiction of such steward.

(b) Seniority lists for each of the trades listed in appendix 'F' shall be maintained at all times by the company, and shall be made available to any steward for inspection to the extent reasonably necessary for such steward to ascertain the seniority status of an employee employed within the jurisdiction of such steward.

(c) The company shall post revised seniority lists as required in each department every three (3) months.

(d) The master seniority record showing the seniority status of each Windsor employee will be available in the human resources office where it may be inspected by the president of Local 200 or the skilled trades chairperson or any Windsor plant chairperson for purposes pertaining to their respective duties as such.

(e) The company will supply to the president of Local 200 every three (3) months, two (2) copies of a master seniority list of Windsor employees.

15.07 Seniority rights of a Windsor employee shall cease for any one of the following reasons:

(a) if the employee quits his/her employment;

(b) if the employee is discharged and such discharge be not reversed through the grievance procedure;

(c) if the employee fails to report for duty for five (5) consecutive working days. For the purpose of this section 15.07 (c) "five (5) consecutive working days" shall not include Saturdays, Sundays and the holidays specified in section 25.01 in the case of an employee who is employed on other than a continuous seven (7) day operation and shall not include the 6th and 7th consecutive days of his/her scheduled workweek and the holidays specified in section 25.01 in the case of an employee who is employed on a continuous seven (7) day operation. (This clause shall not apply if the employee furnishes satisfactory reasons to the human resources department for such failure);

(d) if the employee fails to return to work within five (5) consecutive working days after notification so to do to his/her address on the records of the company. For the purpose of this section 15.07 (d) "five (5) consecutive working days" shall not include Saturdays, Sundays and the holidays specified in section 25.01. (This clause shall not apply if the employee furnishes satisfactory reasons to the human resources department for such failure);

(e) if the employee is not called upon to perform work for the company for a period of thirty-six (36) consecutive months or for a period equal to his/her seniority at the date when he/she last performed work for the company, whichever shall be the greater; provided, however, that for a seniority employee at work on or after October 10, 1982, seniority rights shall cease if the employee is not called upon to perform work for the company as follows:

*Seniority at Date
Last Performed Work
For the Company*

*Seniority Ceases if Not
Called Upon to Perform
Work for the Company for*

2 years but less than 3 years	48 months
3 years but less than 4 years	60 months
4 years but less than 10 years	Period equal to seniority plus 12 months
10 years but less than 11 years	132 months
11 years and more	Period equal to seniority

Commencing October 10, 1982, this section 15.07 (e) shall not apply to an employee having seniority if the employee is not called upon to perform work for the company due to sickness or injury arising out of and in the course of employment with the company and covered by the Workers' Compensation Act.

(f) if the employee retires or is retired under the terms of the Retirement Pension Plan, in which case the following provisions shall apply:

(i) he/she shall on such retirement cease to be an employee;

(ii) if he/she has been retired on total and permanent disability pension and if he/she recovers, he/she shall have his/her seniority reinstated as though he/she had been continued on a sick leave during the period of his/her disability retirement;

(iii) if he/she retires or is retired otherwise than on a total and permanent disability pension and is subsequently re-employed he/she shall be considered a new employee and without seniority, and shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing holiday pay and vacation pay;

(g) if the employee is issued a separation payment by the company pursuant to the Separation Payment Plan;

(h) if the employee is issued a termination payment by the company pursuant to the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan, in which event his/her seniority shall cease as of the date his/her application for such termination payment was received by the company.

15.08 Notwithstanding his/her seniority status, a steward shall, subject to section 15.09 (b), be continued at work when work is available in his/her jurisdiction which he/she is able and willing to do, and in the event of a reduction of available work which appears to the company to be one which will exceed twenty-four (24)

calendar days, he/she shall be continued at work in his/her own department provided he/she is able and willing to do the work available in his/her own department.

15.09 (a) Notwithstanding his/her seniority status, a committeeperson shall be continued at work when work is available in his/her zone which he/she is able and willing to do and in the event of a reduction of available work which appears to the company to be one which will exceed twenty-four (24) calendar days, he/she shall be continued at work in his/her own department provided he/she is able and willing to do the work available in his/her own department.

(b) If the amount of work available is not sufficient to provide work for both the committeeperson and a steward, the committeeperson shall be given preference.

15.10 (a) In the event of a Windsor employee suffering a disability from sickness or accident, the following exception shall be made to the provisions of this agreement in favour of such employee. The company's medical advisors shall establish the employee's physical capabilities and he/she shall then be placed in work that he/she is able to perform if such work can be found in his/her classification, or in his/her department, or in the plants at Windsor. Work will be sought in the order indicated and if found the disabled employee shall be moved to such work consistent with his/her seniority.

(b) In the event that the disability is a major disability further exception may be made to the seniority provisions of this agreement in favour of such employee but in the event of a layoff or recall after a layoff, he/she shall be subject to the seniority provisions of this agreement which would have applied had he/she not been disabled. Following recall after a layoff, exception may again be made to the seniority provisions of this agreement in favour of such employee.

(c) Notwithstanding the foregoing provisions of this section 15.10, any employee who has been incapacitated at his/her regular work by injury or compensable occupational disease while employed by the company may be employed in other work in the plants at Windsor which he/she can do, by mutual agreement between the company and the union, without regard to any seniority provisions of this agreement.

15.11 In applying the other provisions of this article 15, the company may lay off any employee whose work is not required by the company for a period of up to three (3) working days without regard to seniority.

15.12 In respect of Windsor employees:

(a) In the event of a reduction of available work in an occupational group, the employee therein having the least amount of seniority shall, consistent with his/her seniority, be moved in the same department to the occupational group he/she was in previously, or in the event that he/she does not have sufficient seniority to move into such occupational group, then he/she shall be moved to the general group in such department if able and willing to perform the work required of him/her, and shall thereupon be entitled to have his/her name placed on the seniority list of the group to which he/she is so moved.

(b) In the event that a reduction of available work under section 15.12 (a) results in the transfer of an employee out of the department, such transfer shall be made in accordance with section 15.12 (c).

(c) In the event of a reduction of available work in a department the employees in the department having the greatest amount of seniority shall be retained at work in the department provided they are able and willing to do the work required of them. When effecting the rearrangement of employees required following the reduction of available work in a department, the employees in the department whose jobs have been discontinued as a result of the reduction of available work shall, if able and willing and subject to section 15.12 (a), be assigned consistent with their respective seniority to the jobs vacated by employees having the least amount of seniority in the department who have been transferred out of the department or laid off due to an indefinite layoff.

(d) Employees transferred out of a department as the result of a reduction of available work shall be transferred to another department if able and willing to perform the work required of them.

(e) In the event that such reduction results in the layoff of an employee such layoff shall be made in accordance with section 15.14.

15.13 (a) When reasonably practicable the company will give 24 hours' notice of layoff to Windsor employees. The supervisor of the department involved shall notify the committeeperson concerned with the layoff of the names of the employees it is proposed to lay off as soon as the names are available.

(b) In the case of an indefinite layoff the company shall, when reasonably practicable, advise the president of Local 200 seven (7) calendar days before such layoff is to go into effect of the approximate number of employees to be affected thereby, and will provide him/her with a list of the names of the employees who have been laid off as soon as the names are available.

15.14 In the event a layoff of Windsor employees becomes necessary, that layoff shall be carried out as follows, provided that the employees retained to perform the work available during the layoff shall be the employees who are able and willing to perform the work required of them:

(a) (i) If it appears to the company that the layoff will not exceed fourteen (14) calendar days (a temporary layoff), then the employees affected shall be laid off in accordance with their seniority within the department concerned.

(ii) If it appears to the company that the layoff in any one department will exceed fourteen (14) calendar days but will not exceed twenty-four (24) calendar days (a temporary layoff), then the employees affected shall be laid off in accordance with their seniority within the plant concerned.

(iii) The temporary layoff provisions shall not be used for the purpose of avoiding plant-wide layoffs or bargaining unit-wide seniority adjustments by scheduling a series of temporary layoffs.

(b) If it appears to the company that the layoff in any one department will exceed twenty-four (24) calendar days (an indefinite layoff), then the employees affected shall be laid off in accordance with their seniority within the bargaining unit.

(c) During a temporary layoff, movement of an employee from one job to another job shall be made as a loan without rate change upward or downward. All loaned employees will be returned to their former departments as required. While on loan from one department to another during a temporary layoff carried out under section 15.14(a)(ii), an employee shall, in the following cases, be considered to be a member of the department to which he/she is loaned:

(i) in the event of a layoff carried out under section 15.11;

(ii) when a temporary layoff not exceeding fourteen (14) calendar days occurs;

(iii) for the purpose of the distribution of overtime.

(d) When vacancies occur as a result of layoffs and are being filled by the company with employees retained at work by reason of their seniority and ability, the provisions of section 17.05 governing the filling of openings shall not be applicable. Provided, however, that if openings occur during the same period which are not the result of layoffs, the company may fill such openings through use of the job advertising procedure in the department concerned, but if no employee is appointed to fill the openings as a result of such advertisement, the company may fill the openings on

a temporary basis and the openings shall be advertised in the usual way when the layoff has been completed.

(e) Employees retained at work by reason of their seniority and ability following an indefinite layoff who are transferred to another department shall, upon the initial transfer to such department, be assigned, consistent with their respective seniority, to the jobs vacated on the shift to which they have been allocated by employees who have been laid off due to the indefinite layoff.

(f) In the event that probationary employees are to be continued at work during a layoff carried out under section 15.14, the company shall give consideration to retaining the probationary employees having the greatest amount of service within the department, plant or bargaining unit, depending on the type of layoff involved.

(g) A probationary employee whose employment is being terminated by the company when a layoff is being carried out shall be informed at the time of separation from the payroll that his/her employment with the company has been terminated, and that he/she will not be given consideration in any recall to work. The committeeperson concerned shall also be informed.

(h) The parties subscribe to the principle that so far as consistent with the company's production requirements, an indefinite layoff affecting Windsor employees with seniority shall not, so far as reasonably possible, take place until the hours of work have been reduced to forty (40) hours per week, and subject to the same considerations that on recall to work after a layoff of such employees with seniority, the hours of work shall not be increased to over forty (40) hours per week until the company requires more production than can be reasonably anticipated to result from operations at forty (40) hours per week.

(i) In respect of Windsor employees employed on the operations scheduled as continuous seven (7) day operations as listed in appendix 'I', during a temporary layoff which appears to the company to be one which will not exceed three (3) working days, the selection of employees to work shall be made in accordance with the requirements of section 15.14 except that those employees who are on their regular scheduled days off will not be considered in selecting employees to work on those days.

15.15 (a) Windsor employees will be recalled from a temporary layoff of not more than fourteen (14) calendar days in accordance with their seniority within the department concerned or, in the case of a layoff of fourteen (14) to twenty-four (24) calendar days, in accordance with their seniority in the plant concerned, provided they are able and willing to perform the work required of them.

(b) (i) Windsor employees will be recalled from an indefinite layoff in accordance with their seniority within the bargaining unit, provided they are able and willing to perform the work required of them.

(ii) On a recall from an indefinite layoff, a Windsor employee who has been working in a department other than his/her base department, as defined in section 17.04, must return to his/her base department in accordance with section 17.04, when required by the company to do so.

(iii) When a Windsor employee is recalled from an indefinite layoff and there are no vacancies at that time in his/her base department, he/she must return to his/her base department in accordance with section 17.04, when required by the company to do so.

15.16 When probationary employees are being recalled to work following a layoff carried out under section 15.14, the company shall give consideration to recalling the probationary employees having the greatest amount of service within the department, plant or bargaining unit, depending on the type of layoff involved. Former probationary employees who were informed at the time of separation that their employment with the company was terminated shall not be entitled to consideration when probationary employees are being recalled under this provision.

15.17 In respect of Windsor employees:

(a) In the event of a reduction of available work in one of the classifications listed in appendix 'F', the employee in such classification having the least amount of seniority shall, consistent with his/her seniority, be moved or transferred to an equally-paid classification or to the next lower paid classification in the trade concerned, if able and willing to perform the work required of him/her, and shall thereupon be entitled to have his/her name placed upon the seniority list of the classification to which he/she is so moved or transferred.

(b) In the event that such reduction results in the layoff of an employee, such layoff shall be made in accordance with section 15.18 of this agreement, provided that if the employee to be laid off is one whose seniority has been reduced in accordance with the provisions of section 15.04 (d) he/she may elect either to be laid off and retain his/her seniority in the trade or to be transferred to a classification other than one of the classifications in one of the trades listed in appendix 'F', and if so transferred the other seniority provisions contained in this agreement shall apply. If an employee elects to be so transferred, he/she shall thereupon forfeit all seniority rights in any of the trades listed in appendix 'F'.

Once an employee has so elected he/she shall not again have this right of election should he/she return to the skilled trades.

15.18 In respect of Windsor employees:

(a) If it appears to the company that a layoff affecting employees in a classification in a trade listed in appendix 'F' will not exceed three (3) working days (a temporary layoff), then the employees affected shall be laid off, in accordance with their seniority within such classification in each department concerned, provided the employees retained at work are able and willing to perform the work required of them. This provision shall not be used for the purpose of avoiding trade-wide layoffs by scheduling a series of layoffs under this provision.

(b) If it appears to the company that a layoff affecting employees in a trade listed in appendix 'F' will exceed three (3) working days (an indefinite layoff), then the employees affected shall be laid off in accordance with their seniority in the trade concerned, provided the employees retained at work are able and willing to perform the work required of them.

(c) Notwithstanding the provisions of section 15.17, an employee who is employed as a journeyman/woman in a trade shall not be subject to being reclassified as an apprentice in such trade.

(d) In respect of Windsor employees employed on the operations scheduled as continuous seven (7) day operations as listed in appendix 'I', during a temporary layoff which appears to the company to be one which will not exceed three (3) working days, the selection of employees to work shall be made in accordance with the requirements of section 15.18 except that those employees who are on their regular scheduled days off will not be considered in selecting employees to work on those days.

15.19 In the event that temporary additional help is required in any of the classifications listed in appendix 'F', then provided no employee is entitled to be recalled under section 15.20 (a), an employee employed in a classification other than one of the classifications in one of the trades listed in appendix 'F', may be called upon by the company to perform work in any classification listed in appendix 'F' provided that selection shall be made in accordance with sections 17.05 (d) and (e) and when such help is no longer required, the employee concerned shall, consistent with his/her seniority, be returned to the operation upon which he/she was employed immediately prior to being called upon to perform work in one of the classifications listed in appendix 'F'.

If an apprentice satisfactorily completes his/her apprenticeship training and is able and willing to do the work in his/her trade that is being done by temporary additional help, then it is agreed that such temporary additional help is no longer required.

15.20 (a) When the company considers it necessary to increase the number of employees in a trade, former employees who had attained seniority in such trade prior to being laid off in accordance with a trade-wide seniority adjustment shall be recalled in accordance with their seniority in the trade concerned provided they are able and willing to perform the work required of them.

(b) In the event that an increase in the number of employees in a trade occurs because of the absence of a regular employee for vacation period and while there are employees on layoff in the trade, the requirements shall be regarded as vacation replacement opportunities. In filling vacation replacement opportunities, the following procedure will be used:

The employees on layoff who are entitled to be recalled will be notified at their addresses on the records of the company of the vacation replacement opportunities and of the approximate length of time of the work opportunity. An employee will have the option of accepting or rejecting the work opportunity and shall forthwith advise the company of his/her election. Those rejecting the work will not forfeit their seniority. Those accepting the work will be recalled for the period of vacation replacement only.

In the event that all of the tradespersons eligible decline the vacation replacement opportunity, the most senior employee who is entitled to be recalled will be obligated to accept the opening or forfeit his/her seniority. If requirements for tradespersons arise for reasons other than vacation replacement, either during the time that vacation replacement employees are at work or after they have again been laid off, employees will be recalled pursuant to section 15.20 (a) whether on layoff or recalled for a temporary period.

SENIORITY - OAKVILLE

(Sections 15.21 - 15.39 inclusive)

15.21 Fundamentally, rules respecting seniority are designed to provide to Oakville employees an equitable measure of security based on length of service with the company at Oakville.

15.22 Upon completion of employment to the extent of ninety (90) days within any period of twelve (12) consecutive months, an Oakville employee shall be entitled to have his/her name placed on a seniority list.

15.23 (a) The name of an Oakville employee shall appear on a seniority list as of the date of his/her employment, provided that the date of employment of an Oakville employee who shall have completed intermittent employment to the extent of ninety (90)

days within any period of twelve (12) consecutive months, shall be considered to be the date three (3) months prior to the date upon which such employee shall have attained seniority.

(b) An Oakville employee who on the effective date of this agreement is employed in a trade listed in appendix 'H' shall have the seniority which he/she had attained in that trade as of that date.

(c) Except as provided in section 17.07, in the event that an employee whose date of seniority has been determined in accordance with section 15.23 (b) elects to leave his/her employment in the trade concerned and transfer to other employment with the company, he/she shall thereupon forfeit all seniority rights in such trade.

(d) Subject to sections 15.22 and 15.23 (a), an Oakville employee who was not employed in a trade listed in appendix 'H' as of the effective date of this agreement but who is thereafter employed in a trade listed in appendix 'H' shall be entitled to have his/her name placed on the seniority list of the trade in which he/she is employed as of the date of commencement of his employment in such trade.

(e) Upon completion of his/her apprenticeship, an apprentice shall be given seniority equal to the calendar days subsequent to his/her last hiring date as an apprentice and prior to the date of completion of his/her apprenticeship.

15.24 An Oakville employee shall be considered a probationary employee until he/she shall have become entitled to have his/her name placed upon a seniority list, and as such shall not have any seniority rights.

15.25 (a) Seniority lists for each department of the company's plants at Oakville shall be maintained at all times by the company, and shall be made available to any steward for inspection to the extent reasonably necessary for such steward to ascertain the seniority status of an employee employed within the jurisdiction of such steward.

(b) Seniority lists for each of the trades listed in appendix 'H' shall be maintained at all times by the company, and shall be made available to any steward for inspection to the extent reasonably necessary for such steward to ascertain the seniority status of an employee employed within the jurisdiction of such steward.

(c) The company shall post revised lists as required in each department every three (3) months.

(d) The master seniority record showing the seniority status of each Oakville employee will be available in the human resources department where it may be inspected by the president of Local 707 or the skilled trades chairperson or any Oakville plant

chairperson for purposes pertaining to their respective duties as such.

(e) The company will supply to the president of Local 707 every three (3) months, two (2) copies of a master seniority list of Oakville employees.

15.26 Seniority rights of an Oakville employee shall cease for any one of the following reasons:

(a) if the employee quits his/her employment;

(b) if the employee is discharged and such discharge be not reversed through the grievance procedure;

(c) if the employee fails to report for duty for five (5) consecutive working days. For the purpose of this section 15.26 (c), "five (5) consecutive working days" shall not include Saturdays, Sundays and the holidays specified in section 25.01. (This clause shall not apply if the employee furnishes satisfactory reasons to the human resources department for such failure);

(d) if the employee fails to return to work within five (5) consecutive working days after notification so to do to his/her address on the records of the company. For the purpose of this section 15.26 (d), "five (5) consecutive working days" shall not include Saturdays, Sundays and the holidays specified in section 25.01. (This clause shall not apply if the employee furnishes satisfactory reasons to the human resources department for such failure);

(e) if the employee is not called upon to perform work for the company for a period of thirty-six (36) consecutive months or for a period equal to his/her seniority at the date when he/she last performed work for the company, whichever shall be the greater, provided however, that for a seniority employee at work on or after October 10, 1982, seniority rights shall cease if the employee is not called upon to perform work for the company as follows:

*Seniority at Date
Last Performed Work
For the Company*

*Seniority Ceases if Not
Called upon to Perform
Work for the Company for*

2 years but less than 3 years
3 years but less than 4 years
4 years but less than 10 years

48 months
60 months
Period equal to
seniority plus
12 months
132 months
Period equal to
seniority

10 years but less than 11 years
11 years and more

Commencing October 10, 1982, this section 15.26 (e) shall not apply to an employee having seniority if the employee is not called upon to perform work for the company due to sickness or injury arising out of and in the course of employment with the company and covered by the Workers' Compensation Act.

(f) if the employee retires or is retired under the terms of the Retirement Pension Plan in which case the following provisions shall apply:

(i) he/she shall on such retirement cease to be an employee;

(ii) if he/she has been retired on total and permanent disability pension and if he/she recovers, he/she shall have his/her seniority reinstated as though he/she had been continued on a sick leave during the period of his/her disability retirement;

(iii) if he/she retires or is retired otherwise than on a total permanent disability pension and is subsequently re-employed he/she shall be considered a new employee and without seniority, and shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing holiday pay and vacation pay;

(g) if the employee is issued a separation payment by the company pursuant to the Separation Payment Plan;

(h) if the employee is issued a termination payment by the company pursuant to the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan, in which event his/her seniority shall cease as of the date his/her application for such termination payment was received by the company.

15.27 Notwithstanding his/her seniority status, a steward shall, subject to section 15.28 (b), be continued at work when work is available in his/her jurisdiction which he/she is able and willing to do, and in the event of a reduction of available work which appears to the company to be one which will exceed twenty-four (24) calendar days, he/she shall be continued at work in his/her own department provided he/she is able and willing to do the work available in his/her own department.

15.28 (a) Notwithstanding his/her seniority status, a committeeperson shall be continued at work when work is available in his/her zone which he/she is able and willing to do and in the event of a reduction of available work which appears to the company to be one which will exceed twenty-four (24) calendar days, he/she shall be continued at work in his/her own department provided he/she is able and willing to do the work available in his/her own department.

(b) If the amount of work available is not sufficient to provide work for both the committeeperson and a steward, the committeeperson shall be given preference.

15.29 (a) In the event of an Oakville employee suffering a disability from sickness or accident, the following exception shall be made to the provisions of this agreement in favour of such employee. The company's medical advisors shall establish the employee's physical capabilities and he/she shall then be placed in work that he/she is able to perform if such work can be found in his/her classification, or in his/her department, or in the plants at Oakville. Work will be sought in the order indicated and if found the disabled employee shall be moved to such work consistent with his/her seniority.

(b) In the event that the disability is a major disability further exception may be made to the seniority provisions of this agreement in favour of such employee but in the event of a layoff or recall after a layoff, he/she shall be subject to the seniority provisions of this agreement which would have applied had he/she not been disabled. Following recall after a layoff, exception may again be made to the seniority provisions of this agreement in favour of such employee.

(c) Notwithstanding the foregoing provisions of this section 15.29, any employee who has been incapacitated at his/her regular work by injury or compensable occupational disease while employed by the company may be employed in other work in the plants at Oakville which he/she can do, by mutual agreement between the company and the union, without regard to any seniority provisions of this agreement.

15.30 In applying the other provisions of this article 15, the company may lay off any employee whose work is not required by the company for a period of up to three (3) working days without regard to seniority.

15.31 In respect of Oakville employees:

(a) In the event of a reduction of available work in a utility classification, the employee therein having the least amount of seniority shall, consistent with his/her seniority, be moved in the same department to the classification in relation to which he/she was performing a utility function, or in the event that he/she does not have sufficient seniority to move into such classification, then he/she shall be moved to the classification he/she was in previously, or in the event that he/she does not have sufficient seniority to move into such classification, then he/she shall be moved to the lowest paid classification in the department, if able and willing to perform the work required of him/her.

(b) In the event of a reduction of available work in any other classification, the employee therein having the least amount of seniority shall, consistent with his/her seniority, be moved in the same department to the classification he/she was in previously, or in the event that he/she does not have sufficient seniority to move into such classification, he/she shall be moved to the lowest paid classification in the department, if able and willing to perform the work required of him/her.

(c) In the event that a reduction of available work under sections 15.31 (a) or (b) results in the transfer of an employee out of the department, such transfer shall be made in accordance with section 15.31 (d).

(d) In the event of a reduction of available work in a department, the employees in the department having the greatest amount of seniority shall be retained at work in the department provided they are able and willing to do the work required of them. When effecting the rearrangement of employees required following the reduction of available work in a department, the employees in the department whose jobs have been discontinued as a result of the reduction of available work shall, if able and willing, and subject to sections 15.31 (a) and (b), be assigned consistent with their respective seniority to the jobs vacated by employees having the least amount of seniority in the department who have been transferred out of the department or laid off due to an indefinite layoff.

(e) Employees transferred out of a department as the result of a reduction of available work shall be transferred to another department if able and willing to perform the work required of them.

(f) In the event that such reduction results in the layoff of an employee such layoff shall be made in accordance with section 15.33.

15.32 (a) When reasonably practicable, the company will give twenty-four (24) hours' notice of layoff to Oakville employees. The supervisor of the department involved shall notify the committee person concerned with the layoff of the names of the employees it is proposed to layoff as soon as the names are available.

(b) In the case of an indefinite layoff the company shall, when reasonably practicable, advise the president of Local 707 seven calendar days before such layoff is to go into effect of the approximate number of employees to be affected thereby, and will provide him/her with a list of the names of the employees who have been laid off as soon as the names are available.

15.33 In the event a layoff of Oakville employees becomes necessary, that layoff shall be carried out as follows, provided that the employees retained to perform the work available during the layoff shall be the employees who are able and willing to perform the work required of them:

(a) (i) If it appears to the company that the layoff will not exceed fourteen (14) calendar days (a temporary layoff), then the employees affected shall be laid off in accordance with their seniority within the department concerned.

(ii) If it appears to the company that the layoff in any one (1) department will exceed fourteen (14) calendar days but will not exceed twenty-four (24) calendar days (a temporary layoff), then the employees affected shall be laid off in accordance with their seniority within the plant concerned.

(iii) The temporary layoff provisions shall not be used for the purpose of avoiding plant-wide layoffs or bargaining unit-wide seniority adjustments by scheduling a series of temporary layoffs.

(b) If it appears to the company that the layoff in any one department will exceed twenty-four (24) calendar days (an indefinite layoff), then the employees affected shall be laid off in accordance with their seniority within the bargaining unit.

(c) During a temporary layoff, movement of an employee from one job to another job shall be made as a loan without rate change upward or downward.

All loaned employees will be returned to their former departments as required.

While on loan from one department to another during a temporary layoff carried out under section 15.33 (a) (ii), an employee shall, in the following cases, be considered to be a member of the department to which he/she is loaned;

(i) in the event of a layoff carried out under section 15.30;

(ii) when a temporary layoff not exceeding fourteen (14) calendar days occurs;

(iii) for the purpose of the distribution of overtime.

(d) When vacancies occur as a result of layoffs and are being filled by the company with employees retained at work by reason of their seniority and ability, the provisions of section 17.10 governing the filling of openings shall not be applicable. Provided, however, that if openings occur during the same period which are not the result of layoffs, the company may fill such openings through use of the job advertising procedure in the department concerned, but if no employee is appointed to fill the openings as a result of such advertisement, the company may fill the openings on

a temporary basis and the openings shall be advertised in the usual way when the layoff has been completed.

(e) Employees retained at work by reason of their seniority and ability following an indefinite layoff who are transferred to another department shall, upon the initial transfer to such department, be assigned, consistent with their respective seniority, to the jobs vacated on the shift to which they have been allocated by employees who have been laid off due to the indefinite layoff.

(f) In the event that probationary employees are to be continued at work during a layoff carried out under section 15.33, the company shall give consideration to retaining the probationary employees having the greatest amount of service within the department, plant or bargaining unit, depending on the type of layoff involved.

(g) A probationary employee whose employment is being terminated by the company when a layoff is being carried out shall be informed at the time of separation from the payroll that his/her employment with the company has been terminated and that he/she will not be given consideration in any recall to work. The committeeperson concerned shall also be informed.

(h) The parties subscribe to the principle that so far as consistent with the company's production requirements, an indefinite layoff affecting Oakville employees with seniority shall not, so far as reasonably possible, take place until the hours of work have been reduced to forty (40) hours per week, and subject to the same considerations that on recall to work after a layoff of such employees with seniority, the hours of work shall not be increased to over forty (40) hours per week until the company requires more production than can be reasonably anticipated to result from operations at 40 hours per week.

15.34 (a) Oakville employees will be recalled from a temporary layoff of not more than fourteen (14) calendar days in accordance with their seniority within the department concerned or, in the case of a layoff of fourteen (14) to twenty-four (24) calendar days, in accordance with their seniority in the plant concerned, provided they are able and willing to perform the work required of them.

(b) (i) Oakville employees will be recalled from an indefinite layoff in accordance with their seniority within the bargaining unit, provided they are able and willing to perform the work required of them.

(ii) On a recall from an indefinite layoff, an Oakville employee who has been working in a department other than his/her base department, as defined in section 17.09, must

return to his/her base department in accordance with section 17.09, when required by the company to do so.

(iii) When an Oakville employee is recalled from an indefinite layoff and there are no vacancies at that time in his/her base department, he/she must return to his/her base department in accordance with section 17.09, when required by the company to do so.

(c) When probationary employees are being recalled to work following a layoff carried out under section 15.33, the company shall give consideration to recalling the probationary employees having the greatest amount of service within the department, plant or bargaining unit, depending on the type of layoff involved. Former probationary employees who were informed at the time of separation that their employment with the company was terminated shall not be entitled to consideration when probationary employees are being recalled under this provision.

15.35 (a) The following principles are recognized by the parties with respect to model changes and model change layoffs:

It is desirable that, under normal circumstances, the changeovers to new models should be carried out promptly.

Model changes and the layoffs and recalls of employees which occur during model change can best be carried out by applying seniority on a department basis in laying off and recalling employees following the progressive run out of models. However, should the commencement of production of new models be unduly delayed, provision should be made for applying seniority on a bargaining unit-wide basis during the period of the delay.

The parties have therefore agreed that the provisions of this section 15.35 shall apply to layoffs and recalls during model changes at Oakville, provided always that the employees to be retained or recalled to perform the work available during model changes under the provisions of this section shall be employees who are able and willing to perform the work required of them.

(b) For purposes of this section 15.35, a model change layoff shall commence at a time to be determined by the company and notice of the date of commencement shall be posted on the bulletin boards. For the first five (5) working days after the commencement of a model change layoff, employees will be laid off as they progressively complete their jobs. On the 6th working day after the commencement of a model change layoff, the working force shall be adjusted in accordance with seniority within each department. Thereafter, throughout a model change layoff employees shall, except as otherwise provided in this section 15.35, be laid off and recalled on the basis of seniority within each department. The company may make this adjustment to

departmental seniority earlier than the 6th working day after the commencement of the model change layoff in any department. Prior to the commencement of a model change layoff, the company will inform the local negotiating committee of those departments from which employees will be laid off on the basis of seniority within the department from the commencement of the model change layoff.

(c) A model change layoff shall be considered to continue either until all employees who have been laid off on a model change layoff have been recalled or until twenty-one (21) calendar days have elapsed after the first unit of new model production (other than pilot or pre-production models) has been produced off the end of the final assembly line, whichever first occurs. When twenty-one (21) calendar days have elapsed following the day when the first unit of new model production (other than pilot or pre-production models) is produced off the final assembly line, then unless all the employees who were laid off on a model change layoff have been recalled, the working force shall be adjusted in accordance with seniority within the bargaining unit and the other provisions of this agreement will apply. The company may make this adjustment to seniority within the bargaining unit before twenty-one (21) calendar days have elapsed after the first unit of new model production (other than pilot or pre-production models) has been produced off the end of the final assembly line.

(d) If fourteen (14) calendar days have elapsed following the 5th working day after the commencement of a model change layoff and the first unit of new model production (other than pilot or pre-production models) has not been produced off the end of the final assembly line, then the working force shall be adjusted in accordance with seniority within the bargaining unit and employees shall be laid off and recalled on the basis of their seniority within the bargaining unit within three (3) working days unless such first unit of new model production is produced off the end of the final assembly line before such three (3) working days have elapsed. The company may make this adjustment to bargaining unit-wide seniority earlier than the time fixed for the adjustment by the preceding sentence. If the working force is adjusted in accordance with seniority within the bargaining unit, then when it appears to the company that the first unit of new model production (other than pilot or pre-production models) will be produced off the end of the final assembly line within three (3) working days, the working force may be readjusted in accordance with seniority within each department, and in any event when such first unit of new model production has been produced off the end of the final assembly line, the working force shall be re-adjusted in

accordance with seniority within each department and thereafter, during the balance of a model change layoff, employees shall be laid off and recalled on the basis of seniority within each department.

(e) During a model change layoff, movement of an employee from one job to another job shall be made as a loan without rate change upward or downward. All loaned employees will be returned to their former departments as required. An employee who is on loan from one department to another as a result of a bargaining unit-wide seniority adjustment during a model change layoff shall, in the following cases, be considered to be an employee of the department to which he/she is loaned:

- (i) in the event of a layoff carried out under section 15.30;
- (ii) when a temporary layoff under section 15.33(a) occurs;
- (iii) for the purpose of the distribution of overtime.

(f) When vacancies occur as a result of layoffs under the terms of this section 15.35 and are being filled by the company with employees retained at work by reason of their seniority and ability, the provisions of section 17.10 governing the filling of openings shall not be applicable. Provided, however, that if openings occur during the same period which are not the result of layoffs, the company may fill such openings through use of the job advertising procedure in the department concerned, but if no employee is appointed to fill the openings as a result of such advertisement, the company may fill the openings on a temporary basis and the openings shall be advertised in the usual way when the model change layoff has been completed.

(g) The company may during a model change layoff retain in employment or recall from layoff employees in any of the utility classifications in their respective departments without regard to seniority.

(h) In the event of a layoff not exceeding three (3) working days occurring at any time during a model change layoff, the company may apply the provisions of section 15.30. The company may also apply the provisions of sections 15.33 (a) and 15.34 (a) during a model change layoff when the working force has been adjusted in accordance with seniority within the bargaining unit under the provisions of this section 15.35.

(i) Should a vacation period or paid holiday occur during a model change layoff, such periods shall be excluded in the calculation of all time limits described in this section 15.35, except when such periods occur after the first unit of new model production (other than pilot or pre-production models) has been

produced off the end of the final assembly line and the working force is scheduled to produce further new units during such periods.

(j) In the event that, during the period of a model change layoff the company schedules a further model change relating to a model or models not involved in the existing model change and produced on a separate final assembly line, the company shall specify the departments which it considers will be affected by the further model change layoff and shall specify these departments in the notice fixing the date of commencement of such further model change layoff. From the date fixed for the commencement of the further model change layoff, the departments so specified and the employees in those departments shall be regarded as having been withdrawn from the model change layoff previously in effect and shall constitute a separate group for the purposes of the further model change layoff to which all the provisions of this section 15.35 shall be applied separately during the period of the further model change layoff. The departments so specified and the employees in those departments shall continue to be regarded as a separate group for all purposes so long as either model change layoff is continuing. Notwithstanding the foregoing provisions of this section 15.35 (j), each employee shall retain his/her seniority in the department of which he/she was a member before any model change layoff commenced (called his/her original department) and if, because of layoffs in the existing model change layoff, an employee is attached to a department to be affected by the further model change layoff (called his/her new department), then he/she shall continue to be regarded as a member of his/her new department and the separate group for the purposes of the further model change layoff only until he/she is required in his/her original department or until the first unit of new model production (other than pilot or pre-production models) has been produced during such further model change when he/she shall be returned to his/her original department and shall be subject to and entitled to layoff and recall in accordance with the provisions governing layoff and recall then in force in his/her original department.

15.36 In respect of Oakville employees:

(a) In the event of a reduction of available work in one of the classifications listed in appendix 'H', the employee in such classification having the least amount of seniority shall, consistent with his/her seniority, be moved or transferred to an equally-paid classification or to the next lower paid classification in the trade concerned, if able and willing to perform the work required of him/her.

(b) In the event that such reduction results in the layoff of an employee, such layoff shall be made in accordance with section 15.37, provided that if the employee to be laid off is one whose seniority has been reduced in accordance with section 15.23 (d), he/she may elect either to be laid off and retain his/her seniority in the trade or to be transferred to a classification other than one of the classifications listed in appendix 'H', and if so transferred, the other seniority provisions contained in this agreement shall apply. If an employee elects to be so transferred, he/she shall thereupon forfeit all seniority rights in any of the trades listed in appendix 'H'. Once an employee has so elected, he/she shall not again have this right of election should he/she return to the skilled trades.

15.37 In respect of Oakville employees:

(a) If it appears to the company that a layoff affecting employees in a classification in a trade listed in appendix 'H' will not exceed three (3) working days (a temporary layoff), then the employees affected shall be laid off in accordance with their seniority within such classification in each department concerned, provided the employees retained at work are able and willing to perform the work required of them. This provision shall not be used for the purpose of avoiding trade-wide layoffs by scheduling a series of layoffs under this provision.

(b) If it appears to the company that a layoff affecting employees in a trade listed in appendix 'H' will exceed three (3) working days (an indefinite layoff), then the employees affected shall be laid off in accordance with their seniority in the trade concerned, provided the employees retained at work are able and willing to perform the work required of them.

(c) Notwithstanding the provisions of section 15.36, an employee who is employed as a journeyperson in a trade shall not be subject to being reclassified as an apprentice in such trade.

(d) In the event of an interruption of work employees employed in the classifications listed in appendix 'H' whose work is interrupted thereby may be laid off without regard to seniority for the balance of the shift during which the interruption occurred and for the whole of one (1) shift on the following day. If more than one (1) shift per day is being worked, then employees employed in the classifications listed in appendix 'H' whose work is interrupted by an interruption of work on an earlier shift in that day may be laid off without regard to seniority for the shift which he/she would have worked on the day of the interruption and for one (1) shift on the following day.

15.38 In the event that temporary additional help is required in any of the classifications listed in appendix 'H', then provided no employee is entitled to be recalled under section 15.39 (a), an

employee employed in a classification other than one of the classifications listed in appendix 'H' may be called upon by the company to perform work in any classification listed in appendix 'H', provided that selection shall be made in accordance with paragraph 3(d), (e) and (f) of Exhibit B (Oakville) and when such help is no longer required, the employee concerned shall, consistent with his/her seniority, be returned to the operation upon which he/she was employed immediately prior to being called upon to perform work in one of the classifications listed in appendix 'H'.

15.39 (a) When the company considers it necessary to increase the number of employees in a trade, former employees who had attained seniority in such trade prior to being laid off in accordance with a trade-wide seniority adjustment, shall be recalled in accordance with their seniority in the trade concerned provided they are able and willing to perform the work required of them.

(b) In the event that an increase in the number of employees in a trade occurs because of the absence of a regular employee for vacation period and while there are employees on layoff in the trade, the requirements shall be regarded as vacation replacement opportunities. In filling vacation replacement opportunities, the following procedure will be used:

The employees on layoff who are entitled to be recalled will be notified at their addresses on the records of the company of the vacation replacement opportunities and of the approximate length of time of the work opportunity. An employee will have the option of accepting or rejecting the work opportunity and shall forthwith advise the company of his/her election. Those rejecting the work will not forfeit their seniority. Those accepting the work will be recalled for the period of vacation replacement only.

In the event that all of the tradespersons eligible decline the vacation replacement opportunity, the most senior employee who is entitled to be recalled will be obligated to accept the opening or forfeit his/her seniority. If requirements for tradespersons arise for reasons other than vacation replacement, either during the time that vacation replacement employees are at work or after they have again been laid off, employees will be recalled pursuant to section 15.39 (a) whether on layoff or recalled for a temporary period.

SENIORITY - BRAMALEA

(Sections 15.40 - 15.53 inclusive)

15.40 Fundamentally, rules respecting seniority are designed to provide to Bramalea employees an equitable measure of security based on length of service with the company at Bramalea.

15.41 Upon completion of employment to the extent of ninety (90) days within any period of twelve (12) consecutive months, a Bramalea employee shall be entitled to have his/her name placed on the seniority list.

15.42 The name of a Bramalea employee shall appear on the seniority list as of the date of his/her employment, provided that the date of employment of a Bramalea employee who shall have completed intermittent employment to the extent of ninety (90) days within any period of twelve (12) consecutive months, shall be considered to be the date three (3) months prior to the date upon which such employee shall have attained seniority.

15.43 A Bramalea employee shall be considered a probationary employee until he/she shall have become entitled to have his/her name placed upon the seniority list, and as such shall not have any seniority rights.

15.44 (a) A seniority list for the Bramalea parts distribution centre shall be maintained at all times by the company, and shall be made available to any committeeperson for inspection to the extent reasonably necessary for such committeeperson to ascertain the seniority status of an employee employed within the jurisdiction of such committeeperson.

(b) The company shall post a revised seniority list as required every three (3) months.

(c) The company will supply to the chairperson of the local negotiating committee every three (3) months two (2) copies of the seniority list of Bramalea employees.

15.45 Seniority rights of a Bramalea employee shall cease for any one of the following reasons:

(a) if the employee quits his/her employment;

(b) if the employee is discharged and such discharge be not reversed through the grievance procedure;

(c) if the employee fails to report for duty for five (5) consecutive working days. For the purpose of this section 15.45 (c), "five (5) consecutive working days" shall not include Saturdays, Sundays and the holidays specified in section 25.01. (This clause shall not apply if the employee furnishes satisfactory reasons to the human resources manager for such failure);

(d) if the employee fails to return to work within five (5) consecutive working days after notification so to do to his/her address on the records of the company. For the purpose of this

section 15.45 (d), "five (5) consecutive working days" shall not include Saturdays, Sundays and the holidays specified in section 25.01. (This clause shall not apply if the employee furnishes satisfactory reasons to the human resources manager for such failure);

(e) if the employee is not called upon to perform work for the company for a period of thirty-six (36) consecutive months or for a period equal to his/her seniority at the date when he/she last performed work for the company, whichever shall be the greater; provided, however, that for a seniority employee at work on or after October 10, 1982, seniority rights shall cease if the employee is not called upon to perform work for the company as follows:

<i>Seniority at Date Last Performed Work For the Company</i>	<i>Seniority Ceases if Not Called Upon to Perform Work for the Company for</i>
2 years but less than 3 years	48 months
3 years but less than 4 years	60 months
4 years but less than 10 years	Period equal to seniority plus 12 months
10 years but less than 11 years	132 months
11 years and more	Period equal to seniority

Commencing October 10, 1982, this section 15.45 (e) shall not apply to an employee having seniority if the employee is not called upon to perform work for the company due to sickness or injury arising out of and in the course of employment with the company and covered by the Workers' Compensation Act.

(f) if the employee retires or is retired under the terms of the Retirement Pension Plan, in which case the following provisions shall apply:

(i) he/she shall on such retirement cease to be an employee;

(ii) if he/she has been retired on total and permanent disability pension, and if he/she recovers, he/she shall have his/her seniority reinstated as though he/she had been continued on a sick leave during the period of his/her disability retirement;

(iii) if he/she retires or is retired otherwise than on a total and permanent disability pension and is subsequently re-employed, he/she shall be considered a new employee and without seniority, and shall not acquire or accumulate any seniority

thereafter, except for the purpose of applying the provisions governing holiday pay and vacation pay;

(g) if the employee is issued a separation payment by the company pursuant to the Separation Payment Plan;

(h) if the employee is issued a termination payment by the company pursuant to the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan, in which event his/her seniority shall cease as of the date his/her application for such termination payment was received by the company.

15.46 Notwithstanding his/her seniority status, a committeeperson shall be continued at work, subject to section 15.47 (c), when work is available in his/her jurisdiction which he/she is able and willing to do.

15.47 (a) Notwithstanding his/her seniority status, when the number of employees in the bargaining unit is less than **one hundred and fifty (150)**, the chairperson of the local negotiating committee at Bramalea shall be continued at work when work which he/she is able and willing to do is available in the bargaining unit.

(b) Notwithstanding his/her seniority status, the president of Local 584 shall be continued at work subject to section 15.47 (c) during a layoff when work which he/she is able and willing to do is available on the day shift in the bargaining unit.

(c) If the amount of work available is not sufficient to provide work for the chairperson of the local negotiating committee, a committeeperson and the president, the chairperson of the local negotiating committee and the committeeperson, in that order, shall be given preference.

15.48 (a) In the event of a Bramalea employee suffering a disability from sickness or accident, the following exception shall be made to the provisions of this agreement in favour of such employee. The company's medical advisors shall establish the employee's physical capabilities and he/she shall then be placed in work that he/she is able to perform if such work can be found in his/her classification, or in the parts distribution centre at Bramalea. Work will be sought in the order indicated and, if found, the disabled employee shall be moved to such work consistent with his/her seniority.

(b) In the event that the disability is a major disability, further exception may be made to the seniority provisions of this agreement in favour of such employee, but in the event of a layoff or recall after a layoff, he/she shall be subject to the seniority provisions of this agreement which would have applied had he/she not been disabled. Following recall after a layoff, exception may again be made to the seniority provisions of this agreement in favour of such employee.

(c) Notwithstanding the foregoing provisions of this section 15.48, any employee who has been incapacitated at his/her regular work by injury or compensable occupational disease while employed by the company may be employed in other work in the parts distribution centre at Bramalea which he/she can do, by mutual agreement between the company and the union, without regard to any seniority provisions of this agreement.

15.49 In applying the other provisions of this article 15, the company may lay off any employee whose work is not required by the company for a period of up to three (3) working days without regard to seniority.

15.50 In respect of Bramalea employees:

(a) In the event of a reduction of available work in a classification, the employee therein having the least amount of seniority shall, consistent with his/her seniority, be moved to the classification he/she was in previously, or in the event he/she does not have sufficient seniority to move into such classification, then, consistent with the provisions of this agreement, he/she shall be moved to another classification provided he/she is able and willing to do the work required of him/her.

(b) In the event that such reduction results in the layoff of an employee, such layoff shall be made in accordance with section 15.52.

15.51 (a) When reasonably practicable, the company will give 24 hours' notice of layoff to Bramalea employees. The human resources manager shall notify the chairperson of the local negotiating committee at Bramalea of the names of employees it is proposed to lay off as soon as the names are available.

(b) In the case of a layoff which appears to the company to be likely to exceed six (6) calendar days the company shall, when reasonably practicable advise the chairperson of such local negotiating committee seven (7) calendar days before such layoff is to go into effect of the approximate number of employees to be affected thereby, and will provide him/her with a list of the names of the employees who have been laid off as soon as the names are available.

15.52 (a) In the event of any layoff of Bramalea employees, other than a layoff not exceeding three (3) working days carried out under section 15.49, the employees affected shall be laid off in accordance with their seniority provided that the employees retained to perform the work available during the layoff are able and willing to perform the work required of them.

(b) In the event that probationary employees are to be continued at work during a layoff carried out under section 15.52,

the company shall give consideration to retaining the probationary employees having the greatest amount of service.

(c) A probationary employee whose employment is being terminated by the company when a layoff is being carried out shall be informed at the time of separation from the payroll that his/her employment with the company has been terminated and that he/she will not be given consideration in any recall to work. The committee person concerned shall also be informed.

(d) The parties subscribe to the principle that so far as consistent with the company's production or other work requirements, a layoff for more than six (6) calendar days and affecting Bramalea employees with seniority shall not, so far as reasonably possible, take place until the hours of work have been reduced to forty (40) hours per week and, subject to the same considerations, that on recall to work after a layoff of such employees with seniority, the hours of work shall not be increased to over forty (40) hours per week until the company requires more production or other work performed than can be reasonably anticipated to result from operations at forty (40) hours per week.

15.53 (a) When the company considers it necessary to increase the number of employees in the bargaining unit, former Bramalea employees will be recalled in accordance with their seniority within the bargaining unit provided they are able and willing to perform the work required of them.

(b) When probationary employees are being recalled to work following a layoff carried out under section 15.52, the company shall give consideration to recalling the probationary employees having the greatest amount of service. Former probationary employees who were informed at the time of separation that their employment with the company was terminated shall not be entitled to consideration when probationary employees are being recalled under this provision.

(Sections 15.54 - 15.71 inclusive)

-- Not in Use --

SENIORITY - ST. THOMAS

(Sections 15.72 - 15.89 inclusive)

-- Not in Use --

ARTICLE 16

STAFF FOR TAKING OF INVENTORY

16.01 The company has the right to select the regular staff from each of the bargaining units described in article 2 for the purpose of the taking of the annual inventory according to its usual practice and without being bound by the seniority provisions of this agreement, but agrees that not less than five (5) working days prior to the taking of such inventory it will furnish a list to the appropriate local of its regular staff for such purpose, and that if the taking of such inventory requires that the regular staff be supplemented, additional employees required for such purpose shall be selected by the company, consistent with seniority, subject to ability to perform the work required.

ARTICLE 17

TRANSFERS, DEMOTIONS, PROMOTIONS

(Windsor - Sections 17.01 - 17.05)

17.01 (a) In event of a demotion initiated by the company, a supervisor at Windsor who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Windsor may, at any time, but in no event more than once during the term of the Collective Agreement dated September 27, 1999, consistent with his/her accumulated seniority, be transferred to the classification and department in which he/she was employed at the time of his/her promotion provided that no employee presently employed in the bargaining unit is laid off as a direct result of such transfer. Upon such transfer he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority. If the classification in which he/she was employed at the time of his/her promotion no longer exists, the transfer shall be to the lowest paid classification in the department in which he/she was a supervisor.

(b) In the event of a demotion initiated by the company, a supervisor at Windsor who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Oakville, Bramalea, or St. Thomas may, at any time, but in no event more than once during the term of the Collective Agreement dated September 27, 1999, consistent with his/her accumulated seniority, be transferred to the classification in which he/she was employed at the time of his/her promotion provided

that he/she has served as a supervisor at Windsor for at least one year and provided that no employee presently employed in the bargaining unit is laid off as a direct result of such transfer. Upon such transfer he/she shall be placed upon the seniority lists at Windsor in accordance with his/her accumulated seniority. If the classification in which he/she was employed at the time of his/her promotion does not then exist at Windsor, the transfer shall be to the lowest paid classification in the department in which he/she was a supervisor.

(c) In event of demotion, a supervisor at Windsor who has never been employed in any of the bargaining units may be transferred to the bargaining unit at Windsor only if no Windsor employee is on layoff and when such a transfer takes place it shall be to the lowest paid classification in the department in which he/she was a supervisor and he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority.

(d) A person at Windsor other than a supervisor who is excluded from the bargaining unit and who was previously employed in the bargaining unit at Windsor may, at any time, but in no event more than once during the term of the Collective Agreement dated September 27, 1999, consistent with his/her accumulated seniority, be transferred to the classification and department in which he/she was employed at the time of his/her promotion provided that such transfer is initiated by the company and provided that no employee presently employed in the bargaining unit is laid off as a direct result of such transfer. Upon such transfer he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority.

(e) A person at Windsor other than a supervisor who is excluded from the bargaining unit and who was never employed in the bargaining unit at Windsor may be transferred to the bargaining unit at Windsor only if no Windsor employee is on layoff and when such a transfer takes place he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority after he/she has completed employment to the extent of ninety (90) days within any period of twelve (12) consecutive months.

(f) For the purposes of this section 17.01, accumulated seniority means:

1. (i) in the case of a supervisor hired prior to November 14, 1976 and promoted to a supervisory position, the seniority to which he/she would have been entitled as if all of his/her service with the company had been in the bargaining unit;

(ii) in the case of a supervisor hired on or after November 14, 1976 and promoted to a supervisory position prior to November 24, 1979, seniority to which he/she would have been

entitled as if all his/her service up to November 24, 1979 had been in the bargaining unit;

(iii) in the case of a supervisor hired on or after November 14, 1976 and promoted to a supervisory position after November 24, 1979, the seniority from date of hire to date of promotion.

2. (i) in the case of a person other than a supervisor who was employed in an excluded classification prior to November 22, 1979, the seniority to which he/she would have been entitled under the provisions of the agreement calculated as if all of his/her service with the company up to October 10, 1982 had been in the bargaining unit;

(ii) in the case of a person other than a supervisor who was not employed in an excluded classification prior to October 10, 1982, the seniority to which he/she would have been entitled as if all his service to the date of transfer had been in the bargaining unit.

(iii) The provisions of sections 17.24 (b)(ii) shall not apply to any employee transferred from the Local 240 CAW bargaining unit.

(g) Whenever "bargaining unit" is referred to in this section 17.01 it shall be deemed to include any bargaining unit at the location or locations concerned which was described in predecessor agreements between the company and the union. A person who, prior to the bargaining unit at Windsor, was promoted to supervisor or transferred to a position which would have resulted in his/her exclusion from the bargaining unit if one had existed at that time shall be considered to have been promoted or transferred from the bargaining unit if he/she would have been included in the bargaining unit had it existed at the time of his/her promotion or transfer.

17.02 (a) In event of a demotion initiated by the company, a supervisor at Windsor who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Windsor in a trade listed in appendix 'F' may, at any time, but in no event more than once during the term of the Collective Agreement dated November 18, 1984, consistent with his/her accumulated seniority, be transferred to the classification in the trade and in the department in which he/she was employed at the time of his/her promotion provided that no employee presently employed in a trade listed in appendix 'F' is laid off as a direct result of such transfer. Upon such transfer he/she shall be placed upon the seniority lists in the trade concerned in accordance with his/her accumulated seniority.

(b) In event of a demotion initiated by the company, a supervisor at Windsor who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Oakville or St. Thomas in a trade listed in appendix 'H' or 'P' may, at any time, but in no event more than once during the term of the Collective Agreement dated November 18, 1984, consistent with his accumulated seniority, be transferred to the classification in the trade in which he/she was employed at the time of his/her promotion provided that he/she has served as a supervisor at Windsor for at least one year and provided that no employee presently employed in a trade listed in appendix 'F' is laid off as a direct result of such transfer. Upon such transfer he/she shall be placed upon the seniority lists in the trade concerned in accordance with his/her accumulated seniority.

(c) For the purposes of this section 17.02, accumulated seniority means the seniority to which he/she would be entitled under the provisions of this agreement, calculated as if all his/her service with the company prior to October 10, 1982 and subsequent to November 18, 1984 had been in a bargaining unit and as if all his/her service as a supervisor prior to October 10, 1982 had been in a trade listed in appendix 'F', 'H', or 'P'.

(d) Whenever the "bargaining unit" or appendix listing a trade is referred to in this section 17.02 it shall be deemed to include any bargaining unit or corresponding appendix in predecessor agreements between the company and the union. A person who prior to the existence of the bargaining unit at Windsor was promoted to supervisor shall be considered to have been promoted from the bargaining unit if he/she would have been included in the bargaining unit had it existed at the time of his/her promotion.

17.03 In respect of Windsor employees except as otherwise provided in this agreement:

(a) In the event of a transfer from one department to another the employee to be transferred shall be the junior employee in the department concerned who is able satisfactorily to perform the work required of him/her in the new department unless:

(i) the transfer is made at the request of the employee, or

(ii) the employee has failed satisfactorily to perform the work required of him.

(b) If an employee be transferred from one department to another he/she shall incur no loss of seniority.

(c) In the event of a transfer from one department to another affecting employees in one of the classifications listed in appendix 'F', the employee to be transferred shall be the junior

employee in such classification in the department concerned who is able satisfactorily to perform the work required of him/her in the new department, unless:

(i) the transfer is made at the request of the employee, or

(ii) the employee has failed satisfactorily to perform the work required of him.

(d) If an employee be transferred from one of the trades listed in appendix 'F' in one department to the same trade in another department he/she shall incur no loss of seniority.

(e) An employee who is not eligible for promotion under paragraph 3(d) of Exhibit A (Windsor) but who by reason of advancing age or on other compassionate grounds wishes to be moved or transferred to a job in another department may make application at a location designated by the company from time to time for such purpose and shall, consistent with his/her seniority, be considered for a suitable opening without regard to rate.

17.04 (a) When a Windsor employee, except an employee employed in a trade listed in appendix 'F', completes one (1) year of continuous service in a department this department will be known as his/her base department and will remain as such until he/she completes one (1) year of continuous service in another department at which time the latter will supersede the former as his/her base department, and if such employee be transferred from his/her base department at other than his/her own request, unless such transfer is the result of his/her failure satisfactorily to perform the work required of him, he/she shall be transferred, notwithstanding the provisions of section 17.03 (a), to an opening occurring in his/her base department within a period of twenty-four (24) months from the date of his/her transfer therefrom, subject to his/her being able satisfactorily to perform the work required.

(b) For the purposes of section 17.04 (a), if an employee, while he/she is on transfer from his/her base department at other than his/her own request, shall have applied for and been appointed to fill a vacancy in other than the department he/she has been assigned to as a "pro-tem" employee, which has been advertised under the provisions of paragraph 3(c) of Exhibit A (Windsor), then he/she shall be considered to have transferred from his/her base department at his/her own request and accordingly shall have no base department until he/she shall have completed one (1) year of continuous service in a department commencing after the date on which he/she was so transferred out of his/her base department at other than his/her own request.

(c) An employee who has been or is working in a department other than his/her base department, as defined in section 17.04, may notify the company that he/she does not wish

to be transferred to his/her base department in accordance with sections 15.15 (b) (ii) or 17.04. In such a case, the employee will not be transferred to his/her base department.

17.05 Provisions for the posting of openings at Windsor are set out in Exhibit A (Windsor).

(Oakville - Sections 17.06 - 17.10)

17.06 (a) In event of demotion, a supervisor at Oakville who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Oakville may, at any time, consistent with his/her accumulated seniority, be transferred to the classification and department in which he/she was employed at the time of his/her promotion and upon such transfer he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority. If the classification in which he/she was employed at the time of his/her promotion no longer exists, the transfer shall be to the lowest paid classification in the department in which he/she was a supervisor.

(b) In event of demotion, a supervisor at Oakville who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Windsor, Bramalea, or St. Thomas may, at any time, consistent with his/her accumulated seniority, be transferred to the classification in which he/she was employed at the time of his/her promotion provided that he/she has served as a supervisor at Oakville for at least one (1) year and upon such transfer he/she shall be placed upon the seniority lists at Oakville in accordance with his/her accumulated seniority. If the classification in which he/she was employed at the time of his/her promotion does not then exist at Oakville the transfer shall be to the lowest paid classification in the department in which he was a supervisor.

(c) In event of demotion, a supervisor at Oakville who has never been employed in any of the bargaining units may be transferred to the bargaining unit at Oakville only if no Oakville employee is on layoff, and when such a transfer takes place it shall be to the lowest paid classification in the department in which he/she was a supervisor and he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority.

(d) A person at Oakville other than a supervisor who is excluded from the bargaining unit and who was previously employed in the bargaining unit at Oakville may be transferred to the bargaining unit at Oakville only if no Oakville employee is on layoff and when such a transfer takes place he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority.

(e) A person at Oakville other than a supervisor who is excluded from the bargaining unit and who was never employed in the bargaining unit at Oakville may be transferred to the bargaining unit at Oakville only if no Oakville employee is on layoff and when such a transfer takes place he/she shall be placed upon the seniority lists in accordance with his/her accumulated seniority after he/she has completed employment to the extent of ninety (90) days within any period of twelve (12) consecutive months.

(f) For the purposes of this section 17.06, accumulated seniority means:

1. (i) in the case of a supervisor hired prior to November 14, 1976 and promoted to a supervisory position, the seniority to which he/she would have been entitled as if all of his/her service with the company had been in the bargaining unit;

(ii) in the case of a supervisor hired on or after November 14, 1976 and promoted to a supervisory position prior to November 24, 1979, seniority to which he/she would have been entitled as if all his/her service up to November 24, 1979 had been in the bargaining unit;

(iii) in the case of a supervisor hired on or after November 14, 1976 and promoted to a supervisory position after November 24, 1979, the seniority from date of hire to date of promotion.

2. (i) in the case of a person other than a supervisor who was employed in an excluded classification prior to November 22, 1979, the seniority to which he/she would have been entitled under the provisions of the agreement calculated as if all of his/her service with the company up to October 10, 1982 had been in the bargaining unit;

(ii) in the case of a person other than a supervisor who was not employed in an excluded classification prior to October 10, 1982, the seniority to which he/she would have been entitled as if all his service to the date of transfer had been in the bargaining unit.

(g) Whenever "bargaining unit" is referred to in this section 17.06 it shall be deemed to include any bargaining unit at the location or locations concerned which was described in predecessor agreements between the company and the union. A person who, prior to the existence of the bargaining unit at Oakville, was promoted to supervisor or transferred to a position which would have resulted in his/her exclusion from the bargaining unit if one had existed at that time shall be considered to have been promoted or transferred from the bargaining unit if he/she would have been included in the bargaining unit had it existed at the time of his/her promotion or transfer.

(h) This section 17.06 shall not apply to personnel employed as stationary engineers, boilerhouse servicemen, pump and compressor mechanics and instrument mechanics employed at the company's Oakville boilerhouse.

17.07 (a) In event of demotion, a supervisor at Oakville who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Oakville in a trade listed in appendix 'H' may, at any time, consistent with his/her accumulated seniority, be transferred to the classification in the trade and in the department in which he/she was employed at the time of his/her promotion and upon such transfer he/she shall be placed upon the seniority lists in the trade concerned in accordance with his/her accumulated seniority.

(b) In event of demotion, a supervisor at Oakville, who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Windsor or St. Thomas in a trade listed in appendix 'F' or 'P' may, at any time, consistent with his/her accumulated seniority, be transferred to the classification in the trade in which he/she was employed at the time of his/her promotion provided that he/she has served as a supervisor at Oakville for at least one (1) year and upon such transfer he/she shall be placed upon the seniority lists in the trade concerned in accordance with his/her accumulated seniority.

(c) For the purposes of this section 17.07, accumulated seniority means the seniority to which he/she would be entitled under the provisions of this agreement, calculated as if all his/her service with the company prior to October 10, 1982 had been in a bargaining unit and as if all his/her service as a supervisor prior to October 10, 1982 had been in a trade listed in appendix 'F', 'H' or 'P'.

(d) Whenever the "bargaining unit" or appendix listing a trade is referred to in this section 17.07 it shall be deemed to include any bargaining unit or corresponding appendix in predecessor agreements between the company and the union. A person who prior to the existence of the bargaining unit at Oakville was promoted to supervisor shall be considered to have been promoted from the bargaining unit if he/she would have been included in the bargaining unit had it existed at the time of his/her promotion.

(e) This section 17.07 shall not apply to personnel employed as stationary engineers, boilerhouse servicemen, pump and compressor mechanics and instrument mechanics employed at the company's Oakville boilerhouse.

17.08 In respect of Oakville employees except as otherwise provided in this agreement:

(a) In the event of a transfer from one department to another the employee to be transferred shall be the junior employee in the department concerned who is able satisfactorily to perform the work required of him/her in the new department, unless:

(i) the transfer is made at the request of the employee, or

(ii) the employee has failed satisfactorily to perform the work required of him.

(b) If an employee be transferred from one department to another he/she shall incur no loss of seniority.

(c) In the event of a transfer from one department to another affecting employees in one of the classifications listed in appendix 'H', the employee to be transferred shall be the junior employee in such classification in the department concerned who is able satisfactorily to perform the work required of him/her in the new department, unless:

(i) the transfer is made at the request of the employee, or

(ii) the employee has failed satisfactorily to perform the work required of him/her.

(d) If an employee be transferred from one of the trades listed in appendix 'H' in one department to the same trade in another department, he/she shall incur no loss of seniority.

(e) An employee who is not eligible for promotion under paragraph 3(d) of Exhibit B (Oakville) but who by reason of advancing age or on other compassionate grounds wishes to be moved or transferred to a job in another department may make application at a location designated by the company from time to time for such purpose and shall, consistent with his/her seniority, be considered for a suitable opening without regard to rate.

17.09 (a) When an Oakville employee completes one (1) year of continuous service in a department this department will be known as his/her base department and will remain as such until he/she completes one (1) year of continuous service in another department at which time the latter will supersede the former as his/her base department, and if such employee be transferred from his/her base department at other than his/her own request, unless such transfer is the result of his/her failure satisfactorily to perform the work required of him, he/she shall be transferred, notwithstanding the provisions of section 17.08 (a) and (c), to an opening occurring in his/her base department within a period of twelve (12) months from the date of his/her transfer therefrom,

subject to his/her being able satisfactorily to perform the work required of him.

(b) For the purposes of section 17.09 (a), if an employee, while he/she is on transfer from his/her base department at other than his/her own request, shall have applied for and been appointed to fill a vacancy which has been advertised under the provisions of paragraph 3(c)(i) or 5(b) of Exhibit B (Oakville) then he/she shall be considered to have transferred from his/her base department at his/her own request and accordingly shall have no base department until he/she shall have completed one (1) year of continuous service in a department commencing after the date on which he/she was so transferred out of his/her base department at other than his/her own request.

(c) An employee who has been or is working in a department other than his/her base department, as defined in section 17.09, may notify the company that he/she does not wish to be transferred to his/her base department in accordance with sections 15.34 (b) (ii) or 17.09. In such a case, the employee will not be transferred to his/her base department, provided such notification is received by the company not less than fourteen (14) days prior to an opening occurring in his/her base department to which he/she otherwise would have been transferred.

17.10 Provisions for the posting of openings at Oakville are set out in Exhibit B (Oakville).

(Bramalea - Sections 17.11 - 17.13)

17.11 In respect of Bramalea employees:

(a) In event of demotion, a supervisor at Bramalea who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Bramalea may, at any time, consistent with his/her accumulated seniority, be transferred to the classification in which he/she was employed at the time of his/her promotion and upon such transfer he/she shall be placed upon the seniority list in accordance with his/her accumulated seniority. If the classification in which he/she was employed at the time of his/her promotion no longer exists, the transfer shall be to the lowest paid classification.

(b) In event of demotion, a supervisor at Bramalea who was, at the time he/she was promoted to a supervisory position, employed in the bargaining unit at Windsor, Oakville, or St. Thomas may, at any time, consistent with his/her accumulated seniority, be transferred to the classification in which he/she was employed at the time of his/her promotion provided that he/she has served as a supervisor at Bramalea for at least one (1) year and upon such transfer he/she shall be placed upon the seniority list at

Bramalea in accordance with his/her accumulated seniority. If the classification in which he/she was employed at the time of his/her promotion does not then exist at Bramalea the transfer shall be to the lowest paid classification.

(c) In event of demotion, a supervisor at Bramalea who has never been employed in any of the bargaining units may be transferred to the bargaining unit at Bramalea only if no Bramalea employee is on layoff and when such a transfer takes place it shall be to the lowest paid classification and he/she shall be placed upon the seniority list in accordance with his/her accumulated seniority.

(d) A person at Bramalea other than a supervisor who is excluded from the bargaining unit and who was previously employed in the bargaining unit at Bramalea may be transferred to the bargaining unit at Bramalea only if no Bramalea employee is on layoff and when such a transfer takes place he/she shall be placed upon the seniority list in accordance with his/her accumulated seniority.

(e) A person at Bramalea other than a supervisor who is excluded from the bargaining unit and who was never employed in the bargaining unit at Bramalea may be transferred to the bargaining unit at Bramalea only if no Bramalea employee is on layoff and when such a transfer takes place he/she shall be placed upon the seniority list in accordance with his/her accumulated seniority after he/she has completed employment to the extent of ninety (90) days within any period of twelve (12) consecutive months.

(f) For the purposes of this section 17.11, accumulated seniority means:

1. (i) in the case of a supervisor hired prior to November 14, 1976 and promoted to a supervisory position, the seniority to which he/she would have been entitled as if all of his/her service with the company had been in the bargaining unit;

(ii) in the case of a supervisor hired on or after November 14, 1976 and promoted to a supervisory position prior to November 24, 1979, seniority to which he/she would have been entitled as if all his/her service up to November 24, 1979 had been in the bargaining unit;

(iii) in the case of a supervisor hired on or after November 14, 1976 and promoted to a supervisory position after November 24, 1979, the seniority from date of hire to date of promotion.

2. (i) in the case of a person other than a supervisor who was employed in an excluded classification prior to November 22, 1979, the seniority to which he/she would have been entitled under the provisions of the agreement calculated as

if all of his/her service with the company up to October 10, 1982 had been in the bargaining unit;

(ii) in the case of a person other than a supervisor who was not employed in an excluded classification prior to October 10, 1982, the seniority to which he/she would have been entitled as if all his service to the date of transfer had been in the bargaining unit.

(g) Whenever the "bargaining unit" is referred to in this section 17.11 it shall be deemed to include any bargaining unit described in predecessor agreements between the company and the union. A person who, prior to the existence of the bargaining unit at Bramalea, was promoted to supervisor or transferred to a position which would have resulted in his/her exclusion from the bargaining unit if one had existed at that time shall be considered to have been promoted or transferred from the bargaining unit if he/she would have been included in the bargaining unit had it existed at the time of his/her promotion or transfer.

17.12 In respect of Bramalea employees except as otherwise provided in this agreement:

(a) In the event of a transfer from one classification to another, the employee to be transferred shall be the junior employee in the classification concerned who is able satisfactorily to perform the work required of him/her in the new classification unless:

(i) the transfer is made at the request of the employee, or

(ii) the employee has failed to satisfactorily perform the work required of him.

(b) If an employee be transferred from one classification to another he/she shall incur no loss of seniority.

17.13 Provisions for the posting of openings at Bramalea are set out in Exhibit C (Bramalea).

(Sections 17.14 - 17.18 inclusive)

-- Not in Use--

(St. Thomas - Sections 17.19-17.23)

-- Not in Use --

ARTICLE 18

TRANSFER OF OPERATIONS

18.01 If the company transfers any of its manufacturing or assembly operations from one plant or department to another plant or department at Windsor, then if the operation can be identified as one performed by a particular employee, such employee may transfer to the other plant or department to perform the operation concerned. If such employee does not desire to transfer, or if the operation cannot be identified as one being performed by a particular employee, then the opportunity to transfer to the other plant or department shall be offered to each employee in the classification in the department concerned who is able to perform the operation beginning with the most senior and proceeding in descending order of seniority. An employee transferred under this provision shall retain all his/her existing employee benefits within the bargaining unit at Windsor relating to seniority, pensions, supplemental unemployment benefits, vacations with pay, insurance and the holidays specified in section 25.01.

18.02 If the company transfers any of its manufacturing or assembly operations from one plant or department to another plant or department at Oakville, then if the operation can be identified as one performed by a particular employee, such employee may transfer to the other plant or department to perform the operation concerned. If such employee does not desire to transfer, or if the operation cannot be identified as one being performed by a particular employee, then the opportunity to transfer to the other plant or department shall be offered to each employee in the classification in the department concerned who is able to perform the operation beginning with the most senior and proceeding in descending order of seniority. An employee transferred under this provision shall retain all his/her existing employee benefits within the bargaining unit at Oakville relating to seniority, pensions, supplemental unemployment benefits, vacations with pay, insurance and the holidays specified in section 25.01.

18.03 -- Not in Use --

18.04 (a) If the company transfers a parts distribution centre or any of its manufacturing or assembly operations to a new location and the transfer does not fall within the terms of sections 18.01 or 18.02, then any employee whose job is so transferred may at his/her option either transfer to the same job at the new location or exercise his/her existing seniority rights within the bargaining unit from which the transfer is made. The employee shall, in writing, notify the human resources department of the company of his/her election, within thirty (30) days of the mailing by the company of a notice to the employee, addressed to him/her

at his/her address as recorded with the human resources department of the company, advising him/her that his/her job is to be transferred and of his/her rights of election.

(b) If the employee elects to transfer to the same job at the new location, then as of the date of the transfer he/she shall lose his/her seniority rights at the old location and subject to the law in force at the new location and to the agreement of the bargaining agent (if any) for an existing bargaining unit of the company at that location, the employee shall be entitled to retain his/her existing employee benefits relating to seniority, pensions, supplemental unemployment benefits, vacations with pay, insurance and the holidays specified in section 25.01.

(c) The company shall not transfer more employees to a new location hereunder than the number of jobs set up in the new location as a result of the transfer of the parts distribution centre or manufacturing or assembly operations, or than the average number of employees working at the parts distribution centre, manufacturing or assembly operations in the three (3) years preceding the date of the transfer. If the number of employees who elect to be transferred would exceed the numerical limits set by this section, then the most senior employees who are able to do the work required shall be entitled to preference.

18.05 Any employee who is laid off as a direct consequence of the transfer of a parts distribution centre or any of its manufacturing or assembly operations by the company to a new location may elect to apply for preferential hiring at the new location. If an employee should so elect his/her name will be added to the bottom of the then recall list at the new location and as and when he/she is hired there he/she will take seniority in the plant as of the date of hiring but shall continue to retain all his/her existing employee benefits relating to pensions, supplemental unemployment benefits, vacations with pay, insurance and the holidays specified in section 25.01.

18.06 (a) An employee who is on the active employment roll shall be eligible for a transfer moving allowance if he/she is transferred from one plant of the company (hereinafter called his/her original plant) to another plant of the company (hereinafter called his/her new plant) pursuant to section 18.04, provided:

(i) his/her new plant is at least eighty (80) kilometres distant from his/her original plant and he/she moves his/her permanent residence as a result of his/her transfer; and

(ii) he/she files an application for a transfer moving allowance not later than six (6) months after the first day he/she worked at his/her new plant.

(b) Effective for expenses incurred on or after **September 24, 2012**, the amount of an employee's transfer moving allowance will be the amount shown in the following table:

<i>Kilometres Between Locations</i>	<i>Allowance</i>
80 – 159	\$3,000.00
160 – 479	\$3,300.00
480 – 799	\$3,600.00
800 – 1,599	\$3,900.00
1,600 or more	\$4,200.00

(c) In the event an employee who is eligible to receive a transfer moving allowance under this section is also eligible to receive a moving allowance or its equivalent under any present or future Federal or Provincial legislation, the amount of transfer moving allowance provided under this section, when added to the amount of moving allowance provided by such legislation, shall not exceed the maximum amount of the transfer moving allowance the employee is eligible to receive under this section.

(d) Only one (1) transfer moving allowance will be paid where more than one (1) member of a family living in the same residence is transferred pursuant to section 18.04.

18.07 During the first eighteen (18) months after the company opens a parts distribution centre or begins manufacturing or assembly operations at a new location, preferential consideration will be given to the employment application of any laid off employee having seniority, over employment applications of individuals who have not previously worked for the company, provided the previous experience of such laid off employee with the company shows he/she is qualified for the work for which he/she is being considered. Upon becoming employed at the new location, the laid off employee shall lose his/her seniority rights hereunder and shall have the status of a probationary employee with the company.

18.08 (a) An employee who is on the active employment roll on or after May 1, 1968 will be eligible for a layoff moving allowance if he/she is laid off from one plant of the company (hereinafter called his/her original plant) as a result of a discontinuance of operations or is laid off as a result of a reduction in force and is offered and accepts an offer of employment at another plant of the company (hereinafter called his/her new plant) pursuant to the preferential placement provisions described in the letter exchanged between the company and the union dated October 18, 1993, and if:

(i) his/her new plant is at least eighty (80) kilometres distant from his/her original plant and he/she moves his/her permanent residence as a result of accepting the offer of employment at his/her new plant; and

(ii) he/she had one (1) or more years of seniority on the last day he/she worked at his/her original plant and has not incurred a break in seniority on or prior to the date on which the application is made to the company; and

(iii) he/she files an application for a layoff moving allowance not later than 6 months after the first day he/she worked at his/her new plant.

(b) Effective for expenses incurred on or after **September 24, 2012**, the amount of a layoff moving allowance will be the amount of Separation Payment which would have been paid under the Separation Payment Plan to the applicant assuming that he/she would have been eligible for a Separation Payment as of the date of his/her application for such layoff moving allowance provided, however, that such layoff moving allowance will in no event be greater than the amount shown in the following table:

<i>Kilometres Between Office Locations</i>		<i>Allowance</i>
80	– 159	\$3,000.00
160	– 479	\$3,300.00
480	– 799	\$3,600.00
800	– 1,599	\$3,900.00
1,600	or more	\$4,200.00

(c) In the event an employee who is eligible to receive a layoff moving allowance under this section is also eligible to receive a moving allowance or its equivalent under any present or future Federal or Provincial legislation, the amount of layoff moving allowance provided under this section, when added to the amount of moving allowance provided by such legislation, will not exceed the maximum amount of the layoff moving allowance the employee is eligible to receive under this section.

(d) A layoff moving allowance will be payable in a lump sum. Any layoff moving allowance payable under this section 18.08 will be paid by the company subject to the terms and conditions specified **by the Income Security Fund Maximum Company Liability.**

(e) The amount received under the provisions of this section 18.08 will be deducted from any Separation Payment that the employee subsequently becomes eligible to receive under the Separation Payment Plan.

(f) Only one layoff moving allowance will be paid where more than one member of a family living in the same residence are relocated pursuant to section 18.08 (a).

ARTICLE 19

ABOLITION OF JOBS

19.01 If a job is abolished then the employee who, at the date of abolition, is regularly employed in such job may exercise his/her seniority within the appropriate bargaining unit as defined in article 2 for the purpose of obtaining another job therein.

19.02 If a job being performed by a Windsor employee employed in any of the trades listed in appendix 'F' is abolished, then the employee who, at the date of abolition, is regularly employed in such job may exercise his/her seniority within the trade concerned for the purpose of obtaining another job therein.

19.03 If a job being performed by an Oakville employee employed in any of the trades listed in appendix 'H' is abolished, then the employee who, at the date of abolition, is regularly employed in such job may exercise his/her seniority within the trade concerned for the purpose of obtaining another job therein.

19.04 -- Not in Use --

19.05 If any of the trades listed in appendix 'F' or 'H' is abolished, the appropriate skilled trades chairperson may discuss with the company the reassignment to another trade listed in appendix 'F' or 'H' of any employee who, at the date of abolition, is regularly employed in such trade.

ARTICLE 20

HOURS OF WORK AND OVERTIME ETC.

20.01 The normal work week for each employee consists of forty (40) hours.

20.02 The company may reduce the number of work days per calendar week to not less than four (4) days of eight (8) hours each in any calendar week but not exceeding six (6) such weeks in each calendar year. Such reduction shall not be deemed to be a layoff within the provisions of this agreement but shall be deemed to be a layoff for the purposes of the Supplemental Unemployment Benefit Plan.

20.03 If the company decides to change the shift rotation cycles the human resources manager concerned shall discuss the matter in advance with the appropriate local.

20.04 (a) The company grants to employees two (2) ten (10) minute rest periods during each shift, which rest periods are granted upon the representations of the union that the time limits thereof shall be strictly adhered to and that no production shall be lost as a result thereof. The continuance of this privilege is conditional upon strict adherence to such representations.

(b) Subject to the same conditions the company grants to employees a five (5) minute rest period following the completion of the regular shift prior to the commencement of an overtime period, which is expected to be of two (2) or more hours' duration.

(c) No employee will be scheduled to take his/her rest period earlier than one (1) hour after the starting time of his/her shift or one (1) hour after the lunch period.

20.05 (a) Inclusive of rest periods described in section 20.04, at Oakville:

(i) The company will maintain a ratio of reliefpersons to operators sufficient to provide each employee assigned to vehicle assembly line operations who receives personal relief by the use of reliefpersons, a total of forty (40) minutes of relief per eight (8) hour shift.

(ii) The company will maintain a ratio of reliefpersons to operators sufficient to provide each employee assigned to operations where manual operations are continuous and cannot be left unattended and who receive personal relief by the use of reliefperson, a total of forty (40) minutes of relief per eight (8) hour shift. Should the practice of providing personal relief by the use of reliefpersons be discontinued on any of these operations, then eligibility for the of forty (40) minute relief ceases.

(iii) An employee shall not be subject to discipline for his/her activities during his/her relief period so long as he/she does not interfere in any way with production, the work of his/her fellow employees and order in the plant, and does not violate plant rules.

(iv) In the case of employees on operations listed below, when they are working in enclosed booths, in lieu of the provisions under paragraph (i) above, the company will maintain a ratio of reliefpersons to operators sufficient to provide each employee the total relief per eight (8) hour shift indicated:

Paint spraypersons	46 minutes
Spraypersons spraying underbody deadener	46 minutes
Arc and acetylene welders	46 minutes
Solder grinders	46 minutes
Block sanders	46 minutes

(b) -- Not in Use --

(c) Inclusive of the rest periods described in section 20.04, at Windsor:

(i) The company will maintain a ratio of reliefpersons to operators sufficient to provide each employee assigned to engine and casting line operations who receives personal relief by the use of reliefpersons, a total of forty (40) minutes of relief per eight (8) hour shift.

(ii) An employee shall not be subject to discipline for his/her activities during his/her relief period so long as he/she does not interfere in any way with production, the work of his/her fellow employees and order in the plant, and does not violate plant rules.

20.06 For employees who are required to work a straight eight (8) hour shift, the relief time described in section 20.05 is inclusive of an allowance of twenty (20) minutes for a lunch period paid for by the company.

20.07 (a) An employee shall receive payment at the rate of time and one-half for all time worked over eight (8) hours in any one shift and for all time worked on a Saturday. Instead of being paid time and one-half for all time worked on a Saturday, an employee employed on an operation which is scheduled as a continuous seven (7) day operation as listed in appendix 'I' will be paid time and one-half for all time worked on the 6th consecutive shift of his/her scheduled work week.

(b) An employee shall receive payment at the rate of double time for all time worked on a Sunday.

20.08 An employee who is required by the company to perform work on a shift other than his/her regularly scheduled shift shall receive payment at the rate of time and one-half for all such time worked over eight (8) hours in any continuous period of twenty-four (24) hours.

20.09 When reasonably possible, the company shall give twenty-four (24) hours' notice of overtime to employees. Such notice shall also be given to the committeeperson representing the employees concerned, or in the case of Windsor and Oakville employees to the steward concerned, or in the case of employees employed in one of the classifications listed in appendix 'H' to the Oakville skilled trades chairperson, provided he/she is then at work, and whenever it is reasonably possible to do so, he/she shall be notified before the employees concerned.

20.10 (a) Overtime and extra time work shall be equitably distributed, as far as reasonably possible, among employees in accordance with the rules set out in appendix 'M'.

(b) The company's right to require employees to perform overtime work is subject to the Memorandum of Understanding which is attached hereto as appendix 'L'.

20.11 An employee, provided he/she has attained seniority, who performs work on the day of observance of one of the holidays specified in section 25.01 shall be paid for the time worked on such day at double his/her regular hourly wage rate. In addition he/she shall receive the following:

(a) the holiday pay to which he/she is entitled for that day under the provisions of sections 25.01, 25.02 and 25.03, but disregarding the requirements of sections 25.01(b), and

(b) payment at his/her regular hourly wage rate for all hours worked in excess of eight (8) on that day.

20.12 A probationary employee who performs work on the day of observance of one of the holidays specified in section 25.01 shall be paid for the time worked on such day at double his/her regular hourly wage rate. In addition he/she shall receive payment at his/her regular hourly wage rate for all hours worked on that day.

20.13 Each of the above holidays shall be observed on the day upon which it falls, unless otherwise declared by the Government of Canada or by the Government of the Province of Ontario except as otherwise agreed between the company and the union.

ARTICLE 21

WAGES

21.01 The regular hourly wage rate for each classification covered by this agreement shall remain the same as at the expiration of the agreement between the company and the union dated **September 17, 2008 and the Addendum to the September 17, 2008 Agreement dated November 2, 2009**, except as otherwise provided in this article, in the Settlement Agreement dated **September 24, 2012** or in any supplementary agreement which provides for wage rate adjustments.

21.02 -- Not in Use --

21.03 (a) Effective **September 24, 2012** and thereafter during the period of this Agreement:

(i) **Each employee hired prior to September 24, 2012** who has three (3) or more years seniority shall receive a cost-of-living allowance as set forth in this section. The cost-of-living allowance shall not be added to the regular hourly wage rate for any classification, but only to each employee's straight-time hourly earnings. The cost-of-living allowance shall be taken into account in computing overtime and shift premiums, and in determining call-in pay and pay for vacations, holidays, jury duty and bereavement.

(ii) Each employee hired on or after September 24, 2012 shall receive a cost-of-living allowance, as set forth in this section in the year following the year such employee's hourly wage rate is equal to the current hourly base wage rate for the classification to which he/she is assigned in effect at the time.

(b) Effective with the adjustment scheduled for June 6, 2016 the cost-of-living allowance shall be determined in accordance with changes in the Consumer Price Index published by Statistics Canada (2002 = 100).

(c) Adjustments during the period of this agreement shall be made at the following times:

<i>Effective Date of Adjustment</i>	<i>Based Upon Three-Month Average of the Consumer Price Indexes for</i>
June 5, 2016	February, March, April 2016

(d) (i) Effective September 24, 2012 and until June 5, 2016 the cost-of-living allowance shall be \$0.33 per hour.

(ii) Effective June 6, 2016, the cost-of-living allowance shall be adjusted as follows:

a) The COLA base is the average of the November, December 2015 and January 2016 Canadian Consumer Price Index (2002 = 100)

b) There will be a \$0.01 adjustment for each .038 change in the Average Index from the COLA base until August 31, 2016. All adjustments will be calculated in accordance with the Letter of Understanding on page 511 of the 2012 Ford-CAW Agreement.

(e) (i) In the event that Statistics Canada does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in section 21.03(c), any adjustment in the cost-of-living allowance required by such appropriate Index shall be effective at the beginning of the first pay period after the Index has been officially published.

(ii) No adjustment, retroactive or otherwise, shall be made in the amount of the cost-of-living allowance due to any revision which later may be made in the published figures used in the calculation of the Canadian Consumer Price Index by Statistics Canada, as applicable, for any month or months on the basis of which the cost-of-living allowance has been determined.

21.04 (a) Each committeeperson or chairperson who is permitted full-time for the performance of his/her duties as such shall be paid on the basis of the regular hourly wage rate of the

classification in which he/she was employed at the time of his/her appointment as such committeeperson or chairperson.

(b) Notwithstanding the above, a full-time representative with one (1) or more years of continuous elected or appointed service as a full-time representative shall be entitled to receive consideration for promotion to a higher paying job under the provisions of paragraph (3) of the supplemental agreements attached hereto as Exhibit A (Windsor), Exhibit B (Oakville) and Exhibit C (Bramalea), and respectively, except that such full-time representative holding a non-appendix 'F' or 'H' classification at the time of election or appointment to full-time representative may be considered for promotion limited to openings in non-appendix 'F' and 'H' classifications. A full-time representative who is promoted to a higher paying job under the provisions of this section will not be considered for another promotion until a period of at least twelve (12) months has elapsed following the date of promotion.

(c) When a full-time representative ceases to hold office, he/she shall be returned, consistent with his/her seniority, to the classification in the department in which he/she was employed at the time of his/her appointment as a full-time representative, or, in the case of a full-time representative who has been promoted to a higher paying job as provided in section 21.04(b), to the classification to which he/she was promoted.

21.05 The company shall pay each employee weekly, on the regularly scheduled payday which shall be the Thursday next following the week in which the pay period ends.

21.06 -- Not in Use --

21.07 The company will not deduct from an employee's pay amounts by which he/she may have been overpaid in previous pay periods. This does not apply, however, to overpayments which are the result of clerical or mechanical errors, in calculating an employee's pay, where such error is discovered and the employee notified within one hundred and twenty (120) days of receipt of the erroneous pay. The amount deducted shall not exceed \$50.00 from any one pay-cheque. Deductions will be itemized on the employee's pay-cheque stub or equivalent record.

21.08 Each employee who is summoned to and reports for jury duty (including coroner's juries and duty required in connection with the Ontario Public Institution Inspection Act) as prescribed by applicable law (subject to the eligibility requirements set out below), shall be paid by the company the difference between the employee's regular straight time hourly wage rate (that is, his/her regular hourly wage rate plus cost-of-living allowance but excluding shift premiums) for the number of hours up to eight (8) that he/she otherwise would have been scheduled to work and the daily jury duty fee paid by the court (not including travel

allowances, or reimbursement of expenses). In order to receive payment under this section an employee must meet all of the following eligibility requirements:

(a) The employee shall have attained seniority as of the date of commencement of the jury duty.

(b) The employee shall have given prior notice to the company that he/she has been summoned for jury duty.

(c) The employee shall furnish satisfactory evidence to the company that he/she reported for or performed jury duty on the days for which he/she claims payment.

(d) The employee would otherwise have been scheduled to work for the company on the day for which he/she claims payment.

21.09 (a) When death occurs in an employee's immediate family (that is, current spouse; parent or stepparent; grandparent; parent, stepparent or grandparent of current spouse; child or stepchild; brother, half-brother or stepbrother; or sister, half-sister or stepsister; grandchild; son-in-law or daughter-in-law) a seniority employee, on request, will be excused for any three (3) regularly scheduled working days, or any four (4) regularly scheduled working days in the case of the death of an employee's current spouse, parent, child, brother, or sister (or for such fewer days as the employee may be absent) during the three (3) days, or four (4) days in the case of the death of the employee's current spouse, parent, child, brother, or sister (excluding holidays defined in section 25.01, Saturdays and Sundays or in the case of the employees employed on operations scheduled as continuous seven (7) day operations as listed in appendix 'I' excluding regular days off) immediately following the date of death provided appropriate documentation regarding the death is submitted to the company. In the event a member of the employee's immediate family as above defined dies while in the active service of the Canadian Armed Forces, the employee may, should the funeral be delayed, have his/her excused absence from work delayed until the period of three (3) or four (4) normally scheduled working days which includes the date of the funeral.

(b) An employee excused from work under this section shall, after making written application therefor, receive pay for hours up to eight (8) hours that he/she would have worked during such scheduled days of work at his/her regular hourly wage rate plus cost-of-living allowance but excluding shift premiums as at the last day worked.

(c) Time thus paid will not be counted as hours worked for purposes of overtime.

21.10 The following provisions shall apply to employees working on forty (40) hour rotating schedules on continuous seven (7) day operations:

An employee shall be paid a bonus (if any is produced by the method of calculation set forth in this section) to compensate for his/her being so scheduled during any workweek (including a workweek in which such schedule happens to require him/her to work only Monday through Friday) equal to \$0.25 times the number of hours he/she has worked during such workweek, it being understood that, notwithstanding any other provisions of the agreement:

(1) such bonus shall be included in computing Sunday, holiday or any other overtime premium pay;

(2) such bonus shall not be added to the base rate of any classification, and shall not be taken into account in computing afternoon and night shift premiums, or in computing vacation pay, holiday pay or any other payment for hours not worked;

(3) such bonus shall not be payable for any hours worked by an employee when he/she is not working on a continuous seven (7) day operation and on a forty (40) hour rotating schedule involving work on Saturdays, Sundays and holidays.

ARTICLE 22

SHIFT PREMIUM

22.01 (1) An employee hired prior to September 24, 2012 shall receive a special premium payment of:

(a) 5% of his/her earnings, including overtime premium and cost-of-living allowance **if any**, for the performance of work commenced on or after 10.30 a.m. but before the following 7:00 p.m.

(b) 10% his/her earnings, including overtime premium and cost-of-living allowance **if any**, for the performance of work commenced on or after 7:00 p.m. but before the following 5:00 a.m.

(2) An employee hired on or after September 24, 2012 will receive a special premium payment of:

(a) \$0.50 per hour for the performance of work commenced on or after 10:30 am but before the following 7:00 pm.

(b) \$1.00 per hour for the performance of work commenced on or after 7:00 pm but before the following 5:00 am.

(3) An employee hired on or after September 24, 2012 who has eleven (11) or more years of seniority will be eligible to receive a special premium payment as set out in article 22.01 (1) above.

ARTICLE 23

REPORTING FOR WORK

23.01 An employee reporting for work on instructions of the company for whom no work or less than four (4) hours' work is available shall be paid a minimum of four (4) hours' time at the hourly wage rate he/she would have received if he/she had actually worked a total of four (4) hours. This provision shall not apply when such lack of work is due to a labour dispute, fire, flood or other cause beyond the control of the company.

ARTICLE 24

CHANGES IN REGULAR HOURLY WAGE RATES

24.01 An employee hired or rehired on or after **September 24, 2012** to perform work in a classification other than those in Appendix 'F' or 'H' (skilled trades) shall be paid a hiring-in rate of **60%** of the **starting base** wage rate for the classification to which he/she is assigned. **For the purposes of this article, starting base wage rate shall mean the regular hourly wage rate (excluding cost of living allowance, if any) for the classification to which an employee is assigned, in effect as of September 24, 2012.**

(i) Upon completion of **three (3) years** of employment such employee shall receive an increase to **65%** of the **starting base** wage rate for the classification to which he/she is assigned.

(ii) Upon completion of **four (4) years** of employment such employee shall receive an increase to **70%** of the **starting base** wage rate for the classification to which he/she is assigned.

(iii) Upon completion of **six (6) years** of employment such employee shall receive an increase to **75%** of the **starting base** wage rate for the classification to which he/she is assigned.

(iv) Upon completion of **seven (7) years** of employment such employee shall receive an increase to **80%** of

the **starting base** wage rate for the classification to which he/she is assigned.

(v) Upon completion of **eight (8)** years of employment such employee shall receive an increase to **85%** of the **starting base** wage rate for the classification to which he/she is assigned.

(vi) Upon completion of **nine (9)** years of employment such employee shall receive an increase to **90%** of the **starting base** wage rate for the classification to which he/she is assigned.

(vii) Upon completion of **ten (10)** years of employment, such employee shall receive the **starting base wage rate** for the classification to which he/she is assigned.

(viii) Each year thereafter, such employee shall receive an annual increase of up to **5%** until such employee reaches the **current hourly base wage rate** for the classification to which he/she is assigned.

The foregoing provision notwithstanding, a probationary employee who was laid off due to a reduction in force and is subsequently rehired within one (1) year of his/her date of probationary layoff shall have his/her hiring-in rate determined by the hiring-in-rate provision of the Collective Agreement under which he/she was last hired or rehired prior to layoff based on the number of weeks of employment previously completed.

Each increase shall be effective at the beginning of the first pay period following the date the employee qualifies for the increase.

24.02 When an employee who has received the increases described in section 24.01 has been employed for three (3) continuous days in a classification other than his/her regular classification as a result of being moved or transferred to different work, the resultant change in his/her regular hourly wage rate will take effect at the beginning of the first pay period commencing during or immediately after the aforementioned period of three (3) continuous days of employment in such classification. This section shall not apply to an employee employed in one of the classifications listed in appendix 'F', 'H', or 'P'.

24.03 Increases in regular hourly wage rates pertaining to classifications which are subject to special probationary plans shall not be governed by the provisions of this article.

24.04 The company will supply to the president of Local 200, the president of Local 707, the president of Local 1520 and the chairperson of the negotiating committee of Local 584 respectively, a list of the classifications and regular hourly wage rates established by the company and applicable to employees for which his/her local is the bargaining agent. The company will also from

time to time notify the president of the appropriate local or the chairperson of the negotiating committee of Local 584, as the case may be, of any changes made therein by the company. The company will discuss new classifications and the hourly wage rates established by the company to be applicable to such classifications with the committee person of the zone concerned.

24.05 (a) To settle wage rates when a new job is introduced into the plant which cannot be properly placed in an existing classification or when the job content of an existing job is so changed that it cannot be properly covered by an existing classification, the following procedure shall apply:

Within thirty (30) days of the introduction of such a new job, the company will set up a temporary classification and rate covering the job and notify the union thereof in writing immediately. Negotiations will be held at the local level, but if a satisfactory resolution is not made there then the matter will be referred to the Classification Review Committee who shall consider the matter.

If the matter remains unresolved a grievance may be lodged. If the grievance is unresolved it may be referred to the umpire who shall be empowered to determine the proper classification and/or rate for the new job as provided herein.

(b) In establishing the rate of pay for a classification the umpire shall do so by comparing such classifications with other comparable classifications in the same bargaining unit, the rates for which are consistent with the general wage pattern in the plant. The umpire's decision shall be limited to the area of dispute and the wage rate the umpire establishes for the new job classification shall be set so as to maintain the wage rate relationship balance which the parties have established.

(c) The classification and/or rate established by the umpire shall become a part of the local rate and classification schedule.

ARTICLE 25

HOLIDAY PAY PLAN

25.01 Unless otherwise provided herein, each employee, who meets all of the eligibility rules below, shall be paid eight (8) times his/her regular hourly wage rate for the day of observance of each of Good Friday, the Monday after Easter, the Friday before Victoria Day, Victoria Day, Canada Day, Civic Holiday, the Friday before Labour Day, Labour Day, Thanksgiving Day, and for the year **2012, December 24, 25, 26, 27, 28 and 31**; for the year **2013, January 1 and December 23, 24, 25, 26, 27, 30 and 31**; and for the year **2014, January 1, and December 24, 25, 26, 29, 30, 31**; and for **2015, January 1 and 2 and December 24, 25, 28, 29, 30, 31**; and for the year **2016, January 1**; shift premium will be included in holiday pay for the above holidays.

In the event an additional Federal or Provincial holiday is proclaimed during the life of this Agreement, one of the holidays designated in 25.01 shall be designated and observed in lieu of such additional Federal or Provincial holiday. The parties shall meet to determine which of the holidays shall be so designated.

Each employee must meet the following eligibility rules to receive holiday pay:

(a) the employee shall have attained seniority as of the date of the observance of the holiday;

(b) the employee shall have registered his/her attendance on the last scheduled work day prior to the day of observance of the holiday, and the employee shall have registered his/her attendance within one hour of his/her regular starting time on the next scheduled working day following the day of observance of the holiday, unless the employee is able to provide his/her supervisor with satisfactory reason for his/her failure to qualify under this section. (Any dispute in this respect will be subject to the grievance procedure.)

(i) In the case of the Christmas holiday period, in **2012**, starting December 24 through the following **January 1, 2013**; in **2013**, starting December 23 through the following January 1, **2014**; and in **2014**, starting December 24 through **January 2, 2015**; in **2015**, starting **December 24 through the following January 1, 2016**, a seniority employee absent without excuse on both the last scheduled working day prior to and the next scheduled working day after a Christmas holiday period shall be ineligible for holiday pay for all of the holidays within the Christmas holiday period. A seniority employee absent without excuse on either the last scheduled working day prior to or the next scheduled working day after a Christmas holiday period shall be ineligible for two (2) of the holidays for which he/she would

otherwise be eligible in the Christmas holiday period, but shall, if otherwise eligible, receive pay for the remaining holidays in the Christmas holiday period.

(ii) Employees will be called in to work only in emergencies on the following days which are not paid holidays under this agreement:

Saturday, December 22, 2012
Sunday, December 23, 2012
Saturday, December 29, 2012
Sunday, December 30, 2012
Saturday, December 21, 2013
Sunday, December 22, 2013
Saturday, December 28, 2013
Sunday, December 29, 2013
Saturday, December 27, 2014
Sunday, December 28, 2014
Saturday, January 3, 2015
Sunday, January 4, 2015
Saturday, December 26, 2015
Sunday, December 27, 2015
Saturday, January 2, 2016
Sunday, January 3, 2016

(iii) Employees shall not be disqualified for holiday pay, if otherwise eligible for such pay, if they decline a work assignment on one or more of the above days.

(iv) The foregoing provisions of sections 25.01(b)(ii) and (iii) shall not apply to employees employed on operations scheduled as continuous seven (7) day operations as listed in appendix 'I', employees employed on operations in support of continuous seven (7) day operations and employees who perform work on Sunday which is a part of the No. 1 shift, Monday;

(c) the employee who has accepted a holiday work assignment and then fails to report for and perform such work, shall receive payment for the holiday only on condition that he/she furnishes satisfactory explanation to his/her supervisor for his/her failure to report, subject to the grievance procedure.

25.02 (a) Notwithstanding the provisions in section 25.01,

(i) an employee who has attained seniority shall be considered eligible for holiday pay provided he/she is on sick leave, or a leave of absence, or laid off for lack of work, if such sick leave, leave of absence or layoff did not commence prior to the beginning of the week before the week in which the holiday is observed.

(ii) an employee who has attained seniority and who works in the fourth work week prior to the week in which the Christmas holiday period begins, and who is laid off for lack of work during that week, or an employee who has attained seniority and who is laid off for lack of work during the first, second, or third work week prior to or during the work week in which the Christmas holiday period begins, shall receive pay for each of the holidays in the Christmas holiday period, provided such employee worked the last scheduled work day prior to such layoff. An employee who has attained seniority and who works in the fifth, sixth, or seventh work week prior to the week in which the Christmas holiday period begins, and who is laid off for lack of work during that week, shall receive pay for one-half of the holidays falling during such Christmas holiday period provided such employee worked the last scheduled work day prior to such layoff;

(iii) an employee who has attained seniority, who is on sick leave of absence when the holiday(s) occurs and who returns to work following the holiday(s) but during the week in which the holiday(s) falls shall receive pay for such holiday(s), provided the employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday;

(iv) an employee who has attained seniority, who is on a personal leave of absence which expires during a Christmas holiday period shall receive pay for the holidays in the Christmas holiday period which falls (1) on or after the expiration date of such leave or (2) on and after the date he/she notifies his/her plant of his/her availability for work, whichever is later, provided the employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday.

(v) an employee who has attained seniority, who is on sick leave of absence and in receipt of Workers' Compensation benefits for such holiday shall not be eligible for holiday pay.

(b) In the case of a holiday observed during a model change layoff when no adjustment is made to bargaining unit-wide seniority during such layoff an employee shall be considered eligible for holiday pay regardless of the date of commencement of the layoff provided that he/she registered his/her attendance on his/her clock card on his/her last scheduled work day prior to the commencement of the model change layoff and he/she registers his/her attendance on his/her clock card within one hour of his/her regular starting time on the first day he/she is scheduled to work after the termination of the model change layoff.

25.03 If the day of observance of a holiday falls within the period of approved vacation of an employee, he/she shall be paid for such holiday as herein provided.

25.04 Each of the above holidays shall be observed on the day upon which it falls, unless otherwise declared by the Government of Canada or by the Government of the Province of Ontario except as otherwise agreed between the company and the union.

ARTICLE 26

VACATION WITH PAY PLAN

26.01 Each employee will be granted annual vacation with pay in accordance with the following provisions.

26.02 (a) During the current year an employee will be eligible for vacation with pay earned during the qualifying period, which is the preceding calendar year, provided that:

(i) such employee has at least one (1) year's seniority with the company as of December 31st of the qualifying period; and

(ii) has performed the minimum hours of work required hereunder.

(b) The minimum hours of work required shall be one thousand (1,000) hours of work for the company during the qualifying period. For the purposes of computing hours worked for the company hereunder:

(i) no deduction shall be made for hours absent from work due to sickness or injury arising out of and in the course of employment with the company and covered by the Workers' Compensation Act, provided the employee is on the active roll of the company during the qualifying period, and provided that this shall not apply:

(1) in the case of an employee who has not been called upon to perform work for the company for a period exceeding his/her seniority at the date when he/she last performed work for the company, or

(2) in the case of an employee who had less than thirty-six (36) months' seniority at the date when he/she last performed work for the company and who has not been called upon to perform work for the company for a period of thirty-six (36) consecutive months; and

(ii) no deduction shall be made for hours absent from work if the company has granted the employee concerned a leave of absence for union duties, unless such leave of absence is one granted under section 27.02, and

(iii) an employee shall be credited with the number of hours for which he/she received pay for holidays as defined in article 25.

26.03 (a) An employee with less than one (1) year of seniority as of December 31st on or after the effective date of this agreement:

(i) who is enrolled on the active employment roll of the company and who has performed one thousand (1,000) hours of work for the company in the period from hire date until December 31st of the qualifying period and

(ii) who has seniority as of December 31st of the qualifying period will be entitled to a vacation of 1 week during the current year with pay for forty (40) hours at his/her hourly wage rate. With the above rules of this section (a) for vacation eligibility otherwise applicable, an employee who is enrolled on the active employment roll of the company and who has performed five hundred (500) hours of work for the company, will be entitled to the vacation and vacation pay to which he/she would have been entitled if he/she had performed one thousand (1,000) hours of work for the company, reduced by 5% for each fifty (50) hours or fraction thereof by which the hours he/she has worked fall short of one thousand (1,000) hours.

(b) No deduction will be made for hours absent due to sickness or injury covered by the Workers' Compensation Act, provided the employee is on the active roll of the company during the qualifying period.

26.04 -- Not in Use --

26.05 -- Not in Use --

26.06 (a) An employee eligible for vacation shall be entitled to vacation pay determined on the basis of his/her seniority as of the last day of the qualifying period as follows:

For employees hired prior to September 24, 2012:

<i>Seniority</i>	<i>Total Number of Hours of Vacation pay at hourly wage rates</i>
1 year but less than 2 years	80
2 years but less than 3 years	88
3 years but less than 5 years	140
5 years but less than 10 years	160
10 years but less than 15 years	180
15 years but less than 20 years	200
20 or more years	240

For employees hired on or after September 24, 2012:

Seniority	Total Number of Hours of Vacation pay at hourly wage rates
1 year but less than 2 years	80
2 years but less than 3 years	88
3 years but less than 4 years	96
4 years but less than 5 years	104
5 years but less than 6 years	112
6 years but less than 10 years	120
10 years but less than 15 years	180
15 years but less than 20 years	200
20 years or more	240

(b) For the purposes of this section 26.06(b), "seniority" in the case of an employee who is absent from work due to sickness or injury arising out of and in the course of employment with the company and covered by the Workers' Compensation Act shall mean the seniority the employee had at the end of the last qualifying period completed before such absence commenced.

(c) An employee's hourly wage rate for the purpose of this article only shall be:

(i) the highest regular hourly wage rate (inclusive of shift premium) of an employee in effect during the 8th week prior to the time his/her vacation commences; plus

(ii) the cost-of-living allowance in effect at the time an employee's vacation commences and any general wage increase which had occurred between the said 8th week and the time his/her vacation commences; but

(iii) excluding any overtime premium; and

(iv) any change either upward or downward in an employee's regular hourly wage rate for a temporary period (which shall be defined as a rate which is in effect for three (3) working days or less) shall not be taken into account.

(d) An employee may use up to thirty-six (36) hours if he has one but less than two years of seniority, forty-four (44) hours if he has two but less than three years of seniority or fifty-two (52) hours if he has more than three (3) years of seniority of his/her vacation provided under section 26.06(a), as excused absence allowance, as limited below, in units of no less than one-half day periods [four (4) hours], with pay at his/her hourly wage rate, as defined in section 26.06(c), on the date each such period of vacation shall begin, for any of the following purposes:

(i) Excused absences because of illness for which he/she does not receive accident and sickness insurance benefits,

(ii) Absences excused by the company because of any personal reason, or

(iii) Additional scheduled vacation time immediately prior to or following his/her other vacation time.

Absences under (ii) above will be excused provided that: (a) the employee makes written request on a form provided by the company at least one week in advance of the requested day; (b) there will be no adverse impact on the operations involved and if more than one employee is requesting the same day, this will be taken into consideration in determining the operational impact; and (c) if more employees working for the same supervisor request the same day off than can be accommodated, the employee(s) who requested first will be granted the day off.

The part of his/her vacation that an employee may use for excused absences under purposes (i) and (ii) above shall not exceed thirty-six (36) hours in the case of an employee with one but less than two years of seniority, forty-four (44) hours in the case of an employee with two but less than three years of seniority or fifty-two (52) hours in the case of an employee with more than three years of seniority.

26.07 Where an employee eligible for vacation under section 26.02(a) does not qualify under the provisions of section 26.02(b) hereof because he/she has not worked the minimum hours required, he/she shall be entitled to the vacation pay to which he/she would have been entitled if he/she had worked the minimum hours required for that year, reduced by 5% for each fifty (50) hours or fraction thereof by which the hours he/she has worked fall short of the minimum hours required for that year.

26.08 (a) If an employee eligible for vacation pay under sections 26.02 or 26.07 leaves the active service of the company for any reason during the current year and prior to receiving his/her vacation pay, he/she shall be entitled to be paid forthwith the vacation pay for which he/she is eligible and in addition he/she shall be entitled to receive vacation pay calculated as if the day on which he/she leaves the active service of the company is the end of the qualifying period for the current year. Both the vacation pay for which he/she is eligible under sections 26.02 or 26.07 and such additional vacation pay shall be calculated at his/her regular hourly wage rate then in effect and on the basis of his/her seniority at the end of the last completed qualifying period. If, in respect to the period for which such an employee has been paid under the provisions of this section, the employee shall subsequently become entitled to a vacation with pay or vacation pay, then any

necessary adjustment shall be made to ensure that he/she shall not be paid twice in respect of the same period.

(b) An employee who notifies the company in writing prior to being laid off that he/she does not wish to receive the vacation pay to which he/she is entitled under section 26.08(a) at the time of layoff shall be paid as follows:

(i) in the case of an employee who subsequently returns to work, the vacation pay which he/she was entitled to receive under sections 26.02 or 26.07 shall be paid to him/her prior to his/her scheduled vacation period; or,

(ii) in the case of an employee who does not return to work prior to the next established vacation period defined in section 26.09(a), the vacation pay which he/she would have been entitled to receive under section 26.08(a) shall be paid to him/her immediately prior to the established vacation period; except that,

(iii) in the case of a Bramalea employee who does not return to work prior to the next July 1, he/she shall be paid the vacation pay which he/she would have been entitled to receive under section 26.08(a) immediately prior to the next July 1 following the date of layoff.

26.09 (a) The plants of the company will normally be closed during each calendar year during the months of July or August for a period established as the vacation period by the company, during which period, except as in this section provided, employees shall be granted a vacation. The union will be advised no later than February 1 as to the specific vacation period and thereafter the vacation period will not be altered without the mutual consent of the parties.

(b) If circumstances arise whereby it is inadvisable to close the plants for more than one (1) week, the matter will be discussed with the appropriate local negotiating committee.

(c) If the company requires employees to work during the period established as the vacation period, then employees who are able to do the work required during such period shall be selected in order from among the following groups of employees:

(i) The most senior employees in the department concerned who, as a result of mutual agreement between the employees concerned and the company, have already had the full vacation to which they are entitled in the current year or where by mutual agreement between an employee and the company alternative arrangements for vacation are made;

(ii) The most senior employees in the department concerned who are not entitled to vacation for the full period established as the vacation period provided that the company and each such employee are able to agree upon a

mutually suitable time for the particular employee concerned to take the vacation to which he/she is entitled;

(iii) The most senior employees in the bargaining unit concerned who are not entitled to vacation for the full period established as the vacation period who apply for work during the vacation period for a period of one full work week or more of the period established as the vacation period; provided that such an employee shall only be employed to work outside of his/her own department for periods of time equal to a full work week and for a maximum number of full work weeks equal to the number of full work weeks of the vacation period for which he/she is not entitled to vacation pay.

(d) For purposes of vacations only, a week shall be considered to start on Monday and conclude on the following Sunday.

26.10 Due to the nature of operations at the parts distribution centre at Bramalea it is the practice of the company to stagger vacations and the human resources manager will discuss the vacation schedule with the local negotiating committee prior to the commencement of vacations. In the event that the company finds it necessary to close the parts distribution centre for the vacation period, the local negotiating committee will be advised prior to the vacation period.

26.11 This annual vacation with pay plan is subject to the provisions of "The Employment Standards Act" (Ontario), wherever such provisions provide greater vacations with pay benefits than this plan.

26.12 Vacation pay to which an employee is entitled under the provisions of this agreement shall be paid to him/her on the regularly scheduled pay day next following the week in which the vacation hours were taken.

26.13 -- Not in Use --

ARTICLE 27

LEAVES OF ABSENCE

27.01 (a) An employee desiring leave of absence shall make application in writing to his/her supervisor. The application shall be dealt with by the human resources manager concerned.

(b) Any dispute regarding the disposition of such an application may be the subject of a grievance lodged in writing by the employee concerned within five (5) regular working days following written notification that his/her application for leave of absence has not been granted. Thereupon the grievance shall be handled as an appeal to the human resources manager at step three of the general grievance procedure.

27.02 An employee who holds office as president or financial secretary-treasurer of an appropriate local or as a staff officer or staff representative of the national union shall, so long as such office is a full-time position, be granted leave of absence by the company.

27.03 (a) Leave of absence not exceeding one (1) year shall be granted to an employee for the time during which he/she is serving a sentence of imprisonment imposed on a conviction arising from the operation or use of a motor vehicle. Leave of absence not exceeding eighteen (18) months may be granted to an employee for the time during which he/she is serving a sentence of imprisonment imposed upon a conviction arising from operating a motor vehicle while impaired, provided there has been no bodily harm to or death of any person, where the human resources manager concerned is satisfied that the employee has successfully completed an in-house recovery program and remains a participant in the after care program.

(b) In the event that an employee should be sentenced to imprisonment following conviction for any other offence, the appropriate local may submit the case to the vice president of human resources for his/her consideration and he/she shall then, at his/her discretion, decide whether any, and if so how much, leave of absence [not exceeding one hundred and twenty (120) days] shall be granted to the employee while serving his/her sentence of imprisonment.

27.04 An employee having seniority who is elected or selected for a full-time public office which takes him/her from his/her employment with the company will, upon prior written request, receive a temporary leave of absence for the term of such office, and upon his/her return will be reinstated at work consistent with his/her seniority in the classification and department in which he/she was engaged last prior to his/her leave of absence.

27.05 Leave of absence for personal reasons for a period not to exceed one hundred and eighty (180) days may be granted to an employee when the services of the employee are not immediately required and there are employees available at the plant capable of doing his/her work; provided that the employee does not work in any occupation for his/her own gain during the leave of absence unless mutually agreed by the company and the union. Any violation of this provision may result in the employee losing his/her seniority, provided that proof of the violation is furnished by the union to the company within fifteen (15) days after date of reinstatement.

27.06 The applicant for leave of absence shall be notified in writing of the disposition of his/her application as promptly as is reasonably possible after the application is submitted and a record thereof shall be kept in the human resources office concerned. The record of approved leaves of absence may be inspected by the president of Local 200 or any plant chairperson at Windsor, the president of Local 707 or any plant chairperson at Oakville, or by the chairperson of the local negotiating committee at Bramalea.

27.07 Seniority shall accumulate during the period of leave of absence.

ARTICLE 28

BENEFIT PLANS REPRESENTATIVES

28.01 (a) Each plant having six hundred (600) or more employees may have one (1) full-time benefit plans representative who shall be appointed by the president of the national union.

(b) The president of the national union shall advise the central labour affairs staff of the company in writing of the names of the appointed benefit plans representatives and the plant to which each is assigned. No representative shall function as such until the company has been so advised.

(c) The functions of the benefit plans representative are limited to matters pertaining to the Retirement Pension Plan, Insurance Program, The Supplemental Unemployment Benefit Plan, The Separation Payment Plan, and The Automatic Short Week Benefit Plan. The benefit plans representative will:

Retirement Pension Plan

(i) Discuss and assist in the resolution of employee, retiree and surviving spouse problems relating to creditable service, benefit eligibility, benefit amount, determination delays and payment delays.

(ii) Meet with local company personnel benefits representative or other designated local management representative as required.

Insurance Program

(i) Confer with employees, spouses, retirees, beneficiaries or insurance carriers regarding coverage eligibility, a denied claim, benefit amounts, and benefit payment delays.

(ii) Meet with local company personnel benefits representative or other designated local management representative as required.

The Supplemental Unemployment Benefit Plan, The Separation Payment Plan, and The Automatic Short Week Benefit Plan

(i) Confer with employees regarding eligibility for benefits under The Supplemental Unemployment Benefit Plan, The Separation Payment Plan, and The Automatic Short Week Benefit Plan, a denied or suspended benefit or questions concerning appeal procedures under these Plans.

(ii) Meet with designated local management representative as required.

(iii) Discuss with company designated representative those instances in which the company determines benefit payments are not payable.

(iv) Participate in local supplemental unemployment benefit plan committee hearings as required.

(d) The company recognizes the privilege of a benefit plans representative to leave the plant in the course of the performance of his/her functions as such, but he/she shall notify the designated company representative, if he/she is available, when leaving and returning to the plant during working hours.

A benefit plans representative shall register the time when he/she enters the plant and the time when he/she leaves the plant with at least 8 hours between such times, or get an approval of

failure to register such times from the designated company representative. In the absence of evidence that a benefit plans representative is abusing this privilege, the approval referred to above shall be given. A benefit plans representative shall report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(e) (i) It is understood that a benefit plans representative shall be entitled to be on company time only for the same number of hours as the employees on the shift to which he/she is assigned are normally scheduled to work.

(ii) A benefit plans representative shall be entitled to be at work whenever two hundred and fifty (250) or more employees are required to work overtime on the shift to which he/she is assigned.

(f) When a benefit plans representative ceases to hold that position, he/she shall be returned, consistent with his/her seniority, to the classification in the department in which he/she was employed at the time of his/her appointment as a benefit plans representative.

ARTICLE 29

INSURANCE

29.01 For the duration of this agreement, the Insurance Program shall be that set out in appendix 'R' and is hereinafter referred to as the "Program". It consists of two parts, each made a part of this agreement, one known as "Group Life and Disability Insurance" and one known as "Hospital-Surgical-Medical-Drug-Dental-Vision Expense Coverages" or "H-S-M-D-D-V Program".

29.02 The company will pay the contributions due from it for the Program in respect to insurance premiums and subscription rates in accordance with the terms of the Program. The company by payment of its contributions shall be relieved of any further liability with respect to the benefits of the Program. The company shall receive and retain any divisible surplus, credits or refunds or reimbursements under whatever name arising out of the Program.

29.03 The company shall arrange for the administration of the Program, subject to its provisions. The company shall be under no obligation by reason of the Program except in good faith to endeavour to obtain its coverages and to fulfill any other obligations specifically required in this article 29 or in the Program.

29.04 The umpire shall have no jurisdiction over any matter arising under this article 29 or under the Program.

29.05 (1) Except as otherwise specifically provided in the Program, its H-S-M-D-D-V Program provisions shall become effective **September 24, 2012**.

(2) Except as otherwise specifically provided in the Program, its Group Life and Disability Insurance provisions shall become effective on **September 24, 2012**, with respect to employees then at work, and on the first day worked thereafter with respect to other employees. Group Life and Disability Insurance for employees for whom the provisions of the Program shall not have become effective shall be governed by the provisions, conditions, and limitations of the Program as constituted on the date each such employee was last actively at work.

(3) For those to whom they become applicable, the provisions of the Program shall be in lieu of the provisions of the previous programs, and benefits under the Program shall be reduced where benefits received under the previous programs would reduce benefits if they had been received under this Program.

ARTICLE 30

PRODUCTION STANDARDS

30.01 Notwithstanding the rights exclusively reserved to the company under the provisions of article 3, the following special provisions shall be applicable to the operations of the company at Oakville only.

30.02 (a) When time studies are made they shall be made on the basis of fairness and equity and shall recognize the required quality of workmanship, the efficiency of operations and the reasonable working capacity of normal experienced operators, with due consideration to fatigue.

(b) When a study is to be made for the purpose of establishing a production standard the employee on such job shall be notified at the time the study is to be made. When a study is made for purposes other than establishing a production standard, the purpose of the study will be made known to a union representative if he/she requests it.

(c) (i) Work assignments on conveyor lines will be made in accordance with line speeds and available work space and the expected normal ratio of model mix. When it is necessary to adjust the normal scheduled mix on conveyor lines which results in more or less work being required, compensating adjustments in work assignment, manpower, spacing of units, line speed or any combination thereof will be made. Arrangements will be made locally to establish procedures which will provide advance

knowledge of mix changes that require compensating adjustments so that such adjustments will be made in a timely manner. On conveyor line operations, management will designate specific off-line operations from which manpower will be made available to compensate for such mix changes when one of the compensating adjustments requires an increase in manpower. Upon request, management will advise the union of the arrangements made.

(ii) When there is no established production standard, an employee who is following the prescribed method and using the tools provided in the proper manner and performing at a normal pace, will not be disciplined for failure to obtain an expected amount of production.

(iii) Circumstances affecting the time of performance of a particular job that were not taken into account in establishing a production standard are known as non-standard conditions. When established non-standard conditions exist which adversely affect the operation and are brought to the attention of management, an employee who is following the prescribed method and using the tools provided in the proper manner and performing at a normal pace will not be required to obtain the expected amount of production.

(iv) No employee will be disciplined for failure to meet an established production standard unless he/she has been advised at least (four) 4 days in advance as to what such established production standard is.

(d) Model mix shall be taken into account in establishing and/or changing production standards on car and body assembly line operations. The speed of such assembly lines will not be increased beyond the level for which they are manned for the purpose of making up for loss of production due to breakdowns or unscheduled line gaps or stops. The company will notify the union concerning the mechanical regulation of main assembly line speeds

(e) When a production standard is established and is not disputed, or is disputed and settled, the element times shall remain unchanged and not subject to dispute unless and until the operation is changed as a result of change in method, layout, tools, equipment, materials or product design.

30.03 (a) The following provisions shall apply at Oakville:

(i) Local 707 may appoint and upon receipt of notice of appointment the company shall recognize a special committeeperson to function as in this article provided. The special committeeperson shall be an employee having at least twelve (12) months' seniority.

(ii) The special committeeperson shall represent employees in disputes arising under procedures provided for in this article. Other committeepersons shall have no jurisdiction. The special committeeperson shall be permitted full-time for the performance of his/her duties as such.

(iii) The special committeeperson will be assigned to a regular eight (8) hour shift in the plant from which he/she is selected at Oakville. He/she will work the hours of that shift whenever the assembly line operations of such plant are scheduled to work such shift, and he/she will also be entitled to be at work whenever such assembly line operations of the shift to which he/she is assigned are scheduled to work overtime or extra time. In addition, the special committeeperson will be entitled to work overtime or extra time during the period when the assembly line operations of the other plant at Oakville are scheduled to work overtime or extra time on a shift designated by the company of which the starting time is closest to the starting time of the shift to which the special committeeperson is assigned. Whenever no assembly line operations are scheduled for his/her regular shift in the plant from which he/she is selected, he/she will be entitled to be at work during the period when the assembly line operations of the other plant at Oakville are scheduled to work on such designated shift. He/she will be responsible to the human resources manager of the plant in which he/she is employed, or his/her nominee. When he/she ceases to hold office he/she will be returned, consistent with his/her seniority, to the classification in the department in which he/she was employed at the time of his/her appointment as special committeeperson.

(iv) Prior to functioning as a special committeeperson in a department, the special committeeperson at Oakville shall first report to the supervisor of that department.

(v) The company agrees to make available a filing cabinet with three (3) drawers equipped with locks for the use of the special committeeperson for the keeping of documents and records.

(vi) Whenever the special committeeperson is absent from the plant on his/her own time during periods when he/she is entitled to act as such, the company will recognize an alternate special committeeperson designated by the chairperson.

(b) -- Not in Use --

30.04 Where a dispute arises regarding a production standard which has been changed or established, the following special grievance procedure and not the grievance procedures specified elsewhere in this agreement shall apply:

(a) The employee affected will take his/her complaint up with his/her supervisor. The supervisor will answer the

complaint as promptly as possible and in any event within two (2) working days.

(b) If the complaint thereafter remains in dispute, the employee may request his/her committeeperson who will be sent for without delay. Upon reporting to the supervisor of the job involved, the committeeperson may investigate the job. If there is still a dispute after the committeeperson has examined the job, he/she may, if he/she so elects, request the presence of the special committeeperson. The supervisor and/or the company time study person will examine the job in detail with the committeeperson and/or the special committeeperson at the job. The committeeperson and/or special committeeperson will, upon request, be permitted to examine the available time study data relating to the disputed job. When available, the cycle time or other pertinent time study data that is relevant to the dispute will also be made available upon request. However, it is mutually recognized that it would be impractical to provide this information during periods of production acceleration.

(c) The best efforts of the company and union representatives concerned shall be employed in resolving a dispute regarding a production standard at this step of the grievance procedure.

(d) If the matter is then not resolved at this point, a written grievance may be filed with the superintendent concerned, signed by the aggrieved employee or a group of aggrieved employees and thereafter will be handled in accordance with the procedure set out in the following paragraphs.

(e) After the superintendent has considered the grievance, he/she will deliver his/her decision in writing as soon as possible, but in any event not later than the second regular working day next following the day upon which he/she receives the grievance.

(f) If the grievance is not resolved by the superintendent, it may, within two (2) working days of the superintendent's written answer, be appealed by the special committeeperson to the next step, as provided below, by giving written notice to the labour relations supervisor.

(g) Within three (3) working days of receipt of the appeal, the grievance will be considered at a special step of the grievance procedure by not more than four (4) representatives of the union including the special committeeperson and plant chairperson concerned and not more than four (4) representatives of the company, at least one of whom will be a superintendent or above. Whenever mutually agreed, more than four (4) representatives of the union and of the company may participate at this step.

(h) After the grievance is appealed to the step described in the preceding paragraph and prior to the meeting on the grievance at that step, one of the four (4) representatives of the union who will participate at this step in the grievance procedure may make a further investigation of the grievance. At the same time, a national representative from the national union will be permitted to observe and study the job or jobs which are the subject of the grievance concerned. If the union so requests, the national representative from the national union shall be allowed to attend the meeting described in section 30.04 (g) above, as one of the 4, and act as an advisor to the local representatives.

(i) Within two (2) working days of the meeting described at this step in the procedure, the company will give a written answer. If the grievance is not settled at this step, the plant chairperson concerned may, within two (2) working days, appeal the grievance by giving written notice to the human resources manager.

(j) The human resources manager will forward a written reply within five (5) working days following the receipt of the written appeal of the chairperson of the plant concerned. If the matter is still unresolved by the human resources manager's reply, the president of the local concerned may, within five (5) working days after the written decision of the human resources manager, file a written request for arbitration of the dispute.

(k) Any of the time limits specified above may be extended by mutual agreement in writing. Any case not appealed from one step of this procedure to the next within the time limit specified will be considered closed on the basis of the last decision given.

30.05 (a) When a grievance arising under this article is referred to arbitration, the same shall be considered in the manner and subject to the conditions and provisions set out in this article and the decision of the work standards arbitrator shall be final and binding upon the parties and upon all employees.

(b) The parties shall select a qualified industrial engineer to be the work standards arbitrator and failing agreement by the parties, the Minister of Labour for Ontario shall be requested to appoint a qualified industrial engineer to be the work standards arbitrator. The parties have agreed on rules of procedure to govern appeals to the work standards arbitrator. The rules are set out in appendix 'S' to this agreement.

(c) The work standards arbitrator shall not alter, add to, subtract from, modify or amend any part of this agreement.

(d) No cost of any arbitration shall be awarded to or against either party. The union and the company shall each be responsible for one-half of the expenses of and the fee payable to the work standards arbitrator, and the union and the company agree that, notwithstanding the provisions of the Ontario Arbitration Act, the expenses of and the fee payable to the arbitrator shall be such as he/she may reasonably require.

(e) In considering a grievance arising under, and appealed in accordance with this procedure, the arbitrator will not change any standard, but will be empowered to rule upon the procedure and correctness of all the facts of the case. If either party so requests, and the arbitrator elects, he/she will be allowed to enter the plant in which the dispute arose for the purpose of observing the job or jobs which are the subject of the grievance concerned. At his/her discretion, the arbitrator may also take a time study of the operation, using a normal experienced operator on the job. If the parties cannot agree on the normal experienced operator to be studied, the arbitrator shall select him/her.

(f) The arbitrator's decision in a case shall be rendered within fifteen (15) days from the date he/she hears the grievance appealed to him/her under this production standards special grievance procedure.

(g) After receipt of the decision of the arbitrator the company will take any necessary corrective steps promptly.

ARTICLE 31

NOTICES PURSUANT TO AGREEMENT

31.01 Notices required to be given under the provisions of this agreement shall be in writing and shall be sufficient if sent by registered mail addressed to the appropriate recipient or if delivered to the appropriate recipient personally. The addresses of the recipients are as follows:

THE NATIONAL UNION

National President
National Automobile, Aerospace
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

THE CHAIRPERSON
FORD OF CANADA PROVINCIAL
MASTER NEGOTIATING COMMITTEE
c/o Regional Office
National Automobile, Aerospace
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

LOCAL 200
The President
Local 200
National Automobile, Aerospace
Transportation and General
Workers Union of Canada (CAW-Canada)
1855 Turner Road
Windsor, Ontario
N8W 3K2

LOCAL 584
The President
Local 584
National Automobile, Aerospace
Transportation and General
Workers Union of Canada (CAW-Canada)
P.O. Box 2126
Bramalea, Ontario
L6T 3S5

LOCAL 707
The President
Local 707
National Automobile, Aerospace
Transportation and General
Workers Union of Canada (CAW-Canada)
475 North Service Road East
Oakville, Ontario
L6H 1A5

THE COMPANY

Vice President - Human Resources
Ford Motor Company of Canada, Limited
The Canadian Road
Oakville, Ontario
L6J 5E4

**HUMAN RESOURCES MANAGER:
IN RESPECT OF WINDSOR
EMPLOYEES:**

Human Resources Site Manager
Ford Motor Company of Canada, Limited
P.O. Box 1627
Windsor, Ontario
N9A 7E8

**IN RESPECT OF OAKVILLE
EMPLOYEES:**

Human Resources Manager
Ford Motor Company of Canada, Limited
Oakville, Ontario
L6J 5C9

**IN RESPECT OF BRAMALEA
EMPLOYEES:**

Human Resources Manager
Ford Motor Company of Canada, Limited
8000 Dixie Road
Bramalea, Ontario
L6T 2J7

31.02 Notices intended for the president of Local 200, Local 584 or Local 707 shall be sufficient if addressed and mailed or addressed and delivered personally to the president or the vice-president of the appropriate local or to the nominee of the president of the local.

ARTICLE 32

TERMINATION

32.01 (a) This agreement shall become effective as of **24th** day of September, **2012** and shall remain in effect until 11:59 p.m. on the **19th** day of September, **2016**, or until terminated as provided below, whichever occurs later.

(b) If either party desires to bargain with a view to the renewal, with or without modifications, of this agreement or to the making of a new agreement, such party shall, at least sixty (60) days prior to the **19th** day of September, **2016**, give written notice to the other party of such desire. Such notice shall, as far as possible, list the subject matter of the proposed changes or modifications but the parties shall have the right to alter the said list before and during bargaining. Within ten (10) days after receipt of such notice the other party shall arrange a conference to bargain on the proposed modifications or changes.

(c) Should no agreement be reached in such bargaining prior to 11:59 p.m. on the **19th** day of September, **2016**, the parties agree to continue this agreement in operation while such bargaining continues, but in no event in excess of a period of one year therefrom. Bargaining shall be deemed to be continuing until:

(i) either party has notified the other in writing that it considers bargaining to be at an end, and

(ii) the happening of one of the following:

1. Seven (7) days have elapsed after a conciliation board has reported to the Minister of Labour, or

2. Fourteen (14) days have elapsed after the Minister of Labour has released to the parties a notice that he/she does not deem it advisable to appoint a conciliation board, whereupon the agreement shall terminate as of the date of the happening of whichever of (i) or (ii) shall last occur.

ARTICLE 33

RATIFICATION OF AGREEMENT BY LOCALS

33.01 The union warrants that in accordance with the constitution of the union the terms of this agreement have been approved by the members of each of Local 200, Local 584, Local 707 and Local 1520 and that the members of each of the said locals have duly authorized the execution of this agreement by the union.

ARTICLE 34

HEALTH AND SAFETY

34.01 The company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. The company shall provide at no cost to the employee, protective devices, including gloves, wristlets, pads, mitts or other special kinds of wearing apparel which it requires employees to wear as a safety measure, and any other equipment necessary to protect the employees from injury and sickness.

34.02 (a) Each plant may have one (1) full-time health and safety representative who shall be appointed by the President of the national union. The appointment and recognition of each health and safety representative shall be conditional upon his/her being an employee having at least twelve (12) months' seniority.

(b) The president of the national union shall advise the central labour affairs staff of the company in writing of the names of the appointed health and safety representatives and the plant to which each is assigned. No representative shall function as such until the company has been so advised.

(c) The primary function of each health and safety representative is: the participation in, and support of the health and safety committee's efforts to protect the health and safety of the employees; to handle health and safety complaints in accordance with the procedure set out in section 34.03. In addition, the health and safety representative will:

(i) accompany governmental inspectors, the **Technical Standards and Safety Authority** and national union representatives on plant inspection tours; **be informed about Electrical Safety Authority (ESA) inspections, Pre-Start Health and Safety Review (PSR) in the facility as well as emergency service (police, fire and ambulance) as soon as reasonably possible**; also accompany persons appointed by the company who have professional training in industrial hygiene or safety on regular plant surveys and upon request receive results of such surveys; advance arrangements should be made to permit participation in such surveys;

(ii) receive from the appropriate management representative current statistical data on industrial injury and illness frequency and severity rates and, upon request, copies of fire and insurance inspection reports, Technical Standards and Safety Authority (TSSA) reports and Electrical Safety Authority (ESA) reports affecting employee safety. The parties recognize that such reports may not accurately or properly characterize issues relating to

employee health and safety matters and may not be a violation of municipal, provincial or federal codes.

(iii) accompany a local company safety representative to measure noise, air contaminants or air flow when and where conditions in the plant indicate such measurement is necessary; be advised that a camera to take photographs of matters which relate to health and safety in the plant will be provided to the local health and safety representative - such photographs shall be for the confidential use of the local Health and Safety Committee only and shall not be reproduced, published or distributed in any way; once each week make inspections with the local company safety representative and make necessary and desirable recommendations regarding the plant working environment; prior to such inspections, be advised by the local company safety representative of possible problem areas based on an analysis of current; statistical data on industrial injuries and illnesses. In those plants in which a video camera is available, the local health and safety committee will be permitted its use as an aid in conducting joint investigations and inspections where special circumstances dictate the need, such as where a video camera is needed to photograph health and safety items that are being referred to the health and safety committee.

Upon request, the union member of the local health and safety committee will be provided with a copy of video tape which relates to health and safety matters in the plant. Such video tapes shall remain the property of the company and shall be for the internal use of the local and master committees only and shall not be reproduced, published or distributed.

(iv) be informed of work-related lost-time accidents and other major accidents which occur in the workplace, review the results of plant safety engineer investigations of such accidents and make necessary and desirable recommendations;

(v) receive prompt notification of any employee critical injuries or fatalities resulting from work-related injuries and industrial related illness and diseases which have been reported to the Workers' Compensation Board.

(vi) participate in formal employee job-related safety training or instruction programs, and review and make recommendations to company representatives concerning appropriate content of such programs;

(vii) be advised in writing of breathing-zone air sample results and known harmful physical and biological agents or chemicals to which employees in the plant are exposed and protective measures and applicable emergency procedures. In addition, whenever it is determined that an employee has had a personal exposure exceeding the permissible level as set forth in

the Regulation respecting Control of Exposure to Biological or Chemical Agents - made under the Occupational Health and Safety Act, the health and safety representative shall be informed in writing of such exposure and the corrective action to be taken.

(d) The company will provide annually the training or instruction it deems necessary to qualify the health and safety representatives to perform their functions satisfactorily. In addition to initial instruction, health and safety representatives will receive specialized training appropriate to the operations in their respective plants. The national union will be provided the opportunity to review and participate in such training or instruction programs and make necessary and desirable recommendations.

(e) The company recognizes the privilege of a health and safety representative to leave the plant in the course of the performance of his/her functions as such, but he/she shall notify the designated company representative, if he/she is available, when leaving and returning to the plant during working hours. A health and safety representative shall register the time when he/she enters the plant and the time when he/she leaves the plant with at least eight (8) hours between such times, or get an approval of failure to register such times from the designated company representative. In the absence of evidence that a health and safety representative is abusing this privilege, the approval referred to above shall be given. A health and safety representative shall report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(f) (i) It is understood that a health and safety representative shall be entitled to be on company time only for the same number of hours as the employees on the shift to which he/she is assigned are normally scheduled to work.

(ii) A health and safety representative shall be entitled to be at work for overtime, during plant layoffs, model change or a plant rearrangement whenever seventy-five (75) or more employees are required to work including contractors and vendors who are working on the shift to which the health and safety representative is assigned.

(g) A health and safety representative may attend meetings between the appropriate local negotiating committee and the company during any period when grievances relating to health and safety are being discussed.

(h) When a health and safety representative ceases to hold that position, he/she shall be returned, consistent with his/her seniority, to the classification in the department in which he/she was employed at the time of his/her appointment as a health and safety representative.

34.03 In those plants where a health and safety representative has been appointed in accordance with section 34.02, the following shall apply:

(i) An employee believing he/she has cause for complaint that the company has not made reasonable provision for his/her health or safety may, at his/her option, discuss the matter directly with his/her supervisor or may take it up with his/her steward or committeeperson, who shall discuss the complaint with the employee's supervisor. Every reasonable effort shall be made to settle complaints promptly at this point through discussion.

(ii) If the complaint is not resolved, the committeeperson or steward shall complete a "Health and Safety Complaint Form", which will include a statement of all the facts relied on, and submit the form in triplicate to the health and safety representative who will investigate the complaint. If the complaint is deemed to be valid, the health and safety representative will meet with the appropriate member of supervision to resolve the complaint.

(iii) In the event the complaint remains unsettled, the health and safety representative shall meet with the designated company safety representative to discuss the matter. The health and safety representative will present the "Health and Safety Complaint Form" in duplicate to the company safety representative who will sign and date the form upon receipt.

(iv) The company safety representative shall within three (3) regular working days after receipt of the form (unless an extension is mutually agreed upon) provide a written disposition setting forth all the facts relied upon, and return one (1) copy to the health and safety representative.

(v) If the written disposition is not satisfactory, the health and safety representative may, within three (3) regular working days from the date of the written disposition, or the expiration of any stated time period required to make necessary adjustments to resolve the complaint, lodge a grievance in writing with the human resources manager concerned. Thereupon the grievance shall be handled as an appeal to the human resources manager at step three of the general grievance procedure.

(vi) General complaints affecting the employees in the plant as a whole may be initiated by the health and safety representative directly with the company safety representative by submitting a completed "Health and Safety Complaint Form".

34.04 If an employee is injured on the job he/she will be paid for the balance of the first shift on which he/she has been sent home or to an outside hospital or outside doctor by a medical officer of the company because of such injury irrespective of when the injury occurred.

ARTICLE 35

SUPPLEMENTAL AGREEMENTS

35.01 (a) Simultaneously with the execution of this agreement, the company and each appropriate local have entered into the supplemental agreements described below:

- (i) Supplemental agreement - Windsor
- (ii) Supplemental agreement - Oakville
- (iii) Supplemental agreement - Bramalea

These supplemental agreements are attached hereto as Exhibit A (Windsor), Exhibit B (Oakville), Exhibit C (Bramalea), respectively, and made parts of this agreement as if set out in full herein, subject to all the provisions of this agreement, except that, in these supplemental agreements, the definition of "employee" shall be as respectively set out therein.

(b) Supplemental agreements shall include only those matters which are specifically identified in this agreement as being proper subjects for inclusion in a supplemental agreement.

(c) Any supplemental agreement with an appropriate local shall be subject to the written approval of the national union and the central labour affairs staff of the company.

(d) In the event of any conflict between the provisions of this agreement and the provisions of any supplemental agreement between the company and an appropriate local, the provisions of this agreement shall prevail.

35.02 (a) Simultaneously with the execution of this agreement, the company and the union have agreed upon additional supplemental agreements and exhibits which are made parts of this agreement as described below:

- (i) Supplemental Agreement Concerning
Income Maintenance Benefit Plan
and Voluntary Termination of
Employment Plan
• Income Maintenance Benefit Plan
• Voluntary Termination of Employment Plan
 - (ii) Supplemental Agreement Concerning
CAW-Ford Legal Services Plan
- | | |
|--|-------------|
| | Exhibit F |
| | Exhibit F-1 |
| | Exhibit F-2 |
| | Exhibit H |

No matter respecting the above Exhibits shall be subject to the grievance procedure established in this agreement.

(b) In the event of any conflict between the provisions of this agreement and the provisions of the Exhibits referred to in section 35.02(a), the provisions of the Exhibits shall prevail.

ARTICLE 36

SKILLED TRADES WORK ASSIGNMENTS

36.01 It is the policy of the company to assign work between skilled tradespersons in conformity with the principles set forth in a more detailed statement of this policy which is made Exhibit I hereof and a part of this agreement. It is not intended that this statement shall place any added limitation on the company's right of assignment, nor that lines of demarcation shall arise as the result of resolving skilled trades job assignment disputes.

36.02 (a) It is agreed that an appropriate local and local management may undertake to identify skilled work assignment practices pertaining to the skilled apprenticeable trades within the plant with the objective of establishing mutually acceptable guidelines for skilled trades work. Such guidelines shall recognize that assignments vary from plant to plant, between shifts within a plant, that the same assignment may be made to more than one trade and such guidelines are not intended to confer exclusive rights not otherwise recognized to one trade. Upon the request of the appropriate skilled trades chairperson to the local president, local plant management will meet to establish the procedure for implementation of this provision. It is expected that the local president will prepare and submit for consideration a description of the practices over which agreement is being sought. Upon submission thereof the parties may conduct joint or independent investigations of the practices involved.

(b) For the purposes of this section 36.02, "apprenticeable trades" shall mean the skilled trades listed in appendix 'G'.

36.03 It shall not be a function of the appropriate local union or local management under this provision to change or modify assignment practices even in the case of a mixed practice. Rather, the parties shall identify practices which meet the criteria for past practice set forth in Exhibit I hereof and practices so defined and agreed upon shall serve as guides for skilled trades work assignments.

36.04 The defined practices shall be reduced to writing and shall be subject to the approval of the national union and the central labour affairs staff of the company.

36.05 In the event the parties locally are unable to agree upon the definition of a skilled work assignment practice, the issue may be appealed by either party to the national union and the central labour affairs staff of the company.

36.06 In the event the issue has not been resolved by the parties in section 36.05 within thirty (30) days from the date of appeal either party may submit the issue to the umpire at step

three of the general grievance procedure. In such a case the umpire shall be empowered only to define the work assignment practice at issue at the location involved based upon the criteria discussed above and this determination shall be final and binding upon the parties.

36.07 It is recognized that it is in the mutual interest of both parties to maintain efficiency in the utilization of the skilled work force. Consequently, such guidelines shall not require the adoption of classifications not presently utilized at the plant; will not result in increased idle time, make-work assignments, added manpower, change present ground rules governing claims for back pay, or affect the right of the company to determine skilled manpower needs for each trade on each shift.

36.08 It is understood that any definition of skilled trades work assignment guidelines shall be subordinate to the provisions of this agreement.

36.09 In the event a new apprenticeable trade is established in a plant the parties locally shall be authorized to identify mutually acceptable guidelines for skilled work assignments pertaining to that trade subject to the approval of the national union and the central labour affairs staff of the company.

ARTICLE 37

EMPLOYEE FAMILY ASSISTANCE / SUBSTANCE ABUSE REPRESENTATIVES

37.01 (a) Local 200 and Local 707 may each have one full-time Employee Family Assistance/Substance Abuse representative who shall be appointed by the president of the national union.

(b) The president of the national union shall advise the central labour affairs staff of the company in writing of the names of the appointed representatives and the plant to which each is assigned. No representative shall function as such until the company has been so advised.

(c) The functions of the Employee Family Assistance/Substance Abuse representative are limited to matters related to the Employee Family Assistance and Substance Abuse Recovery Plan. The Employee Family Assistance/Substance Abuse representative will:

(i) assist in the identification, education, referral and follow-up of employees with problems which impair job performance relating to alcohol and drug dependency, gambling,

or emotional disorders while assuring requisite confidentiality standards are observed;

(ii) act as liaison with appropriate members of line supervision, labour relations, plant medical, other union representatives, diagnosis and referral agencies, and with providers of treatment and medical care;

(iii) assist in evaluating the effectiveness of various programs, plans and services;

(iv) participate in formal employee assistance training or instruction programs, and review and make recommendations to company representatives concerning program content;

(v) assist in coordinating and implementing various local program applications and related services available under the Employee Assistance and Substance Abuse Recovery Plan, including development of local proposals.

(d) The company recognizes the privilege of an Employee Assistance/Substance Abuse representative to leave the plant in the course of the performance of his/her functions as such, but he/she shall notify the designated company representative, if he/she is available, when leaving and returning to the plant during working hours.

An Employee Assistance/Substance Abuse representative shall register the time when he/she enters the plant and the time when he/she leaves the plant with at least eight (8) hours between such times, or get an approval of the failure to register such times from the designated company representative. In the absence of evidence that an Employee Assistance/Substance Abuse representative is abusing this privilege, the approval referred to above shall be given. An Employee Assistance/Substance Abuse representative shall report to an employee's supervisor, provided the supervisor is in the department, before contacting such employee in pursuance of his/her duties.

(e) (i) It is understood that an Employee Assistance/Substance Abuse representative shall be entitled to be on company time only for the same number of hours as the employees on the shift to which he/she is assigned are normally scheduled to work.

(ii) An Employee Assistance/Substance Abuse representative shall be entitled to be at work whenever two hundred and fifty (250) or more employees are required to work overtime on the shift to which he/she is assigned.

(f) When an Employee Assistance/Substance Abuse representative ceases to hold that position, he/she shall be returned, consistent with his/her seniority, to the classification in the department in which he/she was employed at the time of

his/her appointment as an Employee Assistance/Substance Abuse representative.

IN WITNESS WHEREOF the said parties have hereunto signed
FORD MOTOR COMPANY OF CANADA, Limited

By

STACEY ALLERTON
M.J. HYLAND
D.J. NANGINI
R. A. COOK
K. A. BELLEGHEM-GRIMA
J. L. BRIDGMAN
P. R. CAMERON
T. P. STEWART
E. C. KOZMA
M. HUGGINS
D. T. CANTAGALLO
G. M. BRISCOE
V. SWINDALL
R. M. DERHODGE

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL
WORKERS UNION OF CANADA (CAW-CANADA)

By

K. LEWENZA
P. KENNEDY
J. DIAS
R. MACDONALD

For LOCAL 200

C. TAYLOR
J. D'AGNOLO
C. YOTT
T. LITTLE
T. KERR

For LOCAL 584

G. RUMBOLDT

For LOCAL 707

G. BECK
R. SCOTT
G. ENSELL
D. THOMAS

For LOCAL 1520

D. McGEE

APPENDIX A

Allocation to Jurisdictions of Stewards - Local 200
(As published from time to time)

APPENDIX B

Allocation to Zones of Committeepersons - Local 200
(As published from time to time)

APPENDIX C

-- Not in Use --

APPENDIX D

Allocation to Zones of Committeepersons - Local 707
(As published from time to time)

APPENDIX E
RULES OF PROCEDURE GOVERNING
APPEALS TO THE UMPIRE

1. It is the intention that appeals shall normally be heard in the order of date of appeal at the last step of the grievance procedure. However, where the appropriate local and the company are agreed that a particular appeal should be expedited and heard ahead of its turn, or that a particular appeal should be deferred, then the particular appeal shall be heard out of turn accordingly.
2. From time to time the parties to this agreement shall request the umpire to reserve sufficient days to hear appeals to be allocated to him/her.
3. Each list of appeals to be heard by the umpire shall comprise appeals arising within the same bargaining unit. The appropriate local and the company shall from time to time settle each list of appeals to be allocated to and heard by the umpire.
4. Appeals on each list of appeals allocated to the umpire shall be heard by him/her on the next reserved day or days not less than thirty (30) days following the date of allocation of such list. When mutually agreed between the appropriate local and the company, a particular appeal may be heard by the umpire on an earlier day.

APPENDIX F (WINDSOR)

Each trade comprises the classifications listed thereunder:

Automobile Mechanic Trade:

- Automobile mechanic - leader
- Automobile mechanic - journeyman/woman
- Apprentice

Blacksmith Trade:

- Blacksmith - journeyman/woman

Bricklayer Trade:

- Bricklayer - journeyman/woman

Carpenter Trade:

- Carpenter - leader
- Carpenter - journeyman/woman

Cement Finisher Trade:

- Cement finisher - journeyman/woman

Communications Trade:

- Dictograph system serviceperson
- Technician - communications system

Electrical Trade:

- Electrician - leader
- Electrician - journeyman/woman
- Pyrometer and instrument installation and repair - leader
- Pyrometer and instrument installation and repair - Apprentice

Hoisting Engineer Trade:

- Hoisting engineer - leader
- Hoisting engineer

Job Moulder Trade:

- Job moulder - leader
- Job moulder - journeyman/woman
- Apprentice

Painter and Glazier Trade:

- Painter and glazier - leader
- Painter and glazier - journeyman/woman

Millwright Trade:

- Millwright - leader
- Millwright - journeyman/woman
- Powerhouse master mechanic - millwright
- Apprentice

Pipe Coverer Trade:

- Pipe coverer

Powerhouse Boilermaker Trade:

- Powerhouse boilermaker - leader

- Powerhouse boilermaker - journeyman/woman
- Powerhouse master mechanic - boilermaker
- Sheet Metal Trade:
 - Sheet metal - leader
 - Sheet metal - journeyman/woman
 - Apprentice
- Stationary Engineer Trade:
 - Compression equipment engineer
 - Powerhouse operator - special relief
 - Powerhouse operator
 - Stationary engineer
- Steamfitter and Plumber Trade:
 - Steamfitter and plumber - leader
 - Steamfitter and plumber - journeyman/woman
 - Powerhouse master mechanic - steamfitter
 - Apprentice
- Tool and Die Trade:
 - Tool and die - leader
 - Tool inspector
 - Tool and diemaker - journeyman/woman
 - Metal patternmaker - leader
 - Metal patternmaker - journeyman/woman
 - Tool machine operator
 - Machine repair - leader
 - Machine repair - journeyman/woman
 - Apprentice
- Tool and Die Heat Treat Trade:
 - Tool and die heat treat - journeyman/woman
- Welder - Maintenance Trade:
 - Welder - maintenance - high pressure combination
 - Welder - combination - maintenance
 - Welder - maintenance - journeyman/woman
 - Apprentice
- Wood Patternmaker Trade:
 - Wood patternmaker - leader
 - Wood patternmaker - journeyman/woman
 - Apprentice

APPENDIX G

APPRENTICEABLE TRADES

Automobile Mechanic Trade
Blacksmith Trade
Carpenter Trade
Electrical Trade
Job Moulder Trade
Millwright Trade
Painter and Glazier Trade
Powerhouse Boilermaker Trade
Steamfitter and Plumber Trade
Sheet Metal Trade
Stationary Engineer Trade
Tool and Die Heat Treat Trade
Tool and Die Trade
Welder - Maintenance Trade
Wood Patternmaker Trade

APPENDIX H (OAKVILLE)

Each trade comprises the classifications listed thereunder:

Automobile Mechanic Trade:

- Automobile mechanic - leader
- Automobile mechanic - journeyman/woman
- Industrial Lift Truck and Tow Tractor Repairperson
- Industrial Lift Truck and Tow Tractor Repairperson - leader

Blacksmith Trade:

- Blacksmith - journeyman/woman

Carpenter Trade:

- Carpenter - leader
- Carpenter - journeyman/woman

Electrical Trade:

- Electrical welder repair technician - leader
- Electrical welder repair technician
- Electrical technician
- Electrician - leader
- Electrician - journeyman/woman
- Apprentice

Hoisting Engineer Trade:

- Hoisting engineer

Millwright Trade:

- Millwright - leader
- Millwright - journeyman/woman
- Apprentice

Painter and Glazier Trade:

- Painter and glazier - leader
- Painter and glazier - journeyman/woman
- Sign painter

Sheet Metal Trade:

- Sheet metal - journeyman/woman

Steamfitter and Plumber Trade:

- Steamfitter and plumber - leader
- Heating and ventilating technician
- Steamfitter and plumber - journeyman/woman

Tool and Die Trade:

- Tool and diemaker - leader
- Tool and diemaker - journeyman/woman
- Tool inspector
- Toolmaker plate layout inspector
- Machine repair - journeyman/woman

Welder Maintenance Trade:

- Welder - maintenance - combination

APPENDIX I

CONTINUOUS 7 DAY OPERATIONS

Continuous seven (7) day operations comprise the operations performed by:

Powerhouse operators
Powerhouse operators - special relief
Stationary engineers

APPENDIX J

APPRENTICESHIP PLAN

The following standards of apprenticeship covering the employment and training of apprentices in the trades included in these standards have been agreed to by the company and the union. The standards and their application will be under the supervision of the Local Joint Apprenticeship Committee representing the union and the company at the location concerned:

1. In these standards:

(a) "Registration Agency" shall mean the Ontario Ministry of Skills Development Apprenticeship Branch.

(b) "Apprenticeship Agreement" shall mean a written agreement or contract between the company and the person employed as an apprentice, and if he/she is a minor, his/her parents or guardian, which agreement or contract shall be approved by the secretary of a local Joint Apprenticeship Committee and registered with the registration agency.

(c) "Apprentice" shall mean a person who is engaged in learning or assisting in the trade to which he/she has been assigned under these standards and who is covered by a written agreement or contract with the company providing for his/her training in accordance with these standards of apprenticeship and who is registered with the registration agency.

(d) "Committee" shall mean a Local Joint Apprenticeship Committee organized under these standards.

(e) "Supervisor", or his/her designated representative at each plant, shall mean the person employed by the company assigned the responsibility of performing the duties outlined in these standards of apprenticeship.

(f) "Standards of Apprenticeship" shall mean this entire Apprenticeship Plan, including these definitions.

2. The apprenticeship program will provide for training in the skilled trades which are designated from time to time by the Committee concerned as being appropriate for inclusion in the apprenticeship program at that location.

3. This apprenticeship program will be known as the Ford of Canada -C.A.W. Apprenticeship Plan.

4. There are hereby established Local Joint Apprenticeship Committees as above defined. Each of these committees shall consist of up to six members, with equal representation appointed by the company and the union. From among these members, the chairperson will be appointed by the company and the secretary will be appointed by the appropriate local. The committee will meet at least once a month or on call of the chairperson or secretary.

It is understood between the parties that elected union representatives and members of the labour relations department of the company are not eligible to be members of the committee.

Each of the members of a committee shall, upon properly reporting to his/her supervisor when it becomes necessary to leave his/her job, be accorded the privilege of leaving his/her work to promptly perform specific duly authorized duties, hereinafter listed, of the committee without loss of time, on the understanding that this privilege will not be abused and that each will continue to work at assigned jobs at all times not required for the performance of such duties. Each committee member will report to an employee's supervisor before contacting such employee in the performance of his/her duties.

5. It shall be the duty of each committee:

(a) To provide that each prospective apprentice be interviewed and impressed with the responsibilities he/she is about to accept and the benefits he/she will be entitled to receive. The committee may designate interviewers other than committee members.

(b) To interview and evaluate applicants for apprenticeship.

(c) To accept or reject applicants for apprenticeship after preliminary examination by the company, and to maintain a list of eligible applicants. This list will not be maintained for longer than two (2) years from the date it is developed. The committee shall establish minimum scores for each trade which shall be required of applicants in order for their names to be placed on the eligibility list.

(d) To place apprentices under agreement or contract.

(e) To determine whether the apprentice's scheduled wage increase shall be withheld in the event that he/she is delinquent in his/her progress.

(f) To offer constructive suggestions for the improvement of the Apprenticeship Plan.

(g) To formulate schedules of work experience for all future apprenticeable trades.

(h) To hear and decide on all questions involving the apprentices under these standards which relate to their apprenticeship.

(i) To certify the names of graduate apprentices to the registration agency and recommend that a certificate of completion of apprenticeship be awarded upon satisfactory completion of the requirements of apprenticeship as established herein. No certificates will be issued by the registration agency unless approved by the committee.

(j) In general, to be responsible for the successful operation of the Apprenticeship Plan in the company's plant or plants concerned and the successful completion of the apprenticeship by the apprentices under these standards.

6. (a) An apprentice will be trained in accordance with the in-plant schedule of shop training and in addition each apprentice will be required during the period of his/her apprenticeship to successfully complete a program of five hundred and seventy-six (576) hours of related training. This related training will be given after the normal working day, off company premises. An apprentice will receive a training incentive for each course of related training successfully completed after the effective date of the master agreement consisting of the product of the number of class hours on each course and the straight-time regular hourly rate they are receiving at the course completion date (exclusive of cost-of-living allowance and shift premium). The total number of class hours compensated will not exceed five hundred and seventy-six (576). These payments are subject to the condition that they are excluded from consideration in computing any premium payment.

(b) Employees who are given credit for previous experience, upon entering the Apprenticeship Plan, will be paid the wage rate to which such credit entitles them, and thereafter will be eligible for training incentive payments as provided in the preceding paragraph, and for apprentices entering training on or after November 14, 1976, a training incentive credit for the class hours of related training successfully completed while on an eligibility list for apprenticeship training provided: (1) the apprentices were employed by the company while taking the course(s), and (2) the course(s) is accepted and credited toward the required related training for the apprenticeship in which the apprentices are indentured. The training incentive credit for these eligible course hours will be banked at the time they have been approved for credit toward their related training requirement. The apprentices may elect to:

(i) receive training incentive payments for the banked hours in accordance with the schedule of shop hour periods and the number of related training class hours outlined in paragraph 6(c) at the completion of each one thousand (1000) shop hour period until the banked hours have been expended, or

(ii) receive training incentive payments for additional courses in related or elective subjects, with the number of classroom hours of such courses offset against the banked hours until they are expended.

The training incentive payment shall be based on the product of the number of related classroom hours and the straight-time shop hourly rate (exclusive of cost-of-living allowance and shift premium) the apprentices are receiving at the time payment is being made. The total number of class hours compensated under this paragraph (b) and paragraph (a) above shall not increase the total number of compensated class hours above five hundred and seventy-six (576) during the apprentices' period of training.

(c) During the period of his/her apprenticeship each apprentice shall be required to complete at least the number of related classroom hours for each shop hour period as indicated below:

<i>Number of Shop Hour Periods</i>	<i>Number of Hours</i>
0-1000	72
1001-2000	144
2001-3000	234
3001-4000	306
4001-5000	378
5001-6000	468
6001-7000	540
7001-7424	576

(d) The schedule of related training will be drawn up by the company and will be reviewed and approved by all members of the committee concerned and, after approval, the schedule of related training will become a part of the Apprenticeship Plan.

7. Apprentices will be under the immediate direction of the supervisor of the department to which they are assigned. The supervisor is authorized to move apprentices from one department to another in accordance with the pre-determined schedule of shop training. The supervisor or an individual charged with this responsibility, in consultation with the committee, will prepare adequate record forms to be filled in by the supervisors under whom the apprentices received direct instruction and experience.

Supervisors will make a report at the end of each rotational assignment or at least every six (6) months to the supervisor on the work and progress of the apprentices under their supervision. These reports will be submitted to the committee for its approval or disapproval.

If the supervisor finds that an apprentice shows a lack of interest or does not have the ability to become a competent journeyman/woman, he/she will place all the facts in the case before the committee for its decisions. Under these circumstances the committee will decide whether an apprentice may be permitted to continue in probationary status, required to repeat a specified process or series of processes, or his/her training may be terminated.

The committee will have authority to act on a recommendation of the Supervisor that an apprentice be placed on probation or removed from the Apprenticeship Plan for such causes as:

- (a) Inability to learn.
- (b) Unsatisfactory work.
- (c) Lack of interest in his/her work or education.

Upon recommendation from the committee, an apprentice, who at the time of his/her selection to the Apprenticeship Plan was employed by the company and who is removed from the Apprenticeship Plan for one of the above causes, may be returned consistent with his/her accumulated seniority to the seniority list upon which he/she previously appeared. The skilled trades chairperson will be notified by the committee chairperson of the committee's decision to remove an apprentice from the Apprenticeship Plan.

An apprentice shall be permitted to resign from the Apprenticeship Plan at any time prior to completing one thousand (1,000) hours. After one thousand (1,000) hours, requests for resignation from the Apprenticeship Plan require the approval of the Ford of Canada - CAW - master skilled trades committee.

8. Apprentices will be paid a percentage of the journeyman/woman's rate in the trade in which they are indentured according to the following schedule of wages effective **September 24, 2012.**

- 1st 1000 hours not less than **60%** of the skilled tradesperson's basic wage rate
- 2nd 1000 hours not less than **65%** of the skilled tradesperson's basic wage rate
- 3rd 1000 hours not less than **70%** of the skilled tradesperson's basic wage rate

4th 1000 hours not less than **75%** of the skilled tradesperson's basic wage rate
5th 1000 hours not less than **80%** of the skilled tradesperson's basic wage rate
6th 1000 hours not less than **85%** of the skilled tradesperson's basic wage rate
7th 1000 hours not less than **90%** of the skilled tradesperson's basic wage rate
8th 1000 hours not less than **95%** of the skilled tradesperson's basic wage rate

All apprentices will receive the cost-of-living allowance adjustments that are provided under section 21.03 of the Collective Agreement dated **September 24, 2012**.

9. A notice announcing openings in the apprenticeship program will be posted in the plants and in the community. Applications for apprenticeship will be received by the human resources department of the company and after consideration and investigation by the human resources department, the applications will be reviewed by the Committee for acceptance or rejection.

Applicants must provide documentation that indicates they are educated to the standards of Grade XII and must show aptitude for one of the skilled trades being taught. Applicants shall then satisfactorily pass the required Apprentice Selection Test Battery. This test will not be administered more often than once every two (2) years.

The parties recognize their mutual responsibility to foster the principles of employment equity in the workplace and agree that a focused effort is required to ensure apprentice populations are representative of the communities in which the company operates. In this regard, the Joint Apprenticeship Committee will ensure that an appropriate number of apprenticeship openings will be reserved for members of designated groups as prescribed by applicable human rights laws. Should a sufficient number of qualified designated group members not be available within the bargaining unit, selection will be made from external applicants.

Employees of the company and those who have had previous employment experience, who desire to become apprentices and are selected, may be allowed credit in accordance with this Apprenticeship Plan for applicable experience, after their records have been checked and evaluated by the committee. Evaluated work experience must have been gained under an apprenticeship program and not in a trade school or vocational school.

Employees of the company who are currently employed in a trade listed in Appendix 'F', 'H', or 'P' may not apply to be

candidates for the Apprenticeship Plan unless the trade in which they are employed is discontinued.

10. The Apprenticeship Plan will normally provide for a training period of eight thousand (8,000) hours made up of seven thousand four hundred and twenty-four (7,424) hours of shop experience and five hundred and seventy-six (576) hours of related training. An apprentice will receive credit for actual hours worked to a maximum of forty (40) hours per week. In addition, an apprentice will receive credit for any mandatory overtime hours calculated at the straight time rate. Each applicant for apprenticeship will be required to work three months of active employment on probation before entering into an apprenticeship agreement or contract. In the event of the applicant being accepted the number of hours worked on probation will count as part of his/her apprenticeship.

11. (a) The number of apprentices which the company shall employ at any time shall be subject to the limitations set forth below, which shall be applied separately to each trade at the location concerned.

(b) When there are no journeymen/women laid off in a layoff which appears to the company to be one which will exceed thirty (30) calendar days, the number of apprentices to journeymen/women shall not exceed one apprentice for every five journeymen/women, except that:

(i) Where there is a shortage of journeymen/women available in relation to the need, such as occurs, for example, in the case of a new plant, expansion of an existing plant, certain technological changes or retirements, the parties shall mutually agree to a number of apprentices greater than one (1) to five (5) journeymen/women, in accordance with the need. Notwithstanding the foregoing, the company may add apprentices greater than the ratio of one (1) to five (5) to meet the need resulting from early retirement of journeymen/women under the Retirement Pension Plan; and

(ii) Where the existing number of apprentices is greater than one for every five journeymen/women, the company shall not be required to reduce the number of apprentices immediately, but shall add no more apprentices until the ratio shall be reduced to one (1) to five (5), but thereafter shall not exceed such one (1) to five (5) ratio.

(c) Notwithstanding any of the foregoing, when a layoff which appears to the company to be one which will exceed thirty (30) calendar days occurs in a trade where apprentices are employed, if the ratio of apprentices to journeymen/women is one (1) to ten (10) or greater (i.e., 1:8, 1:5, etc.), apprentices first shall be laid off until the ratio to journeymen/women is one (1) to ten

(10). Thereafter, apprentices shall be laid off proportionately to maintain such ratio insofar as practical, except that:

(i) A minimum of one (1) apprentice may be retained in each trade so long as at least one (1) journeyman/woman remains employed in that trade, and that

(ii) In the event the layoff is due to unusual circumstances, including, but not confined to: a transfer or discontinuance of an operation, major technological developments, the elimination or consolidation of classifications, the discontinuance of a shift, or a drastic reduction in the level of work resulting in a heavy reduction in the skilled work force; the parties shall mutually agree to an acceptable layoff and recall plan. Such a layoff plan may provide for reducing the ratio below one to ten, or for laying off all apprentices in a particular trade.

(d) If the ratio of apprentices to journeymen/women at the time of the layoff is less than one (1) to ten (10) (i.e., 1:11, 1:15, etc.) journeymen/women and apprentices shall be laid off according to the existing ratio.

(e) Upon an increase in the work force, such ratio, one (1) to ten (10), or the existing ratio which was less than one (1) to ten (10) between apprentices and journeymen/women having seniority, shall be maintained until all journeymen/women having seniority are recalled. Thereafter, apprentices shall be recalled before new journeymen/women in that trade are hired.

(f) No apprentice will commence an apprenticeship in a trade when a journeyman/woman is laid off in the same trade.

12. All apprentices will be in the bargaining unit at the location concerned and subject to article 5 of the Collective Agreement.

13. Each apprentice will supply at his/her own expense the tools necessary for the successful completion of apprenticeship. Arrangements may be made through the company for the purchase, by the apprentice, of certain personal trade tools. These may be paid for outright, or by payroll deductions as requested by the apprentice. On or after October 18, 1993, each apprentice shall receive a \$150.00 allowance for the purchase of tools, books, and supplies after being placed in apprentice training and a like amount at the end of each one thousand (1,000) hour period.

14. Upon satisfactory completion of the requirements called for in the Apprenticeship Plan and on the recommendation of the committee at the location concerned, the apprentice will receive a certificate from the committee stating the trade at which he/she has worked and certifying that he/she has completed his/her apprenticeship. The registration agency will be notified when the

apprentice graduates, in order that the agency's certificate can be issued.

15. Upon completion of his/her apprenticeship, an apprentice shall be given seniority equal to the calendar days subsequent to his/her last hiring date as an apprentice and prior to the date of completion of his/her apprenticeship.

16. Every effort will be made, upon satisfactory completion of apprenticeship, to place the apprentice in work in his/her trade, at the rate of pay for a journeyman/woman on the work he/she is performing. This will, however, depend upon the requirements of the company at that time and upon his/her seniority in his/her trade.

17. In the event an apprentice is laid off prior to the completion of his/her training in a trade as a result of a change in requirements for apprentices or because of the application of the ratio of apprentices to journeymen/women, he/she may, having due regard to his/her seniority, be employed in a classification other than one of the skilled trades classifications on work which he/she is able and willing to do, provided the apprentice was previously employed by the company. For this purpose he/she will be credited with seniority calculated as if all his/her service with the company had been in the bargaining unit at the location concerned. An apprentice who has been so laid off will, whether he/she has been subsequently employed within the bargaining unit or not, be eligible for re-entry into the Apprenticeship Plan when there is an increase in the number of apprentices in his/her trade, provided his/her previous progress had been satisfactory.

18. All apprentices will be registered with the registration agency and the appropriate educational institute in the locality concerned. The company will pay on behalf of apprentices covered by this Apprenticeship Plan, registration fees and or tuition required in connection with related instruction under the Apprenticeship Plan.

19. The schedules of shop training and related training are set out in this appendix.

20. This Apprenticeship Plan may be adopted for the purpose of training apprentices in accordance with the standards set out in the Apprenticeship Plan at any location where the company and the appropriate local agree to do so.

21. Unresolved issues associated with the Ford of Canada - C.A.W. Apprenticeship Plan will be referred to the Ford of Canada - C.A.W. master skilled trades committee for resolution.

AUTOMOBILE MECHANIC

Schedule of Shop Training	
Power Plants - (Engines, Tune-Up, General Repair)	4170 hours
Running Gear - (Chassis, Springs, Differential, Rear Axles)	1120 hours
Transmission Systems and Clutches	740 hours
Control System - (Brakes, Steering)	930 hours
Miscellaneous	464 hours
Total	7424 hours
Schedule of Related Training	
Induction Program	16 hours
Workshop Technology	200 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Hydraulics	40 hours
Total	576 hours

ELECTRICAL

Schedule of Shop Training	
Electrical Construction	2780 hours
Electrical Maintenance	2780 hours
Electrical Repair	934 hours
Power House - Sub Station	930 hours
Total	7424 hours
Schedule of Related Training	
Induction Program	16 hours
Workshop Technology	80 hours
Mathematics	80 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Advanced Electronics	160 hours
Hydraulics	40 hours
Total	576 hours

JOB MOULDER

Schedule of Shop Training

Tool Crib	120 hours
Jobbing Floor	5200 hours
Pattern Shop	740 hours
Foundry Laboratory	410 hours
Foundry Practice	954 hours
Total	7424 hours

Schedule of Related Training

Induction Program	16 hours
Workshop Technology	160 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Metallurgy	80 hours
Total	576 hours

MILLWRIGHT

Schedule of Shop Training

General Maintenance	2500 hours
Dismantling, Moving, Erecting, Layout and Installation of machinery and equipment including electric motors (no wiring)	2500 hours
Structural Layout and Fabrication	1850 hours
Miscellaneous (may include Cable Splicing and Turbine Repair in Power House)	574 hours
Total	7424 hours

Schedule of Related Training

Induction Program	16 hours
Workshop Technology	120 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Hydraulics	40 hours
Heat Treat	40 hours
Characteristics of Metals	40 hours
Total	576 hours

SHEET METAL

Schedule of Shop Training	
General Sheet Metal Work (Forming, Layout)	2780 hours
Fabrication	2780 hours
Installation	1864 hours
Total	7424 hours
Schedule of Related Training	
Induction Program	16 hours
Workshop Technology	160 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Metallurgy	80 hours
Total	576 hours

STEAMFITTER AND PLUMBER

Schedule of Shop Training	
Pipe Fabrication, Installation and Construction	2800 hours
Installation and Maintenance of Piping on hydraulic and pneumatic systems	740 hours
Steamfitting and Pipefitting Maintenance	2960 hours
Plumbing Installation and Maintenance	464 hours
Valve Repair	460 hours
Total	7424 hours
Schedule of Related Training	
Induction Program	16 hours
Workshop Technology	160 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Hydraulics	40 hours
Characteristics of Metals	40 hours
Total	576 hours

TOOL AND DIE

Schedule of Shop Training

Tool Crib	120 hours
Lathe	950 hours
Shapers	440 hours
Drill Press	300 hours
Milling Machines	960 hours
Grinding Machines	960 hours
Jig Boreers	184 hours
Heat Treat	150 hours
Bench Work	3360 hours
Optional may include:	
Keller, Hydrotel, Tool Inspection, Planer,	
Cutter Grinder, Do-All Saw, Vertical	
Shaper, Gear Shaper, Boring Mill	

Total	7424 hours
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Schedule of Related Training

Induction Program	16 hours
Workshop Technology	120 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Applied Mechanics	40 hours
Metallurgy	80 hours
Hydraulics	40 hours
Total	576 hours

WELDER-MAINTENANCE

Schedule of Shop Training

Machinery and Equipment Welding and Burning	2320 hours
Construction and Fabrication Welding and Burning	2320 hours
General and Hi-Pressure Pipe Welding and Burning	1380 hours
Tool and Die Welding and Burning	1104 hours
Soldering, Brazing, Non-ferrous Welding, Spray Welding	300 hours
Total	7424 hours

Schedule of Related Training

Induction Program	16 hours
Workshop Technology	120 hours
Mathematics	120 hours
Blueprint Reading and Engineering Drawing	160 hours
Metallurgy	80 hours
Applied Mechanics	40 hours
Heat Treat	40 hours
Total	576 hours

APPENDIX K
AGREEMENT CONCERNING MATERNITY,
ADOPTION AND PARENTAL LEAVES OF ABSENCE

SECTION 1.0 DEFINITIONS

1.1 "Active Service" - An Employee is in Active Service in any pay period in which they perform some work for the Company.

1.2 "Bargaining Unit" means a unit of employees covered by the Collective Agreement.

1.3 "Base Hourly Rate" as to an Hourly Employee means with respect to a Maternity, Adoption or Parental Allowance benefit, the Employee's straight-time hourly rate plus the amount of cost-of-living allowance in effect on the Employee's last day of work.

1.4 "Base Weekly Salary" as to a Salaried Employee means with respect to a Maternity, Adoption or Parental Allowance benefit, the Employee's weekly salary plus the amount of cost-of-living allowance in effect during the pay period in which the employee last worked.

1.5 "Collective Agreement" means any applicable collective agreement between the Company and the Union which incorporates this Plan by reference.

1.6 "Company" means Ford Motor Company of Canada, Limited.

1.7 "Employment Insurance Benefits" means an employment insurance special benefit as defined in Sec. 12.(3)(a) and Sec. 12.(3)(b) of the Canadian Employment Insurance Act.

1.8 "Seniority" means Seniority status under the Collective Agreement.

1.9 "Union" means National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW-Canada).

1.10 "Weekly Straight-Time Pay" means an amount equal to an Hourly Employee's Base Hourly Rate multiplied by forty (40), or a Salaried Employee's Base Weekly Salary.

SECTION 2.0 MATERNITY LEAVE OF ABSENCE

A Maternity Leave of Absence will be granted, subject to the following:

2.1 The employee started her employment at least thirteen (13) weeks prior to the expected birth date.

2.2 The employee makes formal application for a Maternity Leave of Absence at least two (2) weeks prior to the date the leave

is to begin. Such application must be accompanied by a certificate from a legally qualified medical practitioner stating the expected birth date.

2.3 (a) Section 2.2 will not apply to an employee who stops working because of complications caused by her pregnancy or because of a birth, still-birth, or miscarriage that happens earlier than the employee was expected to give birth.

(b) Employees described in subsection (a) above must, within two weeks of stopping work provide:

(i) written notice of the date the maternity leave began or is to begin; and

(ii) a certificate from a legally qualified medical practitioner that

(a) in the case of an employee who stops working because of complications caused by her pregnancy states the expected due date;

(b) in any other case, states the date of the birth, still-birth, or miscarriage and the date the employee was expected to give birth.

2.4 The leave may begin no earlier than seventeen (17) weeks before the expected birth date provided whenever an employee has a live birth, the leave must begin on the date of the birth. The leave may begin no later than the expected birth date or the date the baby is born, whichever is earlier.

2.5 The maternity leave of an employee who is entitled to take parental leave ends seventeen (17) weeks after the maternity leave began or earlier if the employee provides four (4) weeks written notice.

2.6 The maternity leave of an employee who is not entitled to take parental leave ends on the later of the day that is seventeen weeks after the maternity leave began or the day that is six (6) weeks after the birth, still-birth or miscarriage.

2.7 Employees who are not eligible by reason of service will not be granted maternity leave. Personal leave of absence will be granted to such employees in lieu of maternity leave.

2.8 In the event a designated vacation shutdown period is scheduled during the period of Maternity Leave of Absence, the employee will be deemed to be on vacation and in receipt of his/her vacation pay for which he/she is eligible during such period. The balance of the Maternity Leave of Absence will be served following such designated shutdown period during which the employee was paid vacation pay.

SECTION 3.0

ADOPTION LEAVE OF ABSENCE

An Adoption Leave of Absence will be granted, subject to the following:

3.1 The employee started their employment at least thirteen (13) weeks prior to the coming of the child into the custody, care and control of a parent for the first time and is an adoptive parent (whether or not the adoption has been legally finalized).

3.2 The employee makes formal application for an Adoption Leave of Absence at least two (2) weeks prior to the date the leave is to begin. Such application must be accompanied by evidence of the adoption.

3.3 The leave must begin no later than fifty-two (52) weeks after the child comes into custody, care and control of the employee for the first time.

3.4 The Adoption Leave of Absence will end thirty-seven (37) weeks after it began or on an earlier day if the employee provides four (4) weeks written notice.

3.5 In the event a designated vacation shutdown period is scheduled during the period of Adoption Leave of Absence, the employee will be deemed to be on vacation and in receipt of his/her vacation pay for which he/she is eligible during such period. The balance of the Adoption Leave of Absence will be served following such designated shutdown period during which the employee was paid vacation pay.

3.6 **Employees who are not eligible by reason of service will not be granted Adoption Leave of Absence. Personal Leave of Absence will be granted to such employees in lieu of Adoption Leave of Absence.**

SECTION 4.0

PARENTAL LEAVE OF ABSENCE

A Parental Leave of Absence will be granted, subject to the following:

4.1 The employee has qualified for a Maternity Leave of Absence in the circumstances of a live birth, or an employee, not having given birth to a child, is the parent of a child or is in a relationship of some permanence with a parent of the child and plans on treating the child as his or her own and has thirteen (13) weeks of service prior to the date of the Parental Leave of Absence.

4.2 The employee makes formal application for a Parental Leave of Absence at least two weeks prior to the date the leave is to begin. Such application must be accompanied by the Certificate of Birth of the child where application is made by an employee not entitled to take a Maternity Leave of Absence.

4.3 Parental Leaves of Absence will begin:

(a) in the case of an employee who has taken a Maternity Leave of Absence, immediately following the Maternity Leave of Absence unless the newborn child has not yet come into the custody, care and control of the employee for the first time, or

(b) in the case of the employee who is not entitled to take a Maternity Leave of Absence, no later than fifty-two (52) weeks after the child is born or comes into the custody, care and control of the employee for the first time.

4.4 The Parental Leave of Absence will end thirty-five (35) weeks after it began or on an earlier day if the employee provides four (4) weeks written notice in the case of an employee who has taken a Maternity Leave of Absence, thirty-seven (37) weeks after it began or an earlier day if the employee provides four (4) weeks written notice in the case of the employee who has not taken Maternity Leave of Absence.

4.5 In the event a designated vacation shutdown period is scheduled during the period of Parental Leave of Absence, the employee will be deemed to be on vacation and in receipt of his/her vacation pay for which he/she is eligible during such period. The balance of the Parental Leave of Absence will be served following such designated shutdown period during which the employee was paid vacation pay.

4.6 Employees who are not eligible by reason of service will not be granted Parental Leave of Absence. Personal Leave of Absence will be granted to such employees in lieu of Parental Leave of Absence.

SECTION 5.0 MATERNITY LEAVE ALLOWANCE

5.1 Maternity Leave Allowance is payable only for Maternity Leave of Absences occurring on or after the 6th day of August, 1997.

5.2 A Maternity Leave Allowance is payable only to those employees who have attained Seniority.

5.3 An employee who is in receipt of Employment Insurance Benefits shall be paid up to sixteen (16) weeks [fifteen (15) weeks plus one (1) waiting period] of Maternity Leave Allowance equivalent to an amount that when added to Employment Insurance Benefits will equal 75% of Weekly Straight-Time Pay provided the employee has been in Active Service in the Bargaining Unit within one year of the commencement of their Maternity Leave of Absence. Payment of this allowance will cease after the employee ceases to qualify for Employment Insurance Benefits.

5.4 An employee who is not in receipt of Employment Insurance Benefits for all or a portion of the sixteen (16) weeks of Maternity Leave Allowance due primarily to having either been previously laid off by the Company or on approved Maternity Leave of Absence shall be paid Maternity leave Allowance for up to sixteen (16) weeks at a rate equivalent to an amount that when added to Employment Insurance Benefits will equal 75% of Weekly Straight-Time Pay provided that the employee has been in Active Service in the Bargaining Unit within one year of the commencement of their Maternity Leave of Absence.

5.5 Notwithstanding subsections 5.1 through 5.4 above, if it is determined that an employee would have qualified previously for a pregnancy benefit under Section 11(k) of the Group Life and Disability Insurance Program, the employee shall be paid up to sixteen (16) weeks [fifteen (15) weeks plus one (1) waiting period] of Maternity Leave Allowance equivalent to an amount that when added to Employment Insurance Benefits will equal 75% of Weekly Straight-Time Pay. Payment of this allowance will cease at the point in which payment would have ceased under the Prior Plan.

5.6 The receipt of a Maternity Leave Allowance does not reduce the employee's Accumulated Sick Leave, Vacation Leave, Severance Pay or any other accumulated credits arising from employment.

SECTION 6.0 ADOPTION LEAVE ALLOWANCE

6.1 An Adoption Leave Allowance is payable only to employees who have a child placed with them for the purpose of adoption on or after the 6th day of August, 1997.

6.2 An Adoption Leave Allowance is payable only to those employees who have attained Seniority.

6.3 An employee who is in receipt of Employment Insurance Benefits shall be paid up to thirty-five (35) weeks of Adoption Leave Allowance equivalent to an amount that when added to Employment Insurance Benefits will equal 65% of Weekly Straight-Time Pay provided the employee has been in Active Service in the Bargaining Unit within one (1) year of the commencement of their Adoption Leave of Absence. Payment of this allowance will cease if the employee ceases to qualify for Employment Insurance Benefits.

6.4 An employee who is not in receipt of Employment Insurance Benefits for all or a portion of the thirty-five (35) weeks of Adoption Leave Allowance period due primarily to having either been previously laid off by the Company or on an approved Adoption Leave of Absence shall be paid Adoption Leave Allowance for up to thirty-five (35) weeks at a rate equivalent to an

amount that when added to Employment Insurance Benefits will equal 65% of Weekly Straight-Time Pay provided that the employee has been in Active Service in the Bargaining Unit within one year of the commencement of their Adoption Leave of Absence.

6.5 The receipt of an Adoption Leave Allowance does not reduce the employee's Accumulated Sick Leave, Vacation Leave, Severance Pay or any other accumulated credits arising from employment.

SECTION 7.0 PARENTAL LEAVE ALLOWANCE

7.1 A Parental Leave Allowance is payable only for Parental Leave of Absences commencing on or after the 6th day of August, 1997.

7.2 A Parental Leave Allowance is payable only to those employees who have attained Seniority.

7.3 An employee who is in receipt of Employment Insurance Benefits shall be paid up to thirty-five (35) weeks of Parental Leave Allowance equivalent to an amount that when added to Employment Insurance Benefits will equal 65% of Weekly Straight-Time Pay provided the employee has been in Active Service in the Bargaining Unit within one year of the commencement of their Parental Leave of Absence. Payment of this allowance will cease if the employee ceases to qualify for Employment Insurance Benefits.

7.4 An employee who is not in receipt of Employment Insurance Benefits for all or a portion of the thirty-five (35) weeks of Parental Leave Allowance period due primarily to having either been previously laid off by the Company or on an approved Parental Leave of Absence shall be paid Parental Leave Allowance for up to thirty-five (35) weeks at a rate equivalent to an amount that when added to Employment Insurance Benefits will equal 65% of Weekly Straight-Time Pay provided that the employee has been in Active Service in the Bargaining Unit within one year of the commencement of their Parental Leave of Absence.

7.5 The receipt of a Parental Leave Allowance does not reduce the employee's Accumulated Sick Leave, Vacation Leave, Severance Pay or any other accumulated credits arising from employment.

**MATERNITY, ADOPTION AND PARENTAL
LEAVES OF ABSENCE
LETTER OF UNDERSTANDING**

Maximum Payment for Waiting Period

The parties agree that in the case of where an employee qualifies for a Maternity Leave Allowance and has previously served Employment Insurance waiting periods, a maximum benefit (75% of Weekly Straight-Time Pay) is payable either during or at the end of the Maternity or subsequent Parental Leave of Absence.

Proof of Entitlement

Employees making application for Maternity, Adoption and Parental Leaves of Absence will be required in all cases to provide to the company proof of birth or adoption, satisfactory to the Company.

APPENDIX L
MEMORANDUM OF UNDERSTANDING
VOLUNTARY OVERTIME

Introduction

The parties recognize that the manufacturing operations of the company are highly and completely integrated. An interruption at one stage of the production process, whether during the regular work day, work week, or overtime or other premium hours, can, and probably will, cause costly interruptions of the process at earlier and or later stages. This Memorandum represents an accommodation between the needs of the company and the rights of individual employees to decline overtime work on occasion for a variety of individual and personal reasons.

The parties have earnestly sought during negotiations, feasible steps that the company might take in scheduling overtime work to provide employees an opportunity to accept or decline work opportunities during such periods, and have reached the following understanding which shall constitute an Appendix to the Collective Agreement between the parties.

1. *Daily Overtime.* Hours in excess of eight (8) hours worked per shift shall be voluntary, except as otherwise provided in Paragraph 3.

2. *Weekly Overtime.* In all plants, hours in excess of forty-eight (48) hours worked in each work week shall be voluntary.

3. *Daily Overtime.* Car and Truck Assembly Plants. Notwithstanding Paragraphs 1 and 2 above, in car and truck assembly plants, daily hours in excess of ten (10) hours worked per shift Monday through Thursday and hours in excess of eight (8) hours per shift on Friday shall be voluntary, except as otherwise provided in this Memorandum of Understanding.

4. *Overtime Schedules.* Management will discuss, upon request by the union, its overtime schedules.

5. *Concerted Activity.* Any right to decline overtime or Saturday or Sunday work that this Memorandum of Understanding confers on any employee may be exercised only by each employee acting separately and individually, without collusion, conspiracy or agreement with, or the influence of, any other employee or employees or the union or pursuant to any other concerted action or decision. No employee shall seek by any means to cause or influence any other employee to decline to work overtime. Violation by any employee of the terms, purpose or intent of this Paragraph shall subject him/her to discipline. However, the fact that a few employees have arranged in the course of ordinary social relationship, to attend, for example, a

sporting event or wedding shall not in and of itself be considered evidence of concerted activity. If employees who are scheduled to work daily overtime in a plant or department or on Saturday or Sunday fail or refuse to work as scheduled in significantly greater numbers than the company's experience under this Memorandum can reasonably lead it to expect, such evidence should be carefully considered by the sole umpire in any decision involving the question of whether their failing or refusing to work the scheduled hours was collusive, concerted or influenced by other persons.

6. *Legislation.* If existing legislation with respect to overtime now applicable to plants of the company is modified by statute, this Memorandum shall be renegotiated by the parties.

7. *Existing Agreements.* Nothing in this Memorandum shall make ineffective any local past practice or agreement concerning voluntary overtime, and any such practice or agreement shall continue without change unless mutually agreed to the contrary.

8. *Emergencies.* The provisions of this Memorandum of Understanding that limit or restrict the right of the company to require employees to work daily overtime or Saturdays or Sundays shall be suspended in any plant whose operations are interrupted by emergency situations, such as single breakdowns of four hours or more, government mandated work, power shortages, strike, fire, tornado, flood or acts of God, for a period of time necessary to overcome such emergencies.

9. *SUB.* Daily overtime hours or Saturday or Sunday work that an employee declines under the terms of this Memorandum of Understanding shall be deemed "Compensated or Available Hours" within the meaning of the Supplemental Unemployment Benefit Plan.

10. *Continuous 7-day Operations.* This Memorandum of Understanding shall not apply to employees working on what are normally classified as continuous seven (7) day operations. The national union may bring to the attention of the company any overtime problems connected with employees on such operations.

APPENDIX M
RULES FOR SELECTION AND CHARGING
OF EMPLOYEES FOR OVERTIME AND
EXTRA TIME

Subject to the provisions governing the rights of stewards, committeepersons and chairpersons to be continued at work, employees shall be selected for overtime and extra time work as follows:

1. (a) The employees required shall be selected from the group of employees in the same department and on the same shift normally performing the work to be done. At Oakville a utilityperson shall be included with a group of employees in relation to which he/she performs a utility function. At Oakville, a leader shall be included with a group of employees employed in one of the trades listed in appendix 'H' which he/she directs as a leader. As far as reasonably possible, selection shall be made on the basis of the number of hours charged against the overtime and extra time records of each of these employees, commencing with the employee who has the least number of hours charged against his/her record.

(b) Except in the case of employees employed in the operations scheduled as continuous seven (7) day operations as listed in appendix 'I', if the overtime or extra time to be worked is in excess of the amount which can be handled by employees who are entitled under paragraph (a), then at Windsor and Oakville additional employees shall be selected from the same department on the same shift, and

(i) if the overtime or extra time will occur on Saturday or Sunday, then at Windsor, if additional employees are still required, then additional employees shall be required to be selected from employees normally performing the work to be done in the same department on other shifts, and

(ii) if the employees concerned are employed in a trade listed in appendix 'F' or 'H', then additional employees shall first be selected from employees in the same trade in the same department on the same shift and if additional employees are still required, then additional employees shall be required to be selected from employees normally performing the work to be done in the same department on other shifts. In selecting employees hereunder the principle of equitable distribution of overtime and extra time shall be applied.

(iii) if the employees concerned are employed in a trade listed in appendix 'H', available tradespersons from the same trade, on the same shift in another department in the plant will be selected. If additional employees are still required, available tradespersons from the same trade on other shifts in another department in the plant will be selected.

(iv) if the employees concerned are employed in a trade listed in appendix 'H', available tradespersons from the same trade on the same shift in another plant at the same location will be selected, and, if additional employees are still required, then employees from the same trade on the other shifts in another plant at the same location will be selected before employees who are not employed in the trade concerned.

2. (a) Those employees whose turn it is to work on a particular occasion shall be selected for overtime or extra time work required. Those selected who are at work shall be notified that they are required to report for overtime or extra time work. If no employees are at work those whose turn it is to work will be notified of the work requirement as far as it is reasonably possible to do so.

(b) If the total number of employees required is not obtained by the procedure set out in paragraph 2(a) then additional employees shall be selected as provided in paragraph 1(b).

(c) If a sufficient working force is not obtained by the process of selection described in paragraphs 2(a) and 2(b), the company may offer the opportunity to work overtime or extra time to any employee and no charge shall be made to the overtime and extra time record of such employee.

3. (a) An annual record shall be maintained for each group of employees who are entitled to share overtime and extra time.

(b) If an employee is selected under paragraph 2(a):

(i) overtime for which time and one-half regular hourly wage rates are paid shall be charged against this record as one and one-half times the number of hours actually worked;

(ii) overtime for which double regular hourly wage rates are paid shall be charged against the overtime and extra time records as double the number of hours actually worked;

(iii) extra time (for which regular hourly wage rates are paid) shall be charged on the basis of the number of hours actually worked.

(c) If an employee selected to work overtime or extra time under paragraphs 2(a) or 2(b) fails to work the overtime or extra time for any reason, his/her overtime and extra time record shall be charged with the number of hours that would have been charged if the employee had worked. This shall apply even if the

employee was not notified that he/she was selected to work in accordance with the prescribed selection procedure due to the absence from work of the employee except for absence on vacation, when no charge shall be made.

(d) The company will post a revised overtime and extra time list as required for the information of employees but not more often than once per week.

(e) It is agreed that seniority is not a factor in the selection of employees to work overtime, but the company will nevertheless list employees having the same number of hours charged against their overtime records in order of seniority when the listing of each group of employees who normally perform similar work is revised.

4. (a) Whenever an employee becomes entitled to share overtime and extra time with a new group of employees, his/her old overtime and extra time record, if any, shall be cancelled. A record shall then be started for the employee which shall be charged with a number of hours equal to the average number of hours charged against the overtime and extra time records of employees in the new group with which he/she is entitled to share overtime and extra time.

(b) "Average number of hours" for the purpose of the preceding paragraph shall be calculated not less frequently than weekly.

5. Whenever the company makes a change in an existing grouping of employees or establishes a new grouping of employees for the purpose of maintaining the record of overtime and extra time charged to employees, the steward and committeeperson concerned shall be notified and if requested the company shall discuss such groupings with the steward and committeeperson concerned and if desired by the union the matter may be the subject of further discussions between the local negotiating committee and the human resources manager concerned.

APPENDIX N
ASSIGNMENT AND AUTHORIZATION
FOR DEDUCTION OF UNION DUES

To my employer:

Date:

Plant

Address

_____, Ontario

I hereby assign to Local_____, C.A.W. from any Regular Supplemental Unemployment Benefits to be paid to me, in accordance with the provisions of any Collective Agreement in force from time to time between the Ford Motor Company of Canada, Limited (hereinafter called the "company") and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) (hereinafter called the "national union") the monthly dues and other assessments and dues authorized by the constitution of the national union. I authorize and direct the trustee of the Ford of Canada CAW Supplemental Unemployment Benefit Plan Fund to deduct such amounts from any Regular Supplemental Unemployment Benefits payable to me during each calendar month in accordance with such arrangements as may be agreed to between the company and the national union, and to remit the same to Local_____, C.A.W.

I may revoke this assignment as of any anniversary date hereof by written notice, signed by me, of such revocation received by the company at the above address by registered mail, return receipt requested, not more than twenty (20) days and not less than ten (10) days before any such anniversary dates.

Signed _____

Social Insurance Number _____

Street & No. _____

City _____ Province _____

APPENDIX O
HARASSMENT/DISCRIMINATION
INTERNAL COMPLAINT RESOLUTION
PROCEDURE ("The Procedure")

During the current negotiations, the parties discussed Human Rights issues in the workplace. The parties have committed to implementing the Procedure for the benefit of all Ford Motor Company of Canada, Limited employees. In addition, the parties agreed to outline the Procedure within the context of this Appendix.

Ford Motor Company of Canada, Limited and the National Union CAW are committed to providing a harassment and discrimination free workplace. Providing fair and equitable treatment for all employees is best achieved in an environment where all individuals interact with mutual respect for each others' rights, dignity, and worth.

Workplace Harassment/Discrimination Policy

Every employee has the right to work in an environment free of discrimination and harassment. This right includes the responsibility on the part of all employees to eliminate harassment and discrimination in our workplace, whether by employees, suppliers, contractors, or other non-employees at the workplace. The policy and procedure set out below will act as a guide to employees in adhering to legal requirements and social guidelines regarding the recognition and prevention of harassment and discrimination.

This policy exists to underline the seriousness of workplace harassment and discrimination and to establish that there is no acceptable level of harassment or discrimination at Ford of Canada. Harassment, discrimination, or solicitation, whether verbal, physical, or environmental is unacceptable, and will not be tolerated. Employees who feel that they are being harassed, solicited, or discriminated against are encouraged to seek protection under this policy.

Definitions

For the purposes of this Appendix, Employee includes any person within any bargaining unit recognized in the Collective Agreement.

The Workplace is defined as any company facility and includes areas such as offices, shop floors, restrooms, cafeterias, lockers, conference rooms, and parking lots. In addition, it also includes all non-company locations or facilities that are attended by Employees in the course of their employment.

Discrimination is defined as unequal treatment of an individual based on one of the following grounds rather than individual merit: race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, family status, or disability, or other grounds prohibited by applicable human rights laws.

Discrimination may be direct when it takes the form of explicit discrimination by a person acting on his or her own behalf or it can be systemic when it is of any type (direct, indirect, or constructive) when it pervades an employment system within the Workplace.

Harassment is defined as a "course of vexatious comment or conduct that is known or ought reasonably be known to be unwelcome", that denies individual dignity and respect on the basis of any of the following grounds: race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, family status, disability, or other grounds prohibited by applicable human rights laws.

Harassment includes, but is not limited to, the following examples of comment or conduct that are based on a prohibited ground:

- Unwelcome remarks, jokes, innuendoes or taunting about another's body, attire, gender, disability, **religious practices**, racial or ethnic background, sexual orientation, **partnership status**, etc.
- Refusing to work or share facilities with another employee because of the other's gender, disability, sexual orientation, racial, religious or ethnic background, etc.
- **Defacing religious articles or icons.**
- Backlash or retaliation for the lodging of a complaint or participation in an investigation.

Sexual harassment, as a specific form of harassment, is defined as unwelcome or unwanted conduct of a physical or verbal sexual nature, and this conduct substantially interferes with an individual's employment or creates an intimidating, hostile, or offensive work environment.

Sexual harassment includes but is not limited to:

- Displaying visuals of a sexual or otherwise sexually suggestive nature such as pornographic pictures, posters, cartoons or simulation of body parts.
- Leering (suggestive staring) or other gestures.
- Verbal commentary of a sexual nature, obscene comments, or insults about the individual.
- Unnecessary physical contact such as touching, patting, pinching, or assault.

Sexual solicitation is defined as an advance made by a person in a position to confer, grant, or deny a benefit or advancement to the person being solicited where the person making the solicitation knows or ought to know that it is unwelcome, or where there is a reprisal or a threat of reprisal for the rejection of the solicitation by a person in a position to confer, grant, or deny a benefit or advancement.

The use of social media communication such as email, texting, web-based discussion forums both within and outside of the workplace to convey vexatious or discriminatory comments about another worker to diminish his/her potential for respectful workplace for those workers can be applied as sufficient grounds for investigation of complaint.

Supervisory Responsibilities and Frivolous Complaints

Properly discharged supervisory responsibilities, including disciplinary action or conduct that does not interfere with a climate of understanding and respect for the dignity and worth of Ford of Canada employees, are not harassment or discrimination.

The pursuit of frivolous allegations through this procedure could have a detrimental effect on the spirit and intent for which this policy was rightfully developed and such allegations will be discouraged.

Filing a Complaint

If an employee believes that he/she has been harassed, solicited, and/or discriminated against as defined in this policy, that employee (hereinafter called the Complainant) should:

- tell the alleged harasser(s)/solicitor(s)/discriminator(s) (hereinafter called the Respondent(s)) to stop, if possible;
- document the event(s), complete with the time, date, location, names of witnesses and details of each event, if possible.

If the Complainant does not feel able to approach the Respondent(s) directly, or, if after being told to stop, the Respondent(s) continues, the Complainant should:

- lodge a complaint either directly or through a person on his/her behalf with any company or union representative, including any employment equity or Human Resources representative.

Investigation

In minor cases, the company and union agree that the union may try to resolve a harassment or discrimination complaint informally using the CAW Internal Procedure without a full investigation when so requested by the Complainant. The outcome of this attempted resolution will be communicated to the company employment equity representative. If the Complainant disagrees with the attempted resolution, or if the complaint involves more than minor issues, there will be a joint investigation of the complaint according to established methods. Once informed of a complaint requiring joint investigation, the representative will immediately inform his/her counterpart and together these two will conduct a thorough joint investigation according to established methods. Where the Complainant is a woman and the complaint involves sexual harassment, sexual solicitation, or gender discrimination, the joint investigation team will include at least one woman.

The joint investigation will include an interview of the Complainant and may include interviewing the Respondent(s), witnesses and other persons named in the complaint. If any CAW member who is to be interviewed, so wishes, he/she may have union representation present during the interview. It is the intention of the union and the company that, in most cases, the investigation will take place within five (5) days and shall be concluded within fourteen (14) days after lodging a complaint.

The Company and the Union recognize the importance of maintaining confidentiality with respect to Appendix "O" complaints. The parties will select the interview time and location having consideration for the need to maintain confidentiality. The identity of the Complainant, the Respondent(s), and the nature of the complaint will be kept confidential and only persons with a need to know will be informed of the complaint. Records of the investigation, including interviews, evidence and recommendations will be securely maintained in the offices of the company employment equity representative and the local union president or designate.

Resolution

Upon completion of their investigation, the joint investigators will meet with and present their recommendations for resolution to the company's local Decision Review Committee (the "Committee"). The Committee will be comprised of two senior managers appointed by the plant manager. These appointees will have been appropriately trained regarding harassment and discrimination issues.

The Committee will review the investigation report and the recommendations for resolution. While in most cases this material will form the basis for the committee's decision, the Committee is

not precluded from contacting other sources, including separately interviewing the Complainant and the Respondent(s) if necessary, in order to render a proper disposition. If any CAW member who is to be interviewed, so wishes, he/she may have union representation present at the interview. In addition, the Committee may review the potential disposition with the Complainant in an effort to ensure that the resolution appropriately addresses his/her concerns. The Committee will conduct its interviews and deliberations in the same confidential manner as is required of the joint investigation team, and all Committee records will be securely maintained in the offices of the Committee members.

The union and the company agree that in most cases, the Committee's decision will be rendered within twenty-one (21) days of the presentation of the investigators' recommendations. The Committee will render its decision in writing and will provide copies to the Complainant, the Respondent(s), and the designated union representative.

If the Complainant is not satisfied with the disposition of the Committee, he/she may appeal the decision to the company's National Review Board (the "Board"). If the Respondent(s) is not satisfied with the decision, he/she may appeal to the Board or file a grievance pursuant to the Collective Agreement. The Board will consist of the following individuals: the company's human resources manager, a member of the central labour affairs staff, and a member of the company's legal department.

Appeals will be heard by the Board within twenty-one (21) days of their filing. The hearings shall be held in as informal a manner as is reasonably possible.

The Board will establish basic written rules for the conduct of appeals and will make such rules available to the parties prior to the start of each appeal.

The Board shall allow the parties a fair opportunity to present their evidence and positions including what they believe would be a fair and reasonable disposition of the complaint under appeal. The Board will conduct its interviews and deliberations in the same confidential manner as is required of the joint investigation team, and all Board records will be securely maintained. If any CAW member who is to be interviewed, so wishes, he/she may have union representation present at the Appeal. The Board shall provide the parties to the Appeal with a written decision within fourteen (14) days of the conclusion of the Appeal.

It is the intention of the union and the company that, in most cases, the entire time frame between the initial lodging of the complaint and the rendering of the appeal decision of the Board should take no longer than ninety (90) days. It is understood that

the Procedure is intended to be a "user-friendly" method to resolve complaints of harassment or discrimination at company facilities.

The pursuit of frivolous allegations through the Procedure could have a detrimental effect on the spirit and intent for which this policy was rightfully developed and such allegations should be discouraged by the union and the company.

Right to Refuse

A bargaining unit employee alleging harassment or discrimination in the workplace is encouraged to use the above procedure to resolve a complaint. However, it is agreed, in principle, that in serious cases of harassment or discrimination, or when the safety of an employee is being threatened directly or indirectly by the Respondent(s), it may be necessary for that employee to leave the job. Before any employee takes such action, the parties agree that details with respect to the procedure regarding the ability of employees to leave their jobs as outlined above will be developed by the Master Employment Equity Committee and will be implemented as part of the Procedure no later than June 30, 2003.

The purpose of this Policy and Procedure is to allow the CAW and Ford of Canada the opportunity to address and resolve internal problems related to the objective of achieving a harassment and discrimination free workplace. This Policy and Procedure in no way precludes the Complainant's right to seek action under the applicable Human Rights legislation.

The parties also agree to communicate this information about the Procedure to the workforce prior to June 30, 2003 through local union newsletters, bulletin board notices and company publications or any other mutually agreed upon method of communication.

Recommended Investigation Guidelines are outlined below for the use of the investigators.

INVESTIGATION GUIDELINES

Complaint

Every effort should be made to have the Complainant submit a written complaint.

This request should be submitted in a supportive, rather than an intimidating manner.

A written complaint enables the Respondent(s) and the investigators to deal with a clear and concise description of allegations. Therefore, if the Complainant does not file a written complaint, the

investigator(s) will draft a written form of complaint which the Complainant will have an opportunity to review and consent to.

Prior to the Investigation

Before commencing an investigation, the investigators should consider and recommend to company management how to address the interim situation during the investigation. Consideration may be given to whether the Complainant and/or the Respondent(s) be moved to a new assignment or sent home.

The Respondent(s) should be advised of the existence of the complaint at the beginning of the investigative procedure. The investigators must determine the extent of the details provided based on each specific case. In some cases, it would be appropriate to put all the allegations to the Respondent(s) immediately and hear his or her response. In other cases, the investigators may wish to interview others first and establish some factual context for the interview with the Respondent(s), in which case the Respondent(s) may be informed of the existence of the complaint and its general nature and told he or she will be provided with details and interviewed later.

Interviews

To ensure an effective investigation and accurate documentation of the investigation:

- a) the Complainant, the Respondent(s), and the pertinent witnesses for both the Complainant and the Respondent(s) will be interviewed;
- b) the interview timing and location will recognize the need to conduct the investigation in a confidential manner;
- c) the investigators will prepare detailed and accurate notes of each interview;
- d) in some cases, if permitted by the interviewee, the interview will be tape-recorded;
- e) in serious cases, the investigators may wish to have a transcriber prepare a verbatim record;
- f) the investigators will prepare a summary of each interview and ask the interviewee to review, date, and sign the summary;
- g) an interviewee may request and obtain any record, written or tape-recorded, of his or her own interview, but not that of other interviewees.

After the Interviews

The Complainant and the Respondent(s) will not be provided with copies of the interview summaries prepared by the investigators, other than their own interview records.

However, the Complainant and the Respondent(s) will be provided with the names of witnesses, if these are required to enable them to respond. They do not have the right to confront witnesses or to cross-examine them.

Investigators' Report

The investigators will meet with the Decision Review Committee to present their written findings. This document serves as a record of the basis of the Company's decision. It should include: the allegations and defense, the evidence obtained, an analysis of the evidence for its relevance and credibility, the findings as to whether the allegations of discrimination, harassment, sexual harassment, or sexual solicitation are, or are not, proven on the balance of probabilities (i.e., more likely than not), and any factors which may affect disciplinary action.

APPENDIX P (ST. THOMAS)

-- Not in Use --

APPENDIX Q

MEMORANDUM OF UNDERSTANDING

EMPLOYMENT EQUITY

During current negotiations, the parties reaffirmed the policy of the company and the CAW as outlined in article 7 of the Collective Agreement, that the provisions of the agreement be applied without discrimination to all employees covered by the agreement with regard to race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, family status, or handicap.

The company reaffirmed its policy to extend opportunities to all qualified applicants and employees on a non-discriminatory basis for employment and advancement within the company. While recognizing that it is the right of management to hire, assign, and promote qualified candidates subject to the terms and conditions of the Collective Agreement, the parties agree to undertake certain joint activities to further implement these non-discriminatory policies following ratification of this Agreement.

Local Committees:

A Local Employment Equity Committee will be established at each plant location. The two (2) members of each local Employment Equity Committee shall be selected by the CAW president from within the existing representation structure. The local president will also act as an ex-officio member of the committee. If there are no women in the existing representation structure, the CAW president shall select one committee member from among the women actively employed in the bargaining unit at the location. A woman selected by the CAW president for this purpose will be permitted to leave work when required during straight-time hours to function as a committee member and will be paid by the company at her regular straight-time rate up to the number of hours listed in the following schedule:

<i>Plant</i>	<i>Number of Employment Equity Committee Members</i>	<i>Maximum Number of Straight-Time Hours Each Week Paid When Excused from Regular Work Assignment</i>
Windsor Operations	1	40 (full-time)
Oakville Assembly Complex	1	40 (full-time)

At the National Parts Distribution Centre, the union may appoint and the company shall recognize one representative who will be permitted to function full-time. His/her primary responsibility will be to function as a benefits representative as provided for in article 28. In addition, he/she will also carry out the duties and responsibilities contemplated by this Memorandum.

A comparable number of management representatives will be appointed to each Local Committee.

It is recognized that Local Committees will require ongoing assistance and direction. Accordingly, a Master Employment Equity Committee consisting of two national union representatives, the CAW/Ford Master Negotiating Committee Chairperson, the National Employment Equity Coordinator and four company representatives has been established. The master committee will meet quarterly to review local committee activity.

The local committee shall:

(a) Devote attention to the designated groups as follows:

(b) Play a role in the development and implementation of the joint employment equity plan. This role could include information gathering, barrier identification, the development of goals and timetables, and other elements of the plan that require local input.

(c) Develop a communication strategy to educate employees and raise awareness through events such as the White Ribbon Campaign and Human Rights Day.

(d) Conduct harassment complaint investigations as outlined in the workplace harassment policy and procedure.

(e) Attend the annual five-day meeting designed to update committee members on the latest developments and strategies in the field. In addition, a refresher session on investigator training and an AIDS awareness module will be conducted at one of the annual meetings during the term of the Collective Agreement. The company will be responsible for wages, transportation, and lodging expenses. The union will be responsible for per diem expenses. Travel time if required, is to be included in the five day period.

Members of the local committees may:

(a) Participate in community and/or school career awareness programs designed to inform people about potential employment opportunities at Ford Motor Company of Canada, Limited.

(b) Establish and maintain working relationships with local designated group organizations.

(c) Develop informational communiqués to encourage designated group members to apply for technical and skilled positions.

(d) Identify the type(s) of technical jobs which would require training. Make recommendations to the local parties after considering the availability of community resources.

(e) Consult with the Master Employment Equity Committee and the local apprentice committee to develop and implement a pre-apprenticeship training program for designated group members.

Section (1) - Communication of Diversity and Workplace Harassment Policy and Procedure

The Master Employment Equity Committee will develop a Diversity in the Workplace handbook, including, but not limited to topics such as, diversity awareness, harassment, employment equity and Appendix O. Further, media coverage of the policy and procedure will be incorporated in the equity plan communication strategy.

Section (2) - Union Leadership Harassment Training

The company agrees to deliver the three-day harassment and human rights program for newly-elected and appointed union representatives who have not already attended this training. The timing, location(s), and trainers will be determined by the Master Employment Equity Committee. Travel time, if required, is to be included in the three-day period.

The Master Employment Equity Committee will update the one-day Employment Equity Program for the individuals detailed above.

Section (3) - Violence Against Women

The parties recognize that women sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. The parties agree that when there is adequate verification from a recognized professional (i.e., doctor, lawyer, professional counselor), a woman who is in an abusive or violent personal situation will not be subjected to discipline without giving full consideration to the facts in the case of each individual and the circumstances surrounding the incident otherwise supportive of discipline. This statement of intent is subject to a standard of good faith on the part of the company, the union, and affected employees, and will not be utilized by the union or employees to subvert the application of otherwise appropriate disciplinary measures.

Section (4) - White Ribbon Campaign

In recognition of the problem of violence against women, local employment equity committees will organize a White Ribbon Campaign at each location. Employees will be asked to wear a white ribbon on December 6th in remembrance of women who died from acts of violence and to raise awareness of the issue of violence against women. In addition, where feasible, operations will cease in order to observe a minute of silence each year on December 6 at 11:00 a.m. Should December 6 fall on a non-production day, the moment of silence will be observed on a day mutually agreed upon by the local union and plant management.

Flags will be flown at half-staff to mark this occasion.

Section (5) - Women's Advocate

The parties recognize that female employees may sometimes need to discuss with another woman matters such as violence or abuse at home or workplace harassment. They may also need to find out about specialized resources in the community such as counselors or women's shelters to assist them in dealing with these and other issues.

For this reason the parties agree to recognize that the role of women's advocate in the workplace will be served by the CAW female member of the Local Union Employment Equity Committees, in addition to her other duties relating to employment equity. The trained female Employment Equity Representative will meet with female members as required, discuss problems with them, and refer them to the appropriate community agency when necessary.

The company agrees to establish a confidential phone line that female employees can use to contact the female Employment Equity Representatives. As well, the company will provide access to a private office so that confidentiality can be maintained when a female employee is meeting with a female Employment Equity Representative.

The Local Employment Equity Committees will develop appropriate communications to inform female employees about the advocacy role that the female Employment Equity Committee members play.

The Women's Advocates will participate in an annual three day training program including travel time. The company will be responsible for wages, transportation, and lodging expenses. The union will be responsible for per diem expenses.

Section (6) - Employment Equity Program

The company and the union reaffirmed their commitment to Employment Equity.

While the parties recognize that there is increasing representation of the four designated groups within the hourly workforce, the company and the union agreed that they must increase special efforts aimed at achieving a representative number of women, visible minorities, persons with disabilities, and aboriginal persons throughout the workforce of Ford of Canada.

The parties agreed that a diverse workforce is beneficial and desirable, and that their proactive efforts on employment equity are fundamental to the company. The parties are committed to jointly develop an Employment Equity Plan on behalf of CAW bargaining units at Ford of Canada by year end 1998. This plan will include the following:

- an up-to-date census
- a workforce analysis and review of employment systems
- the identification of systemic barriers to the designated groups
- a review of current recruitment, promotion, and training practices
- goals and timetables for hiring the designated groups
- goals and timetables for reducing or eliminating systemic barriers to the designated groups
- accommodation for people with disabilities
- a clear and ongoing commitment to a workplace free of harassment
- identification of positive measures such as work and family measures, skills updating, pre-apprenticeship training, etc. that could help retain and advance the designated groups in the Ford workforce
- an annual review procedure to monitor the progress of the program.

The company has developed an Employment Equity Plan for the Federal Contractors Program. Elements of this Plan may form the basis for the new joint Employment Equity Plan when the parties are in agreement.

APPENDIX R
(Under Separate Cover)

APPENDIX S
RULES OF PROCEDURE GOVERNING
APPEALS TO WORK STANDARDS ARBITRATOR

1. It is the intention that appeals shall normally be heard in the order of date of appeal to the work standards arbitrator. However, where the union and the company are agreed that it is desirable that a particular appeal should be expedited and heard ahead of its turn, or that a particular appeal should be deferred, then the particular appeal shall be heard out of turn accordingly.

2. The work standards arbitrator shall start to hear the appeal within 30 days of the date upon which he/she receives notice of his/her appointment, unless otherwise arranged.

APPENDIX T
JOB SECURITY AND WORK OWNERSHIP

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

As you are aware, during the **2012** negotiations, the parties renegotiated the Job Security and Work Ownership provisions of the Collective Agreement (Appendix T). As we discussed, certain elements of our business plan documented in Appendix T are considered to be confidential, and consequently, we agreed not to publish the document in its entirety in the Collective Agreement.

Certain elements of the understanding do not contain confidential information and may be required by the parties when dealing with related issues.

Attached to this letter is an abridged version of Appendix T which excludes the confidential information. This letter and the attachment will be published in the Collective Agreement booklet for reference by the parties

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

APPENDIX T

JOB SECURITY AND WORK OWNERSHIP

Over the years the company and the union have regularly addressed worker concerns over income and job security. Recognizing that employment levels will fluctuate with changes in the marketplace, the parties have negotiated programs to provide workers and their families with a measure of income security unparalleled in Canadian industry. Further, recognizing that longer-term employment levels will be affected by in-plant changes in technology and the in-plant organization of work, the parties have negotiated programs to encourage attrition and thereby prevent or limit potential layoffs.

During the 1990 negotiations, a milestone agreement on Job and Income Protection Program was reached by the company and the CAW which was intended to limit and prevent layoffs. The Agreement established a workable procedure to deal with the extensive structural change occurring in the industry at that time, and which clearly has continued to date.

In 2012 the company and the union focused on the challenges that a fiercely competitive global marketplace present and the impact of reduced market share and overcapacity on individual workers, their families, and the communities in which we operate.

Of critical importance to the union during these negotiations was the concept of "work ownership", defined as protection against the outsourcing of work which has been performed on a historical basis in a quality and efficient manner at reasonable cost. From a CAW perspective, work ownership was described as a principle intended to be consistent with on-going changes in the workplace. The company indicated that changes in technology and organization of work would continue to be required to assure Ford can be competitive and retain its position as one of the industry leaders in Canada.

In addition, the parties discussed concerns about the impact various forms of corporate restructuring, e.g., business units or joint ventures, might have on employees. The company confirmed that although various alternatives have been reviewed, there presently are no plans for change in business structure of CAW-represented operations. Further, the company agreed that any such change that is decided on and implemented during the life of this Collective Agreement would be accomplished in a manner consistent with the work ownership and community employment levels provisions of this agreement.

In keeping with the work ownership concept, the company advised the union that it will not outsource any major operations during the life of the Agreement unless otherwise agreed to by the

parties. In addition, the company commits there will be no reduction in community¹ employment levels as a result of outsourcing during the term of this Agreement.

Plans for each of the four communities were reviewed by the company with the union.

SKILLED TRADES

During **2012** negotiations, the company and the union again focused on the impact of contracting decisions and their impact on individual workers, their families and their communities. The company and the union have regularly addressed skilled trades concerns over income and job security.

Recognizing that employment levels will fluctuate with changes in the marketplace, the parties have negotiated language to provide workers and their families with a measure of income security unparalleled in Canadian history. Further, recognizing that longer term employment levels will be affected by in-plant changes in technology and in-plant organization of work, the parties re-negotiated the Job Security and Work Ownership agreement during this set of negotiations.

Within this context, the company reconfirms the understandings reached during these negotiations regarding skilled trades concerns over work ownership.

Primary among these understandings is the company's commitment that there will be no reduction of skilled trades employees as a result of outside contracting throughout the life of this agreement.

More specifically:

1. Planning

Plant management shall meet semi-annually to review with CAW skilled trades representatives projected work loads regarding the installation, construction, maintenance, repair, service, and warranty work of existing or new equipment, facilities, and the fabrication of tools, dies, jigs, patterns, and fixtures.

2. Information

Advance notice of outside contract activities will be provided, in situations other than emergencies, at least ten days in advance to permit meaningful discussion and a careful analysis of the company's workforce capabilities in connection with the subject work. This written notice will provide the union with all available information on the nature of the work, including plans and the number of trades persons required to perform the work.

3. Layoff - Recall

When skilled trades employees are on layoff in a classification, the nature of which they customarily perform, and consideration is being given to outside contracting said work, Ford skilled trades employees will be given first priority for the work, before letting the contract provided they can perform the available work.

4. Full Utilization

It is the policy of the company to fully utilize its own employees in maintenance skilled trades classifications in the performance of maintenance and construction work. Consistent with local scheduling practices, when such work is required to be performed, skilled trades employees will be given first priority to do such work provided they are capable of performing such work.

This language supersedes other sections of the Collective Agreement that would be in conflict with this agreement. The parties agree this commitment should serve to alleviate the real sense of insecurity prevalent among workers in today's business setting. With this new sense of security, the parties believe skilled tradespersons may apply themselves to pursuits that are in the best interest of themselves, the company, the union, and their communities.¹

¹ For the purposes of this Agreement, (1) the Windsor area -- referring to the Windsor Engine Plant (TMEP) and Essex Engine Plant; (2) the Oakville Assembly Complex; and (3) Bramalea Parts Distribution Centre will be treated as separate "communities".

APPENDIX U

SPECIAL CONTINGENCY FUND

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During the **2012** negotiations the Company and the Union agreed that:

1. A Special Contingency Fund will be continued during the term of this Collective Agreement.
2. Such Special Contingency Fund will equal an accrual by the Company of \$2.60 per overtime hour worked by all covered Employees in excess of 5% of straight time hours worked by such covered Employees for all pay periods commencing after the effective date of this Agreement.
3. During this Collective Agreement, the Special Contingency Fund will be utilized only in support of the following plans and programs:
 - (i) the Legal Services Plan,
 - (ii) Child Care programs,
 - (iii) the C.A.W. Leadership Training Program (P.E.L.),
 - (iv) research leadership and development,
 - (v) Training Review Committee,
 - (vi) The Social Justice Fund,
 - (vii) The Retiree Fund,
 - (viii) The Skilled Trades Fund
 - (ix) The Dependent Children Scholarship Program,

At any point in time the Special Contingency Fund Balance shall be equal to the cumulative accrual calculated in section 2 above, less the cumulative utilization calculated in this section 3.

The cumulative accrual and utilization shall include balances carried forward from prior Agreements.

4. Funding for the above mentioned plans and programs will be determined as follows:
 - (i) funding for the Legal Services Plan in the amount of \$0.14 per hour worked,
 - (ii) funding for the C.A.W. Leadership Training Program (P.E.L.) will be provided in the amount of \$0.07 per hour worked,
 - (iii) funding for research, leadership and development activities of the Union will be provided in the amount of \$0.05 per hour worked,
 - (iv) funding for programs and activities of the Training Review Committee will be provided pursuant to the letter between the parties,
 - (v) funding for the Social Justice Fund in the amount of \$0.06 per hour worked,
 - (vi) funding for the Retirees Fund in the amount of \$0.03 per hour worked,
 - (vii) funding for the Skilled Trades Fund in the amount of \$0.05 per hour worked,
 - (viii) funding for the Dependent Children Scholarship Program,
 - (ix) funding for the Child Care program in the amount of \$0.07 per hour worked.
5. The parties agree that in the event that the Special Contingency Fund balance is insufficient to provide funding for the above mentioned plans and programs as required in paragraph 5, the amount of required funding in excess of the Special Contingency Fund balance will be recovered as an offset against future Special Contingency Fund accruals.
6. As of the end of this Collective Agreement period, the parties would negotiate the usage of any balance then remaining in the Special Contingency Fund.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

APPENDIX V
MEMORANDUM OF UNDERSTANDING
TEMPORARY PART-TIME EMPLOYEES

I. Seniority Employees

Reduction in the Regular Workforce

At time of a reduction in the workforce, a seniority employee who is to be indefinitely laid off will be offered the opportunity to partake in the Temporary Part-Time (TPT) program. Seniority employees who elect to work as temporary part-time employees shall, during the period they would otherwise be on indefinite layoff, be required to comply with the work schedule for temporary part-time employees. A seniority employee who at the time of an indefinite layoff declines an offer of TPT will not be denied benefits in accordance with the provisions of the Supplemental Unemployment Benefit (SUB) plan.

A seniority employee who upon being indefinitely laid off elects to displace a temporary part-time employee or who, while on such layoff is hired to work as a temporary part-time employee shall be paid at a rate determined in accordance with the applicable provisions of the current Collective Agreement. Such employee will also be provided the level of Life, Accidental Death and Dismemberment insurance (AD&D), and H-S-M-D-D-V expense coverages, but not Supplemental Unemployment Benefit (SUB), to which the employee would have been entitled if the employee had continued as a laid off seniority employee, but only for the length of time the employee would have been entitled to such benefits if the employee had remained on indefinite layoff.

A seniority employee working as a temporary part-time employee who has exhausted benefit entitlement for which the Company contributed while on layoff will be eligible to receive the same benefits available to new temporary part-time employees. The required monthly health care contribution for such employees will be \$15.00 while enrolled for temporary part-time employee coverage. The parties further recognize that the opportunity for laid off employees to cash pay for Health Care (other than Dental) for up to twelve additional months beyond the last month for which the Company contributed will be suspended while employed as a TPT.

II. Temporary Part-Time employees hired on or after November 2, 2009:

Administration

Wages – Temporary part-time employees hired on or after November 2, 2009 will be paid and maintained at 70% of the base hourly rate for all hours worked and are not eligible for COLA during the term of the collective agreement.

Overtime Pay – Temporary part-time employees hired on or after the effective date of this agreement will be paid overtime premium only after forty (40) hours have been worked in any scheduled work week. This does not apply to full-time employees exercising their right to become a temporary part-time employee.

Holiday Pay – A temporary part-time employee shall receive eight (8) hours pay at the temporary part-time employee's regular straight-time hourly rate for any holidays as defined under Article 25 when such holidays occur on a regular workday of the employee's workweek, provided that the employee: (1) has worked at least ninety (90) days in the twelve month period prior to such holiday, (2) worked the employee's last scheduled working day prior to and the employee's next scheduled working day after such holiday, and (3) would otherwise have been scheduled to work on such a day had it not been observed as a holiday.

Benefits – A temporary part-time employee shall not be covered by the Supplemental Unemployment Benefit (SUB) Plan, Short Work Week, Pension Agreement, the Insurance Program, the Legal Services Plan, the Income Maintenance Benefit Plan, and Voluntary Termination of Employment Plan except as provided herein.

Coverages under the Insurance and H-S-M-D-D-V program are limited to those coverages specified in this section. Temporary part-time employees shall be provided \$3,750 Life insurance and \$1,875 Accidental Death and Dismemberment insurance. The Company will pay the premiums for coverage in any month in which the employee receives pay from the Company for any hours worked during such month. Such coverage begins on the first day of the calendar month next following the month in which employment commences and ceases the last day worked where employment is terminated.

A temporary part-time employee will be provided with H-S-M-D coverage but not Dental Expense, Vision Expense, Hearing Aid

Expense, or Long-Term Care Expense benefits or other benefits as provided under the Insurance Program. It is understood there will be no duplication of benefits because of coverages provided under the Insurance Program.

The Company will pay the monthly premium for the following month's applicable coverage for each temporary part-time employee while the employee is at work. An employee is considered "at work" in any month if the employee receives pay for any time during such month. Such coverage begins on the first day of the fourth calendar month next following the month in which employment commences. The required health care contribution for such employees will be \$15.00 per month while enrolled for TPT health care coverage. Coverage ceases at the end of the month in which employment is terminated. Temporary part-time employees hired on or after November 2, 2009 may opt out of the health care contribution and waive their applicable coverage.

EXHIBIT 1

SKILLED TRADES WORK ASSIGNMENTS

It is the policy of the company to assign work between skilled tradespersons in conformity with the principles set forth below. In making job assignments, management intends to respect basic differences between the trades and recognize the importance and prestige of its tradespersons. But the company cannot be put to a disadvantage by multiple hair-splitting refinements and cumbersome and unreal distinctions. Indeed, the efficient operation of the company's plants demands the full utilization of the talents of each trade.

Factors to be Considered in Making Job Assignments

Central Skills

Tasks which require the unique and central skills of one particular trade are assigned to that trade (unless such tasks are incidental to a principal job being performed by other tradespersons as discussed below).

Overlapping Capabilities

To determine whether a particular skilled assignment falls within the scope of two or more trades and thus properly assignable to any one of these trades, several criteria must be considered, no one of which by itself is controlling.

- Level of skill involved.
- Type of apprenticeship training.
- Tools required.
- Nature of the material being worked on.
- Generally accepted notions of the trade.
- Other criteria (e.g., composition and size of the skilled work force).
- Past practices in a plant relating to skilled tasks (invariable, certain and unchallenged over such a long period that an agreement is assumed).

The first six (6) of these criteria will be considered in making the determination of whether a skilled task falls within the scope of two (2) or more trades or only one (1). Past practice is a limiting factor and is binding in ordinary situations if by clear and convincing proof it can be shown to exist as a fact by the party relying on it.

Incidental Work

Incidental work is a comparatively minor task that is complementary to a principal job. In determining whether a task is incidental and thus properly assignable to the tradespersons performing the principal job, the following points must be considered (past practice or normal scope of the trade has no significance in incidental work):

- Time involved in relation to the principal job. (A minor task or series of minor tasks performed sporadically over the duration of the principal job are incidental even though the cumulative time may be fairly large.)
- Whether the task is within the capabilities of the principal tradesperson.
- Whether the task can safely be performed by the principal tradesperson. Incidental tasks are not limited to those arising in the course of the principal job, but may occur also at the beginning or end of the job.

Emergencies

In the event of breakdowns and other unforeseen incidents that interrupt the flow of production, as well as fires, accidents and the like, assignments may be made without regard to trade lines, although trade lines are not to be disregarded where the time within which the repairs are to be made and the availability of the appropriate tradespersons permit their observance.

EXHIBIT A

Supplemental agreement - Windsor

EXHIBIT B

Supplemental Agreement - Oakville

EXHIBIT C

Supplemental Agreement - Bramalea

EXHIBIT E

Supplemental Agreement - St. Thomas

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**LETTERS AND STATEMENTS EXCHANGED
BETWEEN THE UNION
AND THE COMPANY**

For the information of all concerned the following letters and statements exchanged between the union and the company are reproduced and appear hereafter.

These letters and statements do not form part of the Collective Agreement.

- Administration -

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This will confirm the understanding reached during these negotiations that the company will provide the president and the financial secretary of local unions with information concerning the following hourly personnel activity: accessions; terminations; transfers to hourly from salary; and transfers to salary from hourly. Such information will be provided on a weekly basis, as soon as practicable after the end of each respective week, unless such information is presently being provided on a more frequent basis.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1987 negotiations the union requested that T-4 slips be available by the end of January each year.

The company indicated that there are a number of external factors beyond our control which influence our ability to prepare the T-4 slip. Nonetheless, the company assured the union that every effort will continue to be made to process and distribute the T-4 slips as early as possible in the New Year.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1990 negotiations the union raised concerns with respect to employee vehicle problems which have been referred to the National Service Office.

The company noted that customer satisfaction and enhancing owner loyalty are among its highest objectives. The company agrees that following negotiations a review of the current procedures will be undertaken with representatives of the National Service Office to determine if it would be appropriate to implement changes that would better identify the specific details of any employee vehicle concern so that it could be quickly and effectively resolved.

The national union will be advised of the results of this review when it has been completed.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of negotiations the union expressed concern about the disparity with respect to the benefit level eligibility of those employees granted a leave of absence by the company to hold the office of president or financial secretary-treasurer of a local union included in the Collective Agreement. The company agreed that such employees who have been granted a leave of absence to hold the office of president or financial secretary-treasurer will so long as such office is a full-time position be deemed to hold the higher rated of the last regularly held classification or the classification of electrician.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1993 negotiations the union identified a number of situations where little advance notice of a temporary layoff was provided by the company.

The company assured the union that every effort is made to accurately forecast production schedules in a manner that is consistent with anticipated sales projections. Despite these efforts, rapid market swings can occur due to unforeseen economic factors which in some cases necessitate an immediate response in order to maintain inventories within an acceptable range.

The company assured the union that it will continue to make every effort to provide timely advance notice to employees of temporary layoffs.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations the parties discussed the application of temporary absence work release programs approved by the Ministry of Correctional Services. The company agreed that it would participate in such programs in a timely fashion when approved by the Ministry of Correctional Services provided that:

1. the employee's seniority had not already been broken.
2. the nature of the misconduct which had resulted in a jail sentence had not already impacted the employer/employee relationship.
3. the company had no plans to either suspend or discharge the employee for absence from work or other shop rule violation occurring apart from the issue for which the Ministry approached the company.

Any problems which may arise in connection with this letter will be reviewed for resolution between national union, CAW and Central Labour Relations Staff.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace, and
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1996 negotiations, a number of issues were discussed relative to payroll and administrative benefit issues. The parties agreed that annual meetings have been beneficial in providing a better insight into employee concerns and possible actions which could be taken to provide better service to employees.

It was apparent that the parties would be better served by more frequent meetings of this nature. The company, therefore, will continue to arrange for an annual meeting in April each year involving a union representative from each location and the payroll services and benefits staff to provide an ongoing dialogue in order to expeditiously address payroll and administrative concerns.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

Ford attributes much of its success – its high quality and competitively priced products and productive workplaces – to the outstanding efforts of all of its employees and to the effective working relationship between the CAW and Ford.

During 1996 negotiations, the parties discussed the importance of responsible supplier-labour relationships and its impact on the long term development of the company's supplier base. Issues relating to cost, quality, delivery capability, technological leadership, sectoral and company specific requirements and effective, progressive supplier labour relations are all important matters when consideration is given to awarding contracts to suppliers.

Moreover, it is recognized that successful, high quality, productive workplaces need to be built on a foundation of responsible labour management relations, appropriate labour standards, effective local working relations and the shared objective of producing a high quality, competitively priced product. In its sourcing and supplier development strategies, the company places a high priority on its supplier community sharing these objectives.

In developing supplier relationships, the following considerations will apply:

- The company expects suppliers to have responsible labour relations.
- The company believes that while the decision to join a union is an individual one, it is a decision that must be made without company intimidation, interference or risk of reprisal.
- The union may, from time to time, raise concerns about the relationship with certain suppliers. the company commits to taking these concerns seriously.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW - Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations, the parties discussed the inclusion of spouses of the same sex in the Company's contractual provisions regarding spouses where permitted by law.

The parties agreed that the term "spouse" will be interpreted to mean the person to whom the employee is legally married, or if there is no such person, the person who has been cohabiting and residing with the employee in a conjugal relationship for an immediately preceding continuous period of at least one year, and has been publicly represented by the employee as the employee's spouse.

Effective September 27, 1999 this definition will be applicable to sections 18.06(b), 18.08(b), and 21.09(a) of the Collective Agreement.

Employees will be required to provide satisfactory proof to the Company of the conjugal relationship and public representation of the spouse.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

The company expects its suppliers to have responsible labour relations, treat their employees in a fair and equitable manner, and avoid conduct which violates federal or provincial labour and employment laws.

The union may, from time to time, raise concerns about its relationship with certain suppliers. The company commits to take these concerns seriously. The parties recognize that instances in which these matters arise are based on the particular facts of the situation, and therefore plan to continue to deal with these matters on a case by case basis as they have in the past and in compliance with all applicable laws.

When such concerns do arise, the company has agreed to inform individual suppliers either through direct contact, letter or both, of the following principles:

- The importance the company places on its relationship with the CAW and the positive value of that relationship.
- The company does not encourage suppliers to resist organizing efforts by their employees.
- The considerations involved in awarding contracts to suppliers, including cost, quality, delivery capability, technology, and responsible labour relations.
- The expectation that suppliers treat employees in a fair and equitable manner, including respecting their right to decide whether or not to join a union in an atmosphere free of intimidation, interference, or risk of reprisal.
- The expectation that suppliers avoid conduct or communication which violates federal or provincial labour and employment laws and respect the company's relationship with its CAW partners.
- The practice by which certain suppliers recognize the union as bargaining agent for employees when the union signs up more than 50% of the employees in a particular operation, which is currently non-represented, there is no other trade union

seeking to represent the employees, and the employee signatures are verified by an independent third party. (In those instances, the appropriate labour legislation will govern the bargaining process in the same way as if certification had been granted by the labour board.)

- The company will not take retaliatory action, such as canceling or refusing to renew contracts with a supplier based on a decision of that supplier's employees to join a labour union.

The company agrees to send each new supplier a letter informing them of the preceding principles, including the importance the company places on its relationship with the union and the positive value of that relationship, within sixty (60) days of the effective date of a new supplier contract. A copy of this letter will be provided to the union. Additionally, the company will meet with the union, from time to time as required, to discuss its supplier companies, including the need for responsible labour relations.

Ford of Canada believes that the above process will improve overall labour relations within the broader business community. The parties believe this environment will positively contribute to Ford of Canada's success and its ability to compete in the global marketplace.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations, the parties discussed the fact that direct deposit has become the preferred method of payment for company employees.

As a result of these discussions, the parties agreed that all employees would be converted to the direct deposit payroll system by March 1, 2003. Thereafter, the company will, as soon as reasonably possible, take the necessary steps to have Supplemental Unemployment Benefits, Income Maintenance Plan, Sickness and Accident Benefits and Extended Disability Benefits converted to electronic funds transfers.

Within 30 days following the effective date of this agreement, employees not currently utilizing the direct deposit method of payment will be given specific instructions regarding the necessary actions required to facilitate the direct deposit.

In the event that an employee refuses or fails to provide the necessary information or authorization for electronic funds transfer, the Ford of Canada payroll activity will set up an account for the employee at a local major financial institution and he/she will be provided with the appropriate details.

Any problems arising from this document will be referred to the National Union and Ford of Canada Labour Affairs for resolution.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations, the parties discussed the value, including the tax advantages, of personal saving on a periodic basis through payroll deduction and/or through the direct contribution of lump-sum payments. The parties agreed to develop and implement a program to encourage personal savings as soon as practicable with an intended implementation date no later than July 1, 2003. Introduction of any such program would be subject to receipt by the Company of any required registration, certification or rulings from applicable governmental authorities including The Canada Customs and Revenue Agency (CCRA, formerly Revenue Canada).

The Program would be available to employees the first pay period following the attainment of seniority and include the following types of Plans:

- An Employee Registered Retirement Savings Plan (Employee RRSP), with a Spousal RRSP option;
- A Savings Plan; and/or
- A Locked-in Retirement Account (LIRA) Plan.

The following are the key principles with respect to the Program:

- Contributions to an Employee RRSP and/or Spousal RRSP may be made by an eligible employee on a before-tax basis as prescribed by the CCRA;
- Contributions to the Savings Plan made by an eligible employee will be on an after-tax basis as prescribed by the CCRA;
- Distributions from a registered retirement plan of a former employer may be contributed to the LIRA;
- The Company will act as plan sponsor and be responsible for overall plan administration, including administration fees. The Company may, in its sole discretion, arrange for third parties to provide services, including acting as a fiduciary to plan

participants, record keeping, day-to-day account management, etc.;

- Participants may allocate their contributions in increments of whole dollar amounts (\$10.00 minimum per pay period) through instructions delivered to the plan administrator for the purchase of:
 - Ford Common Stock; and/or
 - Other Mutual Funds as designated by the Company;
- A participant may, by giving appropriate direction to the plan administrator, transfer assets from one investment option to another investment option. Each participant is solely responsible for the selection and management of his/her investment elections;
- Upon termination of employment an employee must withdraw their assets from the Program; and
- The Program shall be administered according to the Income Tax Act (Canada) including, but not limited to, the foreign property limit.

The parties will discuss and agree to the provisions of the Program prior to implementation.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2005 negotiations, the parties discussed how the efforts of the men and women who have served, and continue to serve our country during times of war, conflict and peace could be honored in company plants.

It was agreed that each year on November 11, where feasible, operations will cease at 11:00 AM in order that all workers may pause in a silent moment of remembrance for those who fought for Canada in the First World War (1914-1918), the Second World War (1939-1945), and the Korean War (1950-1953), as well as those who have served thereafter.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9**

Dear Mr. Lewenza:

**Re: Deletion of language with reference to the St. Thomas
Assembly Plant**

During 2012 negotiations the parties discussed the deletion of all articles, letters and statements from the Collective Agreement, exhibits and appendices which specifically referenced the St. Thomas Assembly Plant as a means to facilitate administrative changes to publishing the Collective Agreement. Notwithstanding, the company assured the union that for employees that remain at St. Thomas Assembly Plant, any applicable language references would remain in effect.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

Concur: K. Lewenza

- Statement 1971 -
A&S Exceptions to 1971 Limitations

As discussed during current negotiations the company and the union agreed that the exceptions, limitations and restrictions imposed effective April 1, 1971, with respect to Accident & Sickness Benefits, under sections 4(a) and 11(c) of the Group Life and Disability Insurance Program and, with respect to H-S-M-D coverages, under sections 2(a), 2(b) and 3(b) of the H-S-M-D Program provided under article 29 of the new Collective Agreement will not be applied to an employee hired prior to April 1, 1971, who, under the following specific conditions, and for the purposes of the above section 4 only, shall be deemed to have been reinstated,

(a) such employee was on the active roll of the company on or after the effective date of the Collective Agreement, quit his employment and was rehired within 31 days at another company location; or

(b) such employee was on the active roll of the company on or after the effective date of the Collective Agreement, was laid off and was rehired, before the end of the month following the month in which he was last laid off, at another company location, and had recall rights at his former company location at the time of his rehire.

If the employee described in (a) and (b) above, was first hired on or after April 1, 1971, and is not entitled to Accident & Sickness Benefits for 52 weeks under coverage provided at his new company location, the period from the date of his last hire at his former company location to the date of his quit or layoff preceding rehire at his new company location may be aggregated with his time at commencement of disability since rehire at his new company location for the purpose of determining the length of the period of his entitlement for payment of Accident & Sickness Benefits, save that in any event such aggregate period shall not exceed 52 weeks. For purposes of the above mentioned section 4 only the employee described in (a) and (b) above shall be deemed to have been reinstated.

- Statement 1973 -
Conferences - Written Reports

Section 13.02 of the Collective Agreement provides for conferences to be held between the master negotiating committee and representatives of the company and for an agenda to be supplied for each such conference. Within 14 working days following each such conference, the company will provide the master negotiating committee with a written report setting out the disposition of each item on the agenda indicating those that were settled, those withdrawn and those not resolved.

- Statement 2009 -
Annual Competitiveness Review

To further align our mutual interest of ensuring the Company's competitiveness, the parties have agreed that the National President, CAW-Canada, Vice-President Human Resources and the Executive Director – Purchasing, or their respective designates, will meet annually for a high level Competitiveness Review. The Competitiveness Review will include subjects such as sourcing, improved commonality, competitive cost structures and leading edge technologies.

- Alternate Work Schedules -

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1990 negotiations the parties discussed the restructuring that is taking place within the auto industry in Canada and its impact on plant operations.

The parties acknowledged that it would be appropriate to examine non-traditional operating approaches, including alternate shift schedules that are being introduced into the industry to maximize facility utilization.

The parties agreed that within six months following negotiations they would establish a task force comprised of an equal number of representatives of the company and the union. The objective of the task force will be to examine non-traditional plant organization structures and alternate shift schedules in order to assess their potential application at Ford of Canada facilities.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 18, 1993

Mr. B. Hargrove
National President
National Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1993 negotiations, the parties discussed ways to expand employment opportunities and the company's manufacturing and assembly capacity, including adding flexibility through variable work schedules and patterns to meet changing market demands. In this regard, the parties have agreed to continue to examine the feasibility of alternative work schedules.

Relative to the establishment of alternative work schedules, the parties recognize that various provisions of the Collective Agreement may, subject to the mutual agreement, determination, and approval of the central labour relations staff and the national union, require modification and/or waiver. Should the parties agree to such modifications, the company and the national union will monitor the implementation of the work schedules to ensure they are consistent with the objectives stated above.

The implementation of, mutually agreeable alternative work schedules will continue to be subject to the company's discretion.

Yours very truly,
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

- Apprenticeship Plan -

November 1, 1976

Mr. K. Hallsworth
Vice-President - Industrial Relations
Ford Motor Company of Canada Limited
The Canadian Road
Oakville, Ontario.

Dear Mr. Hallsworth:

This letter is to assure the company that the union members of the Joint Apprenticeship Committee at the Oakville and St. Thomas locations will be appointed by the Canadian director of the U.A.W.

Yours very truly,
Dennis McDermott
International Vice-President
and Director for Canada.

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations, the subject of registration and duration of apprenticeship for the electrical trade was discussed.

The parties agreed that the Joint Apprenticeship Committee would review what steps would be necessary to register and establish the hours necessary to qualify as electrician construction-maintenance. In addition, it was agreed that any other trade so affected would be reviewed on the same basis.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1996 negotiations, the parties discussed at length the Ford of Canada-CAW Apprenticeship Plan. In the course of these discussions the company reaffirmed its commitment to the Apprenticeship Plan, but emphasized the need for the parties to assess the existing Plan to ensure that graduating apprentices possess the requisite skills to function effectively, giving full consideration to current and future operations and technology.

The parties agreed that as soon as practicable following negotiations a meeting will be scheduled with the CAW National Skilled Trades Representative and the Union Relations Manager of the company to develop a framework to assess the existing Plan and to determine a process to solicit and examine recommendations regarding the existing Plan. The assessment, which will be completed by June 30, 1997, will include, but will not be limited to, the following;

- Procedures for selecting applicants for admission to the Apprenticeship Plan.
- The Apprentice Selection Test Battery.
- Shop and related training currently provided in the Apprenticeship Plan in comparison to existing apprenticeship plans in North America and Europe which recognize changing skill requirements for graduating apprentices.

The parties also agreed that this assessment should include consultation with representatives of the plant maintenance organizations, members of the local joint apprenticeship committees, and plant skilled trades chairpersons. In addition, it was also agreed that discussions with the Ministry of Skills Development would be appropriate to ensure that the Ford of Canada-CAW Apprenticeship Plan conformed with current legislative requirements.

The objective of this assessment will be the re-establishment of a functioning Apprenticeship Plan that could be utilized to satisfy potential replacement needs that would result from mandatory retirements of skilled trades persons in the apprenticeable trades.

Following this assessment the parties will mutually establish a timetable for selection and recruitment of twenty-five (25) apprentice candidates.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations the parties discussed the Ford of Canada - CAW Apprenticeship Plan. During the course of these discussions, the company agreed that, business conditions permitting, one hundred and ten (110) apprentice candidates would be recruited and allocated as follows:

Windsor	50
Oakville	30
St. Thomas	30

The parties agreed that these candidates would be assigned to the following apprenticeable trades:

Electrical Trade
Millwright Trade
Steamfitter and Plumber Trade
Tool and Die Trade

In the event business conditions at any plant location do not warrant recruiting and allocating the number of apprentice candidates as provided above, the company will convene a meeting with the Ford of Canada-CAW master skilled trades committee to discuss reallocation opportunities.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2002 negotiations, the parties discussed the importance of providing employees on the active rolls with as much information as possible about the requirements of apprenticeship. In addition, the parties recognize the value of providing those considering apprenticeship an opportunity to assess their preparedness for such a program.

The parties agreed to a sixteen (16) hour pre-apprenticeship orientation program with the following guidelines:

- The program will be made available to apprenticeship applicants on a voluntary basis
- Eight (8) hours of the orientation will be compensated at straight-time rates. Compensated class time shall not qualify a person for benefits such as, but not limited to short work week
- Developed and delivered by the Local Apprenticeship Committee jointly
- Participants will be compensated only upon completion of the program
- The program will be conducted during non-production time

The Local Apprenticeship Committee will review and monitor the results of the program.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T.P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2008 negotiations the union introduced the concept of the CAW Apprenticeship training sponsorship. The parties agreed that given the complexities of such a program, a meeting will be convened following negotiations between Union Relations Manager, the National Director, Skilled Trades and the Chairperson of the Ford Master Skilled Trades Committee during which the union's vision could be more fully articulated.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

- Statement 1979 -
Skilled Trades
Training Incentive Payments

The company will arrange to pay the training incentive payments described in paragraph 6 of Appendix J by separate cheque.

- Statement 1982 -
Block Release Program

During the 1982 negotiations, the company and the union discussed the feasibility of replacing the current correspondence program for apprentices at Oakville and St. Thomas, with an alternate course of related classroom training or block release program. It was agreed that this task was a proper responsibility of the joint apprenticeship committees at these locations.

In addition, the company advised the union that the company would review locally, at the plants in Windsor, Oakville and St. Thomas, the feasibility of adding apprentices at these locations in the light of all attendant circumstances.

- Benefit Representatives -

- Statement 1973 -
Medical Officer Defined

For the purpose of section 28.01 of the Collective Agreement dated December 9, 1973, "medical officer of the company" means a person authorized by the company to make determinations with respect to sending employees home or to an outside hospital or outside doctor because of an injury, and may include medical doctors, nurses, first aid attendants, and any other persons authorized by the company to make such determinations.

- Bereavement -

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

This will confirm our undertaking to you that the bereavement pay provisions of the Collective Agreement will be administered as follows:

The requirements that the bereavement period shall begin on the first full day of absence following death and shall be the three or four regularly scheduled days of work during the three or four days (excluding holidays and Saturdays and Sundays and regular days off in case of employees employed on continuous seven-day operations) immediately following death are hereby waived when the date of the funeral is outside the three or four-day period. In these situations, bereavement payment will be made to eligible employees for any three or four regularly scheduled days, not necessarily consecutive, up to and including the date of the funeral. To cite an example, if the death occurs on Sunday and the funeral is held on Friday, an employee would be eligible for any three or four days of absence from regularly scheduled work occurring Monday through Friday.

In addition, if in the opinion of local management travel considerations in attending a funeral are involved, up to two calendar days immediately following the funeral may be considered as part of his three or four-day bereavement pay eligibility period, provided such days are within the employee's regular five-day work week and he is scheduled to work such days. Calendar days for this purpose include holidays and Saturdays and Sundays or regular days off in the case of employees employed on continuous seven-day operations. For example, where a funeral is held on Friday and local management determines two days' return travel time is required for a five-day, Monday through Friday employee, Saturday and Sunday would be the calendar days immediately following the funeral and, as they are not within his regular five-day work week, bereavement

payment would not be made for these two days. On the other hand, for an employee employed on a continuous seven-day operation who is scheduled to work on Saturday and Sunday as part of his 40-hour work week, such days could be considered for bereavement payment.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations the parties discussed the application of section 21.09 of the Collective Agreement. In particular, the union raised the situation in which an otherwise eligible employee, for justified reasons related to the death of a family member, requires bereavement leave on a day other than one of the first three (3) or four (4) normally scheduled working days.

In response to the union's concerns, the company stated an employee will be excused from work and be eligible for pay for any three (3) or four (4) normally scheduled working days within the ten (10) calendar day period immediately following the death of a member of the employee's immediate family, as defined. In addition, when such death occurs during the period established as the plant vacation shutdown period, an employee will be excused from work and be eligible for pay for the first three (3) or four (4) normally scheduled working days immediately following such vacation shutdown period. These exceptions will apply provided the absence is related to the family member's death and appropriate documentation regarding the death is submitted to the company.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

- Classifications -

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1987 negotiations the parties agreed to establish a classification review committee to review classification disputes. The committee will be comprised of two members of the company, one of whom will be a representative of the central labour relations staff, and two members of the union, one of whom will be a representative of the national union.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

- Disabled Employees -

January 31, 1971

The President, Local 200
The President, Local 584
The President, Local 707
The President, Local 1054
The President, Local 1520
International Union, United Automobile
Aerospace and Agricultural Implement
Workers of America (UAW)

Dear Sirs:

For your information, attached is a copy of "Referral Difference of Opinion Between Personal and Plant Physician" which outlines the procedure to be followed when there is a difference of opinion between a personal and plant physician.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

REFERRAL - DIFFERENCE OF OPINION BETWEEN PERSONAL AND PLANT PHYSICIANS

When there is a difference of opinion between the employee's personal physician and the plant physician regarding the employee's physical status, it is the plant physician's responsibility to resolve these differences in a fair and equitable manner. This difference of opinion may be at the time an individual is returning to work following sick leave, at the time of initiating a sick leave or at the time of job assignment.

The disagreement may not always involve the question of the employee's fitness to work but more frequently involves the question of the individual's capacity to perform a certain type of work. It may, on occasion, involve the question of disability of the employee.

In most instances this can be resolved by discussing the problem with the employee's personal physician. In some cases broad recommendations are made by the individual's personal

physician without full knowledge of the work demands on a specific job assignment. A discussion of the case in question between the personal physician and the plant physician will usually settle any points of disagreement because usually the physicians will agree on the clinical findings of the patient but the personal physician may not have adequate knowledge of the job requirements. The plant physician may review with the personal physician those factors which he considers when placing physical restrictions or limitations on the individual. These factors are: (1) a condition which may limit his ability to perform his work, (2) a condition which may be aggravated by certain types of work, or (3) a condition which may create a hazard to himself or the safety of others. In such cases, work restrictions or limitations must be established.

When the point in question cannot be resolved by discussion between the two physicians, the plant physician should refer the employee to a consultant for examination and impartial recommendation at company expense. The plant physician should preferably use a board-certified specialist in the field of medicine in which the point of controversy exists. For example: an eye case should be referred to an ophthalmologist, a back case to an orthopedist, a heart case to a cardiologist or specialist in internal medicine. The job demands should be thoroughly described to the consultant at the time of referral. The plant physician should follow the recommendation of the consultant.

- Statement 1962 - Placement

The union and the company will meet periodically as required to discuss the possibility of recalling employees on indefinite layoff due to disability by displacing employees with less seniority on jobs which the disabled employees are able and willing to perform.

- Statement 1971 -
Placement After 1 Year

In the event that an employee who has not performed work for the company for a period of more than one year due to a disability from sickness or accident cannot be returned to work consistent with his seniority as a result of the disability, exception may be made to the seniority provisions of the Collective Agreement in favour of such employee as if the disability were a major disability.

- Statement 1971 -
A&S - Ford U.S. Procedures

This is to confirm the understanding given during current negotiations that the company will undertake to follow the Ford Motor Company procedures in the United States with respect to the administration of Accident & Sickness claims on behalf of partially disabled employees who cannot be placed under sections 15.10(a), 15.29(a), 15.48(a), and 15.79(a) of the Collective Agreement.

- Statement 1973 -
Placement of Skilled Trades Employees

During 1973 negotiations, the company advised the union that, when work is being sought for the placement of an employee employed in a trade listed in appendix 'F', 'H' or 'P' who is suffering a disability from sickness or accident, a placement for the employee concerned will be sought by the company at his location in the trade in which he is employed. Failing satisfactory placement, the matter of placing him in a related trade will be discussed between the company and the appropriate skilled trades chairman.

- Discipline -

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

In the course of discussing practices followed in the administration of discipline, the union cited instances where it was claimed that an employee was not aware that his foreman was reporting him for alleged misconduct until some considerable time after the alleged incident had occurred. It was also claimed that employees in certain cases were unaware of any reason for being sent to an interview called by a member of the industrial relations office.

In order that all members of management will have the same understanding in these matters, arrangements will be made to advise all supervisors to proceed as follows:

- When a foreman or superintendent intends to report an employee for alleged misconduct, he will notify the employee accordingly. When it is reasonably possible, this notification will be given at the time of the occurrence of the alleged misconduct.
- When a foreman or superintendent notifies an employee that he is being sent to attend an interview called by a member of the industrial relations office for the purpose of investigating alleged misconduct, the employee will be told the reason for the interview.

While it may be appropriate in certain cases for an employee to be suspended pending determination of the discipline that will be imposed, it is unnecessary in most instances. In any instance where the union believes that it is inappropriate under the circumstances for a particular employee to be suspended pending disposition of his case, the matter may be raised with an industrial relations representative by the chairman or other union representative concerned.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

Under certain circumstances, an employee is given an instruction by a supervisor which conflicts with an instruction previously given by another supervisor.

When this situation arises, it is understood that the employee will carry out the last instruction, but, following that, he may take steps to bring the matter to the attention of the supervisor who issued the first order.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This confirms our understanding regarding the situation where the duration of an impending disciplinary suspension would encompass or abut a holiday or a paid personal holiday.

Hereinafter, loss of holiday pay will not be included as part of the disciplinary penalty assessed. However, to be eligible for such holiday pay, the employee must meet the holiday pay eligibility provisions of article 25 or appendix L of the Collective Agreement, except the requirement in appendix L of otherwise being scheduled to work on such day, had it not been observed as a holiday.

Nothing herein shall be deemed to alter the company's rights under section 3.01 of the Collective Agreement as it involves imposing discipline.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

October 18, 1993

Mr. B. Hargrove
National President
National Automobile,
Aerospace and Agricultural Implement
Workers of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

In applying progressive discipline for repeated infractions of the rules, the company does not consider infractions which occurred more than 12 months prior to the infraction being considered, and the same applies when an employee is being discharged as an unsatisfactory employee.

The company also advises you that procedures shall be instituted by the company to ensure that prior infractions which occurred more than one year previously are effaced from the employee's active disciplinary record in use for the purpose of determining current disciplinary measures.

Yours very truly,
D. J. McKenzie
Vice President,
Employee Relations

- Employment Equity -

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1990 negotiations, the parties reviewed results of the Ford-CAW workplace census.

It is agreed that, despite recent initiatives, affirmative action target groups remain under-represented among employees included in CAW bargaining units.

The company advised the union that at locations where the representation of target groups is not reflective of the surrounding labour market, it is the company's objective to progressively increase the percentage of target group employees, to community levels, as future hiring takes place.

The parties agree that it may be difficult to simultaneously stimulate meaningful increases of all four designated groups at a particular company location. Accordingly, the local joint committees will develop recommendations to management, that concentrate efforts on increasing the percentage of designated group members where gains can be achieved most expeditiously.

The joint committees will monitor hiring activities at all locations and investigate any situations where the numbers of designated group members being hired do not meet the joint goal of accelerating the pace of achieving in-plant target group levels comparable to those in the surrounding community.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1993 negotiations the company and the union discussed employment equity at length and reaffirmed their mutual commitment to a workplace free of harassment and discrimination.

In this regard, the parties agreed that the current rules of personal conduct would be amended to include the following:

"Harassing or discriminating against any employee, contract personnel, or visitor."

The parties also agreed that the amended rules of personal conduct would be posted at all company locations as soon as practicable following these negotiations.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations the company and union reaffirmed the following:

- where a need has been identified by a Local Employment Equity Committee, install a TDD telephone;
- to reimburse the cost of resource material selected by each location's Women's Advocate, on an annual basis, at an approximate cost of \$500.00;
- the company has agreed to provide the Local Union Women's Committee Chairperson(s) the opportunity to present issues at Master Employment Equity Committee meetings as they arise. This representation is in no way an effort to increase the Master Employment Equity Committee membership or its scope of responsibility; and;
- as soon as practicable following negotiations, the Master Employment Equity Committee to develop a strategy to deal with concerns related to AIDS.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T.P. Hartmann
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear **Mr. Lewenza**,

During the **2012** negotiations the parties agreed that the position of CAW National Employment Equity Coordinator will be continued. This coordinator will be appointed by the CAW National President.

The coordinator's role will be to promote a planned, informed, and consistent approach to employment equity on behalf of the union throughout the company.

Specifically, the coordinator, as a member of the Master Employment Equity Committee, will help to develop and implement the joint Employment Equity Plan throughout the company. The coordinator will also conduct community outreach and other activities to promote employment equity on behalf of the Master Employment Equity Committee.

The coordinator will work closely with the Local Employment Equity Committees and make recommendations to assist the committees in promoting equity in the workplace. This may involve advising with respect to community outreach initiatives, assisting with local work to develop and implement the joint Employment Equity Plan, coordinating education and communications efforts, and assisting with anti-harassment efforts or with the resolution of difficult complaints.

Local management will cooperate in this regard and may meet with the coordinator and the Local Employment Equity Committee to discuss recommendations. The coordinator may visit all CAW represented plants and offices, and access will be provided upon reasonable notice.

The coordinator will be based at a location to be determined by the national union, and will report to the CAW National President. Any complaints, should they arise, relative to the coordinator's performance may be referred to the CAW National President's office.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1999 negotiations, the company and the union agreed on the following:

- Each local Employment Equity Committee will develop and implement an orientation module including, but not limited to, topics such as harassment, employment equity, Appendix O and diversity awareness to be incorporated into the new hire/student orientation program.
- As soon as practicable following negotiations, the parties will meet to discuss initiatives designed to enhance the visibility and role of the Master Employment Equity Committee.
- The Master Employment Equity Committee will devote time to an analysis of the nature of complaints and the functioning of the dispute resolution process with a desire to enhance our ability to address concerns and make continuous improvements in our workplaces.
- The Master Employment Equity Committee will assist the local committees in the development of materials to support local committee participation in community and/or school career awareness programs.
- The company will ensure that management representatives, as identified in Appendix O and Appendix Q, are appointed and trained.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2002 negotiations, the parties reviewed the practice of providing anger management counselling programs to employees, when appropriate. The Company assured the Union that it would continue its practice of providing this program at no cost to the employee.

Any requests to arrange anger management counselling must be reviewed and preapproved by the local Human Resources Manager.

Issues arising from the application of this practice will be referred to Ford of Canada Labour Affairs and the National CAW.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear **Mr. Lewenza**,

During **2012** negotiations, the Union requested a supply of Comfort Hearts be made available to the Women's Advocates. During the life of this agreement, the Company will provide \$1,000.00 for the purchase of Comfort Hearts for all locations. The national Employment Equity Representative will arrange distribution to each location.

The Company also agreed to provide up to \$500.00 to purchase the white ribbons for the annual White Ribbon Campaign.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations the parties discussed the importance of ensuring that harassment and discrimination training as outlined in Appendix "O" is completed for individuals involved in investigating complaints, and training as outlined in Appendix "Q" is completed for eligible union leadership. Following 2002 negotiations, the parties agree to jointly review the investigation training and Union Leadership Harassment Training needs of company and union personnel. This review will be completed by the Master Employment Equity Committee no later than March 2003 at which time a plan will be developed to address any outstanding training requirements.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

October 7, 2002

To: Human Resources Managers
Plant Chairpersons
Joint Employment Equity Committees

Cc: F. McAnally
B. Droppo

Subject: Transgender Identity

During 2002 negotiations, the parties discussed the importance of providing a work environment that ensures a climate of understanding, mutual respect and dignity for each person and the importance of increasing awareness of human rights matters. This discussion included matters pertaining to gender identity.

A person's gender identity may, or may not, conform to a person's birth assigned gender. However, the right to equal treatment without discrimination or harassment because of gender extends to all persons.

Transgender identity is not a separate prohibited ground under the Human Rights Code. Issues arising that relate to gender identity would be included under the prohibited ground of 'sex'.

M.J. Southon M. Khan
Labour Affairs Manager
FORD MOTOR COMPANY
OF CANADA, Limited

National Employment
Equity Representative
Canadian Autoworkers Union

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2005 negotiations, the parties discussed the importance of continued awareness and education efforts in order to achieve the shared objective of a harassment and discrimination free workplace. The parties agreed on the following items:

- The Master Employment Equity Committee will develop a calendar to promote diversity awareness incorporating excerpts of appendix "O" and important events for Human Rights and Employment Equity advancement. This calendar will be distributed at each of the locations through the local Human Resources office.
- The Procedure outlined in appendix "O" will be reinforced at each location through locally developed methods of communication.
- The company will continue to ensure that investigators, including the local Employment Equity Representative alternate, and members of the Decision Review Committee, as identified in appendix "O" are appointed and trained. The Local Employment Equity Committee will monitor these efforts and outstanding issues will be referred to the Master Employment Equity Committee.
- As soon as practicable, following negotiations, individual Local Employment Equity Committees will meet to discuss potential improvements to the Diversity awareness and Employment Equity component of new employee orientation.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2008 negotiations, the parties renewed commitment to awareness and education efforts to promote diversity and inclusion, and to help identify and prevent issues of harassment and discrimination in the workplace. The parties agreed on the following items:

- The Master Employment Equity Committee will develop a calendar to promote diversity awareness incorporating excerpts of appendix "O" and important events for Human Rights and Employment Equity advancement. This calendar will be distributed at each of the locations through the local Human Resources office.
- As soon as practicable following negotiations, the Master Employment Equity committee will review education and awareness opportunities for front-line supervision and employees in leader classifications in order to promote effective attention to and prevention of issues of harassment/discrimination in the workplace.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President, Human Resources

- Statement 1999 -
Facilities for Nursing Mothers

During 1999 negotiations, the parties discussed issues related to the return of employees from maternity leave to the workplace. One issue of mutual concern related to the accommodation of employees requiring facilities for the purpose of expressing breast milk. Each location will explore reasonable accommodations within the existing facilities. The local Employment Equity Representative will act as an additional resource for employees interested in using this service.

- Statement 2002 -
Placement of Pregnant Workers

During 2002 negotiations, the parties discussed the placement of pregnant workers who require modified work. The parties agree to continue the process used at each location to place pregnant workers who require a modified assignment.

- Statement 2008 -
Issues Of Transgender Identity

During 2008 negotiations, the company and the union discussed the importance of heightened awareness surrounding issues of transgender identity. The parties acknowledged the importance of identifying opportunities to support successful workplace integrations for transgender employees in transition as appropriate. To this end, the parties agreed that as soon as practicable following 2008 negotiations, a meeting involving the CAW national employment equity representative, a representative of central labour affairs and appropriate members of the employment equity committee(s) would be convened.

- Employment Standards -

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations the union expressed concern that the possibility of future legislative changes negatively impacting existing employment standards as set forth in the Employment Standards Act (Ontario) June 5, 1995. During the negotiation process the parties acknowledged their reliance on this legislation as forming a basis for past practices in respect of employment standards not otherwise specifically covered by the Collective Agreement. As an outgrowth of these discussions, the parties came to the following agreement:

- A. The rights, benefits, terms or conditions of employment as set out as employment standards in the Employment Standards Act, and Regulations made thereunder, as they existed on June 5, 1995, as the same relates to the union, the company and/or its employees, shall be minimum requirements incorporated within this Collective Agreement; however, where this Collective Agreement provides higher remuneration in money or a greater right, benefit, term or condition of employment in favour of an employee(s) with respect to a particular standard, this Collective Agreement shall prevail. A violation of the rights, benefits, terms or conditions of employment as set out as employment standards in the Employment Standards Act and Regulations made thereunder, as they existed on June 5, 1995, as the same relates to the union, the company and/or its employees, may be subject to the grievance procedure of this Collective Agreement or may be prosecuted and enforced through the procedural mechanisms offered by the Employment Standards Act and Regulations thereunder, as they exist from time to time, but not both.

- B. During these negotiations, the union expressed the concern that the provincial government has and would amend the Employment Standards Act and or Regulations in a manner adverse to the interests of the union and Ford bargaining unit employees. It was agreed that the parties shall meet within thirty (30) days after the introduction of a Bill amending the ESA to the legislature to discuss the proposed Bill. The parties agree that the union and/or Ford bargaining unit employees shall not be disadvantaged in any way by any amendments to the ESA or Regulations thereunder made by the provincial government. It is agreed that for example, if any part of the Collective Agreement or past practice of the parties provides a greater right, benefit, term or condition of employment than the amendment to a particular employment standard (such as an amendment to the 8 x 48 hours of work rule), then the Collective Agreement or past practice shall prevail and apply. The parties agree that a difference between them relating to the application, alleged violation or interpretation of the above provisions may be subject to the grievance procedure under this Collective Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

- (Physical) Fitness -

November 18, 1984

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations, the parties discussed the important contribution that physical fitness programs can make, both to the employee's personal well-being and to performance on the job.

The company, therefore, agrees with the union to establish a joint pilot study of recreational fitness options at Windsor/Essex Operations. This study will commence immediately following negotiations and will be conducted by a committee formed with company personnel and union representatives from Windsor/Essex Operations.

The analysis will be directed at a variety of programs with the initial focus to be on in-plant arrangements as discussed at negotiations between Local 200 and local management. In this regard, the committee will also be responsible for studying related matters such as equipment and schedules. As is required, the committee may also study those programs which are currently available in plant-city communities, or any combination of such programs and in-plant arrangements.

It is further understood that any in-plant options must preserve the efficiency of operations and that employee participation in such in-plant activities be outside of the specific hours of the employee's shift.

Yours very truly,
A. W. Hanlon
Vice President,
Industrial Relations

- Grievance Procedure -

November 14, 1976

Mr. D. McDermott
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario

Dear Mr. McDermott:

During the current negotiations, the union proposed extending the application of the Expedited Arbitration Program to all company locations.

The company is cognizant of the fact that particular plant locations, which may be experiencing difficulties with a particular problem in the administration of the grievance procedure, may be able to benefit from the application of the Expedited Arbitration Program. Accordingly, in any instance where the local union at a particular location desires to adopt this program, it may forward such request to the appropriate members of the international union and central labour relations staff. Upon receipt of such request, representatives of the International union and central labour relations staff will meet to make the necessary arrangements for instituting this procedure at that particular company facility.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

November 14, 1976

Mr. D. McDermott
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario

Dear Mr. McDermott:

During the current negotiations, the parties mutually agreed that the provisions presently established in the Collective Agreement governing the administration of the grievance procedure, when conscientiously applied, provide sufficient means to ensure the efficient resolution of employee complaints. In addition, both parties also reaffirmed their mutual intent to avoid backlogs and delays in the grievance procedure and to seek correction for those situations where the procedure does not appear to be functioning effectively.

In order to improve the administration of the grievance procedure at all company locations, it is understood that appropriate personnel from either the international union or the central labour relations staff of the company may contact the other party in situations where problems have developed in the administration of this procedure at specific company locations. Upon receipt of such request, representatives of the international union and central labour relations staff will meet to discuss the problems enumerated in an attempt to formulate corrective action.

In addition, it was also agreed that representatives from the international union and central labour relations staff will meet periodically to review and assess the parties' administration of the grievance procedure at the plant level. Such reviews are intended to identify those locations that are beginning to experience difficulty in the administration of the grievance procedure so that corrective action may be implemented on a timely basis.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

November 14, 1976

Mr. D. McDermott
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario

Dear Mr. McDermott:

The company and the union have long recognized that the mutually satisfactory resolution of employee complaints in the grievance procedure, by authorized company and union officials, results in a final and binding determination for both parties as well as the employee involved. The parties' recognition of this principle has contributed stability and certainty to the grievance procedure. Accordingly, the company views any attempt to reinstitute such claims by either party as being antithetical to the purposes for which the grievance procedure was established.

However, subject to the provisions of section 11.09 of the parties' Collective Agreement, in those instances where the UAW's International Executive Board, Public Review Board, or Constitutional Convention Appeals Committee have reviewed a grievance disposition and found that such disposition was improperly concluded by the union body or representative involved, the international union may so inform the central labour relations staff of the company and request in writing that such grievance be reinstituted in the parties' grievance procedure at the same level at which it was originally settled. After receipt of such written request, the grievance will be so reinstituted by the company.

It is understood by the parties, however, that the company will not be liable for any back pay claims from the time of original disposition to the time of reinstitution of the grievance, and it is further agreed that the reinstitution of any such grievance shall be conditioned upon agreement by the union and the employee(s) that neither will pursue such back pay claim against the company.

This letter is not to be construed as modifying in any other way either party's rights or obligations pursuant to the Collective Agreement or the final and binding nature of any other grievance resolutions. It is also understood by the parties that this letter of understanding and the company's obligation to reinstitute grievances consistent with the conditions set forth above and upon

written request from the international union, can be terminated by either party upon thirty (30) days' notice in writing, to that effect.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

Concur: Dennis McDermott
Vice President and Canadian Director

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1979 negotiations, there was a great deal of discussion concerning the administration of section 4.01 of the Collective Agreement and proposals advanced by the union to modify that section.

Efforts have been made by both the union and by operating management to develop through training and instruction a uniform interpretation and consistent administration practice in relation to section 4.01.

In order to help prevent disputes relating to this section, the parties agree to make further determined efforts through training and individual discussion, as necessary, to achieve a more consistent acceptable level of operation in line with the intent of this section.

In an effort to correct any problems that may arise in the future in connection with alleged violations of the provisions of section 4.01, the following procedure shall apply:

1. The incident will be related to the foreman concerned by the steward or committeeman.
2. If not satisfactorily disposed of in this manner, the steward or committeeman will take the matter up with the labour relations activity at the location concerned, and may, at his option, also notify the superintendent concerned. The labour relations activity will arrange for the foreman concerned to be present at a meeting with the steward or committeeman to discuss the alleged violation. At the request of the steward or committeeman, the labour relations activity will arrange for the general foreman or superintendent to attend the meeting.
3. If a continuing course of conduct of a serious nature contrary to the intent of this letter develops at a plant, the matter may be reviewed at a meeting to be arranged as soon as practicable between the steward or committeeman concerned, the plant chairman, the industrial relations manager and a senior member of the line management. A

brief synopsis of this meeting will be forwarded to the director for Canada of the international union and the vice president, industrial relations.

4. If not satisfactorily disposed of at such meeting, the matter may be reviewed further at a conference to be arranged as soon as practicable between the director for Canada of the international union or his nominee, the president of the appropriate local, the plant chairman concerned, the vice president, industrial relations or his nominee, the industrial relations manager concerned and the foreman concerned.

If at any step in this procedure the company concludes that there has been a violation of section 4.01 by the foreman concerned, the company will take such action as shall be determined by the company to be appropriate under the circumstances.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear Mr. Lewenza,

During **2012** negotiations, the company and the union agreed to continue to request Professor E. E. Palmer to act as sole umpire in the Grievance Procedure under the Collective Agreement dated **September 24, 2012**.

Should the sole umpire be unable to act for a prolonged period, representatives of the national union and the central labour affairs staff of the company may select one or more persons to act instead of the sole umpire during this period.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During discussions regarding the closure of St. Thomas Assembly Plant, the company committed to working with the local union to address the outstanding grievance agenda.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

- Health and Safety -

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

In the event of a work refusal under the Occupational Health and Safety Act occurring on the same shift as the health and safety representative, it will be our procedure to call the health and safety representative.

Where a work refusal occurs on an off shift, the health and safety representative will be notified by calling him at a **contact** number which he/**she** has listed with management for that purpose. If the health and safety representative cannot be reached, we will endeavour to contact his/**her** appointed replacement.

Should we be unable to reach the regular health and safety representative, or his/**her** designated replacement, we will contact the steward/committeeperson for the area who, from our experience, is usually present when a work refusal occurs.

During the 2012 negotiations the parties discussed the importance of ensuring this off shift steward/ committeeperson had foundational knowledge in health and safety in order to fulfill their associated responsibilities, including those described above. Accordingly, the company agreed to provide Part 1 core certification training upon request to said steward/committeeperson at the Bramalea Parts Distribution Centre, the Windsor Engine Plant/Annex and the Essex Engine Plant once during the term of this agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1987 negotiations, the company agreed to add an appointed health and safety representative to the afternoon shift at the Oakville complex.

The parties agreed and understood that for hours of work, this representative would be identified with one plant and would be retained at work only when a full vehicle production shift in that plant is scheduled to work on the afternoon shift.

It was further agreed that in the event a production shift is removed at the Oakville Assembly Plant, the health and safety representative would be reduced within fourteen days following the elimination of the production shift.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1993 negotiations, the company and union discussed the advantages that effective health and safety training provides to supervisors and union representatives in enabling them to more effectively carry out their responsibilities in maintaining safe and healthy working conditions in the plants.

Accordingly, the parties agreed that the Master Health and Safety Committee shall develop a 24 hour health and safety related training program that would be provided to union representatives. The training will be conducted during the term of the Collective Agreement and may be in increments of up to 8 hours as determined by the Master Health and Safety Committee. The local health and safety committee will conduct the training in the plants.

The health and safety training program will include training on legislation, ergonomics, procedures to handle employee safety concerns, and procedures to reduce work refusals in the workplace.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations the company and the union reaffirmed their commitment to provide a safe and healthy workplace for employees. The parties agreed that practical solutions to health and safety concerns are best achieved by responding to such concerns in a prompt and cooperative manner. The company recognizes that the workers' right to refuse work is clearly defined in provincial health and safety legislation and is an integral part of employee rights in the workplace. However, the parties recognize the importance of identifying health and safety concerns and resolving them before they become work refusals and without loss of production.

The company expressed its concern over employee health and safety work refusals where supervisors have no prior knowledge of such concerns or dangers. The parties acknowledged that in these cases such lack of prior knowledge is detrimental to company and union efforts to protect the health and safety of workers. In addition, production lost during such refusals has a negative impact on the company's competitive position and the job security of employees.

Within this context, the parties focused their discussion on methods and means by which health and safety issues and concerns could be addressed in a mutually satisfactory manner such that employee health and safety work refusals could be significantly reduced in number.

As a result of these discussions, the parties have agreed that an effective health and safety concern resolution process is required. The use of this process was deemed to be of particular value in addressing the ergonomic concerns of employees, where the hazard is not imminent but of significant concern to the employee. The Master Health and Safety Committee will provide each plant with key elements to be included in a safety concern resolution process. Each plant is responsible for implementing a safety concern resolution process in consultation with their local health and safety committee, within four months of receiving these key

elements. Prior to implementation, each plant's safety concern resolution process is to be reviewed by the Master Health and Safety Committee.

Health and safety concerns brought to the attention of management will be promptly investigated, with appropriate involvement of the union and management health and safety representatives. When corrective action is required, it will be taken promptly. It is essential that all parties be proactive to ensure the early identification and reporting of perceived hazards in the workplace.

The company and the union are committed to protecting the health and safety of employees and to making their joint health and safety efforts effective. Actions which may be contrary to this commitment, including unwarranted loss of production, must be avoided.

Problems with the application of this letter will be referred to the Master Health and Safety Committee. If the matter is unresolved, either party may refer the matter to the Vice President, Employee Relations and the National President, CAW.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1996 negotiations, the union raised its concern regarding possible future changes to the Ontario Occupational Health and Safety Act and Regulations.

To address those concerns a number of agreements were reached regarding the health and safety of employees which are outlined in a separate letter.

Notwithstanding these agreements, the parties understand that should changes to the legislation and/or the Ontario Ministry of Labour's support for the subject legislation change to render inoperative these rights, a mechanism will have to be determined to maintain the functional dimension of these rights.

Consequently, at such time as the union or the company has a reasonable concern that legislation could be passed which so affects the employee's right to refuse unsafe work, the Master Health and Safety Committee shall meet within 10 days' notice of a written request to meet. The parties will make a good faith effort to arrive at a fair and workable solution to the problem in a forthright and expeditious manner. In this regard, the Master Health and Safety Committee will be assisted and supported by the Chairperson of the Ford Council for the CAW and the Manager, Labour Relations and Hourly Personnel, Ford of Canada.

It was further agreed that any changes to the regulations would also be reviewed by the above mentioned parties in order to assess the impact on employee health and safety. The parties agreed that the provisions of the regulations in effect on the date of this agreement would be considered a minimum standard.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW - Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

Discussions were held concerning the appointment, duties and responsibilities of a CAW national health and safety coordinator for the term of the 1996 Collective Agreement. The coordinator will be appointed by the CAW president and will be based at the CAW Regional Office. Any complaints, should they arise, relative to the coordinator's performance may be referred to the president's office.

The coordinator's role is to promote a policy of problem solving, internal responsibility, and a non-adversarial relationship between the parties.

The coordinator will work with company and union representatives on improving the problem solving techniques and effectiveness of joint health and safety committees, and developing procedures to minimize work refusals under the Occupational Health and Safety Act.

The national health and safety coordinator may also counsel the local health and safety committees and make recommendations to improve the performance of these committees in maintaining a safe and healthful working environment. The coordinator may meet with plant management to discuss recommendations and approaches to improve existing health and safety policy and procedures including training, inspections and audits. In discussions on this subject, it was understood that while management may agree to accept recommendations in these areas, the final decision to act upon the suggestions remains that of management and will be based on legislation, practicality, and good business decisions.

The national health and safety coordinator may visit all plants and offices of CAW represented employees and access will be provided upon reasonable notice. The coordinator may also visit the represented parts distribution centres once per year.

The coordinator, working jointly with the labour relations planning manager, will put forth his/her best efforts to develop a

working relationship with management to effectively function in this position.

Finally, it is earnestly hoped by both parties that this innovative approach to the improvement and development of existing legislated and negotiated training based on a greater sharing of the responsibility for encouraging co-operative relationships in health and safety, will continue to lead to a situation considered satisfactory to both the union and management.

The parties agreed that the above arrangements, which were originally negotiated in 1987 and the subsequent evolving relationships and expanding responsibilities have worked well for the company and the union.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1996 negotiations, the company agreed to recognize a National Ergonomics Coordinator to enhance the joint efforts of the parties in maintaining and improving ergonomics in the workplace. This is a full-time position assigned to the day shift.

The National Ergonomic Coordinator will be appointed by the President National Union CAW for the term of the current Collective Agreement and no person shall act as the National Ergonomic Coordinator until written notice of their permanent assignment has been furnished by the President National Union CAW to the Central Labour Relations Staff. Any issues relative to the performance of the Coordinator may be referred to the President's office.

The role of the National Ergonomic Coordinator is to receive, analyze and assess concerns of an ergonomic nature submitted by the CAW National Health and Safety Coordinator and the Labour Relations Planning Manager of the company (the Master Health and Safety Committee) or the Master Ergonomic Committee. This analysis and assessment will assist the union and the company in determining the priority of each concern, in order that union and company resources may be effectively applied and that problem resolution may be maximized. The National Ergonomic Coordinator will assist in resolving disputes that may arise from time to time, using generally recognized and established ergonomic standards.

The National Ergonomic Coordinator may visit all plants, and access will be provided on reasonable notice.

The union will promote the existing CAW/Ford ergonomics process and other ergonomic processes that use advanced knowledge and skills in applied life sciences to recommend improvements to work stations, tools, and work methods. It is understood that the implementation of recommendations can occur only after thorough discussion in a joint environment.

The National Ergonomic Coordinator will work on a pro-active basis to support joint CAW/Ford Motor Company of Canada,

Limited initiatives to reduce injuries and related Workers' Compensation costs.

The National Ergonomic Coordinator will meet on a regular basis with the CAW National Health and Safety Coordinator and the Ford Motor Company of Canada, Limited Labour Relations Planning Manager to discuss issues and initiatives, as well as areas of concern which could be addressed by the Master Health and Safety Committee.

Following his/her appointment, meetings will take place to determine the courses required in order for the National Ergonomic Coordinator to upgrade his or her skills in the field and to function effectively, at a cost not to exceed the normal employee entitlement under the Tuition Refund Plan of the company taken in the aggregate over the life of the Agreement. Tuition for said courses will be payable by the company upon presentation of an invoice from the instructional institution.

Any problems arising from this document will be discussed by the Master Health and Safety Committee. If the problem is not resolved, the problem may be referred to the National Union CAW and Central Labour Relations Staff for resolution.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza

National President

National Automobile, Aerospace

Transportation and General

Workers Union of Canada (CAW-Canada)

205 Placer Court

Toronto, Ontario

M2H 3H9

Dear **Mr. Lewenza**:

During **2012** negotiations the company and the union continued to discuss their concern for the health and safety of employees in the workplace. Not only is this concern jointly held, but efforts to provide a healthy and safe workplace must also involve the cooperation of both parties.

Both the company and the union are proud of the cooperative progress achieved in the areas of employee health and safety during the term of the **2008** Agreement.

This letter reaffirms previous discussions and commitments and serves as a reference document consolidating previous contractual obligations and letters. Noteworthy previous commitments include:

- Provisions of Section 34.01 - Health and Safety
- Provisions of Section 34.02 - Health and Safety
Representatives
- Provisions of Section 34.03 - Special Procedure - Health and
Safety
- Provisions of Section 34.04 - Injury on the Job.

The company assured the union of continued recognition of the importance of good administration of this and related documents and of the positive contribution that can be made to health and safety administration at both the master and local health and safety committee level.

Some noteworthy achievements are:

- High level of overall activity of the master health and safety
committee
- Journeyman/woman health and safety training
- Joint training programs
- CCINFO training
- Ergonomics training
- Transportation of Dangerous Goods training

- Joint Training Task Force
- Robotics Training
- Hazard Training Program
- Laser Training
- Safety Messages
- Air Sampling Workshop
- Review of medical programs
- Annual training Health & Safety Representatives
- Legislation Training
- Heat Stress Training
- Air Sampling Training
- Division Safety Workshop
- Energy Control and Power Lock Out Training
- Powered Material Handling Vehicle Training
- Bill 194 Workshop
- Ergonomic Process Training
- Ergonomic Committee Training
- WHMIS Compliance Manual
- Ford Corporate Safety, Industrial Hygiene, Toxicology binders
- Guidelines, Responsibilities and Safe Practices (GRASP)
- Confined Space Entry Program
- Sound Action Plan
- Ergonomics Fair
- Additional Ergonomics Training
- Lifting and Rigging Program
- Training Program for Supervisors and Union Representatives
- Orientation Program for new Safety Engineers and Union Health and Safety Representatives
- Forty (40) Hours Skilled Trades Program (revised)
- Working at Heights
- Rescue from Heights
- Guidelines for employees assigned tasks in isolated locations
- Chemical Safety Training Program (revised/updated WHMIS)
- Refresher Training (PMHV, Ergonomics, Confined Space, GRASP, and ECPL)
- Safety Concern Resolution Process
- Maintenance Vehicle Safety - a program for maintenance personnel
- Propane Safety - a program for employees who refill/exchange propane tanks on propane fueled vehicles
- Review/Update eighty (80) hours formal health and safety training for apprentices in local apprenticeship programs.
- Material on Bloodborne Pathogens and Universal Precautions.
- Material for pregnant employees on "Working during your Pregnancy".
- Canadian Safety Support Boards.

- Training for environmental representatives at annual meeting.
- VDT Training at 2000 annual training
- Home Safety Booklet
- Training in Industrial Risk Insurance Inspections and Reports at the 2003 annual meeting
- Cost effective training initiatives
- Information on the status of metalworking fluids
- Skilled trades pre-job review (JSA)
- New equipment review training for Health and Safety Representatives and Safety Engineers
- Company's TDG regulatory awareness session
- Review of Company Asbestos Program
- Environmental legislative training
- Updated Environmental Brochure
- Ergo Tools Training
- IRS training
- Ergo Process Training
- Updated eight (8) hour legislative training
- TDG regulatory awareness training refresher
- Hands-on ECPL refresher training
- GRASP practical refresher training
- Update boxcar training
- Confined Space Entrant/Attendant refresher
- Confined Space Permit Issuer refresher
- Update information on VDT emissions at the 2006 annual health and safety meeting/training
- Update the CAW-Ford Ergonomic Process Manual
- Overview of the ISO auditor's course at the annual meeting
- Information on environmental requirements as they relate to the duties of the Workplace Environmental Committee at the annual meeting
- Revise forty (40) hour Skilled Trades Health and Safety Training Program for new skilled trades employees at the plant facilities
- **Trouble Shooting - safety training program for skilled tradespersons**
- **Update ECPL Core training program for affected new employees**
- **Use illustrated high impact single point lessons for summer shutdown stand downs**
- **A review of current safety training videos and printed materials for opportunity to update format (i.e. DVD, CD)**
- **A cost effective update to the CAW/Ford Chemical Safety Training Personal Reference Handbook**
- **Environmental Regulatory and Technology Refresher at the 2009 Environmental training**

- **Information and discussion on Nanotechnology at the 2009 annual Health and Safety training**

In addition to the above achievements, current activities being planned/developed in cooperation with the master health and safety committee include:

- **Global Harmonization System training**
- **Magnetic field hazard information and placarding**
- **Maximo (or TEMS as may be applicable) Training for health and safety representatives at the 2013 annual Health and Safety training**
- **Training on pertinent fire control bulletins at the 2013 annual Health and Safety training, including evacuation procedures**
- **Working at Heights training update**

The company also reaffirmed its dedication to the intent of this and related documents and will re-advise its local managements of their responsibilities under this and related documents. Specific problems regarding administration will be reviewed by the master health and safety committee. Further, where the union has serious concerns on health and safety issues affecting employees or where legislated standards and regulations apply, these will be appropriate matters for the master health and safety committee to review and provide guidance to the concerned facilities.

Specific issues discussed in this letter include:

1. Master health and safety committee
2. Local health and safety committee
3. Health and safety training for local chairperson
4. "No Hands in Dies" policy
5. Energy Control/Power Lockout
6. Safety measures - new or relocated equipment
7. Assignment of employees to tasks in isolated locations or confined, closed-entry spaces
8. Safety Talks Program
9. Air tests
10. Preventative maintenance logs
11. Research Studies - Health and Safety
12. Health and safety representatives/union representatives - training
13. Hazardous materials
14. Noise Abatement Program
15. Medical surveillance
16. Ergonomics

17. Heat stress
18. Infectious and communicable diseases
19. Personal protective equipment
20. Guidelines, Responsibilities & Safe Practices (GRASP)
21. Powered Material Handling Vehicle (PMHV)
22. Confined Space Entry
23. Confidential Medical Information
24. Emergency Procedures
25. Lifting and Rigging
26. Rights and Duties contained in the Act
27. Working at Heights
28. Rescue from Heights
29. Chemical Safety Training Program
30. International RSI Awareness Day
31. Arch Flash
32. Defibrillator(s)

1. Master Health & Safety Committee

The company and the union confirm their willingness to continue the master health and safety committee which will meet at least quarterly at mutually agreeable times and places. A summary listing of the items discussed at the meetings including a response, to the extent possible, will be provided. The master health and safety committee will consist of two (2) representatives of the national union and two (2) representatives of the company. Each party will appoint to the committee at least one (1) member who has professional training in industrial hygiene or safety.

Among those matters that will be appropriate for discussion by the committee are significant developments of a mutual interest in the health and safety fields, changes in the company's health and safety programs due to legal requirements or company policy revisions, review of the meaningful injury and illness experience of the company's plants, development of employee education and training programs related to health and safety, and procedures to minimize employee exposure to known harmful physical agents or chemicals.

In the course of these discussions, the company will disclose the identity of any known harmful physical agents or chemicals to which employees are exposed. In addition, the company will arrange for surveys of specific plants by persons appointed by the company who have professional training in industrial hygiene or safety at the request of the CAW national president. Results of such surveys, as well as regular plant surveys conducted by those persons will be provided to the national union. The arrangements we have made in the past for professional health and safety representatives of the national union to visit company plants in

connection with particular health and safety problems will be continued.

The company also confirms its willingness to provide to the CAW/Ford national health and safety coordinator current statistical data on industrial injuries and illnesses, when available. Also, the company will continue to provide to the national coordinator prompt notification of fatalities and critical injuries resulting from work-related accidents.

The company and the union further agreed it would be beneficial to share among various plants their best practices with respect to health and safety and ergonomic activities. As a result, the parties agreed that the Master Health & Safety Committee (MH&SC) will plan and implement annually five (5) days of meetings/training for members for the Joint Health & Safety Committee (JHSCs) along with the core members of Local Ergonomic Committees (LECs) from each plant location. The Company will pay for scheduled hours worked, registration where necessary, lodging and transportation. The Union will be responsible for meals and other expenses for union representatives.

2. Local Health and Safety Committees

The local health and safety committee shall consist of two (2) certified members from the company and two (2) certified members from the union. The members from the company will include the company safety engineer. The two members from the union will be the two full-time health and safety representatives in those locations which have two (2) full-time health and safety representatives. In those locations which have one (1) full-time health and safety representative, the second member of the committee will be the alternate health and safety representative. This committee will be the joint health and safety committee established at each location under the Occupational Health and Safety Act of Ontario. Each joint health and safety committee will meet at least once each month at a mutually agreeable time and place to review health and safety conditions within the plant and make such recommendations as necessary in this regard. The meetings will be co-chaired and minutes will be distributed. The master health and safety committee may be called upon by either member of the joint committee to assist the members in defining the roles of the joint health and safety committee thereby increasing its effectiveness.

During 1996 negotiations the parties agreed, that given the existing training structure and developing training policy at Ford, certification training will be given to the full Joint Health and Safety Committees at all locations.

A CAW/Ford instructor, certified to deliver the program by the Workers Health and Safety Centre conducted one in-house training session in the Windsor area, and one training session in the Oakville area to accommodate the Joint Health and Safety Committee members. The instructor was assisted by the labour relations planning manager and the health and safety coordinator.

When further certification training is necessary due to a change in the committee, the new Joint Health and Safety Committee member will be trained locally.

During 1996 negotiations the company agreed to provide core certification training to the alternate union health and safety representatives at the Oakville Assembly Plant (2) and the St. Thomas Assembly Plant (2) once during the term of this Agreement. It is understood that this training would be conducted locally.

During 2005 negotiations the company agreed to provide the health and safety representative access to MATS, and OHSIM (union representative only) at those facilities where these programs are available. It is understood that the information retrieved from these programs remains the property of the company and is to be kept confidential. This confidential information is to be used solely to assist the health and safety representative in carrying out his/her legislative and contractual requirements. The company will advise the CAW National Health & Safety Coordinator as to the timing of implementation. During 1999 negotiations the company and union agreed that Hazard Specific Training will be given to the JHSC members at all locations. Each JHSC member will attend ten WHSC Hazard Specific Modules to be taken in one (1) week [forty (40) hours]. One (1) training session will be held in Oakville and one training session will be held in Windsor.

The parties agreed to meet with officials of the Ministry of Labour on the issue of fulfilling the obligations of Hazard Specific Certification Training. To accomplish this, the Master Health and Safety Committee will:

1. Confirm that the JHSC have completed their workplace hazard assessment.
2. Have the JHSC identify and prioritize their required training based on the hazard assessment and the knowledge and prior training of JHSC members.
3. Identify the ten modules to be given at Oakville and Windsor.
4. Arrange for a CAW/Ford instructor to conduct the training.

During the 2005 negotiations, the company agreed to provide annually, one (1) copy of the Occupational Health and Safety Act and Industrial Regulations to a union health and safety representative on request.

The local health and safety committee will monitor the commitments contained in this letter.

3. Health and Safety Training for Chairperson - Certain Units

Full-time chairpersons of the negotiating committees at those locations which do not have a health and safety representative may, upon request of the CAW national president, attend training or instruction programs provided by the company pursuant to section 34.02(d) of the Collective Agreement.

4. "No Hands in Dies" Policy

The company has long recognized and continues to recognize the importance of eliminating the potential danger resulting from the necessity for employees to place their hands into the point of operation of mechanical power presses. The company's policy in this regard is as follows:

"Company policy has been and continues to be 'No Hands in Dies'. Implementation of 'No Hands in Dies' in the plant requires provision for appropriate hand feeding tools, slide feeds, sliding bolsters, automatic or semi-automatic operation, die cutouts or other means and procedures whereby the operators are not required to place their hands into the point of operation. In addition, well-defined procedures for use of die blocks and safety lockouts and tags for maintenance and setup personnel are imperative."

5. Energy Control/Power Lockout

It is recognized by both parties that the CAW-Ford Energy Control/Power Lockout Training Program has been implemented at all of the company's plants. It is understood that each employee who is required to lock out equipment as part of his/her job requirement will receive this training.

To maintain effectiveness of the ECPL Program, annual refresher training will be provided as outlined in Industrial Relations Bulletin #100.

Necessary modifications to the ECPL Program for local conditions will be documented and reviewed by the local health and safety committee. Further, it was agreed that where required the co-chairpersons of the master health and safety committee, with the local health and safety committees, would identify employees who are required to lock out equipment as part of their job requirements, and who have not received the training, and

work with management to develop a timing schedule for completion of the training.

6. Safety Measures - New or Relocated Equipment

The company shares the union's concern regarding the timely installation of necessary safety measures on new or relocated equipment, and assures the union that it will give priority to such necessary measures on new and relocated equipment where these measures are required to protect the health of employees. In addition, union health & safety representatives are permitted to review jointly new plant layouts, new manufacturing equipment and major process changes where employee health and/or safety may be affected. The company encourages the active participation of a management and a union representative of the local health and safety committee in the health and safety review and approval process of machinery and equipment at the manufacturer's location, where practicable, and in the plant prior to start up with a view to providing constructive recommendations to management. Problems associated with the interpretation/intent of this letter shall be referred to the master health and safety committee.

7. Assignment of Employees to Tasks in Isolated Locations or Confined, Closed-Entry Spaces

The company undertakes that when such assignments involve what are locally recognized as work situations hazardous to an employee, appropriate precautions will be taken in accordance with safe work practices, including air sampling and ventilation when necessary, provision of necessary protective equipment, communications systems, personnel surveillance arrangements, training, and, as required, adequate support personnel. Each local health and safety committee may review the work activities it considers to be hazardous for working alone and may make recommendations to local management for consideration.

The Master Health and Safety Committee will develop guidelines for the Local Health and Safety Committees to consider when developing their plant specific policies for employees assigned tasks in isolated locations.

8. Safety Talk Program

The parties discussed the company's efforts with respect to periodic safety talks with employees. These talks which are usually conducted by members of plant supervision serve the purpose of reminding employees of the importance of safe work practices and encourage awareness of potential hazards in the workplace. Both parties share the view that conditions, equipment

and processes differ by plant and that safety talks must, of necessity, be handled on a plant-by-plant basis.

The parties are aware that many individual plants and divisions have developed safety talk procedures which are effective in their design and manner of presentation and which, in some cases, make use of recording and other mechanical devices. The review of these programs is a proper subject for discussion by the health and safety committee so that this information may be communicated to other company locations for their evaluation. Further, the parties agreed that the content and delivery of the safety talks will be addressed by the local health and safety committees and that they may develop and recommend specific materials for inclusion in the programs. Additionally, the parties agreed that a review of these programs is a proper subject for discussion by the master health & safety committee.

Plant presentations on Safety Talks by health & safety representatives and safety engineers were included in the 1991 annual health & safety training program.

9. Air Tests

The parties discussed the sharing of the results of air tests taken inside the plants. The parties agreed to share the results of all air tests taken, whether they be personal or area samples, which directly reflect employee exposures to air contaminants in the workplace. Such sharing is to take place between the members of the local health and safety committee.

Further, upon receipt of air test results at the plant the local health and safety committee shall receive the results without delay.

In addition, requests for chemical, physical and biological exposure monitoring may be reviewed with an industrial hygienist. Sampling may be conducted by the industrial hygienist or by a member of the local health and safety committee under the direction of the industrial hygienist when deemed appropriate.

A union member of the Local Health and Safety Committee will be notified of and will be given the opportunity to be present during the testing. A copy of the report of the final test results will be supplied to the Health and Safety Representative.

The company intends to control, through professional industrial hygiene practice and methods, employee exposures to the lowest of the following currently adopted guidelines, regulations, or recommendations of the organizations identified below:

- Ontario Regulation 833 - Control of Exposure to Biological or Chemical Agents;
- Ontario Regulations **490/09** - Designated Substances;
- U.S. Occupational Safety and Health Administration's Permissible Exposure Levels (PEL);

- Ford Occupational Exposure Limits (OEL);
- American Conference of Governmental Industrial Hygienist's Threshold Limit Values (TLV®) for Chemical Substances in the Work Environment.

10. Preventative Maintenance Logs

The company confirms that it will continue to give the local health and safety committee the opportunity to review preventative maintenance logs. During 2005 negotiations it was agreed that the Health and Safety representatives will be given access to the Total Equipment Management System (TEMS) for the purpose of reviewing the safety PM logs. The company will prepare a letter for distribution to the plants that stresses the need and importance of established Preventative Maintenance Programs with regard to health and safety-related items. **During 2012 negotiations the company agreed to extend the access provision for TEMS to its replacement system, Maximo or MAINBOSS, as applicable.**

11. Research Studies

The parties devoted considerable attention to the subject of occupational health within groups of company employees represented by the CAW.

The company recognizes that there is value in health research and will pursue jointly with the CAW proposals for occupational health and engineering control research studies by reputable institutes and/or universities. It was understood that such research would be funded by other than company sources. Such proposals shall be evaluated by the master health and safety committee. During 2005 negotiations, the parties discussed research protocols and the company confirmed that it will consider appropriate gender representation in all research projects that are conducted in facilities.

During **prior** negotiations, the company agreed to provide the C.A.W. National Health and Safety Coordinator with copies of completed Occupational Health and Safety Research Projects conducted by the company in its U.S. facilities.

12. Health & Safety Representatives/Union Representatives - Training

The company has agreed that when a health and safety representative appointed under article 34 of the Collective Agreement is engaged in management-approved health and safety training activities of one full shift duration or longer, the company will provide pay for scheduled hours worked to the health & safety representative. The employee who has been designated as the regular replacement by the CAW national president may be

activated while the health and safety representative is engaged in these training activities.

The existing eight (8) hour training session dealing with legislative issues will be provided to newly elected union representatives and health and safety representatives. This existing eight (8) hour training session will be updated if required.

13. Hazardous Materials

The parties discussed the need to have information on all hazardous chemicals before they enter the plant.

The company supports the principle of toxic use reduction through its policy and programs. Materials and processes shall be formulated to reduce/eliminate, wherever feasible, constituents that are considered potentially hazardous or that could possibly harm the environment or health of the customer or employee or adversely affect the occupational safety of an employee. Toxicity of potential substitutes shall be considered in this process.

The company assured the union that it intends, by means of its Materials and Toxicology System, to evaluate hazardous materials before introducing them into the workplace. This program includes hazardous materials which a contractor would use on our premises and to which company employees would be exposed. The company will continue its efforts in this regard, and the local health and safety committee will review local procedures for approval of all hazardous materials coming into the plant.

The company assured the Union that it will continue to insist that suppliers, as well as company personnel, conform to the restriction, and in some cases the prohibition, of certain substances from parts, materials, equipment, machinery and/or tooling supplied to the company or for use in its products. These substances are identified and discussed in greater detail in the "Restricted Substances Management Standard – WSS-M99P999-A1", commonly known as HEX-9. The purpose of the HEX-9 document is to control restricted substances within formed articles, and is not intended to replace the existing system of evaluation of chemicals by Ford Toxicology as discussed in the previous paragraph of this agreement. The HEX-9 document should be consulted for a more thorough discussion of its requirements. Furthermore, it is recognized by both parties that HEX-9 is a living document and substances may be added, and in some cases deleted, based on the current state of knowledge concerning the substances listed in HEX-9. Presently, the following materials are prohibited in all products, as defined by HEX-9, that are supplied to Ford:

Asbestos (132207-33-1, 12172-73-5, 12001-29-5, 12001-28-4);

Bis(chloromethyl)ether (BCME)(542-88-1);
Carbon tetrachloride (56-23-5);
Halon (353-59-3, 75-63-8);
Hydrobromofluorocarbons (HBFCs)(1868-53-7);
Methyl bromide (74-83-9);
Methyl chloroform (71-55-6);
Polybrominated biphenyls (PBBs) > 0.001% (59536-65-1);
Polychlorinated biphenyls (PCBs) >0.001% (1336-36-30);
Polychlorinated terphenyls (PCTs) >0.001% (61788-33-8);
Products of endangered species as defined by US Endangered Species Act;
Tris (1-aziridinyl) phosphine oxide (545-55-1);
Tris (2,3-dibromopropyl) phosphate (TRIS)(126-72-7);
Vinyl chloride monomer > 0.001% (75-01-4).

Additionally, the company agreed that the health and safety representative(s) will remain a member of the plant hazardous materials control committee and that a copy of the local Hazardous Material Catalogue would be supplied to the local health and safety committee for its use. In 1999 the company agreed the plant environmental representative may become a member of the plant hazardous materials control committee.

It is understood that use of these catalogues and the contents therein, and any other information provided, shall be limited to the purpose of evaluating a process, job or hazard and shall not be reproduced, published and/or distributed for any other purpose. Furthermore, where there is a specific concern regarding a hazardous material, the local health and safety committee will be provided with additional pertinent information.

Notwithstanding the above, the company recognizes there may exist from time to time a legitimate need for more information. The company assures the union it will endeavour to address this need in a timely manner.

To continue improvement in the overall working conditions of employees in machining operations, the company will strive to continue as the industry benchmark. The Ontario Occupational Health and Safety Act Standard presently has set an oil mist control level of 5.0 mg/m³. The Company intends to achieve an internal level of 1.0 mg/m³ and will continue to work toward reducing employee oil mist exposures. Furthermore, during 1999 negotiations the company agreed to specify that new equipment be designed to attain a level of 0.5 mg/m³.

During 1999 negotiations the company and the union discussed the health effects of employees working with metalworking fluids. The parties agreed that the CAW/Ford Chemical Module on metalworking fluids would be conducted for all employees who

regularly work in the Windsor Engine Plant, Essex Engine Plant and the Essex Aluminum Plant and who are exposed to metalworking fluids. The Master Health and Safety Committee will discuss supplemental metalworking fluid training.

The company and the union discussed the replacement of internal combustion engine powered material handling/unique vehicles with electric vehicles for in-plant use when such vehicles require replacement. The parties also discussed the emissions from the use of internal combustion engine material handling vehicles inside of plants and taking appropriate action, where necessary to control carbon monoxide exposure levels. The company advised the union it would consider the replacement of material handling vehicles powered by internal combustion engines with electrically powered vehicles to control carbon monoxide exposures from material handling vehicles used inside of the plant where this is economically and technologically achievable.

14. Noise Abatement Program

The company will continue to administer a noise control and hearing conservation program which emphasizes the reduction of noise exposure to employees. The company reaffirmed its commitment to this program and assured the union that there will be an ongoing effort to address noise concerns where levels are above the legislated levels, particularly with the introduction of new equipment, machinery and technology as part of plant modernization and new facility installations. The company will continue its present purchasing practice in regards to noise limits as described in the manufacturing standard SX1 "Noise Control". For most new and rebuilt purchased equipment the sound emission shall not exceed eighty (80) dBA average (Lavg) at a distance of one (1) meter from the perimeter of the machine or at the operator's position. Furthermore, it is to our mutual benefit for the local health and safety committee to identify and prioritize noise areas, oversee noise abatement across the plant, and to make appropriate recommendations. It is understood that this will include a review of the sound survey results.

The company will instruct the management of each plant to review annually with the local health and safety committee in sufficient detail the noise abatement programs currently in effect and those it is planning to undertake. Management will supply this information to the local health and safety committee in writing, with the understanding that the committee will have ample opportunity to discuss the noise abatement program with management and make recommendations designed to improve upon it.

The parties further agree to conduct audiometric tests annually for those employees who work, on a regular basis, in areas where noise exceeds eighty-five (85) decibels (dBA). Permanent records of noise will be maintained at each plant.

15. Medical Surveillance

Since the union expressed a desire to be informed when safety-related medical surveillance programs are being conducted at company locations, the company advised the union that the plant physician will meet with and inform the local health and safety committee of these programs.

In addition, the company medical director may attend master health and safety committee meetings when specific discussion items are raised in advance by members of the master health and safety committee.

16. Ergonomics

The company assured the union that it is committed to efforts, where feasible, to improve the interface of employees with the workplace.

Each assembly, manufacturing unit, and parts distribution centre of one hundred and twenty-five (125) or more employees will establish a local ergonomics committee with the objective of introducing and exploring ways to reduce injuries or illnesses through the application of ergonomics. The ergonomics committee will include the company safety engineer, union health and safety representative, time study committeeperson or a union designate where a time study committeeperson does not exist, and a member of the industrial engineering department, or another qualified member of management who has company responsibility for ergonomics. During 2005 negotiations, the company agreed that the ergonomic representative at Oakville and St. Thomas would become a member of the local ergonomic committee at their respective plants.

During 1999 negotiations the company and union reaffirmed their support for the ergonomic process and the mutual advantages of an effective local ergonomics committee. The parties agreed that an integral part of the ergonomic process is an ergonomic review of new jobs/workstations. The parties agreed that in carrying out job station design at introduction of new process or procedures or the changing of job assignments all industrial engineers shall use an ergonomic check-list.

During 1996 negotiations, the company agreed to include the Production Standards Committeeperson in the company ergonomic training program provided to industrial engineers.

Each location may develop a program to provide to employees external appliances, i.e. wrist, elbow or knee braces when the need is recognized by either the company doctor or by the employee's physician and approved by the company doctor for a medical reason. It should be recognized that these appliances are not a permanent solution to the problem.

When such a device is prescribed the medical department will advise the plant local ergonomics committee for a possible job ergonomic improvement.

During 2002 negotiations the company and union confirmed their willingness to form a Master Ergonomics Committee. The Master Ergonomics Committee will meet quarterly at mutually agreed upon times and places. An agenda will be prepared in advance. This master committee will consist of two representatives of the National CAW and two representatives of the company. Each party will appoint to the committee at least one member who has professional training in ergonomics.

Among those matters that will be appropriate for discussion by the committee include:

1. Plant applications and support of the CAW/Ford Ergonomics process.
2. Training of LEC members.
3. FPS - Ergonomics.
4. Results of completed Ford ergonomic studies
5. Advanced Ergonomic applications at the company.
6. Review Ford corporate and divisional ergonomic programs, policies, standards, and Initiatives introduced into the plants.

In 2002 negotiations, the Company and the Union discussed their joint commitment to efforts, where feasible, to improve the interface of employees with the workplace through the use of ergonomic principles reactively and proactively.

The study of ergonomics examines the interaction between the worker and the work environment, including such factors as machinery, tools, equipment, control panel design, and others. If the match between the worker and their work environment is poor, the worker's ability to perform the job may lead to, in the short term, fatigue, and in the long term, physical injury and/or disability. In addition, improper job design may hinder the worker's ability to produce high quality work and may result in increased absenteeism and decreased job satisfaction.

Therefore, the parties agree to use the jointly developed "Fitting Jobs to People: The CAW/Ford Ergonomics Process." The primary goal of Fitting Jobs to People is to protect the health and

safety of workers by examining the worker's job and reviewing it for risk factors that can contribute to injury and illness. In addition, the parties agree to incorporate basic ergonomic principles into the design of new equipment, machinery, tools, processes, facilities and workplace layouts.

The two primary strategies that are used in ergonomics are outlined in the Joint CAW-Ford Ergonomics Process:

- Identify the causes of injuries and illnesses in existing workstations by—
 1. Identify priority jobs through either the examination of medical records, employee reports, or risk factor check lists, and assessment;
 2. Evaluate job stresses to reveal the causes of the injury/illness or employee complaint;
 3. Reduce or, where feasible, eliminate these causes by developing changes in work methods, machinery, tools, equipment and workstation design;
 4. Implement and test the changes to determine their effectiveness;
 5. Document changes using the CAW-Ford Documentation Guidelines;
 6. Follow-up to ensure the issue is corrected and job changes are being utilized.
- Use the Design for Ergonomics Process in the design of appropriate workstations, equipment, tools and other job attributes.

The parties understand the importance of developing and implementing sound ergonomic guidelines at the earliest stages of the product/process development cycle. Therefore, the company has developed a design for ergonomics process for implementation at appropriate stages during the Ford Product Development System. The design for ergonomics process includes ergonomic principles in product/process design, identifies procedures and guidelines and establishes a review process for appropriate machines, equipment and workstations. In that context, design and process personnel review the ergonomic guidelines and take them into account when working on advanced programs. The Company uses guidelines to help direct further investigations of employee risk. Additionally, the ergonomic guidelines may be referred to by Local Ergonomics Committees solely for guidance and direction when working to improve existing jobs in the workplace. The company will review with the Master

Ergonomics Committee the design for ergonomics process and associated guidelines after completion.

The CAW/Ford Ergonomics Process recognizes that a number of factors may be appropriate to review in job assessments, including:

- The movement and postures of limbs and whole body as workers perform a task;
- The energy expended in performing a task over a given period of time;
- The amount of physical strength required for a task or job;
- Relationship between the worker and the machine, equipment, tools, workstation and workplace;
- Design and layout of control panels and displays.
- Repetitiveness of the task.
- Pace of the work.

The parties reaffirmed their support for the role of the Local Ergonomics Committees (LECs) in the CAW/Ford Ergonomics Process. The LEC should consider several factors when identifying priority jobs. Some of these factors may include excessive overhead work, cramped working postures, and walking backwards. Medical tracking tools should be used to verify employees are experiencing injuries on these jobs.

The MEC will meet quarterly to discuss and update MEC members on status of Local Ergonomics Committees, best practices, and lessons learned. The company and the union further agreed it would be beneficial to share among various plants what each one is doing with respect to ergonomics activities. As a result, the parties agreed that the MEC will plan and implement annually **five (5) days** of meetings/training for **core** members of the LECs **along with JHSC members** from each plant location. The Company will pay for scheduled hours worked, registration, where necessary, lodging and transportation. The Union will be responsible for meals and other expenses for union representatives.

During 2002 negotiations, the Company and the union agreed to ask management to encourage appropriate members of the Local Ergonomic Committees to participate in the review process of new machinery, equipment and work processes prior to start-up for production. The review will be done with a view to providing constructive recommendations to management. During this review process, management representatives will give consideration to comments from the Local Ergonomics Committees when the health and safety of employees may be affected.

During 2008 Negotiations, the company assured the union that a good faith effort will be made to implement permanent ergonomic solutions within a six (6) month time frame after the LEC determines that corrective action is required, and has prioritized the remediation. If an identified priority is unresolved following six (6) months, the LEC will bring reasons to the attention of the Plant's Safety Process Review Board. The parties acknowledge that there may be times when it may take longer than six (6) months to make the proper correction, and the reasons need to be documented. Formal follow-up on improvement actions should be completed within one (1) month after the solution is in place to confirm its effectiveness.

17. Heat Stress

During 1990 negotiations, heat stress conditions for individuals and groups were discussed.

It was agreed that the master joint health and safety committee, together with input from local joint health and safety committees would discuss ways of reducing the impact of heat stress. Heat stress training was provided to the health and safety committees. This training included discussions of guidelines for acceptable limits, monitoring of hot environments, equipment and control methods.

When suspected heat stress conditions prevail, the local joint health and safety committee will investigate and evaluate the environmental and ergonomic conditions and inform plant management of their findings.

18. Infectious/Communicable Diseases

During the 1990 negotiations, the parties discussed the union's concerns of infectious and communicable diseases arising in and from the workplace. The company medical director met with the master health and safety committee with respect to new developments on procedures of notification, communication and education. In addition, AIDS training was conducted at the 1991 annual training. During 2005 negotiations, the parties discussed the increased inquiries during safety training sessions with respect to infectious and communicable diseases. In order that health and safety trainers may be better prepared for such questions it was agreed that they would receive the Bloodborne Pathogens training from the respective medical departments at each location.

19. Personal Protective Equipment

The company and union had discussions regarding the selection of protective equipment which the company selects and requires employees to wear. The parties agree that the proper selection, maintenance, and use of personal protective equipment plays a significant role in the reduction of workplace injuries and sicknesses. The company and union agree that the health and safety committee may make recommendations to plant management on the type of protective equipment best suited for use at the plant, and on procedures to ensure that the protective equipment is properly maintained and used by the designated employees.

Problems associated with the interpretation of this letter shall be referred to the master health & safety committee.

Invisible line bi-focal lenses, tri-focal lenses and task specific eyewear for computer operators under certain conditions will be part of the company's safety glass program. Selected metal frames are also included in the company's safety glass program.

20. Guidelines, Responsibilities, and Safe Practices (GRASP)

The company, in consultation with the master health and safety committee, has developed and implemented the GRASP training program designed to train: (1) committee persons, supervisors, and superintendents on their health and safety roles and responsibilities; and (2) all employees on job hazard recognition. The program provides for a job safety analysis (JSA) for each job or group of jobs in a specific work area. JSA safe job procedures should be reviewed with new employees during the training period process.

During 1999 negotiations, the company and union discussed providing workers with instructions on the hazards pertaining to their job and any safety equipment prior to work being performed. The parties understand and acknowledge that the plants have various systems and processes to train and advise employees of the hazards and safe work practices relative to their assigned tasks, such as JSA. The parties also acknowledged that with the introduction of the Ford Production System the JSA and the Quality Process Sheet would become a single document. Such documents will be used to advise employees of hazards and safe practices together with the quality process in their respective area. Furthermore, the Master Health and Safety Committee will arrange to conduct the JSA training program to assist personnel in the preparation of JSAs. The JHSC will be consulted on the process of integration into the FPS system.

21. Powered Material Handling Vehicle (PMHV)

Powered Material Handling Vehicle (PMHV) Program training was designed to instruct operators of material handling industrial trucks in the safe operation of their vehicles. The parties agree that prospective operators should receive the appropriate CAW-Ford PMHV training and properly satisfy certification requirements prior to operation of powered material handling vehicles.

22. Confined Space Entry (CSE)

The company, in consultation with the master health and safety committee, developed and implemented a comprehensive confined space entry training program for permit issuers, rescue team members and entrants/attendants. Permits are only issued by trained permit issuers. Entry to confined spaces is restricted to trained entrants/attendants. Rescue teams will receive refresher training annually on practice rescues from typical confined spaces.

A designated JHSC member representing workers is entitled to be present at the beginning of testing conducted with respect to industrial hygiene at the workplace if the representative or member believes his or her presence is required to ensure that valid testing procedures are used or to ensure that the test results are valid. The parties acknowledged that this provision must be used in good faith and concerns or beliefs regarding process deficiencies must be openly communicated for correction.

23. Confidential Medical Information

During the 1996 negotiations the parties discussed the confidentiality and disclosure provisions of the Health Disciplines Act (Ontario).

It is understood that the company's medical department will provide, upon request, and as prescribed by legislation and interpreted by the College of Physicians and Surgeons of Ontario to the employee or his/her physician or authorized legal agent the results of any examination or treatment performed by the company's medical department on such employee after such employee provides to the company his/her signed Medical Information Authorization.

It is understood that the union is not automatically an authorized agent as described in the Health Disciplines Act (Ontario).

24. Emergency Procedures

During the 1999 negotiations, the parties again discussed emergency evacuations procedures and severe weather (take cover) procedures at each plant location. The parties recognized that employee awareness is a key element of these preparedness plans. As a result, the parties agree that the company will review its emergency evacuation procedure and severe weather (take cover) procedure with employees in the form of a safety talk at each plant annually.

25. Lifting and Rigging

The company, in consultation with the master health and safety committee, developed and implemented a lifting and rigging training program for those designated employees and their supervisors on how to safely (a) rig and lift a non-standard load with a hoist, and (b) rig and lift power press dies.

26. Rights & Duties contained in the OHSA

Nothing herein shall be construed to restrict any employee's right to refuse to work or to do particular work where the employee has reason to believe that the employee's or another person's health and safety is in danger under sections 43 to 50 inclusive of Parts 5 and 6 of the Ontario Occupational Health and Safety Act in effect on the date of this Agreement. In addition, the company agrees that its duties and responsibilities toward the union and bargaining unit employees under Part 2 (S. 8 to 11 inclusive) and Parts 3, 4, and 7 of the Act as of the date of this Agreement shall be minimum standards incorporated under the Agreement.

27. Working at Heights

The company, in consultation with the master health and safety committee, developed and implemented a working at heights program. This program is intended for employees who are required to work on ladders and/or elevating devices where the use of fall arrest systems are a necessary part of the job process.

28. Rescue from Heights

The company, in consultation with the master health and safety committee, developed a comprehensive training program for rescuing from heights. This program is designed to provide plant emergency response teams with the knowledge and ability to rescue a person from elevated locations.

29. Chemical Safety Training Program

The company, in consultation with the master health and safety committee, adapted the Chemical Safety Training Program (WHMIS) for use in Canadian manufacturing, assembly and parts distribution centres. This chemical safety training program updated the original HAZCOM/WHMIS training program for new employees and provides training for all employees and supervisors who may be exposed to hazardous chemicals.

30. International RSI Awareness Day

Each year on the last working day of February, the company and the union agree to promote awareness of repetitive strain injuries in order to reduce their occurrence. Initiatives used to promote RSI awareness could include safety talks, videos, disseminating written material and posters.

31. Arc Flash

The Company, in consultation with the Master Health and Safety Committee, developed a Canadian Arc Flash training program. Critical to the ongoing mitigation of associated risk is the review of new equipment for appropriate hazard class labeling including required levels of PPE.

32. Defibrillator(s)

During 2008 Negotiations the parties discussed the importance of Emergency Medical Response. Accordingly, the Company assured the union that each facility would maintain a defibrillator under the care and control of a trained and qualified individual.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, LIMITED
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of these negotiations the union requested a minute of silence be observed in the plants covered by the Agreement in memory of those persons who have died in industrial accidents. Such moment of silence will be observed each year on April 28, at 11:00 a.m. The local union will meet with plant management and make recommendations on methods to observe the one-minute silence without a loss of production. In addition, the CAW National Health and Safety Coordinator may make recommendations to the Master Health and Safety Committee on proactive initiatives that the company and union may take to promote the day of observance and health and safety awareness, such as flying a flag at half-mast, safety talk or disseminating promotional written material.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2002 negotiations the parties discussed the value of CPR and first aid training as a precaution against emergencies that may arise in the plants during both production and maintenance hours.

In order that trained workers may be present in the event of such emergencies, the company agreed to continue the current practice of providing CPR training and pay lost wages for interested employees to a maximum of one hourly-rated employee in twenty-five (25) and to making employees aware of upcoming CPR sessions.

In addition, due to the nature of the work performed by plant electricians, the company agreed to provide CPR training and pay lost wages for electricians on a voluntary basis.

It is understood that the names of personnel who take this training will be posted in first aid and other appropriate locations and that these employees will be expected to perform rescue operations including CPR in the event of an emergency.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations the company and union discussed their shared concern for the environment. The parties acknowledged the joint efforts that have been made at the local levels with respect to the environment. The company and the union again agreed that it would be beneficial to share among the various plants what each one is doing with respect to environmental activities.

In this regard the company and union agreed that the labour affairs planning manager and national health and safety coordinator would convene an annual three (3) day meeting of the workplace environmental committees from each plant location. The company will provide pay for scheduled hours worked, registration where necessary, lodging and transportation. The union will be responsible for meal(s) and other expenses for the union representatives. It is hoped that this innovative approach will continue to increase environmental awareness within Ford of Canada.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1999 negotiations the company and union had dialogue regarding their mutual concern for the environment. Both parties acknowledged the efforts and the numerous positive results of the Workplace Environmental Committees, and specifically, the contribution of the CAW Environmental Representatives to company initiatives. Accordingly, the company agreed to allow the CAW Environmental Representatives at the assembly and manufacturing plants to function an additional 16 hours per month in support of company and plant environmental matters which are outside of, and in addition to, the Workplace Environmental Committee's efforts. Specifically, these activities will be directed toward support of FPS, ISO committees, corporate citizenship, community outreach, and in-plant environmental awareness, promotion and other activities as agreed upon by the CAW Environmental Representative and the company Environmental Representative.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza:**

During the **2012** negotiations, the parties agreed to **maintain** Workplace Environment Committees at Oakville, Windsor, and Bramalea. Each committee will consist of two representatives selected by the union and two representatives selected by the company. The CAW Environmental Representative will be allowed to function for up to 16 hours per month. The other CAW member of this committee would be allowed time to attend meetings of the Workplace Environment Committee.

Specifically, the Workplace Environment Committee members will:

- Meet monthly at a mutually agreeable time and place to review and discuss issues involving the environment, recycling, and energy conservation which pertain to Ford Canada employees.
- Discuss and make recommendations regarding possible future programs for the plants concerning the environment, recycling, and energy conservation.
- Promote and support ongoing programs in the plant relating to the environment including waste minimization activities in the plants.
- Receive and discuss appropriate issues referred to them by employees or the company.
- Develop and issue educational materials to employees and their families concerning the environment, recycling, and energy conservation.
- **Should the CAW Environmental Representative wish to make a formal recommendation in writing with regard to any of the program elements noted above, he/she may do so and management will respond in writing in a timely manner.**

- The CAW Environmental Representative shall be entitled to function as follows:
 - a) The Oakville Assembly Plant will have one CAW Environmental Representative who is entitled to function 16 hours per month;
 - b) The Windsor Engine Plant **and** the Essex Engine Plant will each have one CAW Environmental Representative who is entitled to function 8 hours per month;
 - c) The Health and Safety Representative at the National Part Distribution Centre in Bramalea will assume the duties of the Environmental Representative in addition to his normal responsibilities.

The company reserves the ability to withhold sensitive or confidential information which would not otherwise be available for general distribution within the company or for public distribution due to its nature, proprietary or otherwise. In addition, the union agrees to hold confidential any proprietary or confidential information supplied to it under the terms of this Collective Agreement.

This agreement is not intended to replace or restrict current local practices.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

Following 1996 negotiations, the Master Health and Safety Committee provided each plant with key elements to be included in a safety concern resolution process. Each plant was responsible for implementing a safety concern resolution process in consultation with their local health and safety committee.

The Health and Safety Concern Resolution Process will now be implemented at each plant as follows:

When a health and safety concern is raised with a supervisor, the supervisor shall:

1. Investigate in the presence of the employee, and together establish if there is a health and safety concern and the reason for it.
2. Where required, take appropriate action, including interim action where necessary, to address the cause for the concern:
 - A. Where concern(s) involve imminent danger, corrective actions will be implemented immediately.
 - B. On non-imminent danger concerns, establish a reasonable timeframe for correction. If correction of the concern cannot be completed within the employee's shift, and if the employee concurs with the correction and timing, the supervisor shall complete a "safety concern resolution process form" and give it to the employee, the plant safety office, the CAW Health and Safety Representative, the department responsible for correcting the problem, and one kept for his/her files. The department responsible for the correction shall respond in writing to the supervisor and copy the employee, the plant safety office, and the CAW Health and Safety Representative. The supervisor shall be responsible for tracking the issue until the problem is corrected.
 - C. If the supervisor believes no correction is required, and the employee concurs, no further action is required.

3. If the employee disagrees with the action taken (or lack of action), or its timing, the supervisor will contact the employee's union representative. If these individuals are unable to resolve the issue, the union representative should contact the CAW Health & Safety Representative to act as a resource. If resolution is achieved, the supervisor shall complete a "safety concern resolution process form" and follow the process described in 2 (B) above in those cases where the correction cannot be completed within the employee's shift.
4. If no resolution is achieved among the supervisor, employee, employee's union representative, and the CAW Health & Safety Representative, the supervisor will contact the area superintendent who shall respond expeditiously. If resolution is achieved, the area supervisor/superintendent shall complete a "safety concern resolution process form" and follow the process described in 2 (B) above in those cases where the correction cannot be completed within the employee's shift.
5. If there is still no resolution to the concern, the area superintendent shall advise the plant manager or his/her designate and the employee's union representative shall advise the plant chairperson or his/her designate. If resolution is achieved, the safety concern resolution process form is completed as in 2 (B) above in those cases where the correction cannot be completed within the employee's shift.
6. In the event that the safety concern is not resolved between the parties as above, and there is a likelihood the issue may escalate to a work refusal, the Ministry of Labour will be called. The Ministry of Labour Inspector will be requested to adjudicate whether there is a likelihood to endanger in the same manner as a second stage work refusal.
7. If a work refusal occurs, one management and one worker member of the JHSC will investigate the refusal and issue a report explaining why there was a failure of the joint safety concern resolution process with recommendations, if appropriate. A copy of this report will be provided to the Plant Manager, Plant Chairperson, CAW National Health and Safety Coordinator, and Ford of Canada Labour Affairs.

The company and the union are committed to protecting the health and safety of employees and to making this joint health and safety process effective. Actions which may be contrary to this commitment, including unwarranted loss of production, must be avoided.

Problems with the application of this joint safety concern resolution process will be referred to the Master Health and Safety Committee. If the matter remains unresolved, either party may refer the matter to the Vice President, Human Resources and the National President, CAW.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations, the company agreed to allow the CAW Environmental Representative at the assembly and manufacturing plants to function an additional eight (8) hours per month.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During the 2012 negotiations, the company and the union discussed the advantages that training provides to Workplace Environmental Committees in enabling them to broaden their knowledge on those topics that may have environmental impacts or opportunities.

Accordingly, the parties agreed that the CAW Environmental Representatives may elect to receive chemical safety training and transportation of dangerous goods training. The training will occur when regularly scheduled sessions are offered.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

Concur: K. Lewenza

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During the 2012 negotiations, it was agreed that each location would annually draft and post a joint letter reaffirming their support for the workplace environmental committee and its expressly stated mandate. Working together we can help to promote those matters involving the environment, recycling, and energy conservation which pertain to Ford of Canada employees. This letter will be signed by the local union president, or plant chairperson, and plant/site manager at each location. The letter will be posted on all union bulletin boards.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

Concur: K. Lewenza

- Statement 1999 -

National Ergonomics Coordinator Visit to PDC's

During the 1999 negotiations, the parties agreed that the National Ergonomics Coordinator may also visit the represented parts distribution centres once per year.

- Holidays -

November 18, 1984

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations the parties discussed vacation scheduling and payment procedures during a vacation shutdown period in which a holiday(s) occurs.

This will confirm the understanding reached that when a holiday(s) as defined in section 25.01 occurs within the week of the plant's scheduled vacation shutdown, an employee may elect to convert the holiday(s) hours to which he is eligible to Excused Absence Allowance hours to be scheduled under the terms of my letter to all industrial relations managers dated November 18, 1984. Such hours will be in addition to those excused absence allowance hours for which he is otherwise eligible. It is understood that the employee must declare this election prior to the vacation shutdown.

Yours very truly,
A. W. Hanlon
Vice President,
Industrial Relations

November 18, 1984

Industrial Relations Managers

Subject: Excused Absence Allowance - UAW Hourly Employees

The eligibility requirements, pay provisions, procedures and general rules as set forth below are to be used in the administration of article 26, section 26.06(d).

Eligibility Requirements

1. Absences because of personal illness or other personal reasons must be excused by the employee's foreman for an absence payment to be made.
2. In the case of personal illness, detailed proof will usually not be required when the employee's absences are no more frequent than what could be reasonably expected of the normal employee. However, if an employee's attendance record is such that there is good reason to doubt the validity of a particular absence, a request for an excused absence payment may be denied unless the absence is substantiated by convincing proof.
3. In the case of other personal reasons, request for excused absence payments should be made in advance when the employee is reasonably able to do so. When the employee is not excused in advance and there is good reason to doubt the justification for failure to have been excused in advance, a request for an excused absence payment may be denied.
4. Notwithstanding No. 3 above, requests for excused absence payments for other personal reasons shall be granted provided that: (a) the employee makes a written request on a form supplied by the company at least one week in advance of the requested day; (b) there will be no adverse impact on operations (and if more than one employee desires the same day off, this will be taken into consideration when determining operational impact); and (c) if more employees, working for the same immediate supervisor, request the same day off than can be accommodated, the first employee(s) submitting a written request shall be granted the day off.
5. Notwithstanding Nos. 2 and 3 above, supervision should, in considering requests for excused absence payments for the day immediately prior to, or following a holiday(s), be guided by criteria now used to determine holiday pay eligibility when employees are absent on these days; that is:
 - (a) Absences because of claimed illness must be medically substantiated before an excused absence payment is made.

- (b) Absences because of other personal reasons ordinarily must have been excused in advance.
6. Inasmuch as Saturdays and Sundays are not normally considered part of the vacation period, excused absence payments may not be made for these days when an employee is absent from scheduled work, except that, in the case of a seven-day operations employee, an excused absence payment may be made when Saturday or Sunday is part of the employee's 40-hour scheduled workweek.
 7. In scheduling portions of the 60 excused absence allowance hours as additional vacation, such time must be added to other scheduled vacation time and not scheduled as separate days or parts thereof. Depending on production and vacation scheduling requirements, these hours may also be used as extra vacation in other ways as well - again, so long as they are added to other vacation time. Alternatively, the employee may request to be paid in lieu of all or part of the additional vacation time.
 8. For purposes of section 26.06(d), "additional scheduled vacation time" shall be the scheduled number of hours that exceed the total amount of other vacation hours for which an employee is eligible.
 9. The company's right to schedule vacation does not extend to the 60 hours provided for under section 26.06(d) unless the employee elects to use such hours as additional vacation. An employee does not have to schedule these hours as vacation. However, once all or a portion of these hours have been requested as additional vacation and are so scheduled, the employee may not revoke this designation without company approval for the purpose of using such hours for excused absence payments.

Pay Provisions

1. An excused payment shall be paid on the same basis as regular vacation, i.e., at the employee's basic hourly rate, inclusive of shift premium but exclusive of all other premiums, on the date such period begins.
2. Hours for which excused absence payments are made shall not be considered as time worked for purposes of determining overtime premiums.

Procedures

1. The employee should make application for an excused absence payment for personal illness or other personal reasons on revised form ---- (Vacation/Excused Absence Pay Request).

2. When completed, the form should be distributed by the foremen as follows:

Original - Payroll
Duplicate - Timekeeping
Triplicate - Supervision-Plant Office
Quadruplicate - Employee

The "Supervision-Plant Office" copy should be used for two main purposes: (1) to maintain a current record of each employee's hours of vacation/excused absence allowance; and (2) to record excused absence days as such on individual employee absenteeism records maintained at many locations. For this latter purpose, if such records are maintained by the plant employment activity, arrangements should be made with the timekeeping activity to obtain a regular report of employees receiving excused absence payments.

3. Regardless of whether an excused absence payment is made for a particular day(s) of absence because of personal illness or other personal reasons, such time will continue to be recorded as absent time on the foremen's Daily Report of Time in the same manner as heretofore.

General Rules

1. In order to qualify for holiday pay, the employee must work the scheduled working days prior to and following the holiday(s).
2. Hours for which an employee receives an excused absence payment shall be used in computing future service credits under the Retirement Pension Plan, except when the employee is paid in lieu of time off work.
3. Any week, or part thereof, in which an employee is absent and receives an excused absence payment shall be counted for accruing SUB credit units.

Any questions regarding this communication should be directed through organizational channels to Labour Relations and Hourly Personnel, Central Office.

A. W. Hanlon
Vice President,
Industrial Relations

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2008 negotiations the parties discussed the circumstances where the date of observance of a holiday defined in section 25.01 of the Collective Agreement occurs within a week established by the company as the vacation period.

When a holiday(s) defined in section 25.01 occurs in a week of a plant's scheduled vacation shut-down, employees eligible for holiday pay will be entitled to an additional eight (8) hours of Excused Absence Allowance.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 17, 2008

Mr. K. Lewenza

National President

National Automobile, Aerospace,

Transportation and General

Workers Union of Canada (CAW-Canada)

205 Placer Court

Toronto, Ontario

M2H 3H9

Dear **Mr. Lewenza**:

The company and the union, as provided for in section 25.04 of the Collective Agreement dated **September 24, 2012** hereby record their agreement that for the years **2013, 2014, 2015 and 2016** the day of observance of the Canada Day holiday shall be **Monday, July 1, 2013, Monday, June 30, 2014, Friday, July 3, 2015 and Friday, July 1, 2016** and the terms and provisions of the Collective Agreement dated **September 24, 2012** shall be read and construed accordingly.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

- Hours of Work and Overtime -

December 9, 1973

Mr. K. Hallsworth
Vice President Industrial Relations
Ford Motor Company of Canada, Limited
The Canadian Road
Oakville, Ontario

Dear Mr. Hallsworth:

In our recent negotiations, we had considerable discussion concerning the individual nature of the discretion accorded employees under certain circumstances to decline overtime work as provided in Appendix 'L' of the Collective Agreement. Because this right is a matter of individual discretion, you were given every assurance that the international union, its representatives, its local unions and its members opposed any concerted or collusive use of this right to decline.

In view of our opposition, this is to advise that in the event any collusion or agreement to decline overtime occurs, the international union, its representatives, its local unions and their representatives will immediately take steps to correct any such abuse and to prevent any reoccurrence.

Yours very truly,
Dennis McDermott
Vice President and
Canadian Director

December 9, 1973

Mr. Dennis McDermott
Vice President and Canadian Director
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
2450 Victoria Park Avenue
Willowdale 425, Ontario

Dear Mr. McDermott:

This will record the understanding we had in connection with the insertion of the words "of four hours or more" following the word "breakdowns" in paragraph 8 of the Memorandum of Understanding concerning voluntary overtime agreed to in our current negotiations.

This understanding was as follows: Any breakdown is to be considered justification for suspending the limitations on the company's right to require overtime work for purposes of correcting the breakdown itself; the company's right to suspend such limitations for the purpose of making up lost production is, however, in the case of breakdowns, limited to production lost as the result of single breakdowns of four or more hours.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

Concur: Dennis McDermott

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1996 negotiations the union raised concerns with the frequency with which operating management changed the established times of rest periods and lunch breaks.

To ensure that plant operating management are fully aware of the seriousness with which the union view this issue, the company agreed to arrange for the attached letter, along with this statement, to be sent to all senior plant operating management from the plant manager.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

ATTACHMENT

November 11, 1996

To: Plant Operating Committee
Production Managers

Subject: Rearrangement of Rest Periods/Lunch Periods

During the current negotiations, the local union indicated rest periods and lunch periods at the plant were frequently changed from established times.

The union was assured that increased effort would be made to avoid these situations. It is my intention that the plant meet the spirit and intent of this understanding.

Accordingly, in those instances in which it appears that it may be necessary to alter the time of a rest period or lunch break, the appropriate area manager, or the production manager on nights, will notify the union (Plant Chairperson or #3 Shift Chairperson) of the circumstances.

I fully expect that as a result of your efforts, we will experience a significant adjustment to existing practices pertaining to lunch breaks and rest period rearrangement.

Please ensure appropriate personnel in your area of responsibility are aware of this commitment.

Plant Manager

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1996 negotiations the union requested that the company ensure that no employees work beyond twelve hours on one shift.

The company confirmed that actions would be initiated to advise operating management that, except in emergencies, no employee shall be permitted to work beyond twelve hours on one shift.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

- Statement 1962 -
No Requirement to Reassign Shifts

In carrying out the requirements of sections 20.09 and 20.10, it is agreed that this provision shall not be construed as obligating the company to reassign employees from one shift to another in order to effect the equitable distribution contemplated by this section.

- Statement 1971 -
Disputes - Refer to 1968 Agreement

The parties have agreed to revision of sections 20.10 and 20.11 and appendix 'M' with the understanding that if any disputes should develop later concerning the meaning or intent of any of the terms of such revised provisions, reference shall be made back to those sections and appendix 'M' as they appeared in the Collective Agreement dated April 23, 1968.

- Job Security/Income Security -

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

As discussed during the current negotiations, this will confirm that during the term of the new Collective Agreement, in the event a full, permanent closing of any plant, parts distribution centre or other individual facility or group of facilities constituting a bargaining unit under Sections 2.01, 2.02, 2.03, 2.04, 2.05 of the Collective Agreement would be required, the company will give written notice to the Canadian director of the international union as far in advance as possible. The notice will include the reason the company is considering closing the plant, a projection of the date of such closing and anticipated alternative sourcing if any. Thereafter the union will be afforded the opportunity to discuss the matter and management will give appropriate weight to the union's comments in reaching a final decision.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

Concur: R. White

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

Subject: Local Joint Opportunity Forum

Since 1942 the Ford-UAW labour-management relationship has been in a state of evolution. At various times through the years changes occurred slowly, almost imperceptibly. At other times, changes were both rapid and major as the parties moved to respond to altered circumstances and important challenges.

As a result of more than 40 years of such change, the Ford-UAW relationship is dramatically different today than it was when the union and the company signed their first collective Bargaining Agreement.

Both parties recognize that the need for change continues - that prosperity, secure employment, and the mutual interests of all depend upon our ability to meet the competitive challenge of today's market through growth, development, and adaptation. Perhaps most of all, the parties realize they must explore new methods of resolving their honest differences in orderly, rational ways.

Both parties also recognize that positive change is possible only when progressive, cooperative attitudes exist at all levels of our two organizations. Where we find such attitudes are lacking, the company and the union must work vigorously to instill them.

During these negotiations the union expressed the need for new approaches to the ways the parties conduct their business with each other. To provide such a new approach, to facilitate the process of continuing evolution and change, and to move the parties forward to new thresholds, Ford and the UAW have agreed to establish a Joint Opportunity Forum that is intended to function - at the local levels - as a highly visible new adjunct to the collective bargaining process.

This forum does not replace collective bargaining, nor does it interfere in any way with the parties' grievance procedure. Rather, it provides a new framework designed to promote better

management-union relations through better communications, systematic fact finding, and advance discussion of certain business developments that are of material interest and significance to the union, the employees, and the company.

The parties regard the new Joint Opportunity Forum as a major progressive step. It will promote understanding, improve relationships, and prevent disputes by providing for ongoing, constructive, and cooperative problem solving. Both the company and the union have pledged to bring good faith diligence to the new process and to be responsive to issues and concerns raised by the other party.

It is understood that the make-up, organization, and procedures of the Joint Opportunity Forum are not subject to the grievance procedure of the parties' collective bargaining agreement.

The parties recognize that information to be made available frequently is of a sensitive nature and may have important competitive implications. Accordingly, they agree that information and data shared at these meetings will be accorded appropriate confidential treatment and will not be disclosed to outside firms, agencies, or persons without the consent of the party providing it.

The lists of matters to be dealt with are illustrative, and topics, including those listed, are always subject to the mutual agreement of the parties. The make-up and organization of the forum will be entirely at the discretion of the local parties. However, it is suggested that meetings will be held at least quarterly, and meetings may be held more often if mutually agreed by the parties.

The local forum may deal with a variety of matters having special interest to the employees, the local union, and the management of the plant. Among these might be:

- Finding ways to improve two-way communications at the location.
- Discussing the plant's general operations and certain business developments, within the scope of available knowledge and the plant's responsibility.
- Determining principal matters of concern to the employees, the union, and management.
- Discussing the quality of the plant's products and other general indicators of performance, including the plant's safety record.
- Discussing and clarifying general plant administrative matters (e.g., inter-departmental relationships and internal communications procedures) and improving approaches and attitudes.
- Addressing other matters the local parties agree are appropriate for discussion.

Periodically, the local forum will be given financial and business presentations prepared by the company's labour relations staff and

finance staff and by the UAW. These presentations will be developed to keep the local union leaderships and the employees informed about the performance and outlook of the company as a whole.

Agendas for meetings of the local forum will be established jointly. Each party will provide reasonable advance notice of the subjects it wishes discussed. Local forums may issue reports to the company's vice president - industrial relations and the Canadian director of the UAW if they wish.

The company's vice President - industrial relations and the Canadian director of the UAW or their designee representatives will periodically visit the company facilities to review and discuss information on issues and concepts important to the forum's mission and will maintain liaison with the local forums to assist and encourage them as appropriate.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

Concur: R. White

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations the company reaffirmed that it is not the company's intent to schedule a series of temporary layoffs to avoid plant-wide layoffs or bargaining unit-wide seniority adjustments.

While the company acknowledged the union's concern with respect to the seniority provisions of the Collective Agreement, it was pointed out that the scheduling of downweeks is dictated by current market conditions and the need for the company to respond quickly by adjusting to customer demand.

In this regard the company assured the union that while operating in this manner, it would continue to be mindful of the union's concern regarding the application of seniority under the Agreement. Further, the company will, if requested, undertake to provide the local union with an opportunity to comment on projected production schedules involving downweeks.

Should any question arise between a local union and the company during this Agreement concerning the application of the seniority provisions as they pertain to sections 15.14(a)(iii), 15.33(a)(iii), 15.66(a)(ii) and 15.83(a)(iii), either party may request the assistance of the U.A.W. director for Canada and the vice president, industrial relations of the company.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

Concur: R. White

November 18, 1984

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1984 negotiations the parties discussed and reaffirmed their mutual commitment to the principles embodied in Mr. S. J. Surma's letter of October 10, 1982 as follows:

Ford Motor Company of Canada, Limited recognizes the importance of the employment it affords its employees and shares the desire of the union to preserve those jobs, to re-establish the need for those jobs lost and to create new jobs. The company reaffirms its objective to remain a viable domestic enterprise and a major Canadian employer and declares its intention to achieve a competitive posture within a framework which contributes to the job security of employees and which is responsive to the changing dynamics characterizing our industry.

Consistent with our mutual desire to utilize the full range of employees' abilities to contribute to these objectives, the company agrees to make every effort to maintain employment opportunities equivalent to those now encompassed by the bargaining units identified under sections 2.01, 2.02, 2.03, 2.04, 2.05 of the Collective Agreement, including its best efforts to replace jobs which may be lost by outsourcing action and commits itself to create, where feasible new prospects for growth.

In addition, Ford joins with the UAW in supporting the principle that manufacturers who participate in the Canadian market should provide jobs, pay taxes, and support the economy of the market in which they sell. As you know, Ford Motor Company has for decades based its operations throughout the world on this very principle. We believe that, over the longer run, no alternative policy can prevail if there is to be fairness and balance among the major trading nations of the world.

Ford of Canada commits to support governmental acceptance of this principle, so that foreign producers will be encouraged to make their fair contribution to actions that will restore jobs to Canadian automotive workers.

The principles expressed in this letter will contribute significantly to the cooperative spirit for the company and the union to work together in providing Ford of Canada's employees improved job security.

Yours very truly,
A. W. Hanlon
Vice President
Industrial Relations

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations, the parties discussed outsourcing and its impact on the union's members.

While the company retains the ultimate discretion as to final sourcing decisions, the parties agree that discussions and reviews regarding such matters can bring into sharper focus, in specific instances, factors which can impact such decisions and provide the opportunity for meaningful union input before such decisions are made.

It is recognized such decisions are dependent upon the company's ability to be cost competitive, technologically competent, and upon the degree to which the company's resources can be allocated to further capital expenditures which might be required.

Accordingly, each plant manager and members of his staff will meet with local union representatives to provide a means of regularly addressing mutual concerns which pertain to sourcing decisions and their potential impact upon the workforce.

It is understood that discussions regarding sourcing may involve information which must be kept confidential until the company consents to its release.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During discussions of job security issues in these negotiations, the union indicated one of its concerns was the potential adverse effect on Canadian employment of job security provisions recently negotiated in the United States.

While there are a number of factors which influence business conditions which, in turn, can affect employment levels, the job security program in the United States does not require an adjustment in Canadian employment levels to fulfill the conditions of the program.

If business conditions make it necessary to reduce unit volumes at a Ford of Canada location, the parties will meet to discuss the circumstances before final decisions are made which would affect employment levels.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1987 negotiations the parties discussed the changing nature of the auto industry in Canada and the potential impact such changes may have upon employment security.

The parties agree that quality, operating efficiency, and work relationships are important to the continuing viability of Ford Canada. To implement these goals and objectives, Ford Canada and the CAW agree to the establishment of task forces at the local levels to focus on quality and efficiency and to maintain an ongoing dialogue to focus on cooperative efforts that would result in improvement in areas of quality and efficiency.

The task forces will be established at the local level and will consist of the plant manager and other members of the management operating committee selected by the company, and the plant chairperson, the local union president, and if necessary, the local negotiating committee.

The task forces will meet on a regular basis and, if necessary, will have the assistance of the representatives from the national CAW and the industrial relations department of Ford Canada.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1990 negotiations the parties discussed the structuring of the two separate maximum company liability amounts for the Income Maintenance Benefit Plan and the Voluntary Termination of Employment Benefit Plan.

The parties agreed that in the event that anticipated utilization of one benefit alternative relative to the other results in a significant imbalance in the remaining liability amounts relative to anticipated benefits, the parties will meet to discuss the appropriateness of making adjustments within the combined total Fund liabilities of the Plans to ensure that employee benefit demands can be met.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 24, 1990

Mr. Robert White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1990 negotiations the parties discussed the extensive structural change that has already, and will continue to take place, in the North American automotive industry. Our discussions focused on two key aspects of this complicated issue: the need to maintain each Ford of Canada location as a productive manufacturer of world class quality products in the North American automotive market and to ensure that Ford of Canada employees, who contribute to the success of the company, have their jobs and incomes protected as restructuring actions are taken. In addition, we have recognized the importance of the parties at both the local and national level continuing an ongoing dialogue about all the aspects of the business to ensure that the important goals are achieved.

With these objectives in mind, we have agreed that the understanding listed below will govern the parties in the event that restructuring or productivity-related actions may result in permanent job losses. These permanent job losses are those occasioned by specific actions taken by the company. For example, outsourcing, the introduction of new technology, sale of part of the company, and consolidation of operations would be actions contemplated by this understanding. The understanding would not apply to normal cyclical fluctuations in demand or the reduction of employees on 'temporary' assignments. It is also understood that this program does not replace the ongoing discussions which continually take place at the local level regarding production standards and manpower requirements.

1. Where such permanent loss of jobs is considered, one year notice will be provided to the union in the case of plant closure and six months notice will be provided to the union in the case of a potential permanent job loss related to a restructuring as referred above. The information supplied to the union will include the number of employees who could potentially be impacted and the rationale for the decision. It is understood that the information will be used for discussions between the

parties and the workforce, and will be considered confidential. The union will have the opportunity to make proposals which could alter or modify the decision.

2. During the course of these discussions, the objectives of the parties will be the retention of the jobs in question. To that end, the parties will discuss opportunities to retain or replace the jobs which are being discontinued. The union will have thirty days from the date of notice to make proposals which could make it feasible to retain or replace the jobs in question.
3. If job losses become unavoidable and management decides to reduce the size of the workforce, every effort will be made to use attrition to manage the required reductions. The use of attrition is the subject of a separate letter between the parties.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1990 negotiations, the parties discussed the competitive nature of the auto industry in Canada and the potential impact upon job security for Ford of Canada employees.

During these discussions the company addressed the importance of quality as one of the critical factors which can influence long-term viability of each of Ford of Canada's facilities. In this regard, the company reviewed in detail with the union specific quality initiatives that are being introduced to ensure that the best possible quality standards are achieved. Examples of some of these programs reviewed include the Q1 process for assembly plants, the application of the principles of Managing By Facts, including the introduction of Statistical Process Control methods and Base Department Zero Defect Programs, Area Management, and a significant commitment to employee training to enhance operator skills.

The parties agree that the application of these processes is important to achieving the quality objectives essential for the ongoing viability of each Ford Motor Company of Canada, Limited facility.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1990 negotiations the company discussed the confidential nature of the circumstances which are normally associated with a sale of all or part of the business. The parties agreed that it may not be practical in every instance to provide the union with appropriate notice as contemplated in the letter regarding job and income security. The company agreed, however, that it would advise the union as far in advance as possible when contemplating a sale of all or part of the business.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1990 negotiations, the parties agreed to a number of arrangements which will govern the parties in the event that restructuring or productivity-related actions result in permanent job losses.

In response to concerns raised by the union regarding restructuring or productivity-related actions and their potential impact on maintenance and construction work, the company reaffirmed the principles and procedures with respect to the letting of outside contracts for maintenance and construction work specified in section 3.04 of the Collective Agreement and letters to the national union dated April 23, 1968, November 4, 1979, and October 10, 1982, as well as utilization of non-company sources for tool and die and metal patternmaking work as described in the letter dated November 4, 1979.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9
Dear Mr. Hargrove:

During the current negotiations the parties discussed the job counselling and job placement assistance needs of employees permanently laid off as a result of a plant closing or where the parties determine the indefinite layoff appears to be permanent. These discussions resulted in the parties acknowledging their mutual responsibilities to assist such employees in their efforts to secure suitable alternate employment. Accordingly, it was agreed that in those instances, if any, where employees are permanently laid off as a result of a plant closing or where the parties determine the indefinite layoff appears to be permanent, the parties will jointly develop, in co-operation with applicable federal and, or, provincial agencies, an adjustment committee designed to help them secure alternate employment.

In the event of plant closure or where the parties determine the indefinite layoff appears to be permanent, the company agrees to the establishment of an equipped in-plant Action Centre to be staffed by the full-time union coordinator. The in-plant coordinator will be appointed by the local chairperson from the in-plant representation.

The joint adjustment committee after receiving three (3) days of training will function to (1) seek government financial assistance (2) conduct individual one (1) hour needs assessments (3) direct employees to the appropriate government agency as determined by the needs assessment.

Near the end of their employment, such employees will be offered eight (8) hours of counselling/training.

The company also agreed that, for those employees permanently laid off as a result of a plant closing or where the parties determine the indefinite layoff appears to be permanent, tuition costs for taking basic upgrading courses such as English, Mathematics, Computer Awareness and Blueprint Reading will be paid in accordance with the provisions of the company's Tuition Refund Program. Employees attending upgrading training as a result of Adjustment Committee activities, will attend such training during their non-working hours.

Yours very truly,
T. P. Hartmann
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza**:

During the **2012** negotiations the parties agreed that in the event of a stand alone plant closure pre retirement income maintenance program (PRIMP) benefits will be payable to eligible employees based on the following terms and conditions:

- (i) Eligible employees are those employees at the affected plant:
 - (a) who are between age 50 and 55 with at least 10 years of credited service at the date of the plant closure and are not eligible for Regular Early Retirement; or
 - (b) who are at least age 48.1 but under age 50, with at least 9.1 years of credited service at the date of plant closure, who are placed on layoff and who then attain age 50 with at least 10 years of credited service.
- (ii) Eligible employees will receive monthly PRIMP benefits equal to (a) the sum of the basic and supplementary benefit rates in effect under the provisions of the applicable pension plan at date of commencement of PRIMP benefits, multiplied by (b) the employee's credited service at the date of plant closure or, if later, the date at which the employee attains age 50 with at least 10 years of credited service;
- (iii) Unless otherwise elected by both the employee and the surviving spouse (as defined in the applicable pension plan), PRIMP payments will be reduced by 5% of the amount calculated in (ii) above, excluding any supplementary benefit amount, in order to provide PRIMP benefits to the surviving spouse, in an amount equal to 60% of the portion of the employee's PRIMP benefit which is based upon the basic benefit amount, after the application of the 5% reduction. In the event the employee's spouse predeceases the employee, the employee's unreduced PRIMP benefit will be payable, upon notification of the death of the spouse. PRIMP benefits will be payable until the first date at which the employee is, (or would have been eligible in the event of the death of the employee), eligible for Special Early Retirement;

- (iv) Employees or surviving spouses in receipt of PRIMP benefits would be eligible for Special Early retirement benefits from the applicable pension plan at age 55 (or at the date the employee would have attained age 55, in the case of a surviving spouse), at which time the calculation of the pension payable will be based on the employee's credited service and benefit rates at the time of plant closure or, if later, the date at which the employee attains or would have attained age 50;
- (v) Employees and surviving spouses will be eligible for continued health care and group insurance coverage when in receipt of PRIMP benefits.
- (vi) The Maximum Company Liability under the Income Maintenance Benefit Plan, will be reduced by the amount of any PRIMP benefits paid to eligible employees.
- (vii) Employees age 50 but not yet age 55 who are eligible for PRIMP benefits at the date of plant closure will also be eligible for the lump sum retirement allowance.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of 1993 negotiations the company and the union held extensive discussions concerning the business and social consequences appendant to the issue of marketplace accessibility, content and sourcing within the context of a global automobile industry.

In these discussions the parties recognized the fundamental structural changes that are taking place in the industry and the need to ensure the company's operations remain competitive, on an international basis, if employment opportunities are to be maintained in Canada.

Consistent with the parties mutual desire to stabilize longer term employment levels, the company agrees to explore with the union measures which may enhance the potential to maintain employment levels equivalent to those encompassed by the total of all plants covered by the collective agreement, adjusted for the impact on employment of, closure, restructuring and new investment plans, which were communicated to the union during the term of the 1990 Collective Agreement.

In addition, Ford of Canada joins the CAW in supporting the principle that manufacturers who participate in the Canadian market should provide jobs, pay taxes, and support the economy of the market in which they sell. As you know, Ford Motor Company has for decades based its operations throughout the world on this very principle. We believe that over the long run, no alternative policy can prevail if there is to be fairness and balance among major trading nations of the world. As evidence of its commitment to these principles, the value of the company's gross Canadian purchases in 1992 exceeded seventy-five percent (75%) of its gross Canadian Vehicle Sales. Given the scope of its current operations in Canada, the company, market conditions permitting, affirms its expectations these principles will be maintained.

Ford of Canada commits to support acceptance of this principle, so that foreign producers will be encouraged to make their fair contribution to actions that will restore jobs to Canadian automotive and parts manufacturing workers.

It is believed that the principles expressed in this letter will contribute significantly to the cooperative spirit between the company and the union as they work together to provide Ford of Canada's employees with improved employment security.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1996 negotiations the union raised concerns that they were not being notified of restructuring actions that may result in permanent job losses.

The company indicated that necessary arrangements would be made to ensure that the local union is advised of all such actions.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During the 2009 negotiations the parties discussed methods of providing retirement incentives to employees who are retirement eligible under the Regular or Special Early Retirement provisions of the Retirement Pension Plan, on the date of a plant closing or permanent job loss identified under the Job and Income Security Program.

Accordingly, after November 2, 2009 any employee who is retirement eligible under the provisions of the Job and Income Security Program as of the date of the closure or permanent job loss, will be given the option of taking a Retirement Allowance of \$50,000.00 (\$60,000.00 for Skilled Trade employees).

The parties agreed that receipt of the Retirement Allowance is in lieu of any SUB entitlement that may have been provided under the provisions of the Job and Income Security Program and the SUB Plan.

Acceptance of this option will result in the immediate retirement of the employee and preclude the employee from qualifying for any other retirement incentives presently offered to retiring employees not affected by plant closing or permanent job loss identified under the Job and Income Security Program.

All payments made under the terms of this agreement shall be applied against the Income Security Maximum Company Liability pursuant to section 8(16) of the Supplemental Unemployment Benefit Plan.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW - Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1999 negotiations, in a separate letter between the parties, we described the process that would be followed in the event that restructuring actions may result in permanent job losses. In that letter we agreed that the objective of the parties will be the retention of the jobs in question. We also agreed that if job losses become unavoidable, every effort will be made to use attrition to manage the required reductions.

The instant letter describes the process that will be implemented, and the benefit entitlements that will be provided to employees under three separate scenarios: 1) closure of stand-alone plants, 2) closure of a plant(s) at a multi-plant site, and 3) restructuring actions resulting in permanent job losses at any plant. The scenarios are detailed below as follows:

PLANT CLOSING

Stand-Alone Plants

As closure approaches and operations begin to wind down, employees who (1) are any age and have 28.1 or more years of creditable service; (2) are age 54 or older but less than age 60 and within two years would have sufficient combined years of age and creditable service to equal 85 or more; and (3) are age 60 or older but less than age 65 and have ten or more years of creditable service or are age 61 or older but less than age 65 and have 9.1 but less than 10 years of creditable service, will be contacted regarding retirement under the regular early retirement provisions of the retirement pension plan and if then eligible for regular early retirement, may retire immediately and receive the retirement allowance provided by separate letter agreement dated October 18, 1993. Employees who are age 55 or older but less than age 65 and who have ten or more years of creditable service (including any such employees who are also eligible for regular early retirement) will be offered special early retirement commencing on

or before the announced closing date and be eligible upon so retiring to receive the retirement allowance. Employees who are age 50 or older but less than age 55 and have 10 or more years of creditable service at the date of closure and are not eligible for regular early retirement will be offered benefits under the Pre-Retirement Income Maintenance Program (PRIMP) and be eligible to receive the retirement allowance upon commencement of PRIMP.

At time of closure, remaining employees, including eligible employees who declined to elect immediate regular early retirement or who declined the offer of special early retirement or PRIMP, will be placed on layoff. All such employees with 5 or more years of seniority, except those who meet the age and service requirements for regular or special early retirement or PRIMP, will be eligible to apply immediately upon layoff for a lump sum payment under the Voluntary Termination of Employment Plan (VTEP). Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because he/she has less than 5 years of seniority at layoff or because at layoff he/she meets the age and creditable service requirements for regular or special early retirement or PRIMP will

- be eligible for regular benefits under the Supplemental Unemployment Benefit (SUB) Plan provided he/she has at least one year of seniority as of his/her last day worked prior to layoff;
- be offered employment at other company facilities in accordance with the parties' understanding on preferential placement; and
- provided he/she had 5 or more years of seniority as of his/her last day worked prior to layoff and does not meet the age and creditable service requirements for regular early retirement upon exhausting his/her eligibility for regular SUB and did not meet the age and creditable service requirements for special early retirement or PRIMP at time of layoff, be eligible for IMP benefits under the Income Maintenance Benefit Plan.

An employee with 5 or more years of seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, reduced by the sum of any IMP benefits he/she had received while on layoff prior to ultimately making application for VTEP, provided that he/she does not meet the age and service requirements for regular early retirement at the time application is made and did not meet the age and service requirements for special early retirement or PRIMP at time of layoff and provided further that such application is filed within the

maximum time limits set forth in the Voluntary Termination of Employment Plan.

Multi-Plant Sites

On a site-wide basis, separately for skilled trades and non-skilled employees and for skilled employees, by trade, before closing layoffs are effected, the number of employees in the workforce will be reduced by:

- (1) Laying off employees with hire or rehire dates on or after the date closing was announced;
- (2) Offering the opportunity to: (a) retire immediately if eligible for regular early retirement, and receive the retirement allowance; or (b) if not eligible to retire immediately, or if option (2) (a) is not chosen, be placed on layoff, with eligibility for regular SUB, to employees at any age who have 28.1 or more years of creditable service;
- (3) Offering the opportunity to: (a) retire immediately if eligible for regular early retirement, and receive the retirement allowance; or (b) if not eligible to retire immediately, or if option 3 (a) is not chosen, be placed on layoff, with eligibility for regular SUB, to employees (excluding those who also may be in (2) above) who are age 54 or older but less than age 65 and who within two years would have sufficient combined years of age and creditable service to equal 85 or more;
- (4) Offering immediate special early retirement to employees (including those who also may be in (2) or (3) above but excluding those in 2 (a) and 3 (a)) who are age 55 or more but less than age 65 and who have 10 or more years of creditable service with eligibility to receive the retirement allowance;
- (5) Offering the opportunity to be placed on layoff, with eligibility for regular SUB, to employees who are age 60 or older but less than age 65 and have 10 or more years of creditable service or are age 61 or older but less than age 65 and have 9.1 but less than 10 years of creditable service; and
- (6) Offering employees who have 5 or more years of seniority (excluding those in (2), (3), (4) and (5) above) an opportunity to apply for VTEP.

If the total number of employees who accept an offer under (2), (3), (4), (5) or (6) above, combined with the number of employees laid off under (1) above, exceeds the number of jobs that will be permanently lost due to the closing, individual elections under (2), (3), (4), (5) and (6) will be effected in seniority order until the resulting number of separations equals the expected job loss.

At time of closure, the reduction in force provisions of the Collective Agreement will be implemented. An employee with 5 or more years of seniority who is laid off as a result of the reduction in force and who at time of layoff does not meet the age and creditable service requirements for regular or special early retirement will be eligible to apply immediately upon layoff for a lump sum payment under VTEP. Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because he/she has less than 5 years of seniority at layoff or because he/she meets the age and creditable service requirements for regular or special early retirement will

- be eligible for regular benefits under the SUB Plan;
- be offered employment at other company facilities in accordance with the parties' understanding on preferential placement or be eligible for recall to work at a plant in the same unit, whichever may occur first; and
- provided he/she had 5 or more years of seniority as of his/her last day worked prior to layoff and does not meet the age and creditable service requirements for regular early retirement upon exhausting his/her eligibility for regular SUB and did not meet the age and creditable service requirements for special early retirement at time of layoff, be eligible for IMP benefits under the Income Maintenance Benefit Plan.

An employee with 5 or more years of seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, reduced by the sum of any IMP benefits he/she had received while on layoff prior to ultimately making application for VTEP, provided that he/she does not meet the age and creditable service requirements for regular early retirement at the time application is made and did not meet the age and creditable service requirements for special early retirement at the time of layoff and provided further that such application is filed within the maximum time limits set forth in the Voluntary Termination of Employment Plan.

PERMANENT JOB LOSS

In the event management decides that workforce reductions resulting in permanent job loss as a consequence of restructuring actions cannot be accomplished in a timely and efficient manner through normal attrition, the following steps will be taken,

separately for skilled trades and non-skilled employees and for skilled employees, by trade:

- (1) Employees who have not attained seniority will be placed on layoff;
- (2) If the number of separations that can be accomplished through implementation of (1) above is less than the number of jobs that will be lost, employees at any age who have 28.1 or more years of creditable service will be offered the opportunity to: (a) retire immediately, if eligible for regular early retirement, and receive the retirement allowance; or (b) if not eligible to retire immediately, or if option (2) (a) is not chosen, be placed on layoff with eligibility for regular SUB. If at the time of workforce reduction there are employees with less than one year of seniority at work, step 2(b) will not apply. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under (1) above, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost.
- (3) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees (excluding those who may also be in (2) above) who are age 54 or older but less than age 65 and who within two years would have sufficient combined years of age and creditable service equal to 85 or more will be offered the opportunity to: (a) retire immediately, if eligible for regular early retirement, and receive the retirement allowance; or (b) if not eligible to retire immediately, or if option (2) (b) is not chosen, be placed on layoff with eligibility for regular SUB. If at the time of the workforce reduction there are employees with less than one year of seniority at work, step 3(b) will not apply. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the two preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost.
- (4) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees (including those who also may be in (2) or (3) above but excluding those in (2) (a) or (3) (a)

above) who are age 55 or more but less than age 65 and who have 10 or more years of creditable service will be offered special early retirement and be eligible to receive the retirement allowance upon retirement. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the three preceding steps, exceeds the number of jobs that will be permanently lost, special early retirements will be approved in seniority order until the combined number of actual and scheduled separations equals the number of jobs lost.

- (5) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees who are age 60 or older but less than age 65 and have 10 or more years of creditable service or are age 61 or older but less than age 65 and have 9.1 or more but less than 10 years of creditable service will be offered the opportunity to be placed on layoff with eligibility for regular SUB. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the four preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order for accepting employees until the combined number of actual and scheduled separations equals the number of jobs lost. If at the time of the workforce reduction there are employees with less than one year of seniority at work, employees will not be offered the opportunity to be placed on layoff with eligibility for Regular SUB benefits.
- (6) If the combined number of separations pursuant to the preceding steps is less than the number of jobs that will be permanently lost, employees who have 5 or more years of seniority (excluding those in (2), (3), (4) and (5) above) will be offered an opportunity to apply for VTEP. If the number of employees who accept this offer, combined with the number of employees separated or scheduled for separation under the five preceding steps, exceeds the number of jobs that will be permanently lost, this offer will be implemented in seniority order until the combined number of actual and scheduled separations equals the number of jobs lost.

These actions will be taken and administered on a site-wide basis at multi-plant sites.

If these measures fail to stimulate sufficient additional attrition to accomplish the necessary workforce reductions, the reduction in force provisions of the Collective Agreement will be implemented.

An employee with 5 or more years of seniority who is laid off as a result of the reduction in force and who at time of layoff does not meet the age and creditable service requirements for regular or special early retirement will be eligible to apply immediately upon layoff for a lump sum payment under VTEP. Any laid off employee who elects not to apply immediately for VTEP or who is ineligible for VTEP because he/she has less than 5 years of seniority or because he/she meets the age and creditable service requirements for regular or special early retirement will

- be eligible for regular benefits under the SUB Plan;
- be offered employment at other company facilities in accordance with the parties' understanding on preferential placement (or at a multi-plant site, be eligible for recall pursuant to the Collective Agreement, whichever may occur first); and
- provided he/she had 5 or more years of seniority as of his/her last day worked prior to layoff and does not meet the age and creditable service requirements for regular early retirement upon exhausting his/her eligibility for Regular SUB and did not meet the age and creditable service requirements for special early retirement at time of layoff, be eligible for IMP benefits under the Income Maintenance Benefit Plan.

An employee with 5 or more years of seniority who elects not to apply for VTEP at time of layoff will be eligible to make subsequent application for such a payment, reduced by the sum of any IMP benefits he/she had received while on layoff prior to ultimately making application for VTEP, provided that he/she does not meet the age and creditable service requirements for regular early retirement at the time application is made and did not meet the age and creditable service requirements for special early retirement at the time of layoff and provided further that such application is filed within the maximum time limits set forth in the Voluntary Termination of Employment Plan.

Following the notice of a restructuring event and if, after steps (1) through (6) above have been completed, the number of separations achieved is less than the number of jobs lost then the difference between the number of separations and the jobs lost will be accumulated as a reserve. The Company will repeat steps (2) through (6) every six months, or earlier by mutual agreement among the parties, during any period in which employees at the affected location remain on indefinite layoff until a number of additional separations equal to the lesser of the reserve or the number of employees on indefinite layoff, is achieved.

In addition, the Company and the Union may through mutual agreement, implement steps (2) through (6) at other Company locations during any period of time when the number of required separations has not been achieved.

The above commitments were executed in a spirit that recognizes the need to ensure that Ford of Canada operations produce world-class quality products as efficiently as possible. That recognition, coupled with the commitments we have negotiated to protect the jobs and incomes of our employees, should help to assure that both parties achieve our shared objective of maintaining Ford of Canada as a viable entity in the North American automotive market.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2005 negotiations, the parties discussed circumstances where permanent job losses occur at a stand-alone company plant over a period of time and results in workforce reductions that leads to a decision to close the plant.

The company confirmed that the options and benefits for stand-alone plant closures outlined in the letter dated September 19, 2005 would be made available to such laid off employees in the event such circumstances occur during the term of the 2005 Collective Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations, the parties discussed certain events such as plant closings and volume reductions.

The parties agreed that each event is a unique event, based on the particular demographics and circumstances at the location at that time.

During previous plant closings, the parties have agreed to innovative ways of dealing with the situation, such as those developed for the Niagara Glass Plant and the Vancouver and Montreal Parts Distribution Centers. More recently, other auto industry companies have agreed to innovative approaches to address unique circumstances associated with particular plant closings. It was determined that for future events the parties would continue to consider these options, as well as other alternatives to determine the most appropriate manner to deal with the particular situation.

For volume reductions, where the parties determine that the situation appears to be permanent, the parties will discuss alternatives to mitigate the impact of any layoffs. The resolution for these situations may include incentives such as lump sum payments, retirement enhancements such as prorated pensions and retirement allowances and other non-cash incentives. Such incentives would only be considered to the extent that they would not result in a requirement for new hires.

Each situation will be mutually discussed and agreed to by the parties at the time of the event.

In view of the current business situation and potential for further layoffs, the national parties have agreed to review the situation at the Oakville Operation and take action, if warranted, at a time mutually requested by the local parties.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2002 negotiations a major concern was raised by the union with respect to the Ontario Truck Plant closure and the impact on their members and families. In addition, the union also raised the long term viability of Oakville Assembly Plant because of the lack of commitment for flexible manufacturing in the Canadian facilities.

The company acknowledged the Union's concern relative to new product investment, but also emphasized the equally important need for fully competitive manufacturing and assembly operations that focus on providing customers with improved quality, delivery and customer satisfaction levels at an affordable cost.

As a result, the union indicated that it is prepared to make changes in an effort to secure more work for Local 707 membership provided Ford is willing to commit to investment and added jobs for Oakville.

The referenced changes include:

- A Temporary Part-Time Employee Program will be implemented no later than January 1, 2003. This program will be modeled after similar programs negotiated at the Windsor Operations.
- Flexible alternative relief procedures will be implemented departmentally to respond to changes in product demand and sales forecasts. Implementation of these flexible relief procedures will not result in a reduction of pay rate for affected relief/utility employees for a period of 3 months. The company will notify the union 3 months in advance of any change in the relief procedure within a given department. Changes to relief procedures will not occur prior to closure of the Ontario Truck Plant.

- The job posting procedures will be modified effective October 7, 2002 to create stability within current operations and avoiding adverse impacts on cost, quality and delivery. In the event of a significant job action (e.g. plant closure, operating pattern), arrangements will be made to discuss and mutually agree on further actions required to minimize disruptive effects caused by employee movement.
- Health and Safety representatives will work with the company to improve the Health and Safety concerns procedure with a joint goal to address all health and safety concerns without work refusals. A committee comprised of company and union representatives from the Oakville Assembly Plant, the national union and the central labour relations staff will be established to monitor progress, develop additional actions as needed and implement the improved process no later than December 31, 2002.

These commitments are made based on assurances from the company regarding future plans for the Oakville Assembly Plant to address the union's concern about future product investment and added jobs for employees.

Yours very truly
 FORD MOTOR COMPANY
 OF CANADA, Limited
 T.P. Hartmann
 Vice President,
 Human Resources

Concur: F. McAnally _____	Concur: J. Teixeira _____
Concur: P. Carducci _____	Concur: P. Klug _____
Concur: R. Thorne _____	Concur: J. Welsh _____
Concur: S. McColeman _____	Concur: S. Milojevic _____

October 7, 2002

Mr. B Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 negotiations, the parties had extensive discussions regarding Ford's North American revitalization plan which included actions to reduce plant operating capacity by approximately one million units by mid-decade to realign capacity with market conditions. These actions included the closure of five plants in North America. The company stated these actions were necessary elements of its plan to become stronger and more competitive in the future.

The company and union focused their discussions on the impact this plan would have in Canada and particularly on the Ontario Truck Plant. The Ontario Truck Plant closure will result in the loss of approximately 1,400 hourly jobs on the Oakville site. The company acknowledged the effects this action would have and committed to work with the union to develop innovative ways to minimize the impact on employees and their families.

The company has made a strong commitment to its operations in Canada and to the CAW as demonstrated by the significant investments in products and facilities over the past decade that are reflected in the increased employment levels of the company. The company confirmed that it intended to continue to demonstrate this commitment through product plans and investment. In this regard, the company provided the following specific actions which reflect its commitment to operations in Canada, employees and the CAW:

- Proceeding with a \$600 million investment in facilities, tooling and launch costs at Oakville Assembly Plant for the next generation Windstar, with a planned launch in the 3rd quarter, 2003.
- Extending production of the PN96 F-Series truck at the Ontario Truck Plant until July, 2004.
- Following closure of the Ontario Truck Plant, committing to 900 jobs during the term of the 2002 Collective Agreement on the Oakville site over the present 3200 Oakville Assembly Plant active hourly employee level, excluding normal efficiencies, by

pursuing options that may include implementing a three-shift operating pattern at Oakville Assembly or other alternative work.

- Ford's commitment is conditional on the union's commitment to implement operating efficiencies and work practice changes required for a fully competitive manufacturing and assembly operation, as described in a separate letter of understanding.
- Not dismantling the Ontario Truck Plant and agreeing to "mothball" the facility for the term of the 2002 Collective Agreement.

The company also reviewed with the union its long-term vision for the development of a world class manufacturing operation in Oakville. This operation would include flexible manufacturing capabilities, a next generation product with multiple derivatives, the potential for a supplier park and/or a pre-delivery inspection operation that could involve the limited final assembly of vehicles for the Canadian market. The parties also acknowledged that in addition to Ford's commitment to develop a fully competitive manufacturing operation and the union's agreement to cooperation in achieving operational improvements at Oakville, obtaining federal and provincial government assistance will be key to the viability of the business case to achieve this long term vision for the Oakville site.

The company and the union recognize that these actions reinforce the company's ongoing commitment to its Canadian operations and to its employees.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T.P. Hartmann
Vice President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations, the parties discussed the number of circumstances which could result in the indefinite layoff of employees at a Ford Motor Company of Canada facility.

In the event that the company determines that such indefinite layoff will not result in the recall of employees, the company will make available the following incentives to encourage attrition and thereby prevent or limit potential layoffs:

- Retirement Incentive:
 - 30 and out pension opportunity to eligible employees; or
 - Special early retirement opportunity to eligible employees; plus
 - A \$50,000.00 lump-sum which may be taken as a retirement allowance (\$60,000.00 for Skilled Trade employees) and a \$20,000.00 voucher toward the purchase of a 'Z' plan eligible vehicle

or

- VTEP Benefits

These incentives will be offered consistent with the principles of the Job and Income Security benefit program and the Job Security and Work Ownership Program. All payments made under the terms of this agreement shall be applied against the Income Security Maximum Company Liability pursuant to section 8(16) of the Supplemental Unemployment Benefit Plan. Employment reductions achieved as a result of these incentives will be reflected in the community employment levels defined in Appendix T.

The parties also agreed that in the event there is a change in the overall business environment or plant operational requirements that necessitates the hiring of new employees for whatever reason within twelve (12) months, the total number of new employees hired will mitigate against any future obligations under this

agreement. Effective retirement and VTEP dates for employees exercising options under this agreement will be determined in a manner consistent with maintaining efficient operations.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza**:

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the **2012** Collective Agreement, until **September 12, 2016**, the company will not close or sell any plant, in whole or in part, covered by this Collective Agreement. The **closure and sale of the St. Thomas Assembly Plant** is excluded from this moratorium.

It is however understood that conditions may arise that are beyond the control of the company, e.g., Act of God, catastrophic circumstances, or significant economic decline. Should these conditions occur, the company will discuss such conditions with the National Union.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of 2005 negotiations, the parties discussed the union's concern regarding the future of the Essex Engine Plant facility in Windsor, Ontario.

Current customer preference has resulted in a decline in volume at the Essex Engine Plant and further reductions are projected in the future. The company recognizes that these actions have resulted in uncertainty at the Essex Engine Plant and with our workforce in Windsor.

The company confirms its commitment to the future of the Essex Engine Plant during the term of the agreement and has agreed to identify a future product program at the Essex facility that will provide a partial offset to forecasted site employment reductions resulting from closure of the Windsor Casting Plant and declining volumes at Essex Engine Plant. Present planning volumes of the new program will result in new employment levels up to four-hundred and fifty (450) jobs in the Essex Engine Plant.

In addition, the parties discussed exploring opportunities, including new technology and innovative practices to enhance the operations' ability to attract future products and to remain viable in the long term.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of 2008 negotiations, the parties discussed the hyper-competitive nature of the automotive industry and the role that efficient and productive manufacturing facilities play in contributing to the overall performance of the company.

While the company acknowledged that the CAW had a proven record of addressing this business reality, the parties agreed that world class manufacturing requires ongoing operational improvements. The parties discussed the need for all facilities to continue to work together to find opportunities to improve the quality, productivity, and cost-effective operations of each location. The specific actions to ensure competitive work practices will be the subject of local negotiations and agreements.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations, the company confirmed that previously negotiated language applying to restructuring events discussed during 2008 negotiations is protected, and those existing agreed terms will continue to apply to those events. For Ford of Canada, those discussed events include:

- The closure of the St. Thomas Assembly Plant in the third quarter of 2011
- The potential closure of the Windsor Aluminum Plant during the term of the 2008 Ford-CAW Agreement
- The sourcing of non-skilled production work and the elimination of skilled trades classifications and assignments at Oakville Assembly Complex as discussed in 2008 negotiations.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

Subject: Future Manufacturing Presence in Canada

During the course of 2009 negotiations, the parties had extensive discussions regarding the importance of a strong manufacturing presence in Canada and the need to secure jobs for CAW members. The Company asserted that becoming competitive in every aspect of our business, including labour cost, is the only sustainable means of securing a strong future for manufacturing in Canada.

During the term of the collective agreement, the following commitments are being made to Canadian operations, which represent 10% of Ford's total North American manufacturing volume:

Oakville Assembly Complex:

- Launch of all new Lincoln MKT in 2009.
- Significant investment in Edge/MKX product freshening.
- Commitment of a new product based on global platform during the business plan period.
- Installed capacity for a third shift of production, if market conditions require additional volume.

Windsor Site:

- Re-open Essex Engine Plant with new engine program in 2010.
- Significant additional volume for Essex Engine Plant due to a second application for the new engine program.
- Maintain current products at Windsor Engine Plant through the planned product lifecycle.

The parties discussed Ford of Canada's long history of manufacturing in Canada and the company's commitment to producing vehicles and powertrain components in the same jurisdiction where we sell our products. In Canada, Ford has consistently produced as many or more vehicles than it sells on an annual basis. In addition, the Windsor site is our largest powertrain centre in North America.

While unprecedented volatility in the industry and the dynamic nature of the economy create substantial challenges in accurately predicting production and sales volumes, the current business and cycle plans forecast that during the term of the collective agreement, Canadian production will continue to match or exceed sales volume. The Company affirmed its commitment to a strong manufacturing presence in Canada and the parties agreed to meet and discuss any changing business conditions impacting the product cycle plan.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations, it was agreed that for employees of the Windsor area plants, the company will conduct one additional canvass at the incentive levels found in the 2008 Ford – CAW agreement and the STEP provisions developed for the 2007 Accelerated Way Forward Plan. It is understood that, if an employee is on indefinite layoff at the time the incentive is paid, the applicable amount of incentive will be reduced by any SUB or IMP payments an employee may have received since the date the layoff commenced but no earlier than April 1, 2007. It is the company's intention to complete this action by March 1, 2010.

The company acknowledged that discussions had taken place prior to 2009 bargaining regarding the potential elimination of a production shift on the High Volume Line at Windsor Engine Plant and agreed that the same incentives would be used if this shift elimination were to occur.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

Subject: Powertrain Annual Executive Cycle Plan Review

During the course of 2009 negotiations, the parties held extensive discussions concerning the dynamic nature of the cycle plan for powertrain operations.

The parties agreed that it would be important to meet to review the approved 5 year global cycle plan for powertrain operations for the Windsor site. In addition, it would be important for the company to review, to the extent possible, future powertrain technology and its potential impact on the Windsor cycle plan. The parties will also review Windsor's key business indicators including competitive data regarding safety, cost, quality, and productivity.

The first meeting, which will involve senior management from Ford's powertrain operations and from the CAW leadership, will be scheduled no later than March 1, 2010 and annually thereafter.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

Subject: Windsor Site

During the course of 2009 bargaining, the parties had extensive discussions regarding the current cycle plan at the Windsor site.

The parties reviewed the current cycle plan and the sourcing strategy associated with the 5.0 litre engine launch at the Essex Engine Plant under forecast volume through the term of the collective agreement. The union brought to the company's attention the underutilization of capacity and equipment at the Windsor site and expressed an interest in ensuring that the company maximizes the opportunities the Windsor site offers to re-use existing equipment and to leverage geography to reduce cost and increase employment in the event that the actual product volumes exceed current planned levels, requiring additional component or machining sourcing.

The company committed to the union that the Essex Engine Plant is the sole source for all 5.0 litre engine assembly, and any potential derivatives from its base design architecture. The company committed that, should actual volume deviate significantly from the current business plan, the parties will meet to discuss the impact on the site and the company and union will work together to develop a business case to support allocating the required incremental component and/or machining to the Windsor site.

The company commits that the Windsor site is the sole source for all 5.4 and 6.8 litre engine production and will discuss with the union opportunities to extend the cycle plan for that product in response to market demand opportunities that may arise as the North American market continues to recover in the years ahead.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During discussions regarding the closure of St. Thomas Assembly Plant, the company agreed that, to the extent they are able, CAW represented St. Thomas employees would perform the de-commissioning that is required for the facility.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations the parties held extensive discussions regarding the closure of St. Thomas Assembly Plant. The company and the union agreed to the following regarding their mutual responsibilities and commitments found on page 367 of the 2008 Ford – CAW Agreement:

- The parties will establish a joint Adjustment Committee no later than 6 months prior to plant closure. The Committee will be provided with 2 days of training and will receive adequate non-premium time to attend to committee business during the transition period.
- The company will contribute up to \$200 per employee at the time of closure to cover the approved expenses of the Adjustment Committee.
- The parties will meet with the Adjustment Advisory Program to secure an adjustment agreement with the Province of Ontario. It is anticipated the government will provide an additional \$300 per employee to provide a total operating budget of \$500 per employee.
- The Action Centre will be located in the CAW Local 1520 hall. The company will help to equip the Centre with furniture.
- The union will identify a full-time coordinator and peer helpers who will be trained to work in the Centre. The coordinator's wages will be paid by the company. Peer helper honorariums will be paid from the Adjustment Committee's budget.
- During the three months prior to plant closure, all employees will be offered 8 hours of paid time for a one

day workshop. The workshop will be lead by the union with assistance from government specialists from such organizations as Employment Ontario, EI, etc. and will cover topics such as negotiated benefits, local job market issues, EI entitlements, retraining opportunities, community services, stress, financial planning and an introduction to the Action Centre. The National Training Fund will be used to cover expenses associated with this workshop.

- During the three months prior to plant closure, all employees will be offered one hour of paid time for individual counseling and a needs assessment.
- Employees who do not retire will be entitled to a one time tuition refund of up to \$3250 during the 24 months following the date of separation and in accordance with the provisions of the letter on page 505 of the 2008 Ford – CAW Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During the course of 2009 negotiations, the parties had extensive discussions regarding the future of the St. Thomas Assembly Plant. The company shared the union's concern for the impact of the current cycle plan on employees and their families and on the surrounding community.

Although the plant was scheduled for closure in 2010, the company agreed in 2008 to extend the plant to the 3rd quarter of 2011 and to work with the CAW to investigate potential alternatives for its future. However, economic and competitive circumstances are such that a viable alternative has not been identified. The company assured the union that if business conditions require additional volume beyond the 3rd quarter of 2011, production would be maintained at St. Thomas Assembly Plant.

The company continues to be committed to working with the union and other interested stakeholders to re-purpose the facility with a future owner after production of the current products ends in August 2011. The company will work with both provincial and federal governments to create a business case for a future owner of the St. Thomas Assembly Plant site. The company cited the recent developments at Ford's U.S. Wixom location as an example of success.

In addition, and in response to the CAW's concerns regarding the unique economic circumstances found in the St. Thomas – London region, the company agreed to the following:

- For employees of the St. Thomas Assembly Plant who are not retirement eligible (i.e., are not eligible for Normal, Regular or Special Early Retirement under the pension plan, or are not eligible for an immediate PRIMP benefit) and who elect the current STEP benefits, a

\$30,000 car voucher or a \$25,000 lump sum payment (both of which are before applicable taxes).

- STEP (Special Termination of Employment Program) benefits consist of: a voluntary lump sum termination benefit calculated on completed years of service only (with no prorating) as follows:

Years of Seniority (as of Separation date)	Amount (before taxes)
1 but less than 5	\$50,000
5 but less than 8	\$75,000
8 or more	\$100,000

- For employees of the St. Thomas Assembly Plant who are not retirement eligible (ie. not eligible for Normal, Regular or Special Early Retirement under the pension plan, or are not eligible for an immediate PRIMP benefit), and who elect STEP benefits, health care coverage (excluding dental) will be provided for 6 months following the effective date of termination.
- For employees of the St. Thomas Assembly Plant who are either retirement eligible under the Normal, Regular or Special Early retirement provisions of the Retirement Pension Plan, or who are immediately eligible for PRIMP benefits, the Retirement Allowance and Stand Alone Plant Closure provisions of the Job and Income Security Program of the 2008 Ford – CAW Agreement will apply.
- For employees of the St. Thomas Assembly Plant who are retirement eligible under the Normal, Regular or Special Early Retirement provisions of the Retirement Pension Plan, or who are immediately eligible for PRIMP benefits, a \$35,000 car voucher or a \$25,000 lump sum payment (both of which are before applicable taxes)
- For employees of the St. Thomas Assembly Plant who are at least age 48.1 but under age 50 with at least 9.1 years of credited service, who are placed on layoff and then attain age 50 with at least 10 years of credited service, PRIMP benefits will be payable.
- Consistent with recent restructuring events, employees with between 28.1 and 29.9 years of pension service as of the date of termination will be eligible to retire and

receive a prorated special allowance, a retirement allowance of \$75,000 (\$90,000 for skilled trades) and a \$35,000 vehicle voucher (or a \$25,000 lump sum, both of which are before applicable taxes).

- Employees who have between 26 and 28.1 years of pension service and who are less than 48.1 years of age as of the date of termination shall have the option of electing to be laid off (with negotiated SUB and IMP benefits) and at the earlier of 28.1 years of service or age 50, receive payments under PRIMP.
- In early 2011, a retirement and separation canvass will be conducted at Oakville Assembly Complex and at the National Parts Distribution Center in Bramalea in an effort to create openings for those employees from St. Thomas Assembly Plant who have agreed to relocate. The parties agreed that this action would not create a need for hiring new employees and that incentives would be provided only to those Oakville and Bramalea employees for whom a St. Thomas replacement has been identified. These actions will be completed concurrent with the closing of the St. Thomas plant and will be based on the provisions of the 2008 Ford – CAW collective agreement. In order to receive a retirement incentive, employees must be eligible for a Normal or Regular Early retirement.
- The company also referenced its commitment to the letter found on page 419 of the 2008 Ford – CAW agreement regarding adjusted seniority dates to be used in the event of a stand-alone plant closure.

The company expressed to the CAW its appreciation for the continued quality, safety and productivity performance and recognized this as a reflection of the ongoing commitment of the employees at St. Thomas assembly Plant.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice-President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

Subject: Windsor Site

During the course of 2012 negotiations, the parties had extensive discussions regarding the future of the Windsor site. The Company recognizes the dedication and quality of the Windsor site workforce, as well as strong history of cooperation and innovation the local union leadership team has demonstrated in keeping the local work practices competitive.

The parties reviewed the current cycle plan associated with the Company's global Powertrain strategy during the term of the collective agreement. The Union consistently expressed that the Company must maximize the opportunities in Windsor to increase employment. In reviewing the global cycle plan in both Powertrain and components, key factors in selecting a location include cost, quality, investment, supply base, government incentives and delivery. The Company acknowledges that the recently negotiated new hire provisions substantially enhance the labour cost competitiveness of new employees in the Canadian operations, which is one of several important factors of consideration.

The parties discussed the changing nature of the planning process and agreed to hold regularly scheduled, transparent Powertrain cycle plan review meetings. Furthermore, should the global Powertrain cycle plan require incremental North American sourced Powertrain capacity to meet the demand of the North American market, the Company will meet with the Union allowing sufficient lead time to determine if the business case can be made to allocate the required additional capacity to the Windsor site before any sourcing decision is made.

In addition to the above commitment, the Company commits to create thirty-five (35) new jobs through the insourcing of Nano head machining to the Windsor site.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice-President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

Subject: Engine Component Insourcing

During 2012 negotiations, the Union expressed that the Company must continue to work to identify potential insourcing opportunities for the Windsor site as an offset to the job losses associated with the balance out of 5.4L engine production. Accordingly, the Company and the Union will work together to identify potential component insourcing opportunities for the Windsor site, subject to a favourable business case.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice-President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During the course of 2012 negotiations, the parties had extensive discussions regarding the future of laid off employees at St. Thomas and Windsor. To provide employment opportunities for virtually all employees currently on layoff, the company committed to taking the following actions:

A. Retirement Incentives

- 1. During ratification, a retiring canvass will be conducted at all locations to all current normal and regular early pension eligible employees. If the retirement eligible acceptance rate is insufficient to return all employees currently on layoff who are interested in the created opportunities, employees who are eligible for a “55 + 10” retirement will be canvassed.**
- 2. A 28.1 restructuring package will be offered to all eligible employees from the St. Thomas plant only. The restructuring incentives for this canvass shall be as set forth in the St. Thomas restructuring letter dated November 2, 2009. Notwithstanding this, the retirement incentive, offered to relinquish all seniority, reinstatement, recall and grievance rights, will be reduced from that set out in the November 2, 2009 letter to address the time period between the restructuring event and the actual retirement date, as agreed to by the parties.**
- 3. Any openings at the Oakville facility created as a result of these actions will be matched with a preferential hire opportunity provided to those on layoff at the other locations as per existing contract provisions.**

4. A retiring canvass will be offered through calendar year 2014 to coincide with the 5.4L engine program balance out in Windsor. If the canvass does not achieve sufficient acceptances to offset the lost jobs, a normal and regular early retirement canvass will be offered to employees in other locations.
5. Any other event which triggers an offer of restructuring incentives under existing contract provisions during the life of this agreement will result in a normal and regular early retirement canvass at the affected location and then at additional locations if the acceptance rate is not sufficient to offset all affected positions.
6. The company and the union will work together with any appropriate regulatory authorities to determine if there is a cost-effective way to continue the Special Termination of Employment Program (STEP) without the pension liability issues as discussed during negotiations.

B. Volume and Insourcing

The company commits to the following volume and insourcing actions at the Oakville Assembly Complex (OAC):

- A third shift in Body / Paint / Pre-Trim targeted for fourth quarter 2013
- Incremental positions resulting from the CD 4.2 platform launch in early 2014
- Sub assembly insourcing
- Vehicle personalization associated with current U38x and D47x production

Commencing in 2014 the company commits to redeploy a number of CNC machines commensurate with supporting the insourcing of Nano Head Machining volumes scheduled for Windsor.

The combined actions at Oakville and Windsor will provide preferential hire and/or recall opportunities for approximately six hundred and thirty (630) laid off employees.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice-President,
Human Resources

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

Re: New Hire Layoffs

During 2012 negotiations, the parties discussed elements of the new hire program and the impact of any future new hire layoffs with respect to restructuring actions. Accordingly, the company and union agree that an employee hired on or after September 24, 2012 who is subsequently laid off within the first five (5) years of his/her date of hire will not be considered a restructuring action and will not result in any restructuring incentive allowances.

Notwithstanding, any restructuring actions will be administered according to the applicable provisions of the collective agreement for employees hired on or after September 24, 2012 with more than five (5) years of seniority, as may be appropriate..

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice-President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9**

Dear Mr. Lewenza:

Subject: Sourcing – Communications Meetings

During these negotiations, the parties discussed the Union's request for regular access to the Purchasing organization to better understand present and future product program sourcing patterns, manufacturing processes, related decisions and aligned business framework strategies.

To this end, the Company agreed that it would schedule annual meetings between the parties to discuss these topics and their impact on the supplier relations and sourcing decisions. As appropriate, the meeting may include representatives from Manufacturing and Purchasing functions in addition to Labour Affairs staff.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

- Leave of Absence -

November 18, 1984

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This is to advise that the company will review a written request for leave of absence from an employee with seniority who is elected or selected for a part-time public office and will approve such leave of absence for the term of such office or one year, whichever is less, provided that the granting of such leave of absence would not, in the company's opinion, have an adverse impact on plant operations.

Yours very truly,
A. W. Hanlon
Vice President,
Industrial Relations

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace, Transportation and
General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During these negotiations, the parties discussed the applicability of the provisions for local union leaves of absence to employees who accept positions with provincial labour organizations and in such capacity, continue indirectly to serve the interests of the union and its members.

The company agreed to consider such employees to be on leave of absence as contemplated in section 27.02 of the Collective Agreement, but only while the employee continues in such position and only in those cases where the granting of such leave of absence will not result in duplication of benefits.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

- Statement 2005 -
Skilled Trades Leaves of Absence

During 2005 negotiations, the company confirmed to the union that applications for leaves of absence by skilled trades employees to participate in international or Canadian relief programs/agencies will be considered under the provisions of article 27.

- New Technology -

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During these negotiations, the union expressed concern regarding the potential impact of new technology on employees and on the scope of the bargaining unit. Over the years the parties have recognized that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment and a cooperative attitude on the part of all parties in such progress. Continued technological progress is also essential to the company's growth and to its ability to compete effectively. Technological progress can contribute to the company's well-being and thereby to the economic well-being of employees.

Both parties recognize that the pace and form of future technological change and its implications cannot be forecasted confidently. At the same time, the company understands the union's legitimate concern that advances in technology may alter, modify or otherwise change the job content and responsibilities of bargaining unit employees at plant locations. In this regard, the parties have agreed to establish a Committee on Technological Progress, comprised of five representatives of the union and five representatives of the company, within ninety days after the effective date of the new Agreement. The committee will meet monthly unless otherwise agreed and will discuss the development of new technology at the corporate level and its possible impact upon the scope of the bargaining unit. The committee may also discuss other matters concerning new or advanced technology that may be referred by local unions or by local managements as well as any claims of erosion of the bargaining unit, occasioned by the introduction of new technology.

The parties recognize that advances in technology may alter, modify or otherwise change the job responsibilities of included

employees at plant locations and that a change in the means, method or process of performing a work function, including the introduction of computers or other new or advanced technology, will not serve to shift the work function normally and historically performed by included employees to excluded employees. This is to assure you it is not the company's policy to assign to excluded employees work normally assigned to included employees at a particular plant location. The company fully respects the integrity of the bargaining unit and has no intention of altering its composition by assigning to excluded employees work that has been performed traditionally and exclusively by included employees.

The union has also voiced concern about the possibility that new, technologically impacted bargaining unit work will not be awarded to included employees because they are insufficiently trained to perform it. In view of the company's interest in affording maximum opportunity for employees to progress with advancing technology, the company shall make available appropriate specialized training programs for employees to perform the new or changed work normally performed by included personnel, where such programs are reasonable and practicable, and the company will train such employees to enable them to perform such work. Similar emphasis would be placed on evaluating the effect of technological developments on apprenticeship curricula. The parties recognize the desirability that apprentices be trained for the work performed by journeymen in the basic skilled trades classification where new or advancing technology has had an impact on the work content of certain skilled trades classifications. Specifically, the company and union discussed training for apprentices on solid state, numerical, tape and or computer controlled machines.

As a result of these discussions, the parties agree the Joint Apprenticeship Committees shall examine recommendations of the Committee on Technological Progress as well as those made by local unions for the purpose of updating and revising shop training as appropriate. Revised training, and appropriate training in "programming", will be applicable to apprentices on recognized bargaining unit work if such work is normally and regularly performed by journeymen (or work for which journeymen are being trained by the company to perform) in the basic skilled trades classification in the plant where the training schedule is being used.

The foregoing does not limit or in any way reduce the responsibility of the JAC to make changes in the training course content of apprenticeship curricula, as necessary and appropriate,

subject to and in accordance with provisions of the Apprenticeship Plan.

The following sets forth a means of resolving disputes concerning the particular problems occasioned by advancing technology. Where the initial introduction of new or advanced technology at a plant location occasions a question of whether certain new work should be assigned to included employees, affects the job responsibilities of included employees or otherwise impacts the scope of the bargaining unit, local management will discuss the matter with the local negotiating committee. Such discussion will take place as far in advance of implementation of such a technological change as is practicable. The local management will at that time describe for the local negotiating committee the extent to which such technological changes may affect the work performed by included employees at the plant location involved. The plant chairman will be provided a written description of the technology involved, the equipment being introduced, its intended use and the anticipated installation date(s). Following such notification, the local negotiating committee may investigate and evaluate the impact of new or advanced technology. Comments by the local negotiating committee concerning the information provided will be carefully evaluated by the local management in accordance with the company's policy relative to the assignment of work which comes within the scope and content of that normally assigned to included employees at the plant location.

Settlements made by the local parties concerning the assignment of work functions as between included and excluded employees in relation to the new or advanced technology discussed will be forwarded and reviewed by the committee on technological progress within thirty (30) days of the date of the settlement. In the event the committee on technological progress does not approve the settlement, the subject matter in dispute will be referred back to the local parties. Such issues may be introduced into the grievance procedure as provided in section 12.04(a) of the Collective Agreement.

At each plant location the plant industrial relations manager and the skilled trades representative will be responsible for administering the program locally.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

September 24, 1990

Mr. Robert White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H3H9

Dear Mr. White:

During these negotiations the parties discussed the broadly-based concerns regarding the introduction of new technology in the plants and the impact such technology would have on the workforce. Recognition was given to the need for a cooperative attitude on the part of all parties in that continued technological progress is essential to the company's growth and its ability to compete effectively.

The company understands the union's legitimate concern that advances in technology may alter, modify or otherwise change the job content and responsibilities of bargaining unit employees at plant locations. Accordingly, the company agrees to advance discussions with local unions at locations planning the introduction of new or advanced technology so as to permit meaningful dialogue as to its impact, if any, upon skilled or non-skilled employees. Examples where advance discussions should take place are: a) the first introduction of a technology as compared to previously existing plant technology; b) introduction of a new, more advanced generation of existing technology having a significant impact on the workforce; and c) introduction of a new application of existing technology which has a significantly different impact on the workforce.

The parties at each location will determine the persons to be responsible and involved in the discussions. Included among the information to be provided for discussion is a description of the technology involved, the equipment being introduced, its intended use, the anticipated installation date

and the extent, if any, to which such technological changes may affect the size of the workforce.

In view of the continuing interest in affording maximum opportunities for employees to progress with advancing technology, as part of the discussion, the parties shall seek to identify appropriate specialized training programs so that employees will be capable of performing the new or changed work.

Joint apprenticeship committees shall update and revise classroom and shop training, as appropriate, to accommodate the new technology .

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, ON
M2H 3H9

Dear Mr. Hargrove:

During the course of the 1999 negotiations the parties discussed membership of the Committee on Technological Progress. The parties agreed the number of committee members, expanded in 1984, will be maintained at 14 persons, 7 representatives of the union and 7 representatives of the company.

This letter identifies those union members as being:

- The Skilled Trades Chairperson - Windsor
- The Skilled Trades Chairperson - Oakville
- The Recognized Skilled Trades Representative - St. Thomas
- The Chairperson of the Master Negotiating Committee
- Three representatives from other than the skilled trades appointed by the chairperson of the Master Negotiating Committee.
- The Vice President Human Resources will appoint the company members of the Committee.

In the event that a committee member is unable to participate in a particular meeting, a designee from the same location may act as a replacement.

Yours very truly,
D. J. McKenzie
Vice President
Human Resources

Concur: B. Hargrove

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1999 negotiations, the parties discussed concerns regarding the introduction of new technology in the plants and its impact on the skilled trades workforce. Recognition was given to the role of the skilled trades workforce and their contributions to the competitiveness of the company. Recognition was also given to the need for a cooperative attitude toward technological progress on the part of all parties ensuring the company's growth and its ability to compete effectively.

The company understands the union's legitimate concern that ongoing changes in technology may alter, modify, or otherwise change the job content and responsibilities of skilled trades employees at plant locations. The company is interested in affording maximum opportunities for skilled trades employees to progress with advancing technology and, as a result, the company shall make available appropriate specialized training programs so that skilled trades employees, including apprentices, will be capable of performing the new or changed work.

It is understood such programs will not preclude the establishment of short-term local training programs required to address individual or unique requirements. It is further agreed these actions do not limit, or in any way reduce, the authority or responsibility of either the Committee on Technological Progress or the local Joint Apprenticeship Committees.

Finally, the parties agreed that a cooperative attitude towards continued technological progress would be enhanced through the establishment of a regular communication forum that encourages open and meaningful dialogue between the parties. Accordingly, the company agrees to meet with the Ford National Bargaining Council once per year unless otherwise agreed. The purpose of these meetings will be to review and discuss the development of new technology at the corporate level and its possible impact upon the scope of the bargaining unit. As necessary and appropriate, other matters concerning new or changed technology referred by local unions or by local managements may also be discussed.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2002 negotiations, the parties discussed concerns regarding continued technological progress and its impact on the well-being of employees and the company.

The union expressed concern that advances in technology may alter, modify or otherwise change the job content and responsibilities of both skilled and non-skilled employees at all locations. In this regard, the parties agreed that following the conclusion of negotiations the Committee on Technological Progress will meet to establish a local New Technology Training Committee for each location. Each committee will include representatives of skilled and non-skilled employees. It is the intent that these committees shall seek to identify and make available appropriate specialized training programs so that employees may be capable of continuing to perform work as it is impacted by technological change.

The plant human resources manager and a representative appointed by the local union will be responsible for the local administration of the program.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

As equipment and systems become more technologically advanced, the parties recognize the importance of providing the skilled trades workforce with the education and training to maintain our plants' operational capabilities. Upgrading and training of our skilled trades workforce benefits all of our facilities and enables Ford Motor Company of Canada to remain competitive when bidding for additional work to sustain our future.

During the current negotiations, the parties acknowledged the programs in place that deal directly with establishing an overall commitment to quality, safety, on-the-job, assignment specific and technical training as well as upgrading and license renewals. As is often the case, many employees may receive on average, eighty (80) hours of training and in some cases, this amount is set as a stretch target.

Although both parties understand that the type and length of training will vary among the individuals and their respective trade, the company understands the importance to provide applicable training courses wherever and whenever the need arises.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

- Statement 1982 -
Skilled Trades Training

During the course of the 1982 negotiations, the parties discussed technological progress and the need for continued training of the skilled trades work force. Management reaffirmed its commitments to continue the skilled trades training referred to in its letter dated October 10, 1983.

- Statement 1999 -
Members of the Committee on
Technological Progress

During the 1999 negotiations, the parties discussed the functions of the Committee on Technological Progress. In this regard, the company informed the union that its current members are:

Windsor - the Human Resources and Manufacturing Planning Managers

St. Thomas - the Human Resources and Manufacturing Planning Managers

Oakville - the Human Resources and Manufacturing Planning Managers and the Manager, Labour Relations and Hourly Personnel for the company.

In the event any of the above-mentioned is unable to participate in a particular meeting, a designee from that location will act as a replacement.

- Statement 1999 -
Local Meetings

The plant human resources manager and the skilled trades chairperson/representative, who is a member of the Committee on Technological Progress, will meet locally to administer details referred to them by the Committee on Technological Progress.

- Statement 2002 -

Review by Committee on Technological Progress

During 2002 negotiations the parties had extensive discussions regarding the various types of specialized training programs that may be appropriate to implement based on the needs of the individual plant and skilled trade. The parties agreed that programs such as fiber optics, robotic programming, pneumatics, hydraulics and laser equipment are appropriate subjects for discussion at the next annual meeting of the Committee on Technological Progress.

- Statement 2005 -

New Technology Training Committee

During 2005 negotiations the parties discussed the progress of each location's New Technology Training Committee. It was acknowledged by the company and the union that an increased emphasis on regular meetings would enhance the effectiveness of these committees. Accordingly, it was agreed that following conclusion of negotiations, each plant's human resources manager (or designate), plant chairperson, and skilled trades chairperson would meet to establish a regular schedule for committee meetings.

Upon prior notification to the plant human resources manager, Ford-CAW Skilled Trades Coordinators may participate in local committee meetings in a facilitator role.

Issues arising in connection with this letter may be referred for resolution to the national union and Central Labour Affairs staff.

- Statement 2005 -

New Technology and Training Programs

During 2005 negotiations, the parties had extensive discussions on various types of emerging technology and specialized training programs that may be appropriate for implementation in our facilities. The parties agreed that programs such as new technologies associated with future manufacturing processes, fuel cell technologies, fiber optics, robotic programming, pneumatics, hydraulics and laser equipment are appropriate subjects for future review and discussion.

- Statement 2012 -
New Technology Training Committee

During 2012 negotiations, the company and the union had several discussions concerning training for skilled trades employees, particularly as it pertained to new equipment and technologies. Both parties acknowledged the importance of having a trained skilled trades workforce, capable of adapting to current, new and evolving technologies in order to fully support lean manufacturing principles. Furthermore, both parties reaffirmed their commitments to the local New Technology Training Committees as a means to identify, assess and recommend appropriate training plans for skilled trades employees. The parties acknowledged that a robust process in this regard is important in ensuring that appropriate and timely training is provided to skilled trades employees. Following negotiations, the parties agree to establish a regular and proper cadence for the local New Technology Training Committee so that meaningful discussions to address skilled trades training needs can take place with the objective of identifying immediate gaps to ensure that skilled trades have the necessary knowledge required to perform the work.

- Orientation -

November 14, 1976

Mr. D. McDermott
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario

Dear Mr. McDermott:

Both the company and the union are aware that many persons hiring into our plants today have little or no knowledge of what is expected of them as employees or as union members. Many of them have never been inside an industrial plant and are not adequately prepared to adjust to the new environment in which they find themselves.

During these current negotiations, you have indicated that these factors may contribute to the high absenteeism and turnover we have experienced in recent years and have requested that you be permitted to participate in the orientation of new employees. You have urged that such participation would represent a constructive contribution to both in-plant and overall employee-union-management relationships. It is our understanding that the union would use this opportunity to acquaint new employees with the role of the union in providing representation under the Collective Agreement, stress the responsibility for good employee attendance and high quality workmanship and impress upon new employees that it can be successful in defending them in the grievance procedure only when they observe such job responsibilities.

Accordingly, the company and the union will, as soon as practical after the effective date of the 1976 Collective Agreement, establish a joint committee to develop a pilot pre-job orientation program. This committee will undertake development of a program to be presented to new job applicants prior to the time they start their jobs. This program would be implemented in any plant where the local union notified the company that it wished to adopt the program.

The company and the union would jointly consider what subjects each might most appropriately present to the new employee. Some subjects might be more effective if presented by a company

representative, some by a representative of the union and some by both the company and the union.

Neither the contents of this letter nor any of the programs that may be developed as a result thereof would be subject to the grievance procedure. In the event that the program at any plant was not being conducted in a manner consistent with the purpose and intent of this letter, it could be terminated by either the company or the union. It is understood that the establishment of such programs would not limit any other communication by the company with its employees or by the union with its members.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

- Statement 2005 -
Orientation of Transferred Employees

During 2005 negotiations, the parties discussed the present practice at plant locations of conducting orientation sessions for relocated employees. The company agreed that an orientation process was essential for the introduction of an employee to a new location and reaffirmed the practice of providing an orientation in accordance with local plant standards and processes.

- Preferential Placement -

October 7, 2002

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 2002 negotiations, in conjunction with discussions regarding the Job and Income Security Program, the parties discussed the application of the preferential placement guidelines contained in the letter dated October 18, 1993.

The parties agree that in circumstances involving permanent reductions or a plant closure at a multi-plant site, the arrangements specified in the letter dated October 18, 1993 and section 15.01(d) will take effect. The parties also agreed that when reductions are related to a stand-alone plant closure, exceptions will be made to these arrangements such that employees who transfer to another location will receive an adjusted seniority date at the new location which will be the date that notice of closure was given to the union. Such employees, when transferred to an opening at the new location, may displace employees hired at that location after the date the notice of closure was provided to the union.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the recently concluded negotiations, the union expressed concern regarding seniority employees who are laid off as a result of a restructuring action which results in permanent job losses, who secure employment through the preferential placement procedures at other plants covered by the Agreement and within five years of the original layoff date are again indefinitely laid off without expectation of recall.

The company agrees that under these circumstances the employees will be given the option to remain on layoff from the last facility where they were employed or to exercise their rights relative to the options under the job and income security program that were available to them at the time of the original layoff.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 18, 1993

Mr. B. A. C. Feil
National Representative
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Feil:

During the 1993 negotiations the company advised the union that it would maintain a current listing of employees from each location who have indicated that they wish to be considered for a preferential placement opportunity at another plant location. These plant listings and plant employment trends are the appropriate subject for discussion between representatives of the national union and the central labour relations staff who will maintain such lists.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
A. D. MacLean
Labour Relations and
Hourly Personnel Manager

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace
and Agricultural Implement
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

This will confirm the understanding reached during the 1993 negotiations concerning arrangements under which employees laid off as a result of a permanent discontinuance of operations or other reduction in force where the company and the union agree there is no reasonable likelihood of recall may be eligible for preferential placement opportunities during the term of the new Collective Agreement.

After being placed on the preferential placement list(s) in accordance with procedures to be established by the company, those employees retaining seniority recall rights shall be given preference for placement on available work, or if none is available, the opportunity to displace probationary employees, on jobs for which they are qualified or could qualify within a reasonable period of time in other plants covered by the Agreement as might be specified by mutual agreement between the company's central labour relations staff and the national union. Where deviations are contemplated, particularly with respect to evaluation of employment records, the circumstances shall be discussed in advance with the local union and disputes shall be subject to immediate appeal to the company's central labour relations staff and the national union CAW.

If an employee's employment record is determined to be unsatisfactory, such employee will be placed on a probationary letter for a period of 3 months at his new location.

Each plant shall maintain an availability list of its applicants. A plant after exhausting its recall list shall endeavour to fill its hiring requirements from availability lists at other plants as agreed between the company and the union.

It is recognized that the company has to maintain ability to promptly fill employment requirements and assure that personnel are capable of performing jobs. Accordingly, the company shall endeavour to place applicants in seniority order, consistent with their prior job experience. It is understood that placement on the basis of seniority will not be feasible in every instance. However,

employees placed in a new plant shall have date-of-entry seniority in that plant, but this will not break an employee's seniority for the purpose of such plans as the vacation with pay, holiday pay, jury duty pay, supplemental unemployment benefits or retirement plans where company, rather than plant, seniority is taken into account.

Employees who refuse an initial offer of work pursuant to these preferential placement arrangements shall have their names removed from all preferential placement lists for a period of six (6) months. Following this six (6) month period their names automatically will be placed, one final time, on the preferential placement list.

The job security arrangements covered by this letter have potentially complex administrative implications. The company at times may not be able to fully conform with these provisions, and accordingly, shall not be liable for back pay on any claims arising from their administration with the remedy for any violation limited to future placement opportunities for aggrieved employees.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: B. Hargrove

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1996 negotiations the parties discussed the return of former St. Thomas Assembly Plant employees currently working in Oakville, to St. Thomas on a preferential hiring basis.

The parties acknowledge as of the date of this agreement that there are no employees on the seniority rolls of the company at Oakville who meet the criteria for eligibility for preferential placement as identified in my letter to you dated October 18, 1993.

Notwithstanding the foregoing, the parties agree to permit up to thirty (30) employees previously placed preferentially at Oakville to voluntarily return to the St. Thomas Assembly Plant to fill openings for permanent full-time hires under the following conditions:

- (a) Employees who elect a transfer back to the St. Thomas Assembly Plant will retain the same relative seniority position that they had at St. Thomas, and will be assigned a seniority date at St. Thomas consistent with the effective date of transfer of the first of those employees to whom this letter refers, (it being understood that such employees will retain "company seniority" for purposes of such plans as the vacation, holiday pay, jury duty pay, SUB, or retirement plans where company, rather than plant, seniority is taken into account).
- (b) Such employees will be ineligible for transfer moving allowance or layoff moving allowance.
- (c) For purposes of future applications of the Job and Income Security Program, employees returning to St. Thomas under this agreement will be considered to have not attained seniority until they have completed ninety (90) days on the active roll at St. Thomas.
- (d) Such employees will permanently disqualify themselves from any further consideration for preferential hire at any company location. However, in the event a major structural change, such as a shift removal or major line rate reduction, decreases the St. Thomas active roll by an amount greater than 10% of the roll immediately prior to the change, such

employees will in these circumstances be given preferential hiring eligibility.

- (e) This agreement is entered into without operating as a precedent and will not be cited by the union if any similar circumstances are encountered in the future.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

The union has requested that the company give consideration, on a compassionate basis, to the return to the National Parts Distribution Centre, Bramalea, of certain employees transferred to the Edmonton and Montreal Parts Distribution Centres in conjunction with the 1993 restructuring.

The company is prepared to allow up to 20 affected employees to return to the National Parts Distribution Centre, Bramalea, to fill existing available positions for which the company is currently processing applications.

In consideration of the company returning the affected employees, the national union on behalf of the local units involved and the affected employees, agree the returning employees are to be given a seniority date that represents the date of their return to the National Parts Distribution Centre, Bramalea. This date would apply for the purposes of reductions, layoffs, job advertising, etc. However, their company service will apply to such programs as vacation with pay plan, S.U.B., and pensions.

The union and the affected employees agree that the question of restoring their former National Parts Distribution Centre, Bramalea seniority will not be the subject of a grievance or future negotiations between the parties.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

**- Statement 1984 -
Unable to Perform**

During 1984 negotiations the parties discussed the circumstances where an employee preferentially placed at a new location is subsequently discharged. In any such case where the employee has been discharged for inability to perform assigned work, the parties agreed that seniority at his former location will be retained.

- Production Standards -

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the recent negotiations, the union expressed concern about production standards grievances resolved outside of the four-month period specified in the Work Allocation Letter of November 14, 1976. More specifically, the union was referring to the effect on an undisputed operation involved in the grievance settlement of a disputed operation.

This will confirm that if the resolution of a production standards dispute after the four-month period results in work being reassigned to another operation, the employee on such operation is not precluded from disputing the work reallocation through the Grievance Procedure.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

Subject: Work Allocations in Assembly Plants - Application
of Changes

During 1996 negotiations, the parties discussed interpretation of certain provisions of the 1996 100 calendar day letter.

It is with respect to work reallocations after the 100 calendar day period referenced in the letter which are occasioned by changes in mix, option installation rates, tooling, processing, engineering or design specifications, methods or layout that the question of proper application arose, particularly when they may result in manpower reductions.

The parties have agreed that in such cases there must be some regard for the magnitude and significance of the changes to avoid rendering meaningless the assurance given to employees contemplated in the letter. The change should be such that there is a real and identifiable effect on the operation(s) impacted. Relatively minor changes after the 100 calendar days are not to be used to justify major work reallocations.

Prior to implementation of changes of this nature the appropriate union representative will be advised of the planned change.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1999 negotiations, extensive discussions took place between the parties regarding the requirements to establish fair and equitable workloads and a process to expeditiously resolve job disputes in an orderly manner. Fundamental to the effectiveness of this process is a commitment to open communication and a process of finding satisfactory solutions.

The parties agree that the following elements are key to an effective work allocation process:

- Advance discussions concerning planned efficiency initiatives and new model changes.
- A well defined process to address operation or employee issues as they arise.
- Effective utilization of all resources including, but not limited to, engineering, health and safety, ergonomics and maintenance to resolve issues on disputed operations.
- Involvement of the special committee person and company counterpart to address work allocation and job standard issues.
- Exchange of information, including but not limited to, available time study data to facilitate the resolution of work allocation issues.
- Prior to the conclusion of the work allocation period, at a time established by the local parties, appropriate company and union representatives will meet to review the status of the work allocation changes and plans to finalize these actions. This review will encompass the identification of remaining efficiency targets, work elements to be allocated, and plans for assigning these elements.
- An understanding that in the event allocation changes are required outside of the work allocation period as provided in the collective agreement, these changes will be implemented following advance notification and, where reasonably possible, stable work loads will be maintained.

Further, the parties discussed the procedures used at the assembly plants to resolve disputed work allocations consistent with section 30.04 of the collective agreement.

It was agreed that the following elements are key to an effective process to resolve disputed work allocations:

- Identification of the reason(s) for the disputed work allocation.
- Utilization of all resources to address issues including, but not limited to, tooling, engineering or design specifications, health and safety, ergonomics, methods, layout, sequence, and process.
- If the dispute remains, involvement of the special committeeperson and company counterpart to review available time study data and address issues including, but not limited to, non-standard conditions, model mix and option content impact and overcycles as required. The parties shall verify available time study data on the operator experiencing difficulty. At this stage and if necessary, a time study would be conducted for the purpose of resolving the above issues.
- Review of any remaining issue(s) will be undertaken by the special committeeperson and a senior member of management.
- If the dispute remains, a grievance may be filed in accordance with the provision of section 30.04 of the collective agreement.
- A meeting will be convened as required, consistent with section 30.04(g) of the collective agreement.
- In the event the matter is not resolved, the Plant Chairperson and the Human Resources Manager may arrange a meeting with the appropriate local personnel including the special committeeperson to resolve the matter.
- Should an issue still remain, the CAW National President's office and Vehicle Operations staff may each appoint an external subject matter expert to review the disputed work allocation. Their recommendation for resolution will be provided to the plant chairperson and the plant manager within two weeks. If the recommendation is not mutually agreed upon, or the recommendation is not acceptable to either party, the grievance will be expedited to arbitration consistent with the provisions of the collective agreement.

The intent of this process is to provide for the timely and orderly resolution of job disputes.

It is recognized that modifications to this process may be required consistent with current local practices as agreed to by the parties.

If at any time either party believes that the spirit and the intent of this letter are not being followed, a meeting will be convened between representatives of the CAW National President's office and Ford of Canada Labour Affairs Staff.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of the 2002 negotiations, the parties discussed matters related to the selection of a qualified work standards arbitrator, as provided for in section 30.05 of the Collective Agreement.

The company and the union agreed that a member of the central labour relations office and a national CAW representative will meet as soon as practicable after negotiations are concluded to initiate actions necessary to implement this concept.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1999 negotiations, the union sought, as it had in the past, a company commitment that work allocations in the car and truck assembly plants would be made early in the model run and would remain unchanged for the balance of the model run.

The company has consistently emphasized the great number of factors that influence its ability to make unchangeable work allocations early in the model run in its vehicle assembly plants, among which are the over manning that sometimes occur early in the model in connection with launching, the normal difficulties which are associated with the production of new models, the engineering changes which occur throughout the model run, the frequent variations in body mix and option installation rates, the changes in processing and tooling which occur frequently and continually, and the continuing efforts which the company makes to achieve a satisfactory level of manpower efficiency and work load balance.

Nonetheless, we are not unmindful of the interest which employees in the vehicle assembly plants have in securing a reasonably certain level of work assignment at some point in time in the model run. As we have discussed, the factors described in the second paragraph above are particularly critical in those vehicle assembly plants in the model years in which there is a new or major change car or truck line and somewhat less critical in the plants in which the so-called "carryover" or "face-lift" vehicles are assembled, vehicles which undergo a relatively limited year-to-year change. Even in the latter cases, however, they are not unimportant.

With respect to the latter vehicle assembly plants, the company assured in 1999 negotiations that, beginning 10 working days after the first unit for that model run is produced at the plant and by the end of 100 calendar days following thereafter, suitable employee work allocations will have been made. These work allocations will remain unchanged for the balance of that year's model run, excepting as a change in work allocation is occasioned by

changes in line speed, mix, option installation rates, tooling, processing, engineering or design specifications, methods or layout.

It is expressly understood that this arrangement will not constitute any kind of acknowledgment that the work load or work allocation as of the time it becomes unchanged will represent a full work load, nor does it carry any assurance or implication that the work allocation in the succeeding model year will remain unchanged, regardless of the degree of vehicle change.

Yours very truly,
D. J. McKenzie
Vice President,
Human Resources

Concur: B. Hargrove

- Statement 1990 -
Compilation of Data

During 1990 negotiations, the parties discussed matters related to the compilation of data for work allocations, work distributions and time studies. The company agreed that, in the case of time studies, data would not be finalized prior to the actual observation of the operation by a person responsible for the time studies and methods.

- Statement 1990 -
Employee Notification

During the course of 1990 negotiations, the parties discussed matters related to the observation of employees by time study and methods personnel as provided for in section 30.02 of the Collective Agreement. The parties agreed that the actual time spent in such observations will vary but in any case must be adequate to allow for accurate data to be compiled. The parties also agreed that there are occasionally justifiable reasons, an example of which would be a request for clarification of information from the special committeeperson, which necessitate additional observations. The parties noted that the application of section 30.02 providing for notification to an employee at the time a study is to be made helps minimize confusion over the presence of time study and methods personnel; the company agreed that it would reinforce the importance of these employee notifications with all personnel responsible for time study and methods following these negotiations.

- Statement 1993 -
Administration of Article 30

During 1993 negotiations, the parties discussed at great length the critical importance of objectivity and integrity during the administration of matters relative to article 30 of the Collective Agreement. Aspects discussed included the preparation of documents related to production standards and the addressing of disputes under section 30.04. For its part, the company agreed that it would communicate the foregoing to the appropriate members of management including supervision.

- Statement 1993 -
Consideration of All Work Elements

During 1993 negotiations, the parties discussed matters related to the compilation of data for work allocations, work distribution, and time studies. The company agreed that it was essential that company representatives take into consideration all work elements assigned to an operator when dealing with disputes which may arise under section 30.04 of the Collective Agreement. The company also agreed that members of supervision, when providing operators with full job instructions, would review proper methods and sequence as a part of the instruction.

- Statement 1993 -
Development of Operating Practices

During the course of 1993 negotiations, the parties held considerable discussions on the subject of the work allocation-related systems which are being developed and introduced by the company in its assembly plants, including the three Canadian assembly plants. Within these discussions, the parties acknowledged that the systems in question were broad, detailed, and in certain respects, complex. The parties also noted that the introduction timing for the subject systems could vary, on a plant-by-plant basis, consistent with other operational considerations; consequently, the development of local operating practices and approaches related to these systems would likewise have different timing.

The parties agreed that ongoing dialogue between local management representatives and local union representatives at each location would be essential to a smooth and orderly transition being realized.

- Statement 1993 -
Overcycle and Recovery Time

During the 1993 negotiations, the union expressed concerns related to overcycle and recovery time at the Oakville and St. Thomas Assembly Plants, and the Ontario Truck Plant. The company assured the union that it would continue its efforts to schedule balanced option content and control mix ratios in order to minimize overcycles.

- Statement 1996 -
Special Committeeperson –
Equipment and Training

During 1996 negotiations the parties discussed computer equipment and training requirements for the special committeepersons responsible for administering production standards at the Oakville and St. Thomas plants. The company assured the union that the appropriate computer equipment and training would be provided.

- Statement 1996 -
Video Equipment

During 1996 negotiations, the company and union discussed the utilization of video equipment at the Oakville and St. Thomas Assembly Plants. The company advised the union that while the current practices associated with the utilization of video equipment in various applications would continue, video equipment will not be used for the purpose of establishing a production standard.

- Statement 1996 -
MODAPTS and DLMS - Application
and Administration

During 1996 negotiations the parties discussed items relating to the application and administration of the MODAPTS Time Measurement System and the Direct Labour Management System (DLMS), including methods utilized to compile accurate work allocation data in a skillful and consistent manner. It was agreed that following 1996 negotiations, the company would arrange meetings at the local level between appropriate local management and the special committeeperson to discuss local engineering practices with respect to the application and administration of MODAPTS and DLMS. Discussions will include, but are not limited to, topics such as walk codes, observation sheets, inherent wait time, and the development of accurate tracking methods and timely resolution of disputes as they related to DLMS.

The company also agreed that following 1996 negotiations and annually thereafter, it would communicate, in writing, agreements reached relating to these items to persons responsible for the processing of time studies in the Oakville and St. Thomas Assembly Plants.

- Statement 1999 -
Impact of Overcycle Conditions on
Work Allocations

During 1999 negotiations, the parties discussed the impact of mix and overcycle conditions on work allocations. The union expressed concerns related to overcycles and recovery time. The company recognizes the importance of ensuring an employee's ability to perform his/her operation in a safe manner resulting in a quality product. The parties acknowledged that efforts to minimize the frequency and impact of overcycles has been effective. It was agreed that floor supervision will use available data and advanced planning to respond to adverse mix conditions. In addition, each facility will locally establish a containment plan to immediately address any mix concerns or overcycle conditions and this plan will be communicated to affected employees.

- Statement 1999 -
Alternative Methodologies

During 1999 negotiations, the parties discussed alternative methodologies that may be utilized to resolve disputes relating to elemental time allocations when establishing a production standard. While it was acknowledged that Modapts is the time measurement system utilized by the company to establish production standards, local practitioners may agree to utilize other methodologies, including a stop watch, to resolve disputes regarding elemental time allocations.

- Statement 1999 -
Advance Notice of Studies

During 1999 negotiations, discussions were held on the benefits to be derived from ongoing open communications between the parties in the administration of production standards issues. Accordingly, the company stated it would make every reasonable attempt to inform a union representative in advance of studies being conducted in their area of jurisdiction.

- Statement 2002 -
Possible Reduction of 100 Day Letter

During 2002 negotiations the parties discussed the importance of workload stability and the interest of employees in securing a reasonably certain level of work assignment. The parties will meet periodically during each rebalance period to discuss status to objectives and possible reduction of the one hundred (100) day period for the new model launch. Discussions will focus on creating stability in affected areas without negatively impacting productivity and efficiency of operations while achieving a reduction of the one hundred (100) day period.

- Statement 2002 -
Unallocated Work Elements

During 2002 negotiations, the parties discussed issues associated with unallocated elements of work approaching the conclusion of the work allocation period. The parties will convene a meeting prior to the end of the work allocation period to focus on the identification and placement of unallocated elements of work. Information discussed may include but is not limited to, outstanding efficiency targets, tracking matrix of unassigned elements, containment plans, and plans for facility and engineering changes.

The meeting will take place no later than fourteen (14) calendar days prior to the conclusion of the work allocation period.

- Statement 2002 -
ILVS System and Overcycles

During 2002 negotiations, the parties discussed the negative impact on quality and line operations caused by disruptions in the ILVS system and overcycles. The union raised concerns about an individual's ability to properly perform his/her job when extra work is required due to disruptions in the ILVS or overcycles. The parties agreed to meet locally within ninety (90) days of the effective date of the new collective agreement to discuss methods of containing these situations to minimize the negative impact on the quality of vehicles and line operations.

**- Statement 2002 -
Prototype Units**

During 2002 negotiations, the parties discussed issues associated with assembling prototype units built prior to Job#1, including field evaluation (FEU's), prototype (PP's), tooling tryout (TTU's) and continuous or integrated build units (CB's/IB's). The union expressed concern that the volume of prototype vehicles being assembled can create additional work for regular operations that may prevent them from adequately completing their work elements. The company acknowledged that these units may be off standard and that whenever possible assistance will be provided to complete the required elements on the prototypes.

**- Statement 2002 -
Stop Watch Study**

During 2002 negotiations, the parties discussed the use of a stopwatch as a part of a MODAPTS study. The union requested the verification of cycle time to substantiate the consistency of this study. The company agrees when a MODAPTS study is conducted for the purpose of establishing a standard, a cycle check will be taken, where practical.

- Representation -

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations, the union expressed a desire for confirmation of the company's intentions regarding recognition of the union as the exclusive bargaining agent for production and maintenance employees at new company plants and parts distribution centres and for the extension of the Ford-UAW Collective Agreement to such new facilities.

The company intends to follow a practice of extending the Ford-UAW Collective Agreement to apply to production and maintenance employees at new company plants and distribution centres upon the conclusion of mutually satisfactory arrangements to invoke the transfer of operations provisions of Sections 18.01, 18.02, 18.03, 18.04 and 18.05. Representative of such mutually satisfactory arrangements are those which were recently developed for the new Batavia transmission plant.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

Concur: R. White

October 10, 1982

Mr. Robert White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

Subject: Representation

During the current negotiations, one of the issues taking considerable discussion was the application of the provision of the Collective Agreement regarding representation. It was recognized that the issues associated with representation were uniquely different at each location and involved a variety of circumstances. As a result, different solutions were reached at each location, however these solutions were extremely important in the concluding of local agreements.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 18, 1984

Mr. R. White
UAW International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

When the provisions for benefit plans representatives set out in article 28 of the Collective Agreement dated November 18, 1984 were being discussed during 1984 negotiations, Local 200 UAW stated, as it had in 1976 negotiations, that it does not want or need the number of such representatives to which it is currently entitled under the provisions of article 28. It was indicated by the local union that this representation time can be more usefully directed toward other duties and responsibilities related to the representation of the employees in the bargaining unit at Windsor.

Accordingly, the company has agreed that, at Windsor, instead of the 3 full-time benefit plans representatives which Local 200 UAW is entitled to have on the basis of the present numbers of employees in the plants at Windsor, there will be 1 full-time benefits plans representative appointed by the UAW director for Canada, and the 16 hours of representation time which would otherwise have been allotted to the other 2 benefit plans representatives will be allocated for the purpose of union representation at Windsor on the basis of arrangements to be agreed upon the industrial relations manager at Windsor and the president of Local 200 UAW.

Yours very truly,
A. W. Hanlon
Vice President,
Industrial Relations.

Concur: R. White

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza**:

For the term of the 2012 Collective Agreement, the company agreed to recognize the following full time representation by location, in addition to the representation identified in Article 10. This additional representation is to provide a higher level of service in the areas of Workers' Compensation and Employee Medical Placement.

Location	Number of Special Representatives
Windsor	
- Windsor Engine Plant	2
- Essex Engine Plant	2
Oakville	
- Oakville Assembly Plant	2
Bramalea	
- National P.D.C.	1

While these special representatives are intended primarily for WCB and Employee Medical Placement matters, the local Employee Relations Manager and local Chairperson will, by mutual agreement, determine the utilization of the incremental representation that is being granted for the term of the Collective Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1999 negotiations, the parties agreed to increase union representation, as follows:

- Ergonomics Representative: provide for one full-time representative at the Oakville site and one full-time representative at St. Thomas.
- Employment Equity: increase the weekly hours of the Employment Equity Representative at St. Thomas to provide for one full-time representative; increase the weekly hours of the Employment Equity Representatives at the Oakville Assembly and Ontario Truck plants from twelve to twenty hours per week.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

- Statement 1984 -
International Staff at Meetings

Notwithstanding the provisions of section 10.09 of the collective agreement, the company agreed to continue the practice of allowing the union to bring members of the international staff to master negotiating committee meetings as required.

- Skilled Trades -

April 23, 1968

The President, Local 200
The President, Local 584
The President, Local 707
The President, Local 1054
The President, Local 1520
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)

Dear Sirs:

This letter is written to confirm the company's policy regarding the performance of maintenance or trades work with our own employees and equipment.

It is recognized that at times and for varying reasons it is not considered practicable or advisable for certain work to be performed by our own company. As in the past the company must therefore reserve the right to decide how and by whom any work is to be performed and this letter is not to be regarded as affecting that right; however, provided we have the necessary facilities and equipment and can perform the work required with our own work force in a manner that is competitive in terms of cost, quality, and within projected time limits, it is our intention and desire to keep such work within the company.

Yours faithfully,
K. Hallsworth
Vice President,
Industrial Relations

December 9, 1973

Mr. Dennis McDermott
Vice President and Canadian Director
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
2450 Victoria Park Avenue
Willowdale 425, Ontario

Dear Mr. McDermott:

During 1973 negotiations, the union members of the Skilled Trades Subcommittee commented on the possibility of a misunderstanding which might arise among some union representatives and skilled tradesmen concerning the meaning or intent of the first paragraph of the section entitled 'Emergencies' in Exhibit I (Skilled Trades Work Assignments). We feel that this misunderstanding is best resolved by means of this letter of clarification.

This is to advise you that the company interprets the word "breakdowns" as it is used in the paragraph cited above to mean emergency or unforeseen breakdowns, not all breakdowns. Your attention is also directed to the language later in the same paragraph providing that in such cases "trade lines are not to be disregarded where the time within which the repairs are to be made and the availability of the appropriate tradesmen permit their observance".

We trust that this letter of clarification will avoid any such misunderstandings.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations the union expressed its concern over the effect on employment opportunities for seniority journeymen in tool and die and metal patternmaking classifications (appendix F) of company decisions to utilize non-company sources for new machining, fabrication, repair, tryout and related checking fixture construction work and metal patternmaking work normally assigned to the die construction and metal patternmaking activities in Engine Plant 2 at Windsor.

As explained by the company in the discussion of this subject, decisions concerning the effective utilization of in-house die and metal patternmaking capacity and outsourcing are the responsibility of management.

It is the policy of the company to retain new die machining, fabrication, repair, tryout and related checking fixture construction work and metal patternmaking work within the die construction and metal patternmaking activities of Engine Plant 2 to the extent the company's program requirements can reasonably be met. Of course, the final decision must be made by the company based upon its assessment of these requirements and the facts known to the company at the time the decision is made.

The decision to retain such work in-house or to utilize non-company sources is influenced by many considerations, including the magnitude of the new die construction and metal patternmaking programs, the timing of each phase of the program, the availability of facilities, specialized equipment and necessary skills within the workforce, the complicating effect of design modifications and bottleneck operations such as machining limitations and the unavailability of presses to perform necessary tryout work, the efficiencies and economics involved, and the need to maintain a reliable supply base in view of the fluctuations and uncertainties of the die construction and metal patternmaking business.

In addition, the unavailability of machining capacity in the plant die construction and metal patternmaking activities may lead to the decision to utilize a non-company source in order to assure that deadlines in the program are met.

A management decision to utilize a non-company source for such work should consider, in addition to all other relevant factors, any adverse employment impact on the plant's tool and die and metal patternmaking workforce, i.e., seniority journeymen in the affected classifications are laid off or would be laid off as a direct result of the decision.

In the event that such a decision is being contemplated, local management will, except where time and circumstances prevent it, have advance discussion with local union representatives concerning the nature, scope and approximate dates of the work to be performed and the reasons why management is contemplating utilizing a non-company source. At such times, company representatives are expected to afford the union an opportunity to comment on the company's plans and to give appropriate weight to those comments in the light of all attendant circumstances.

In making a final decision, the company will not act arbitrarily or capriciously in disregard of the legitimate interests of Ford employees.

In addition, where the company considers that work practices or provisions of the Collective Agreement may be having an adverse effect on the company's ability to compete in this field effectively, management will discuss such matters on a timely basis with local union representatives and explore with them the possibilities of taking practical steps with respect to such matters to the end of improving the employment opportunities of such employees.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace, Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the current negotiations, the parties discussed the subject of conversion to the metric system and its effect on certain employee-owned tools.

During these discussions, the company indicated its intention to make available during the transition period metric tools and calibrated measuring instruments to skilled trades employees when required in the performance of their work. Such tools will be available in a manner determined by local management and charged out to skilled trades employees when they have need for them.

This policy does not preclude the use of conversion tables or any other alternate means of changing to the metric system in place of utilizing such tools or calibrated measuring instruments, nor does it alter the present requirement that skilled trades employees provide their own tools necessary to perform their duties, except as provided in the second paragraph hereof.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the recent negotiations the union expressed concern over the form and content of the notice to the union of the company's intention to let an outside contract for skilled maintenance and construction work as well as the procedure for conducting related discussions between the local parties.

This letter will confirm the parties' understanding that the company will provide advance notice, in writing, subject to the same conditions and limitations set forth and referenced in the letter dated April 23, 1968, to the local union of the company's plan to let a particular contract involving skilled maintenance and construction work. The written notice will describe the project's general nature, scope (including estimated trades and manpower involved), the approximate dates within which the work is expected to be performed and why the services of an outside contractor are being contemplated. As provided in section 3.04, company representatives are expected to afford the union an opportunity to comment on the company's plans and to give appropriate weight to those comments in the light of all attendant circumstances. Consistent with the foregoing conditions, the parties agreed that the following constitutes an effective outside contracting clearing procedure including related discussions:

1. Before letting a contract, the plant engineering department will evaluate the ability of the local plant forces to handle a given project.
2. In the event the plant engineering department decides it is unable to perform the work in question, the local union will be so advised and if the union so requests, a meeting will be arranged by the plant industrial relations manager for the purpose of having advance discussion with the union as to the reasons why plant forces cannot perform the work.

3. In the event such advance discussion with the union results in the company deciding it cannot perform any of the work or only part and the union concurs in this result, a memorandum concerning the results of the meeting will be prepared by the company and a copy provided to the union. In addition to the written information outlined above, if part of the project is to be performed by Ford forces, that portion should be so identified in the memorandum.

It was also agreed that the parties would urge the adoption of the above procedure in all locations where a mutually acceptable outside contracting clearance procedure does not now exist.

In addition, it was agreed that in those locations either adopting the procedure outlined above or where a mutually acceptable procedure is in effect and where the local union alleges that the procedure is not being followed by the company, the matter may be brought to the attention of central labour relations staff and the international union, U.A.W.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During these negotiations, the parties discussed replacing personal tools of skilled trades employees broken or damaged on company premises.

The union was advised that the company will accept and review claims for broken or damaged tools that are no longer usable. Where it is determined that personal tools were broken or damaged on company premises due to conditions beyond the employee's control such tools will be repaired or replaced, provided there is no evidence of employee negligence, abuse or improper usage. It is understood that this arrangement will be over and above any locally established practices with respect to replacing personal tools of skilled trades employees broken or damaged on company premises.

Yours very truly,
S. J. Surma
Vice President,
Industrial Relations

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1982 negotiations in response to concerns expressed by the union, the company reaffirmed the principles and procedures with respect to the letting of outside contracts for maintenance and construction work specified in Section 3.04 of the Collective Agreement and letters to the international union dated April 23, 1968 and November 4, 1979.

This letter is intended to clarify the intent and purposes of that section:

1. The advance discussion except where time and circumstances prevent it, will take place prior to letting such a contract (for the performance of maintenance and construction work), before any decision has been made as to whether the work should be contracted out. The advance discussion will include information as to why management is contemplating contracting out the work. It is evident that except as noted above, since the company is only contemplating contracting out the work when the advance discussion takes place, management should not have made any decisions concerning whether or not to contract out the work before such advance discussion is held.
2. Management should advise the local union of the nature, scope and approximate dates of the work to be performed and the reasons (equipment, manpower, etc.) why management is contemplating contracting out the work. This information is related to the letter dated November 4, 1979.

These letters make reference to manpower, skills, equipment and facilities and also as to whether the company can do the work competitively in quality, cost and performance and within the projected time limits. Since any or all of these conditions may be entailed in the determination as to whether a particular contract should be let out or not, it is necessary that the company advise the local union in the advance discussion

concerning the item or items which are relevant to the decision making.

3. If in the advance discussion it is clear that the company is only contemplating contracting out the work and if in addition all the pertinent information as noted above is supplied to the union, then the union representatives will be given a better opportunity to comment on the company's plans and will also give an opportunity to the company to give appropriate weight to those comments in the light of all attendant circumstances.

Yours very truly
S.J. Surma
Vice President,
Industrial Relations

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

This will confirm that the regular hourly wage rate for the Skilled Trades leader classifications listed in appendix 'F', 'H' or 'P' will be increased to \$.60 above the journeyman/woman classification rate after the application of the general wage increase provided in section 21.02(a).

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

- Statement 1968 -
Notice of Journeyperson Hires

The company will provide each local from time to time with a list of the journeymen who have been hired for each trade during the preceding week. Such list will be sent to the skilled trades chairman at Windsor, Oakville and St. Thomas, and to the chairman of the negotiating committee at Niagara.

- Statement 1971 -
Notice - Employment in Trades

The company will arrange to post a notice from time to time for the information of employees at Windsor, Oakville or St. Thomas, as the case may be, advising them as to the steps an employee should take if he is interested in being considered by the company for employment in one of the skilled trades at the location where he is employed.

- Statement 1973 -
Placement of Disabled Employees

During 1973 negotiations, the company advised the union that, when work is being sought for the placement of an employee employed in a trade listed in appendix 'F', 'H' or 'P' who is suffering a disability from sickness or accident, a placement for the employee concerned will be sought by the company at his location in the trade in which he is employed. Failing satisfactory placement, the matter of placing him in a related trade will be discussed between the company and the appropriate skilled trades chairman.

- Statement 1973 -
Rotation of Work Assignment

During 1973 negotiations, the company told the union that it would be prepared, at the request of the union, to discuss with the union any problems that may arise at any location concerning the rotation of work assignments among skilled tradesmen in each classification.

- Statement 1976 -
Skilled Trades Council

The company will deduct for the Canadian Region Skilled Trades Council U.A.W. such sum as is properly authorized from time to time by the Canadian Region Skilled Trades Council U.A.W.

- (a) commencing in January, 1977 and once each year thereafter from the pay for the second week in each calendar year of each employee who is employed in one of the skilled trades listed in Appendix 'F', 'H' and 'P', and
- (b) from the first pay of each employee hired after January 1, 1977 who is employed in one of the skilled trades listed in Appendix 'F', 'H' and 'P', provided that at the time of such deduction there is in the possession of the company a subsisting written assignment, executed by the employee, in the form and according to the terms of the authorization form attached as Attachment 'A', authorizing such deduction by the company. The assignment will continue effective in accordance with its terms unless otherwise revoked by the employee. All sums deducted shall be remitted to the financial secretary of the appropriate local, to be allocated and distributed by them to the Canadian Region Skilled Trades Council U.A.W. They shall be included in the amount identified as Initiation Dues in the Union Dues and Initiation Fees Monthly Report. A listing of such annual deductions will be given to the skilled trades chairman and the financial secretary of each local.

In the event the deduction cannot be made from an employee's pay for the pay referred to above, such deduction will be made from the pay for the first week following his return to work.

ATTACHMENT 'A'

CANADIAN REGION SKILLED TRADES COUNCIL U.A.W.

TO:

You are hereby authorized to deduct from my pay each year, commencing with the deduction for, such sum as is properly authorized from time to time by the Canadian Region Skilled Trades Council U.A.W. to represent my annual dues as a member of the Canadian Region Skilled Trades Council U.A.W. and to remit the amount so deducted to the Financial Secretary of Local, U.A.W.

Name
(Please Print)

Date..... Trade.....

Master No..... Soc. Ins. No

Signed

- Statement 1979 - Protective Welding Jackets

During the course of 1979 negotiations the company indicated that appropriate protective jackets will be made available upon request to those tradesmen required to perform welding work.

**- Statement 1982 -
Outside Contracting**

During the 1982 negotiations, the union indicated a concern relative to plant management's understanding and subsequent application of the company's procedures dealing with outside contracting set forth in its letter of November 4, 1979.

In an effort to alleviate the union's concerns, the company advised the union that the manager - labour relations & hourly personnel for the company will convene meetings, subsequent to negotiations, with appropriate members of plant management for the purpose of reviewing the noted procedures and related company policies. The skilled trades chairmen will be invited to attend such meetings.

**- Statement 1982 -
Work Assignments - Clarification**

During the 1982 negotiations, the issue was raised that full implementation of the Skilled Trades Work Assignments provision as provided in article 36 and the principles of exhibit 1 had not been resolved in some locations.

In seeking a solution to this problem, the company, where necessary, will designate at the location a person or persons with the authority to discuss and work out a resolve to Skilled Trades work assignments.

**- Statement 1982 -
Employment Documentation**

During the 1982 negotiations, the company advised the union that it would provide the Skilled Trades Chairman, upon request, copies of employment documentation submitted by applicants for skilled trades employment in order to satisfy the provisions relating to journeyman set out in section 1.01 of the Collective Agreement.

- Statement 1982 -
Wage Rate Practices

During the term of the Collective Agreement dated October 10, 1982, the following practices pertaining to the wage rates of employees employed in a classification listed in appendix 'F', 'H', or 'P' shall be followed:

1. Present employees shall be placed at the maximum rate of the spread.
2. New employees shall be hired at the midpoint of the spread (10 cents below the maximum rate of the spread).
3. During the life of the agreement, employees transferred or promoted to a skilled journeyman classification shall be placed at the maximum rate of the spread and employees promoted to Leader classifications shall be placed at the maximum Leader increment.
4. During the term of the Collective Agreement dated October 10, 1982, any such employee who is receiving a wage rate below the maximum rate shall progress to the maximum rate upon completion of 320 hours of work for the company, on the basis of an increase of 5 cents per hour upon completion of 160 hours of satisfactory work and a further increase of 5 cents per hour upon completion of a further period of 160 hours of satisfactory work.

Thereafter rate placement and progress shall be effected by applying the principles of the U.S. rate progression system.

5. Temporary additional help will be paid at the minimum of the spread (20 cents below the maximum rate of the spread).

- Statement 1984 -
Use of Construction Crews

During the 1984 negotiations, the union discussed at great lengths the need for improved utilization of the present construction units on project work at Oakville and St. Thomas and a construction unit at Windsor. The company advised the union that, following the conclusion of negotiations, a meeting to discuss the concerns of each skilled trades chairman would be arranged with appropriate plant management.

- Statement 1984 -
Consultation Prior to Layoffs

During the 1984 negotiations, the union requested that there be no indefinite layoff notices issued at a location when there are employees of an outside contractor in the same trade at work on company premises.

In the event it becomes necessary, the company agreed to meet with the local skilled trades chairman to discuss his concerns in this regard.

- Statement 1984 -
Warranty Work and Service Contracts

During the 1984 negotiations the union complained that in certain instances plant management requested and contracted for maintenance service on leased equipment, and extended warranty arrangements or service contracts were being purchased which impacted the job security of seniority employees in skilled trades classifications. Management stated that, while section 3.04 does not limit the "fulfillment of warranty obligations by vendors", warranty arrangements that extend beyond those customarily provided or the obtaining of service contracts are not covered by these provisions. Rather, such arrangements or service contracts covering work normally and historically performed by represented skilled trades employees are to be considered in the same manner as contracts for the performance of maintenance work and such decisions are covered by the provisions of section 3.04 of the Agreement. The local plant Managements will be advised accordingly.

- Statement 1987 -
Outsourcing Meeting

In order to address concerns raised by each of the skilled trades chairpersons at Oakville, St. Thomas and Windsor concerning outsourcing of projects and maintenance work, the company agreed to schedule a meeting at each location with senior management to allow the skilled trades chairperson to present his/her recommendations on the merit of increased utilization of the workforce. Additionally, if deemed necessary by the union, it was further agreed that outstanding concerns would be discussed at conferences described in section 13.03 of the Agreement.

- Statement 1987 -
Discussions

During 1987 negotiations the union expressed concern regarding the letting of a contract while seniority employees who customarily perform the work are on indefinite layoff. In this regard, the company agreed to review and discuss all of its outside contracting considerations within the context of its commitment to fully utilize seniority employees in the skilled trades in accordance with the provisions of the Agreement and letters exchanged between the parties.

- Statement 1987 -
Training Advancing Technology - Trades

During 1987 negotiations, the union voiced concern about the inadequacy of training of skilled trades journeymen/women impacted by the introduction of new technology.

In response, the company reaffirmed its interest in affording maximum opportunity for employees to progress with advancing technology and will continue to make available appropriate training programs. It was agreed that unresolved concerns at any of the plant locations would be referred to and discussed by members of the Committee on Technological Progress.

- Statement 1990 -
Work With Vendor/Contractor

During 1990 negotiations the parties had discussions pertaining to training provided to tradespersons on new specialized equipment or machines. The company confirmed its intention to continue, where required and practical, the practice of assigning appropriate tradespersons to work with vendor/contractor representatives on a 'buddy' system to permit these tradespersons to acquire the familiarity and knowledge necessary to ensure effective maintenance and servicing of the equipment.

- Statement 1990 -
Contracting During Layoffs

During 1990 negotiations the union expressed concern regarding the policy of the company to fully utilize its seniority employees in the skilled trades (appendix 'F', 'H' and 'P') in the performance of maintenance and trades work. A great deal of emphasis was directed to the letting of contracts while seniority employees who customarily perform the work remain on indefinite layoff. Company representatives stated that as outlined in the provisions of section 3.04 of the Agreement and in accordance with the letter to the union of April 23, 1968, at times and for varying reasons while desirable it would not always be practicable or advisable for certain work to be performed by our own company.

However, provided we have the necessary facilities and equipment and can perform the work required with our own workforce, including the recall of laid off employees if time and circumstances permit and they have the requisite skills, in a manner that is competitive in terms of cost, quality and within projected time limits, it is our intention to keep such work within the company.

Without limiting the generality of the foregoing, some examples where it would not be advisable to recall employees from indefinite layoff include:

- work of an urgent nature
- size of the job
- limited duration of the job
- number and skills of available employees including those on layoff

- Statement 1990 -
Outsourcing - OAP Meeting

During 1990 negotiations the skilled trades chairperson at Oakville voiced his concern about outsourcing actions related to certain specific fabrication, servicing and repair functions. The company agreed to schedule a meeting with senior management at Oakville to allow the skilled trades chairperson an opportunity to present his recommendations on the merit of increased utilization of the workforce.

- Statement 1996 -
Payment of Licenses

During 1996 negotiations the parties discussed matters related to payment of fees for skilled trades licenses. The company assured the union that it would continue to pay for, upon receipt of verification of payment, the annual fee for special licenses required by the company which are over and above the basic trade license.

Additionally, the company agreed that for seniority skilled trades employees covered under Appendix F, H, and P, in the event renewal of basic trades licenses becomes compulsory under provincial trades statutes, the parties will meet to identify mutually-acceptable guidelines for such payment of basic trades licenses.

- Statement 1999 -
Utilization of Temporary Additional Help

During 1999 negotiations, the parties reviewed the utilization of temporary additional help in skilled trades classifications. Of particular concern to the union was the manner in which temporary additional help was being utilized in the Oakville plants. In order to address this particular concern the parties agreed that at the Oakville plants:

- Employees interested in being considered for temporary additional help will be given consideration for one trade only.

- Interested employees must provide proof satisfactory to the company of related experience in order to be considered for temporary additional help opportunities.
- Temporary additional help will not be utilized in a trade until all journeymen/women in that trade in the bargaining unit have been given an opportunity to perform the work required.
- The provisions of Appendix 'T' of the Collective Agreement does not apply to any temporary additional help arrangements.
- Temporary additional help will not be used to reduce the hours of work of skilled trades journeymen/women in the plant in which they are utilized.
- Temporary additional help may be utilized for the vacation period, the Christmas holiday period, production down weeks and for special events as discussed.
- Temporary additional help will not be used to avoid hiring full-time journeymen/women.
- There is no obligation to utilize temporary additional help before utilizing employees of an outside contractor.

- Statement 2002 -

Dialogue and Information at Locations

During 2002 negotiations, the parties discussed their commitment to the principles of Appendix "T" and the importance of maintaining the positive relationship that has developed over the years. Key elements have been open dialogue and sharing of information.

The union raised concerns that various issues impacting skilled trades are not being discussed at all locations. The parties agreed on the importance of open dialogue and the sharing of information and reaffirmed their commitment in maintaining the relationship.

- Statement 2002 -
Skilled Trades Manpower

During 2002 negotiations, the parties discussed the replacement of skilled trades employees who are absent from work. The union expressed concern that when skilled trades employees are absent for contractual reasons or illness, there are insufficient employees at work to perform required assignments.

Following negotiations a meeting will be scheduled locally with the skilled trades chairperson to review the union's concern.

Any unresolved issues from this meeting may be brought to the attention of Ford of Canada Labour Affairs and the CAW National Union.

- Statement 2005 -
Legislated Technical Standards

During 2005 negotiations the parties discussed legislated technical standards such as Technical Standards & Safety Authority and how these standards affect skilled trades. The union expressed particular concern that as existing standards change, and new legislation is introduced, skilled trades employees may be excluded from the normal and historical performance of work due to insufficient training for certification. To alleviate this concern the company assured the union that it will fulfill its obligations to both existing and future legislation, and its skilled trades workforce as detailed in the collective agreement.

Additionally, the company agreed that a representative of Central Labour Affairs and the national union will meet to identify both current and future legislated certification, training and licensing requirements and the impact of these on plant efficiencies, productivity, and skilled trades workforce.

- Statement 2005 -
In-Plant Technical Learning Centres

During 2005 negotiations the parties discussed in-plant Technical Learning Centres. Specific to these discussions were several issues of interest to the union. Firstly, the union was concerned about the level of company commitment to the Oakville Assembly Complex Learning Centre. Secondly, the union wished to make the company aware that similar Learning Centres in the Windsor site and St. Thomas Assembly Plant could be established if future business conditions warrant and government funding partnerships were available. To address the union's concern, the company confirmed its commitment to an Oakville Assembly Complex Learning Centre through the term of the agreement.

- Statement 2005 -
Maintenance Programs – Enhance Trades Participation

During 2005 negotiations the parties discussed programs related to plant preventative and predictive maintenance. Central to these discussions was the acknowledgement of the importance of such programs to the success of our assembly and manufacturing operations, and the critical roll skilled trades plays in the pursuit of these objectives. To fully realize the opportunities existing within these programs, the parties have agreed that following negotiations, local meetings will be held between members of plant management and the local skilled trades chairperson to explore opportunities to enhance skilled trades participation and training.

STATEMENTS - 2012

RE: SKILLED TRADES PARTICIPATION

During 2012 negotiations, the parties had several discussions regarding the use of contractors and vendors, particularly as it pertained to new equipment and evolving technologies. The union expressed the concern that the company was placing unnecessary reliance on vendors and contractors to perform work. The company assured the union that it will seek the active participation of skilled trades employees to ensure skilled trades possess the necessary knowledge to fulfill their duties.

SKILLED TRADES STAFFING PRACTICES

During 2012 negotiations, the parties had several discussions regarding skilled trades staffing. The union expressed concerns regarding insufficient skilled trades to perform required job assignments when employees are not at work. The company expressed a willingness to discuss these concerns, but noted that better coordination and flexible skilled trades scheduling practices are important aspects in addressing the union's concerns. Accordingly, following negotiations the parties agreed to meet locally to discuss with an objective to resolving these concerns.

SKILLED TRADES HIRING

During 2012 negotiations, the parties had several discussions regarding any future potential skilled trades hiring opportunities at Ford. The union expressed a desire to promote trades who hold a CAW journeypersons' card who are laid off from other CAW-represented facilities. In the event that the Company intends to hire skilled trades employees, appropriate consideration will be given to any applicants referred by the local Skilled Trades Chair. The parties acknowledge and agree that the Company is under no obligation to hire such applicants and that this statement will not place any restriction on the Company with respect to its hiring practices.

SKILLED TRADES FORECASTING

During 2012 negotiations, the parties discussed the sustainability of a skilled and available workforce to support the company's operational requirements. Specifically, these discussions focused on the company's ability to assess qualified candidates to support ongoing staffing objectives in a competitive labour market. Following negotiations, the parties agree to convene an annual meeting to review plant staffing needs, employee demographics, attrition rates, product cycle plans and forecasts with the first annual meeting to be held within ninety (90) days of ratification. At this meeting, an analysis will be conducted to consider the potential need for future apprentice requirements.

- Starting Times -

November 14, 1976

Mr. D. McDermott
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario

Dear Mr. McDermott:

During the current negotiations, the subject of multiple starting times at various locations was discussed by the company and the union.

As was indicated during these discussions, the number of starting times at individual company locations is predicated primarily upon the inter-department and sequential nature of the various assembly, manufacturing, and related supportive operations. Similarly, warehousing operations also require various starting times to maintain a balanced flow of parts and material. Additionally, it was noted that various operating conditions along with the necessity for proper utilization of facilities, as well as such cost implications as overtime, are factors which must be considered in making determinations with respect to various starting times. Accordingly, starting times are established to accommodate these various needs and to provide for the efficient utilization of manpower to ensure achievement of operating requirements. However, cognizant of the union's expressed concern relating to this topic, local management will discuss with local union representatives the reasons for assigning particular starting times, and where it is determined that the number of starting times can be reduced consistent with the requirements referred to above, the company will take appropriate action.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

- Strike -

April 23, 1968

Mr. George Burt
Canadian Director
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
1568 Ouellette Avenue
Windsor, Ontario

Dear Mr. Burt:

This is to advise you that as long as the union observes the undertakings in its letter dated January 15, 1962, and identified as Letter No. 2, the company will, upon request, permit two union representatives to make an inspection tour of any plant or parts depot notwithstanding that a strike is in progress.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

December 9, 1973

Mr. Dennis McDermott
Vice President and Canadian Director
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
2450 Victoria Park Avenue
Willowdale 425, Ontario

Dear Mr. McDermott:

One of the proposals pursued by the UAW in 1973 negotiations was an amendment to provide for the right to strike over certain issues during the term of the Collective Agreement dated December 9, 1973.

It would be inappropriate to include a provision of this type in the Collective Agreement, in view of the fact that existing legislation prohibits strikes and lockouts in the Province of Ontario so long as a Collective Agreement continues to operate.

We did agree that, in the event that the applicable Provincial laws should change to permit employees to conduct a lawful strike during the term of the Collective Agreement dated December 9, 1973, the provisions of sections 8.01 and 8.05 of the Collective Agreement would be replaced with the provisions set out in Attachment 1 to this letter. In addition, the provisions of article 11 would be amended by incorporating the changes set out in attachment 2 to this letter.

Yours very truly,
K. Hallsworth
Vice President,
Industrial Relations

Concur: Dennis McDermott
Vice President and Canadian Director

ATTACHMENT 1
ARTICLE 8
STRIKES, STOPPAGES AND LOCKOUTS

8.01 (a) The union will not cause or permit its members to cause, nor will any member of the union take part in, any sit-down, stay-in, or slowdown in any plant or parts depot of the company or any curtailment of work or restriction of production or interference with the operations of the company.

(b) The union will not cause or permit its members to cause, nor will any member of the union take part in, any strike of any of the company's operations, or picketing of any of the company's plants, parts depots or premises, except with respect to disputes which are to be referred to the procedure provided for in section 11.17 of this agreement, and then only after such procedure has been exhausted.

(c) No strike shall take place until such action has been fully authorized as provided in the constitution of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America.

8.05 The company will not lock out any employees except with respect to disputes which are to be referred to the procedure provided for in section 11.17 of this agreement, and then only after such procedure has been exhausted.

ATTACHMENT 2

11.17 Disputes arising between the parties with respect to section 30.04 (Production Standards), section 34.03 (Health & Safety) and cases of violations of the company's express commitments set forth in section 3.04 (Job Security and Outside Contracting), shall be handled as follows:

(a) A dispute involving a production standard shall be handled in the first instance under the special grievance procedure as provided in article 30. If the dispute is not settled satisfactorily, and has not been referred to the work standards arbitrator for a final and binding decision under the provisions in article 30, the dispute may be appealed to the international union under the provisions of section 11.17 (d).

(b) (i) When a grievance on health or safety occurs, and after the Health and Safety Complaint procedure set forth in section 34.03 has been exhausted, the committeeman will take the matter up with the foreman. If not settled, the grievance may be referred in writing to the chairman of the plant concerned

who shall notify the industrial relations department concerned in writing of the existence of the dispute.

(ii) The parties will review the matter and attempt to resolve the dispute on the plant level. The Canadian director of the international union or his designated representative may participate in such meetings. If a satisfactory disposition of the grievance is not reached at the plant level, the dispute may be appealed to the international union under the provisions of section 11.17 (d).

(c) (i) In any case of violation of the company's express commitments set forth in section 3.04, a meeting between the parties shall be held. Such meeting shall be attended by a committee of no more than 5 representatives of the appropriate local, which may include international representatives, and by a committee of no more than 5 representatives of the company. This committee shall negotiate on the dispute. However, before a dispute is appealed beyond this stage to the international union under the provisions of section 11.17 (d), an international representative will participate in the negotiations.

(ii) Within 5 working days after the date of the first meeting, an appeal may be initiated by either party at step three of the general grievance procedure, referring to the umpire the question as to whether or not the company has violated its express commitments as set forth in section 3.04. If the umpire finds that the company has committed such a violation, and if the dispute is not settled within 5 working days after receipt of the decision of the umpire on the question referred to him, the grievance may be appealed by appropriate locals to the international union as provided in section 11.17 (d).

(d) (i) Upon receipt of appeal from an appropriate local, the Canadian Director of the international union shall, in an effort to attempt to settle the dispute at the local plant level, send an international representative to the plant to investigate the grievance. If after completing his investigation the international representative so requests, a meeting with representatives of the company shall be held. Prior to sending an international representative to make such an investigation, the Canadian director of the international union shall notify the central labour relations staff of the company.

(ii) If a satisfactory disposition of the dispute is not reached as provided above, it may be appealed by written notice from the Canadian director of the international union to the central labour relations staff. A joint committee composed of 3 representatives of the appropriate local and the international union designated by the Canadian director of the international union, and 3 representatives of the company designated by the central labour

relations staff, will attempt to settle the issue. This committee shall have 5 working days from the date of receipt of such written notice of appeal to the central labour relations staff to attempt to settle the dispute by direct negotiations or by any other mutually satisfactory manner. Any notice given under this section 11.17 (d) (ii) shall be cancelled automatically 60 working days from the date of such notice, unless this period is extended by mutual agreement or the notice is previously withdrawn by the union.

(e) Failing to reach agreement as herein provided, the union shall have the right to strike over such dispute; provided such strike is properly authorized in accordance with the provisions of the international union's constitution and by-laws. No strike shall commence subsequent to 60 working days from the date of the notice given under section 11.17 (d) (ii), or any mutually agreed-to extension of such period.

(f) It is expressly understood and agreed that no grievance, complaint, issue, or matter other than the strikeable issue involved will be discussed or negotiated in connection with disputes to which this section 11.17 is applicable, and the union shall not request or insist upon the discussion or negotiation of any extraneous issues either before the authorization of a strike or after the occurrence of a strike.

- Substance Abuse -

September 24, 1990

Mr. Robert White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1990 Negotiations the company and union had comprehensive discussions concerning the use of drugs in the workplace. Concerns were expressed regarding the adverse effect that drug use and abuse has on employees and their families, and on the debilitating effects on work performance of such employees.

The company and union have jointly agreed to pursue a common goal of a drug-free workplace by implementing the following:

- a communication plan to increase employee awareness of alcohol and other drug abuse issues including a joint company/union brochure promoting the availability of the Employee Assistance and Substance Abuse Recovery Program, and conveying messages through use of FCN, pay cheque stubs, and other brochures.
- training for supervisors and union representatives on their roles and responsibilities with respect to employee abuse of alcohol and other drugs;
- joint training/workshop with the employee assistance/substance abuse representatives and their company counterparts on the effect of alcohol and drugs in the workplace and seeking their recommendations on future plans and activities.
- joint investigation of programs and activities that may assist in achieving the above objectives.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 1993 negotiations, the company and the union had comprehensive discussions regarding the issue of employee substance abuse. In this regard, the parties agreed that the consumption of certain drugs and/or alcohol may impair an employee's health and endanger his/her safety, or that of fellow employees and the public at large. As worker health and safety are of paramount concern to the company and the union, the parties are committed to improving the well-being of employees and maintaining a safe workplace through the effective implementation of the Employee Assistance and Substance Abuse Program.

During these negotiations, the parties also discussed at length the issue of mandatory drug and alcohol testing in the workplace. In recent years, this issue has been the subject of considerable public debate and a number of legal cases in various jurisdictions. The parties agreed that the debate and case law in this area is still evolving, and it is yet unclear whether such testing will be unconditionally supported by the courts.

Some governments have also introduced mandatory drug and alcohol testing laws for specific job functions. These laws recognize the concerns of a number of these legislators regarding the adverse effects of substance abuse on families, the workplace and the general public. The parties acknowledged that as the public gains a broader understanding of the costs and dangers associated with substance abuse, other governments may also introduce such laws and apply them more broadly.

Prior to any introduction of such legislation which affects aspects of the automotive industry in Canada, the company will not introduce drug testing into the workplace, and then, only to those aspects affected by such laws.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2012 negotiations, the company agreed to pay short-term family counselling to a maximum of **\$465,000.00** during the term of the Collective Agreement. In addition, up to **\$200,000.00** from the Special Contingency Fund may be used for additional funding if required.

This short-term family counselling will be modeled after the family counselling program which was in effect during the 2008 Collective Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2005 negotiations, union and company representatives again discussed the issue of employees who are affected by major personal problems that adversely affect job performance. In addition to the serious consequences to the individual, both parties recognize that personal problems can contribute to absenteeism, turnover, and other disruptions which adversely affect safety, job performance, and employee morale.

As we discussed, the company has undertaken a thorough review of its employee assistance policies relating to employees with personal problems detrimental to their well-being. This review will result in a continued emphasis on effective efforts to recognize employees who have such problems and to assist them to obtain appropriate advice or treatment. Such assistance may include, but is not necessarily limited to, referral of such employees by company medical personnel and/or employee family assistance/substance abuse representatives to appropriate treatment facilities and, when deemed appropriate by the company, approval of necessary absence from work for these purposes. Payment of benefits, if any, will be determined in accordance with the provisions of Appendix 'R' of the Collective Agreement.

In addition, the assistance that can be provided by local employee family assistance/ substance abuse representatives can be helpful to an employee's efforts to achieve appropriate treatment and/or achieve a healthy lifestyle.

These resources are available to employees on a confidential, voluntary basis and will not jeopardize an employee's status with the company. However, seeking such help does not relieve an employee of the responsibility to maintain acceptable levels of performance and conduct.

The company realizes the importance of the continued cooperation of the union in supporting and assisting the objectives of an Employee Family Assistance and Substance Abuse Recovery Program. Especially helpful are appropriate supportive

efforts that can be made by local union officials and members who have a willingness to work effectively toward the recovery of troubled employees and the encouraging of the adoption of healthy lifestyles by employees. These officials' and members' continued cooperative efforts with local management are needed to achieve the success of the Program.

The company will make available, with co-operation and input from the union, a joint company/union brochure endorsing the Employee Family Assistance Program and Substance Abuse Recovery Program which will be available to employees.

In addition, the company will provide annually, for the term of this Collective Agreement, the training it deems necessary to qualify the employee family assistance/ substance abuse representatives to satisfactorily perform their functions.

The company will pay the properly designated employee family assistance/substance abuse representatives eight (8) hours daily while attending this training.

We are confident that our continued determination to deal constructively with employees who have personal problems which adversely affect their well-being will serve the best interests of employees, their families, the communities in which they live, the CAW, and the company.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

This letter will confirm that, pursuant to our common goal of a drug-free workplace, and prior to the availability of a joint company/union brochure on the Employee Family Assistance and Substance Abuse Recovery Program, the following notice signed by the respective plant manager and union president, will be posted on plant bulletin boards:

To All Employees:

The CAW and Ford Motor Company of Canada, Limited have established a common goal of achieving a drug-free workplace. Shortly, brochure will be made available which contains information regarding the CAW/Ford Employee Family Assistance and Substance Abuse Recovery Program.

Plant management and the local union endorse this program.

The local union employee family assistance/substance abuse representative is:

(name _____) and his/her company counterpart is:
(name _____).

We encourage you to contact either the union or company employee family assistance/ substance abuse representative, or company medical personnel if they can be of assistance in this regard.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2002 Negotiations the company and the union discussed training needs of the employee family assistance/substance abuse representatives. Discussions centred on the certification-training program at McMaster University.

The parties agreed that following negotiations the company and union would investigate the feasibility of registering the Bramalea representative in the course and of providing the gambling module to the representatives from Oakville, St Thomas and Windsor.

Costs associated with this training would be recovered from the National Training Fund.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW – Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2012 negotiations the company and the union discussed their mutual desire to drive continuous improvement regarding the current application of our Employee Assistance Program (EAP), including both family counseling and residential treatment. Accordingly, the parties agreed to meet annually in order to discuss and share knowledge concerning relevant health service networking, access to provincial resources and databases, community service options, case management, service quality or effectiveness, personal accountability as well as fiscal performance to budget. The annual meeting will review the overall health of the program and is intended to include the Plant Chairperson, HR Manager, Employee Family Assistance/Substance Abuse Representative, their company counterpart as well as the affected company medical personnel.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

- Supplemental Unemployment Benefits -

October 24, 1979

Mr. Stanley J. Surma
Vice-President, Industrial Relations
Ford Motor Company of Canada Limited
The Canadian Road
Oakville, Ontario
L6J 5E4

Dear Mr. Surma:

In a vote dated February 25, 1975, the chairman of the Board of Administration under the Supplemental Unemployment Benefit Plan, the Separation Payment Plan and the Automatic Short Week Benefit Plan, issued a finding that certain union representatives who were claiming automatic short week benefits for a particular week of layoff were eligible for such benefits, notwithstanding the circumstances surrounding their replacement.

During the 1979 negotiations the parties recognized that continuation of the arrangements that were in dispute in these cases is not in the best interest of the Parties and agreed that there would be no repetition of the events in dispute in these cases. This agreement in no way limits the right of local union representatives to utilize short work week provisions under circumstances other than those in dispute in the aforementioned cases.

/hk
eiu343

Yours very truly,
ROBERT WHITE,
UAW Director for Canada
and International Vice-President

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This letter will confirm that employees who elect to apply for supplemental unemployment benefits and then retire in accordance with the options negotiated as part of the job and income security program will be considered as retirees for the purpose of continuing coverage under the legal services plan and the dental plan.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

During the current negotiations the union expressed concern that management might misuse its right to send employees home in conjunction with the qualifying provisions for SUB Plan benefits and thereby discourage employees from refusing unsafe work under the Occupational Health and Safety Act.

This letter confirms the company's assurance that it is not management's intent to misuse its prerogatives or attempt to curtail employee rights under the Act. In this regard, health and safety concerns brought to the attention of management will be investigated promptly and corrective action taken, as required, to ensure safe working conditions. Whenever practical, the company will endeavour to avoid disputes and the need to send employees home under circumstances that would disqualify them for benefits under the Plan.

Problems with the application of this letter will be referred to the Master Health and Safety Committee. If the matter is unresolved, either party may refer the matter to the Vice President, Employee Relations and the National President, CAW.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2008 negotiations, the company assured the union that for employees on layoff, regular SUB benefits shall be cancelled at the rate of one (1) credit unit for each week of benefit regardless of the CUBC levels during the term of the current collective agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations, the company advised the union of the increased cost of Supplemental Unemployment Benefits (SUB) paid out to employees that are recalled from layoff to cover vacation leaves during the summer months. Accordingly, the parties agreed that full-time employees recalled from layoff on or after May 1 and subsequently laid off prior to September 1 will not accrue SUB credits based on those hours worked.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

- Training -

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear Mr. Hargrove,

During 2005 negotiations, the parties discussed the value of providing support and assistance to employees who wish to improve their ability in reading, writing, and mathematics. As a result of these discussions, the company and the union agreed to provide the B.E.S.T. (Basic Education for Skills Training) Program at the following Ford of Canada locations:

- Oakville
- Windsor
- St. Thomas
- Bramalea

The parties agreed that the B.E.S.T. program would be established within the following guidelines:

- the program will focus on basic literacy and English as a second language;
- the program is of thirty-seven (37) weeks duration consisting of four (4) hours of class each week;
- a minimum of one (1) class and a maximum of (4) classes will be conducted at each location;
- the class size will be limited to a minimum of six (6) participants and a maximum of twelve (12) participants;
- the local parties will determine the appropriate class schedule and timing, based on plant production schedules;
- the local parties will develop an awareness program to inform employees of the program;
- the local parties will promote the program and recruit and assess the participants;
- program will be available on a voluntary basis;

- fifty percent of employee's class-time will be compensated at straight-time rates. Compensated class-time shall not qualify a person for benefits such as, but not limited to short work week;
- the program instructor(s) will be selected by the local union president from the existing workforce for each location as follows:

Oakville	2
Windsor	2
St. Thomas	2
Bramalea	1

- the company will cover the cost of the instructor's lost wages at straight time rate during the B.E.S.T. program two (2) week train-the-trainer course;
- the instructor will be paid on a straight-time basis for in-classroom hours, in addition to one (1) hour of paid preparation time for every four (4) hours of in-classroom time;
- the company will provide suitable facilities, equipment, classroom materials and other supplies associated with program administration; and
- the parties agreed that a request for additional classes beyond the maximum provided will be the subject of a meeting between the plant chairperson and human resources manager at the facility.

The CAW/Ford Training Review Committee will review and monitor the results of the program.

The parties agreed that it may be necessary to discuss mechanisms for the replacement of participants in order to avoid any negative impact on quality or efficiency of operations.

Furthermore, the parties agreed to seek government funding in support of the program.

Any problems arising from the implementation of this program will be discussed between the National Union CAW and central labour relations staff.

Yours very truly,
 FORD MOTOR COMPANY
 OF CANADA, Limited
 Stacey Allerton Firth
 Vice President,
 Human Resources

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations, the company and the union indicated their mutual interests in advancing the learning of employees through education and training. The parties agreed that employee training has positive effects on product quality and productivity, and should provide opportunities for employees to expand their knowledge and improve their sense of accomplishment.

The parties indicated that many aspects of employee education and training require the cooperation and commitment of both the company and the union.

Accordingly, the parties have agreed to maintain a CAW-Ford Training Review Committee comprised of four representatives from the union, to be designated by the President, National Union CAW, and four representatives from the company, to be appointed by the Vice President, Human Resources. This committee will meet on a quarterly basis.

The Training Review Committee will be responsible for the following:

- Review current training programs of each location.
- Discuss and recommend training programs to reinforce basic employee skills.
- Analyze long term training needs for employees.
- Explore availability of external funding through Sectoral Councils, Training Boards and other government programs.
- Establish links with educational and training institutions.
- Encourage participation in joint training initiatives.

The parties acknowledged that some programs, previously established, will continue during the term of the Collective Agreement. In addition to these programs, the parties identified the following for review by the training Review Committee:

- Union Awareness IV
- Industry Overview IV
- Building Respectful Workplaces IV
- Health and Well Being II
- Community and Government Awareness III
- Pensions & Pre-Retirement Planning I
- Building Respectful Workplaces for Union Leadership
- Women and Technology

The Training Review committee may conduct other activities that will support employees in the advancement of their learning.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove,

During the 2008 negotiations the parties focused on the importance of training and the role played by the Training Review Committee. In reaffirming their commitment to training, the parties agreed to establish a Training Fund to fund the development and implementation of employee skills and training activities. The Fund will come under the direction of the Training Review Committee.

In this regard it was agreed the company will make available up to a maximum \$22,674,485.00 (representing the value of up to forty-eight (48) hours training per active employee as of September 17, 2008) for use by the Training Review Committee over the term of this Collective Agreement to fund the development and implementation of training programs. Thirty-two (32) hours will be approved by the committee and up to eight (8) hours of training will be allocated for company sponsored training such as manufacturing productivity, health and safety, quality and job related training.

This amount includes the balance of the Fund established during 2005 negotiations. All monies will be recovered from the Special Contingency Fund.

The Fund will provide for training program development costs, trainers (including wages, benefits, and other expenses incurred with the development and implementation of training programs), program material costs, employee travel costs and labour costs associated with employees attending approved training. The parties agreed that up to the value of eight (8) hours per active employee as of September 17, 2008 could be used for administrative activities.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza

National President

National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)

205 Placer Court

Toronto, Ontario

M2H 3H9

Dear **Mr. Lewenza**:

During the **2012** negotiations, the parties reaffirmed their commitment to training which focuses on the development of employee skills and awareness training activities through training activities developed and delivered under the auspices of the Training Review Committee.

Administration arrangements developed subsequent to the 1996 negotiations in conjunction with the implementation of this joint initiative are as follows:

Membership:

The Committee is comprised of four representatives from the union and four representatives from the company. It is understood that it may be appropriate for others to periodically attend Committee meetings.

Approvals and Administration:

Separate accounting and administration processes have been established to administer and control disbursements from the Fund. All disbursements are reviewed and approved by the President's Office for the union and Central Labour Affairs Staff for the company. A reporting mechanism has been established to monitor relevant Fund administrative and training expenses and a quarterly report outlining the financial status of the Fund is provided to the Training Review Committee members for their information.

The total amount of administrative course development and program delivery will not exceed the total value of the Fund. The decision to continue the Fund beyond the term of the Collective Agreement, as well as the disposition of any unspent funds from the current Training Fund, will be a matter for negotiations between the parties.

Training Coordinators:

A training coordinator will be established at Oakville. **The coordinator** will be responsible to coordinate all training activities

at their **facility**. The coordinators will be jointly reviewed and assigned by the National Union and Ford Motor Company of Canada, Limited. While on assignment **the** coordinator will continue to be compensated at **his/her** regular hourly wage rate including COLA. Costs associated with the coordinator will be paid from the National Training Fund.

Resources:

The National Union has appointed a National Training Coordinator and two (2) Resource Coordinators who will interface with the Training Review Committee.

Costs associated with the Resource Coordinators positions will be split equally between Ford, G.M. and Chrysler.

Trainers:

Instructor techniques, delivery methods, and the training hours for each program will all be factors in determining the number of trainers that will be required. These determinations are appropriate subject for the Training Review Committee. Trainers will be jointly reviewed and assigned by the National Union and Ford Motor Company of Canada, Limited. While on a training assignment, trainers will continue to be compensated at their regular hourly wage rate, including COLA.

Due to the variation in training schedules, program content, duration and application to various segments of the workforce, it is anticipated that all training assignments will be on a part-time basis. There may, however, be circumstances when the utilization of a full-time trainer may be considered.

Training Schedules:

The ability to commit to and execute training schedules can be influenced by a number of factors which were examined in detail during our discussions. Both parties agreed that mutually satisfactory solutions will be essential to the long-term success of this program. In the event that such issues cannot be resolved locally, they may be referred to the Training Review Committee or the National Union or Central Labour Affairs Staff.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations, the parties discussed their mutual interests in advancing the education and training of employees. In the course of discussions, it was agreed that such programs, particularly those developed and supported through the Training Fund, promote employee interest in greater learning.

During discussions, the union indicated a concern with a lack of sufficient notice some employees are receiving when informed of their participation in the current CAW/Industry Awareness Overview Program.

The company assured the union that increased effort will be made to avoid these situations and provide timely notice to participating employees. It is understood that absenteeism, breakdowns and other unforeseen and unusual circumstances may affect the company's ability to meet the intent of this understanding.

The parties also reaffirmed the levels of cooperation and commitment required of both company and union to support education and training programs.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

**- Statement 2005 -
Training Facilities**

During 2005 negotiations, training facilities at each location were discussed. The parties agreed that, following bargaining, the local plant chairperson and local human resource manager would meet to determine facility and equipment needs at the location.

**- Statement 2005 -
Local Scheduling Difficulties**

During 2005 negotiations the parties discussed the ongoing difficulty associated with delivering training at various locations. At each location, the human resource manager will convene a quarterly meeting with the plant chairperson, plant manager, appropriate operations management and the training coordinator, where appropriate, to ensure that the negotiated commitments are met. At each meeting, past results will be discussed and forecasts for the next quarter will be reviewed. If the local parties are unable to agree on a plan to complete the training, the matter will be the subject of a meeting with members of the Training Review Committee.

- Tuition Refund Program -

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During the **2012** negotiations, the company agreed to continue the dependent children scholarship program. The program will reimburse up to \$1,300.00 per year to eligible children of active **employees hired prior to September 24, 2012** and of retired employees enrolled in an accredited Canadian university or community college. **Employees hired on or after September 24, 2012 will be eligible for this Dependent Scholarship program the first day of the month following their completion of ten (10) years of service.** Funding for this Program will be made available from the Special Contingency Fund.

This program will be administered consistent with the guidelines contained in a similar program offered by the parent company.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

- Union Dues -

December 9, 1973

Mr. K. Hallsworth
Vice President-Industrial Relations
Ford Motor Company of Canada, Limited
The Canadian Road
Oakville, Ontario

Dear Mr. Hallsworth:

Re: Indemnity Clause

This letter is to confirm our understanding and agreement reached today that the union shall indemnify and hold harmless the company for any sums paid by the company to any person or persons

- (i) as a result of any final order or judgment of any court or administrative agency in favour of such person or persons, or
- (ii) with the consent of the union, when the claim for said sum arises out of action taken by the company in accordance with the provisions of article 5 of the Collective Agreement between Ford Motor Company of Canada, Limited and the union entered into today, or in reliance on any list, notice or assignment furnished by the union to the company under any of such provisions, or by the company or trustee of the Ford of Canada-UAW Supplemental Unemployment Benefit Plan Fund in connection with the deduction of union dues from Regular Supplemental Unemployment Benefits.

Yours very truly,
Dennis McDermott
Vice President and
Canadian Director

- Statement 1976 -
Skilled Trades Council

The company will deduct for the Canadian Region Skilled Trades Council U.A.W. such sum as is properly authorized from time to time by the Canadian Region Skilled Trades Council U.A.W.

- (a) commencing in January, 1977 and once each year thereafter from the pay for the second week in each calendar year of each employee who is employed in one of the skilled trades listed in Appendix 'F', 'H', 'K' and 'P', and
- (b) from the first pay of each employee hired after January 1, 1977 who is employed in one of the skilled trades listed in Appendix 'F', 'H', 'K' and 'P', provided that at the time of such deduction there is in the possession of the company a subsisting written assignment, executed by the employee, in the form and according to the terms of the authorization form attached as Attachment 'A', authorizing such deduction by the company. The assignment will continue effective in accordance with its terms unless otherwise revoked by the employee. All sums deducted shall be remitted to the financial secretary of the appropriate local, to be allocated and distributed by them to the Canadian Region Skilled Trades Council U.A.W. They shall be included in the amount identified as Initiation Dues in the Union Dues and Initiation Fees Monthly Report. A listing of such annual deductions will be given to the skilled trades chairman and the financial secretary of each local.

In the event the deduction cannot be made from an employee's pay for the pay referred to above, such deduction will be made from the pay for the first week following his return to work.

ATTACHMENT 'A'
CANADIAN REGION SKILLED
TRADES COUNCIL U.A.W.

TO:

You are hereby authorized to deduct from my pay each year, commencing with the deduction for, such sum as is properly authorized from time to time by the Canadian Region Skilled Trades Council U.A.W. to represent my annual dues as a member of the Canadian Region Skilled Trades Council U.A.W. and to remit the amount so deducted to the Financial Secretary of Local, U.A.W.

Name
(Please Print)

Date Trade

Master No..... Soc. Ins. No.

Signed

- Union Programs -

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace
and Agricultural Implement
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

In the event that an Advance Income Tax Ruling from the Department of National Revenue in form and substance satisfactory to the company relating to the deductibility of amounts paid by the company to the P.E.L. Trust is not maintained, or if at any time during the period covered by our November 4, 1979 letter the contribution specified therein shall cease to be deductible under any applicable legislation or regulations, then the company agrees that it will negotiate further with the union in an effort to develop an arrangement which will be satisfactory to the Department of National Revenue with respect to the deduction of contributions but in any event will negotiate further with the union concerning an appropriate disposition of the total amount specified in our letter of October 5, 1987 to be utilized as a contribution to the C.A.W. Leadership Training Program (P.E.L. Trust).

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

September 24, 1990

Mr. Robert White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

Subject: Consideration of Legal Services Plan Applicability To
Matters Under United States Law

During 1990 negotiations, the company and union discussed provisions of the CAW-Ford Legal Services Plan (the "Plan") which provide benefits only in matters arising under law(s) in Canada. There are Participants, as defined in the Plan, who may have legal matters that would qualify for benefits under the Plan except that those matters arise under law(s) in the United States.

This issue is complicated by a number of factors such as lack of information concerning the number of participants that may be covered, potential tax and legal implications and the fact that certain legal services provided in the United States may cost substantially more than those same services in Canada.

The parties are committed to making a good faith effort to expeditiously address this issue after the current negotiations are completed. It is understood that any arrangements agreed upon to apply benefits under the Plan to U.S. legal matters would be limited to covering comparable matters to those set forth in section 5.03 of the Agreement between the company and the union which establishes the Plan, and would be further limited to paying the identical benefit fees, in Canadian dollars, that would otherwise be paid under the fee schedule which forms part of that Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 24, 2012

Mr. K. Lewenza

National President

National Automobile, Aerospace,

Transportation and General

Workers Union of Canada (CAW-Canada)

205 Placer Court

Toronto, ON

M2H 3H9

Dear **Mr. Lewenza**,

During these negotiations the parties have discussed the labour education program developed by the union for the purpose of upgrading the skills which employees utilize in all aspects of trade union functions and the matter of company financial support of this program. This program, entitled the CAW Leadership Training Program, has received contributions from the company **since it** began in March of 1980.

In recognition, therefore, of the contributions this program can make to the improvement of the union/management relationship and toward a more effective administration of the Collective Agreement, the company agrees as hereinafter set forth to make a grant to the C.A.W. Leadership Training Program (P.E.L. Trust).

Past company contributions to the Leadership Training Program (P.E.L.) Trust have been tax deductible. Providing that such amounts shall continue to be deductible, the company will make quarterly contributions to the P.E.L. Trust equal to \$0.07 for each hour worked in the preceding thirteen (13) week period. Such quarterly contributions will be made available from the Special Contingency Fund. The contributions will be payable on the following dates:

<i>Hours Worked</i>	<i>Payment Date</i>
06/25/12 – 09/23/12	10/31/12
09/24/12 – 12/23/12	01/31/13
12/24/12 – 03/24/13	04/30/13
03/25/13 – 06/23/13	07/31/13
06/24/13 – 09/22/13	10/31/13
09/23/13 – 12/22/13	01/31/14
12/23/13 – 03/23/14	04/30/14
03/24/14 – 06/22/14	07/31/14
06/23/14 – 09/21/14	10/31/14
09/22/14 – 12/21/14	01/31/15
12/22/14 – 03/22/15	04/30/15
03/23/15 – 06/21/15	07/31/15

<i>Hours Worked</i>	<i>Payment Date</i>
06/22/15 – 09/20/15	10/31/15
09/21/15 – 12/20/15	01/31/16
12/21/15 – 03/20/16	04/30/16
03/21/16 – 06/19/16	07/31/16
06/20/16 – 09/18/16	10/31/16

The union will cooperate fully in providing the company with all documents regarding the C.A.W. Leadership Training Program (P.E.L. Trust) as it may require in order to maintain the aforementioned income tax ruling received from the Department of National Revenue and related to the deductibility of amounts paid by the company to the P.E.L. Trust.

It is understood and agreed that the portion of the P.E.L. Trust Fund represented by the company's contributions will be used solely and exclusively to provide paid educational leaves and related benefits for employees of the company who attend sessions of the labour education program as described by the union during these negotiations. Annually the union will provide the company with an audited statement prepared by an independent public accounting firm certifying that all expenditures made from the P.E.L. Trust Fund were made in accordance with the intent and purposes of the Trust Deed dated July 3, 1979, establishing the P.E.L. Trust.

A leave of absence for participation in the union's program will be granted by the company in accordance with article 27 of the Collective Agreement to seniority employees designated by the President of the national union to the Vice President, Human Resources for the company on four (4) weeks' advance written notice specifying the employee's name and dates of requested absence, provided no such absence will result in any loss of efficiency or disruption of operations at the company's plants.

Employees granted such leaves will be excused from work without pay for up to twenty (20) days of class time, plus travel time where necessary, said leaves of absence to be intermittent over a twelve (12) month period from the first day of leave during the term of the 2012 Collective Agreement.

Yours very truly,
 FORD MOTOR COMPANY
 OF CANADA, Limited
 Stacey Allerton
 Vice President,
 Human Resources

Concur: **K. Lewenza**

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza**:

During 2012 negotiations, the parties **discussed** the child care benefit. **It was agreed employees hired on or after September 24, 2012 will be eligible for this benefit after acquiring one year of seniority.** The company will:

- Provide a subsidy of \$12.00 per full day for child care for dependent children, age 0 through 6 but not after August 31 of the year in which age 6 is attained, that is:
 - licensed under the Day Nurseries Act
 - registered as a non-profit or co-operative
- For half day care, the company will provide a subsidy of \$6.00 per day.
- Provide a subsidy to a maximum of \$6.00 per day for dependent children ages 3 up to and including age 10 who do not qualify for the half day or full day subsidy for the use of licensed not-for-profit before school, after school, or both before and after school care.
- The benefit will apply equally to all licensed, non-profit child care centres and services, including in-home care.
- The benefit will be capped at annual maximum of \$2,400.00 per year, per eligible child.
- Green Shield Canada will administer the benefit. The benefit will be payable directly to the service provider.
- In no circumstance would the company pay more than 50%.

- The National Union will work with existing licensed non-profit child care centres and services in an effort to extend their service to CAW members, such as for extended hours to cover shift work.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During **2012** negotiations, the parties discussed the Social Justice Fund which has been established to provide financial assistance to such entities as food banks, registered Canadian charities, and international relief measures to assist the innocent victims of droughts, famines and other dislocations.

Subject to the following conditions, the company will make quarterly contributions to the Social Justice Fund equal to \$0.06 for each hour worked in the preceding thirteen (13) week period. The quarterly contribution will be made available from the Special Contingency Fund. The contribution will be payable on the following dates:

<i>Hours Worked</i>	<i>Payment Date</i>
06/25/12 – 09/23/12	10/31/12
09/24/12 – 12/23/12	01/31/13
12/24/12 – 03/24/13	04/30/13
03/25/13 – 06/23/13	07/31/13
06/24/13 – 09/22/13	10/31/13
09/23/13 – 12/22/13	01/31/14
12/23/13 – 03/23/14	04/30/14
03/24/14 – 06/22/14	07/31/14
06/23/14 – 09/21/14	10/31/14
09/22/14 – 12/21/14	01/31/15
12/22/14 – 03/22/15	04/30/15
03/23/15 – 06/21/15	07/31/15
06/22/15 – 09/20/15	10/31/15
09/21/15 – 12/20/15	01/31/16
12/21/15 – 03/20/16	04/30/16
03/21/16 – 06/19/16	07/31/16
06/20/16 – 09/18/16	10/31/16

The company will make these quarterly payments provided that:

1. (a) the union operates the fund as a non-profit corporation under the Canada Corporations Act, and ensures that all necessary steps are taken to maintain the corporation in proper legal standing and that all requirements of the Act are met;
- (b) the union operates the non-profit corporation as a registered charity under the Income Tax Act of Canada and maintains the registration in good standing;
- (c) the union maintains a favourable Income Tax Ruling from the federal Department of National Revenue that all contributions which the company makes to the non-profit corporation are tax deductible;
- (d) the union provides the company with annual audited financial statements of, and summaries of each year's donations made by the non-profit corporation.
- (e) the objects, by-laws and resolutions of this non-profit corporation should limit it to making the following types of financial contributions:
 - (i) contributions to other Canadian non-partisan charities that are registered under the Income Tax Act,
 - (ii) contributions to non-partisan international relief efforts that are considered reasonable and which do not hinder the non-profit corporation's ability to maintain its status as a registered charity, in good standing under the Income Tax Act,
 - (iii) contributions to any Canadian or international non-partisan efforts to which other Canadian charities that are registered under the Income Tax Act are also making financial contributions,
 - (iv) contributions to any non-governmental and non-partisan development group recognized by CIDA and registered as a charity under the Income Tax Act.

The company will pay each subsequent quarterly contribution as set forth above, as long as the requirements of points (a) to (d) above continue to be met by the union.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: K. Lewenza

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2005 negotiations, the union requested that \$150,000.00 be utilized for their Medication Awareness Program that was developed during the 1996 negotiations for retirees.

The issue was resolved with the understanding that up to \$150,000.00 could be utilized for the continuation of the Medication Awareness Program from the \$0.03 per hour worked accrual for the Retiree Fund.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

- Vacations -

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the current negotiations, the parties agreed that an employee absent from work as a result of a pregnancy leave of absence shall receive credit towards pay periods worked, for up to a maximum of seventeen (17) weeks, toward the accumulation of the minimum hours pursuant to section 26.02(b), 26.03(a)(i) and (ii), section 26.04(b), 26.05(a)(i) and (ii) of the Collective Agreement. In order for such employee to receive credit toward pay periods worked while on a pregnancy leave of absence, they must have otherwise been scheduled to work during the period of such pregnancy leave, have worked during at least one (1) pay period in such employee's eligibility year and otherwise be eligible for vacation with pay.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During the **2012** negotiations the parties agreed that for the purposes of administering time off, the following sequence will apply:

- vacation time will first be reserved for plant vacation shutdown periods consistent with article 26 of the Collective Agreement;
- remaining vacation time will be administered as vacation/EAA.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: K. Lewenza

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2008 negotiations the Company and the Union discussed the current vacation scheduling requirements and the competitive disadvantages that they create. As a result of these discussions the Union agreed to waive the provision that all vacation will be mandatory with the understanding that employees who wish to utilize their full vacation entitlement will be accommodated.

The Company agreed to maintain a roll sufficient to grant vacation requests outside the peak months of May, June, July and August.

Further, the parties agreed to utilize laid-off employees, temporary summer replacements and students to accommodate vacation requests during peak vacation periods.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 17, 2008

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2008 negotiations the parties discussed scheduling of the vacation shutdown period. The company identified a number of significant costs associated with scheduling a vacation shutdown period in Canada that was not consistent with that of the United States.

The parties agreed, if necessary, vacation shutdown periods for Canadian facilities would be scheduled consistent with US facilities but would not commence prior to the end of the Canadian school year.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

- Statement 1973 -
Different Bargaining Unit

Beginning with vacations in 1974, in the case of an employee who obtained employment in one of the bargaining units defined in the Collective Agreement during a period when he was on layoff from another such bargaining unit, "seniority" for the purpose of calculating vacation and vacation pay shall mean the seniority which the employee would have if the seniority he accumulated at a former company location had not been forfeited when he elected to remain at his present location rather than accept recall to the former company location from which he had previously been laid off.

An employee will be required to request a review of his employment record for this purpose in order to qualify for the additional vacation and vacation pay to which he may be entitled in accordance with the above arrangement.

- Statement 1996 -
Vacation Pay

In granting vacation pay, it shall be understood that in designating a period established as the vacation period by the company for each of the locations as referred to in section 26.06 of the collective agreement, it may be necessary at any or all locations to limit the designated period to a period less than the period for which vacation pay has been earned by employees with any additional vacation entitlement being taken at an earlier or later date during the calendar year as the employee concerned may arrange with his/her supervisor. It should also be understood that at Windsor and Oakville separate vacation periods may be established for the individual plants.

- Wages and COLA -

September 24, 1990

Mr. Robert White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This will confirm that the regular hourly wage rate for the classifications listed below will be increased by \$.40 after the application of the increase provided for in section 21.02(a), notwithstanding the fact that these classifications are not included in Appendix 'F', 'H', 'K' or 'P'.

- Plant Maintenance Person
- Maintenance Person Welding Equipment
- Tool Grinder A
- Tool Grinder B
- Waste Disposal Equipment Operator & Minor Maintenance
- Small Tool Repairperson
- Paint Process Equipment Technician
- Inspector Tool Grinding

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

This letter is to confirm certain agreements reached by Ford Motor Company of Canada, Limited and the National Union, CAW, regarding the calculation of the cost-of-living allowance pursuant to section 21.03 of this Agreement.

It was agreed that the parties shall calculate the monthly Consumer Price Index beginning with the month of August **2013**, using the Consumer Price Index (2002 = 100) for August **2013**, published in September **2013** by Statistics Canada and each month thereafter during the term of the Agreement through the Index for April **2016**.

In applying the provisions of section 21.03 of the new Collective Agreement, the company shall prepare a notification letter to the union setting forth the Consumer Price Index for each of the three months that form the basis for an adjustment, and the average of those three months rounded to the nearest 0.1 Index point using the Engineering Method of Rounding as described in the attachment. This notification letter will be prepared and sent to the union after publication of the appropriate Consumer Price Indexes for the third month used for each adjustment period in accordance with section 21.03(c) of the Collective Agreement.

If the union claims that the company's calculations in any particular instance were not made in accordance with the terms of this Letter of Understanding, it may refer the matter to the umpire at step 4 of the grievance procedure as set forth in article 11 of the Collective Agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

Concur: **K. Lewenza**

Engineering Method of Rounding

The following rules of rounding shall apply:

1. If the leftmost of the digits discarded is less than 5, the preceding digit is not affected. For example, when rounding to four digits, 130.646 becomes 130.6.
2. If the left most of the digits discarded is greater than 5, or is 5 followed by digits not all of which are zero, the preceding digit is increased by one. For example, when rounding to four digits, 130.557 becomes 130.6.
3. If the leftmost of the digits discarded is 5, followed by zeros, the preceding digit is increased by one if it is odd and remains unchanged if it is even. The number is thus rounded in such a manner that the last digit retained is even. For example, when rounding to four digits, 130.5500 becomes 130.6 and 130.6500 becomes 130.6.

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

As in past negotiations, the company and the union agree that for purposes only of applying the increase in regular hourly wage rates described in section 21.02(a) of the Collective Agreement dated October 7, 2002 and only during the period September 23, 2002 up to October 7, 2002, the employees to whom such increase shall be granted shall include only:

- (i) employees on the active roll of the company as at October 7, 2002;
- (ii) employees on laid-off status as October 7, 2002;
- (iii) employees on the inactive roll of the company as at October 7, 2002; but who performed work for the company on or after September 23, 2002; and
- (iv) employees who have retired under the provisions of the Retirement Pension Plan dated September 27, 1999 after September 23, 2002 up to October 7, 2002.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza**:

During **2012** negotiations the company agreed to pay a **\$3,000.00** Productivity and Quality bonus **for work performed** to all employees on the active roll of the company as of the Monday following notice of ratification. The company also agreed to pay the Productivity and Quality bonus to employees on the inactive roll who performed work for the company between January 2, **2012** and the Monday following notice of ratification.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

Subject: Inflation Protection Bonus

In order to provide a measure of inflation protection to employees, the Company agreed to pay \$2,000.00 lump sum in each of 2013, 2014, 2015 to active employees and inactive employees hired prior to September 24, 2012 and who performed work for the company in the respective payment year. Payment of this inflation protection bonus will be made prior to the Christmas shut down period in December 2013, December 2014, and December 2015. Active employees and inactive employees hired on or after September 24, 2012 and who performed work for the company in 2015 will receive a \$2,000.00 lump sum payment payable prior to the Christmas shut down period in December 2015.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

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**Agreement, Supplemental
Agreements, and Appendix R**

to the Agreement between



**Ford Motor Company
Of Canada, Limited**

and



**National Union,
C.A.W.**

September 24, 2012

- Agreement Concerning the Supplemental Unemployment Benefit Plan, the Separation Payment Plan, and the Automatic Short Week Benefit Plan
- Supplemental Agreement Concerning Income Maintenance Benefit Plan, and Voluntary Termination of Employment Plan
- Supplemental Agreement Concerning CAW-Ford Legal Services Plan
- Group Life Disability Insurance Hospital-Surgical-Medical-Drug-Dental-Vision Expense Coverages (H-S-M-D-D-V Program)

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AGREEMENT CONCERNING THE SUPPLEMENTAL
UNEMPLOYMENT BENEFIT PLAN,
THE SEPARATION PAYMENT PLAN, AND
THE AUTOMATIC SHORT WEEK BENEFIT PLAN

BETWEEN:

FORD MOTOR COMPANY OF CANADA, LIMITED

AND

NATIONAL AUTOMOBILE, AEROSPACE,
TRANSPORTATION AND GENERAL WORKERS
UNION OF CANADA (CAW-CANADA)
AND ITS LOCALS NO. 200, 240, 584, 707, 1324
AND 1520

MADE AT TORONTO, ONTARIO AS OF THE 24TH DAY
OF SEPTEMBER, 2012

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AGREEMENT CONCERNING
THE SUPPLEMENTAL UNEMPLOYMENT BENEFIT PLAN,
THE SEPARATION PAYMENT PLAN, AND
THE AUTOMATIC SHORT WEEK BENEFIT PLAN

This Agreement made at Toronto, Ontario, as of the
September 24, 2012

BETWEEN:

FORD MOTOR COMPANY OF CANADA, LIMITED hereinafter
called the "company"

- and -

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA (CAW-
CANADA) AND ITS LOCALS NO. 200, 240, 584, 707, 1324 and
1520, hereinafter collectively called the "union"

WITNESSETH:

The parties hereto agree as follows:

PART A

1.01 Continuation and Amendment of the Plan

- (a) This Agreement covering The Supplemental Unemployment Benefit Plan attached as part B, The Separation Payment Plan attached as part C, and The Automatic Short Week Benefit Plan attached as part D, hereinafter referred to as The Supplemental Unemployment Benefit Plan, The Separation Payment Plan, and The Automatic Short Week Benefit Plan, shall become effective as of the first Pay Period commencing on or after **September 24, 2012**.
- (b) The Supplemental Unemployment Benefit Plan, The Separation Payment Plan and The Automatic Short Week Benefit Plan (in this section (b) sometimes referred to as "the Plans") which were attached as parts B, C & D of the Agreement concerning The Supplemental Unemployment Benefit Plan, The Separation Payment Plan and The Automatic Short Week Benefit Plan between the parties dated **September 17, 2008 and as amended November 2, 2009** shall be amended as set forth in parts B, C & D attached hereto, effective with the date of the Collective Agreement except as otherwise specified in this Agreement and the Plans. Provision for payment of Regular Benefits, Separation Payments and Automatic Short Week Benefits under the Plans, which were attached as parts B, C, & D to the **2008** Agreement concerning The Supplemental Unemployment Benefit Plan, The Separation Payment Plan and The Automatic Short Week Benefit Plan between the parties dated **September 17, 2008 and as amended November 2, 2009** shall continue in full force and effect in accordance with the respective conditions, provisions, and limitations of the Plans, as constituted for weeks prior to **September 24, 2012** Regular Benefits, Separation Payments and Automatic Short Week Benefits paid or payable (or denied) under the Plans for weeks commencing on or after **September 24, 2012** shall reflect amendments to the Plans which are provided for in section 1 of this Agreement and incorporated in parts B, C, and D hereof. In the event revisions in the Plans are made in accordance with section 1.05(c) of this Agreement which require adjustments of payments of Regular Benefits, Separation Payments or

Automatic Short Week Benefits made previously under the Plans incorporated in parts B, C, and D hereof, such adjustments will be made within a reasonable time. No such adjustments (or payment) will be made in Regular Benefits, Separation Payments or Automatic Short Week Benefits for weeks commencing prior to **September 24, 2012**.

- (c) The Company shall maintain the Plans for the duration of this Agreement, except as otherwise provided in, and subject to the terms of, the Plans.

1.02 Termination of The Supplemental Unemployment Benefit Plan Prior to Expiration Date

In the event that The Supplemental Unemployment Benefit Plan shall be terminated in accordance with its terms prior to the expiration date of this Agreement so that the Company's obligations to contribute to The Supplemental Unemployment Benefit Plan shall cease entirely, the parties thereupon shall negotiate for a period of sixty (60) days from the date of such termination with respect to the use which shall be made of the money which the Company otherwise would be obligated to contribute under The Supplemental Unemployment Benefit Plan. If no agreement with respect thereto shall be reached at the end of such period, there shall be a general wage increase in the amount of the basic contribution rate then in effect, but not less than \$0.26 per hour to all hourly-rated Employees or \$45.07 per month to all salaried Employees then in the Bargaining Units for which the union is the exclusive bargaining agent.

1.03 Obligations During Term of This Agreement

During the term of this Agreement, neither the company nor the union shall request any change in, deletion from or addition to The Supplemental Unemployment Benefit Plan, The Separation Payment Plan, The Automatic Short Week Benefit Plan, or this Agreement, or be required to bargain with respect to any provision, or interpretation of such Plans or this Agreement; and during such period no change in, deletion from or addition to any provision, or interpretation, of such Plans or this Agreement, nor any dispute or difference arising in any negotiations pursuant to section 1.02 of this Agreement shall be an objective of, or a reason or cause for, any action or failure to act, including, without limitation, any strike,

slowdown, work stoppage, lockout, picketing or other exercise of economic force, or threat thereof, by the union or the Company.

1.04 Term of Agreement; Notice to Modify or Terminate

This Agreement and The Supplemental Unemployment Benefit Plan, The Separation Payment Plan and The Automatic Short Week Benefit Plan shall continue in effect until **September 19, 2016**. They shall be renewed automatically for successive one (1) year periods thereafter unless either party shall give written notice to the other at least two (2) months prior to **September 19, 2016** (or any subsequent anniversary date) of its desire to amend or modify this Agreement and the Plans as of one of the dates specified in this section (it being understood, however, that the foregoing provisions for automatic one (1) year renewal periods shall not be construed as an endorsement by either party of the proposition that one (1) year is a suitable term for such an agreement). If such notice is given, this Agreement and the Plans shall be open to modification or amendment on **September 19, 2016** or the subsequent anniversary date, as the case may be. If either party shall desire to terminate this Agreement, it may do so on **September 19, 2016** or any subsequent anniversary date by giving written notice to the other party at least two (2) months prior to the date involved. Anything herein which might be construed to the contrary notwithstanding, however, it is understood that termination of this Agreement shall not have the effect of automatically terminating The Supplemental Unemployment Benefit Plan, The Separation Payment Plan or the Automatic Short Week Benefit Plan. Any notice under this Agreement shall be in writing and shall be sufficient, if to the union, if sent by mail addressed to the National President, National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) 205 Placer Court, Toronto, Ontario, or to such other address as the union shall furnish to the Company in writing, and if to the Company, to the Vice President of Human Resources, Ford Motor Company of Canada, Limited, Central Office, The Canadian Road, P.O. Box 2000, Oakville, Ontario, or to such other address as the company shall furnish to the union in writing.

1.05 Governmental Rulings

- (a) The amendments to The Supplemental Unemployment Benefit Plan, Separation Payment Plan and Automatic Short Week Benefit Plan which are provided for in section 1.01 of this Agreement and incorporated in parts B, C and D hereof and which shall be implemented for weeks on or after **September 24, 2012** shall be subject to subsequent receipt by the Company of rulings from Canadian governmental authorities or legislation amendments permitting continuance of Supplementation as defined in The Supplemental Unemployment Benefit Plan and prior to receipt by the company from the Minister of National Revenue of a ruling, satisfactory to the company, holding that The Supplemental Unemployment Benefit Plan as amended is acceptable to the Minister of National Revenue as a Supplemental Unemployment Benefit Plan under the provisions of the Canadian Income Tax Act.
- (b) The company shall apply within thirty (30) days of **September 24, 2012** for the rulings described in section 1.05(a).
- (c) Notwithstanding any other provision of this Agreement, The Supplemental Unemployment Benefit Plan, The Separation Payment Plan, or The Automatic Short Week Benefit Plan, the company, with the consent of the National President, may, during the term of this Agreement, make revisions in such Plans not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or maintain any of the rulings referred to in section 1.05(a) of this Agreement or in section 7.02 of The Supplemental Unemployment Benefit Plan. Any such revisions shall adhere as closely as possible to the language and intent of the provisions outlined in such Plans.

1.06 Miscellaneous

Notwithstanding the provisions of The Supplemental Unemployment Benefit Plan, the provisions of article 4, Application and Determination of Eligibility for Regular Benefits and Appeal Procedures, and article 5, Administration of the Plan, shall, to the extent practicable, be equally applicable under The Separation Payment Plan and The Automatic Short Week Benefit Plan.

This Agreement shall become operative on **September 24, 2012.**

IN WITNESS WHEREOF, this Agreement is executed on behalf of each party by its duly authorized representatives as of the date first appearing above.

FORD MOTOR COMPANY OF CANADA, LIMITED

By:	Stacey Allerton	G. M Briscoe
	M. J. Hyland	V. Swindall
	D. J. Nangini	R. Derhodge
	R. A. Cook	
	K. A. Belleghem-Grima	
	J. L. Bridgman	
	P.R. Cameron	
	T. P. Stewart	
	E. C. Kozma	
	M. Huggins	
	D. T. Cantagallo	

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA
(CAW-CANADA)

By:	K. Lewenza	FOR LOCAL 200	FOR LOCAL 584
	P. Kennedy	C. Taylor	D. Champagne
	J. Dias	J. D'Agnolo	
	R. Macdonald	C. Yott	FOR LOCAL 240
		T. Little	M. R. Radvanyi
		T. Kerr	
	FOR LOCAL 707	FOR LOCAL 1520	FOR LOCAL 1324
	G. Beck	D. McGee	A. S. Maslanka
	R. Scott		
	G. Ensell		
	D. Thomas		

PART B
SUPPLEMENTAL UNEMPLOYMENT
BENEFIT PLAN

ARTICLE 1
ELIGIBILITY FOR BENEFITS

1.01 Eligibility for a Regular Benefit

An Employee shall be eligible for a Regular Benefit for any Week beginning on or after **September 24, 2012** if with respect to such Week he/she:

- (a) was on a qualifying layoff, as described in section 1.02, for all or part of the Week;
- (b)
 - (i) had as at his/her last day of work three (3) years seniority, **for employees hired prior to September 24, 2012; or**
 - (ii) **had as at his/her last day of work five (5) years of seniority, for employees hired on or after September 24, 2012;**
- (c) received an Employment Insurance Benefit not currently under protest by the company, or;
- (d) did not receive an Employment Insurance Benefit for the following reasons:
 - (i) he/she did not have prior to layoff a sufficient period of employment or sufficient earnings covered by Employment Insurance;
 - (ii) exhaustion of his/her Employment Insurance Benefit rights;
 - (iii) he/she was serving an Employment Insurance "waiting period" pending an adjustment of the workforce in accordance with the terms of the Collective Agreement, provided, however, that this

section 1.01(d) shall not apply to model change, Plant rearrangement, or inventory layoffs;

- (iv) the Week was an Employment Insurance "waiting period" immediately following a Week for which he/she received an Employment Insurance Benefit or occurring within less than fifty-two (52) weeks since his/her last Employment Insurance "waiting period" for which he/she received no benefit solely because the Week was a week of an Employment Insurance "waiting period"; (subject to the provisions of section 1.01(d)(i));
 - (v) it is determined, with the concurrence of the Human Resource and Social Development Canada, that under the circumstances it would be contrary to the intent of the Plan and Human Resource and Social Development Canada policy to deny him/her a Regular Benefit;
 - (vi) he/she was denied an Employment Insurance Benefit solely because of the Employment Insurance allocation to such week of earnings from a "waiting period";
 - (vii) because of the circumstances set forth under section 1.01(d)(iii), which existed during only part of a week of unemployment under the Employment Insurance Act;
- (e) has met any registration and reporting requirements of an employment office;
 - (f) has to his/her credit a Credit Unit or fraction thereof;
 - (g) did not receive an unemployment benefit under any contract or program of another employer or under any other "SUB" plan of the company (and was not eligible for such benefit under a contract or program of another employer with whom he/she has greater Seniority than with the company or under any other "SUB" plan of the company in which he/she had Credit Units which were credited earlier than his/her oldest Credit Units under the Plan);

- (h) was not eligible for an Automatic Short Week Benefit;
- (i) qualified for a Regular Benefit of at least \$2.00; and
- (j) has made a Regular Benefit application in accordance with procedures established by the company hereunder and, if he/she was ineligible for an Employment Insurance Benefit only for the reason set forth in section 1.01(d)(ii), is able to work, is available for work, and has not failed (i) to maintain an active registration for work with the Government employment service (ii) to do what a reasonable person would do to obtain work and (iii) to apply for or to accept available suitable work of which he/she has been notified by the Government employment service or by the company.
- (k) did not receive an Employment Insurance Benefit for the reason indicated in section 1.01(d)(iv), provided, however, no Regular Benefit shall be payable for the first full Week of Layoff during a calendar year for which an Employee has received an Employment Insurance "waiting period" week credit, unless such first Week occurs within less than fifty-two (52) weeks from the beginning of the last "waiting period" week for which no Regular Benefit was payable by reason of such week having been an established Employment Insurance "waiting period" week. In the latter case, Regular Benefits shall be payable to an otherwise eligible Employee for such "waiting period" but no Regular Benefit shall then be payable for the next first full Week of Layoff during a subsequent layoff period in the same calendar year for which the Employee receives a "waiting period" credit. A Regular Benefit will be payable to an otherwise eligible Employee for any other Employment Insurance "waiting period" week(s) established during the calendar year.

1.02 Conditions with Respect to Layoff

- (a) A layoff for purposes of the Plan includes any reduction in force such as a temporary layoff or model change layoff, a layoff resulting from the discontinuance of a Plant or an operation, and any layoff occurring or continuing because the Employee was unable to do the work offered by the company although able to perform other work in the Plant

to which he/she would have been entitled if he/she had had sufficient Seniority or, a layoff occurring or continuing because the Employee, although not totally disabled, was physically unable to perform any work in his/her Bargaining Unit or Plant.

(b) An Employee's layoff for all or part of any Week shall be deemed qualifying for Plan purposes only if:

- (i) such Layoff was from the Bargaining Unit;
- (ii) such layoff was not for disciplinary reasons, and was not a consequence of
 - (1) any strike, slowdown, work stoppage, picketing (whether or not by Employees), or concerted action, at a company Plant or Plants, or any dispute of any kind involving Employees, whether at a company Plant or Plants or elsewhere,
 - (2) any fault attributable to the Employee,
 - (3) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),
 - (4) sabotage (including but not limited to arson) or insurrection, or
 - (5) any act of God; provided, however, that this section 1.02(b)(ii)(5) shall not apply to any Automatic Short Week Benefit or to the first two (2) consecutive full weeks of layoff for which a Regular Benefit is payable in any period of layoff resulting from such cause;
- (iii) with respect to such Week the Employee did not refuse to accept work offered by the company which he/she had no option to refuse under the provisions of the Collective Agreement, provided, however, that refusal by skilled Tool & Die, Maintenance and Construction or Powerhouse Employees or Apprentices of work other than work in their

respective trades shall not result in ineligibility for a Regular Benefit.

(iv) with respect to such Week the Employee was not eligible for, and was not claiming:

(1) any statutory or company accident or sickness or any other disability benefit (except a benefit which he/she received or could have received while working full time, or a partial Workers' Compensation benefit which he/she received while not totally disabled and while ineligible for a sickness and accident benefit under the Insurance Program), or

(2) any company pension or retirement benefit.

(c) If an Employee is eligible for a Levelling Week Benefit or is ineligible for a Regular Benefit by reason of section 1.02(b)(ii) or section 1.02(b)(iv) with respect to some but not all of his/her regular work days in a Week, and is otherwise eligible for a Regular Benefit, he/she shall be entitled to a reduced Regular Benefit payment as provided in section 2.01(b).

1.03 Appeal from Denial of Employment Insurance Benefit

(a) With respect to any Week for which an Employee has applied for a Regular Benefit and for which he/she:

1. has been denied an Employment Insurance Benefit, and the denial is being protested by the Employee through the procedure provided therefor under Employment Insurance, or
2. has received an Employment Insurance Benefit, payment of which is being protested by the company through the procedure provided therefor under the Employment Insurance Act and such protest has not, upon appeal, been held by the Board to be frivolous, and the Employee is eligible to receive a Regular Benefit under the Plan except for such denial.

The payment of such Regular Benefit shall be suspended until such dispute shall have been determined.

- (b) If the dispute shall be finally determined in favour of the Employee, the Regular Benefit shall be paid to him/her if he/she had not exhausted Credit Units subsequent to the Week to which the Employment Insurance Benefit in dispute is applicable.

ARTICLE 2

AMOUNT OF REGULAR BENEFITS

2.01 Regular Benefits

- (a) The Regular Benefit payable to an eligible Employee for any Week shall be an amount which, when added to his/her Employment Insurance Benefit and Other Compensation, will equal 65% of his/her Weekly Straight Time Pay, except that for employees hired on or after January 1, 2010:
 - (i) an Employee with three (3) but less than ten (10) years of Seniority shall be eligible to the amount equal to 65% for a maximum of twenty-six (26) weeks. For up to the next twenty-six (26) weeks the amount, when added to his/her Employment Insurance Benefit and Other Compensation, will equal 50% of his/her Weekly Straight Time Pay,
 - (ii) an Employee with ten (10) but less than twenty (20) years of Seniority shall be eligible to the amount equal to 65% for a maximum of thirty-nine (39) weeks. For up to the next thirty-nine (39) weeks the amount, when added to his/her Employment Insurance Benefit and Other Compensation, will equal 50% of his/her Weekly Straight Time Pay,
 - (iii) an Employee with twenty (20) or more years of Seniority shall be eligible to the amount equal to 65% for a maximum of fifty-two (52) weeks. For up to the next fifty-two (52) weeks the amount, when added to his/her Employment Insurance Benefit and Other

Compensation, will equal 50% of his/her Weekly Straight Time Pay.

- (b) An otherwise eligible Employee entitled to a Regular Benefit reduced because of ineligibility with respect to part of the Week as provided in section 1.02(c) (reason for layoff or eligibility for a disability, pension or retirement benefit), will receive 1/5 of a Regular Benefit computed under section 2.01(a) for each work day of the Week for which he/she is otherwise eligible, provided, however, that there shall be excluded from such computation any pay which could have been earned for hours made available by the company but not worked on days for which he/she is not eligible for a Regular Benefit under section 1.02(c).
- (c) The Regular Benefit payable to an eligible Employee will not be reduced or increased as the result of payments in respect to guaranteed annual remuneration, deferred remuneration, or benefits paid under Part C - Separation Payment Plan.

2.02 Employment Insurance Benefit and Other Compensation

- (a) An Employee's "Employment Insurance Benefit and Other Compensation" for a Week means:
 - (i) the amount of Employment Insurance Benefit received or receivable by the Employee for such Week; plus
 - (ii) all pay received or receivable by the Employee from the company (excluding vacation pay except as provided in section 2.02(a)(iv)) and, the amount of any pay which could have been earned, computed as if payable, for hours made available by the company but not worked, after reasonable notice has been given to the Employee, for such Week; provided, however, that if the hours made available but not worked are hours which the Employee had an option to refuse under the Collective Agreement or, which he/she could refuse without disqualification under section 1.02(b)(iii), such hours shall not be considered as hours made available by the company;

and provided, further, that if wages or remuneration or any military pay are received or receivable by the Employee from employers other than the company and are applicable to the same period as hours made available by the company but not worked, only the greater of (a) such wages or remuneration in excess of the greater of the amount disregarded as earnings by the Human Resources Development Canada or 20% of such wages or remuneration from other employers, or military pay in excess of the amount disregarded as earnings by the Canada Employment Insurance Commission or (b) any amount of pay which could have been earned, computed, as if payable, for hours made available by the company but not worked, shall be included; and provided further, that any pay received or receivable by the Employee for a shift which extends through midnight shall be allocated

- (1) to the day on which the shift started if he/she was on layoff with respect to the corresponding shift on the following day,
- (2) to the day on which the shift ended if he/she was on layoff with respect to the corresponding shift on the preceding day, or
- (3) according to the pay for the hours worked each day, if he/she was on layoff with respect to the corresponding shifts on both the preceding and the following days;

and in such event, the maximum Regular Benefit amount shall be modified to any extent necessary so that the Employee's Regular Benefit will be increased to offset any reduction in his/her Employment Insurance Benefit which may have resulted solely from the Canada Employment Insurance Commission's allocation of his/her earnings for such a shift otherwise than as prescribed in this proviso; plus

- (iii) all wages, salary or remuneration, as defined under the Employment Insurance Act, in excess of the greater of the amount disregarded as earnings by the

Canada Employment Insurance Commission or 20% of such wages or remuneration received or receivable from other employers for such Week (excluding such wages or remuneration which were considered in the calculation under section 2.02(a)(ii)); provided, however, in calculating the amount of the Regular Benefit otherwise payable for a week for which an Employee has received an Employment Insurance "waiting period" credit, the calculation shall include all wages or remuneration (as defined under the Employment Insurance Act) in excess of the greater of an amount equal to 25% of the Employee's Employment Insurance benefit rate or 20% of such wages or remuneration, received or receivable by the Employee from other employers for such week; plus

- (iv) vacation pay received or receivable under the applicable provisions of the Collective Agreement, of which an amount equal to forty (40) hours of such vacation pay, or such lesser amount as may be received or receivable, shall be considered compensation applicable to the first week of company designated vacation, and all additional vacation pay shall be allocated to such subsequent vacation weeks on a pro rata basis of forty (40) hours pay, or lesser amount as may have been received, per vacation week; plus
- (v) the amount of all military pay in excess of the amount disregarded as earnings by the Canada Employment Insurance Commission received or receivable for such Week, excluding such military pay which was considered in the calculation under section 2.02(a)(ii).
- (vi) the amount of any partial benefit which an Employee received under a Workers' Compensation law or other law providing benefits for occupational injury or disease, while not totally disabled and while ineligible for a sickness and accident benefit under the Insurance Program, and an unemployment benefit payable under the Employment Insurance Act including training allowances (excluding any allowance for transportation, subsistence including accommodation allowances, equipment or other cost of training). If an Employee

receives a Workers' Compensation benefit while working full time and a higher Workers' Compensation benefit while on layoff from the company, only the amount by which the Workers' Compensation benefit is increased shall be included.

- (b) For purposes of determining the basis for the amount which disqualifies him/her for Employment Insurance Benefit or "waiting period" credit, such basis for the amount shall be equal to whichever of the following amounts is applicable:
 - (i) if he/she has an established and current applicable Weekly Benefit Rate under Employment Insurance, such benefit rate, or
 - (ii) in all other cases, the Employment Insurance Benefit amount which would apply to an individual having the same number of Dependents as the Employee and having weekly earnings equal to the Employee's Weekly Straight-Time Pay or straight-time Ford salary.
- (c) If the Employment Insurance Benefit received by an Employee for an Employment Insurance Week shall be for less, or more, than a full Employment Insurance Week (for reasons other than his/her receipt of wages or remuneration for such Employment Insurance Week):
 - (i) because he/she has been disqualified or otherwise determined ineligible for a portion of his/her Employment Insurance Benefit for reasons other than those set forth in section 1.01(d), or
 - (ii) because the Employment Insurance Week for which the Regular Benefit is paid includes a portion of the Employment Insurance waiting period, or
 - (iii) because of an underpayment or overpayment of a previous Employment Insurance Benefit,

the amount of the Employment Insurance Benefit to which he/she otherwise would have been entitled for such Employment Insurance Week shall be used in the

calculation of "Employment Insurance Benefit and Other Compensation" for such Employment Insurance Week.

2.03 Insufficient Credit Units for a Regular Benefit

If an Employee has to his/her credit less than the full number of Credit Units required to be cancelled for the payment of a Regular Benefit for which he/she is otherwise eligible, he/she shall be paid the full amount of such Regular Benefit and all remaining Credit Units to his/her credit shall be cancelled.

2.04 Regular Benefit Overpayments

- (a) If the company or the Board shall determine that any Regular Benefit(s) paid under the Plan should not have been paid or should have been paid in a lesser amount (as the result of a subsequent disqualification of Employment Insurance Benefits or otherwise), written notice thereof shall be mailed to the Employee receiving such Regular Benefit(s) and he/she shall return the amount of overpayment to the Trustee; provided, however, that no such repayment shall be required if the cumulative overpayment is \$3.00 or less, or if notice has not been given within one hundred and twenty (120) days from the date the overpayment was established or created, except that no such limitation shall be applicable in cases of fraud or willful misrepresentation.
- (b) If the Employee shall fail to return such amount of overpayment promptly, the Trustee shall arrange to reimburse the Fund for the amount of overpayment by making a deduction from any future Regular Benefits (not to exceed \$30.00 from any one Regular Benefit except in cases of fraud or willful misrepresentation) otherwise payable to such Employee or by requesting the company to make a deduction from monies payable by the company (including, without limitation, Automatic Short Week Benefits and Separation Payments) to such Employee (not to exceed \$75.00 from any one pay cheque except in cases of fraud or willful misrepresentation) or both. The company is authorized to make such deduction from the Employee's compensation and to pay the amount deducted to the Trustee.

2.05 Withholding Tax

The Trustee or the company shall deduct from the amount of any Regular Benefit as computed under the Plan any amount required to be withheld by the Trustee or the company by reason of any law or regulation, for payment of taxes or otherwise to any federal, provincial or municipal government. In determining the amount of any applicable tax entailing personal exemptions, the Trustee or the company shall be entitled to rely on the official form filed by the Employee with the company for purposes of income tax withholding on regular wages.

2.06 Deduction of Union Dues

The Trustee during any period while there is in effect an agreement between the company and the union concerning the maintaining of the Plan, shall deduct monthly union dues from Regular Benefits paid under the Plan and pay such sums directly to the union on his/her behalf. The company or the Trustee of the Supplemental Unemployment Benefit Plan Fund will use its best endeavours to comply with the provisions of this Section, but is relieved by the union of both responsibility and liability for making or failing to make deductions hereunder.

ARTICLE 3
CREDIT UNITS AND DURATION OF
REGULAR BENEFITS

3.01 General

Credit Units shall have no fixed value in terms of either time or money, but shall be a means of determining eligibility for and duration of Regular Benefits.

3.02 Accrual of Credit Units

- (a) Credit Units shall be credited to an Employee after one (1) year seniority at the rate of $\frac{1}{4}$ of a Credit Unit for the following eighteen (18) months, and subsequently at the rate of $\frac{1}{2}$ of a Credit Unit for each Workweek for which the Employee:
 - (i) receives any pay from the company,
 - (ii) does not receive pay from the company but for which he/she receives a Levelling Week Benefit,
 - (iii) was on a military leave of absence in accordance with the provisions of the Collective Agreement, and
 - (iv) was absent from work because of occupational injury or disease incurred in the course of such Employee's employment with the company and on account of such absence received Workers' Compensation while on company approved leave of absence.
- (b) for the purposes of accruing Credit Units under this section:
 - (i) vacation pay, paid pursuant to the provisions of the Collective Agreement, shall be considered as pay for Workweeks on the basis that the first forty (40) hours pay, or such lesser amount as may have been received, shall be allocated to the first vacation week to which the Employee is entitled under the Collective Agreement, and all additional vacation pay shall be allocated to such subsequent vacation

weeks on a pro rata basis of forty (40) hours pay, or lesser amount as may have been received, per vacation week, and

- (ii) back pay shall be considered as pay for any Workweek or Workweeks to which it may be allocable, and
- (c) No Employee may have to his/her credit in the aggregate at any one time more than a maximum of fifty-two (52) credit units under this Plan and any other "SUB" plan of the company, except that,
 - (i) for employees hired prior to January 1, 2010:
an Employee who has ten (10) or more years of Seniority may have to his/her credit in the aggregate at any one time no more than one hundred and four (104) credit units and an Employee with seven (7) but less than ten (10) years of Seniority, who is at work on or after November 17, 2002 may have in the aggregate at any one time no more than the maximum credit units as follows:

<i>Years of Seniority</i>	<i>Maximum Credit Units</i>
7 but less than 8	56
8 but less than 9	60
9 but less than 10	64

- (ii) for employees hired on or after January 1, 2010, **but before September 24, 2012:**
an Employee who has twenty (20) or more years of Seniority may have to his/her credit in the aggregate at any one time no more than one hundred and four (104) credit units and an Employee with ten (10) but less than twenty (20) years of Seniority may have in the aggregate at any one time no more than seventy-eight (78) credit units.
- (iii) **For Employees hired on or after September 24, 2012:**
 - (1) **An Employee with five (5) but less than ten (10) years seniority will be eligible for half of**

the SUB credit entitlement as provided for in article 3.02 (c);

- (2) An Employee with ten (10) or more years of seniority will be eligible for the number of SUB credits, as provided for in article 3.02 (c)(ii).**

However, any Employee who has at any time to his/her credit in the aggregate the maximum number of credit units, as provided above (in more than one Bargaining unit) or under this Plan and any other "SUB" plan of the company and who would otherwise accumulate additional credit units in the Bargaining unit in which he/she is currently employed, may direct that such additional credit units shall be credited to him/her and a corresponding number of credit units accumulated under this Plan in any other Bargaining unit or under any other "SUB" plan of the company, shall be cancelled as long as the aggregate of his/her credit units at any time does not exceed the applicable number provided for in this section 3.02(c).

- (d)** No Employee shall be credited with any Credit Unit prior to the first day as of which he/she (i) has at least one (1) year of Seniority and (ii) either is on the Active Employment Rolls in the Bargaining Unit (or was on such rolls within thirty (30) days prior to such first day) or is absent from work, on [or was absent from work within thirty (30) days prior to] such first day solely because of occupational injury or disease incurred in the course of such Employee's employment with the company and on account of such absence is receiving Workers' Compensation while on company-approved leave of absence. As of such day he/she shall be credited with Credit Units based upon his/her Workweeks occurring while he/she is an Employee.
- (e)** An Employee who has Credit Units as of the last day of a Week shall be deemed to have had them for all of such Week; provided, however, that an Employee who has Credit Units during part of a Week but forfeits them due to breaking Seniority during such Week by reason of death or of retirement under the Retirement Plan established by agreement between the company and the union shall be deemed to have Credit Units for all of the Week.

- (f) At such time as the amount of any Regular Benefit overpayment is repaid to the Fund, except as otherwise provided in the Plan, the number of Credit Units, if any, theretofore cancelled with respect to such overpayment of Regular Benefits shall be restored to the Employee, except to the extent of the number of Guaranteed Annual Income Credit Units which have been credited to such Employee between the date of such overpayment and the date of such repayment and which would not have been credited had the Credit Units been restored at the time such Guaranteed Annual Income Credit Units were credited to him/her, and except to the extent that such restoration would raise the number of his/her Credit Units at the time thereof above the applicable number under section 3.02(c), and except as otherwise provided with respect to Credit Unit forfeiture under section 3.03.
- (g) An Employee who is on the Active Employment Rolls in the Bargaining Unit on the date he/she shall attain ten (10) years of Seniority shall be credited with sufficient additional Credit Units on such date to increase the total Credit Units credited to him/her to one hundred and four (104).

3.03 Forfeiture of Credit Units

- (a) An Employee shall forfeit permanently all Credit Units with which he/she shall have been credited and, with respect to subsections (1) and (3) only of this section 3.03(a) shall be ineligible to be credited with Guaranteed Annual Income Credit Units on the next succeeding Guarantee Date or other date of eligibility, if he/she:
 - (1) incurs a Break in Seniority; provided, however, that if an Employee has incurred a Break in Seniority by reason of his/her retirement under the total and permanent disability provisions of the Retirement Pension Plan established by agreement between the company and the union and shall subsequently have his/her Seniority reinstated, his/her Credit Units previously forfeited shall again be credited to him/her as of the date his/her Seniority is reinstated, and as of such date he/she shall again become eligible to have Guaranteed Annual Income Credit Units credited to him/her;

- (2) is on layoff from the Bargaining Unit for a continuous period of twenty-four (24) months [thirty-six (36) months in the case of an Employee who has ten (10) or more years of Seniority as of his/her last day worked prior to layoff] except that, if at the expiration of the applicable period he/she is receiving Regular Benefits, his/her Credit Units shall not be forfeited until he/she ceases to receive Regular Benefits;
 - (3) willfully misrepresents any material fact in connection with an application by him/her for Regular Benefits under the Plan;
 - (4) elects to forfeit all Credit Units in order to apply for a payment under the Voluntary Termination of Employment Plan.
- (b) Notwithstanding the provisions of section 3(a) above, a former Employee who had his/her Seniority broken in a Bargaining Unit because he/she quit when he/she did not accept recall to such Bargaining Unit in order to remain at another Bargaining Unit and who is subsequently laid off and incurs a Break in Seniority under the time for time provisions of the Collective Agreement (or, prior to acquiring Seniority, is released under conditions that would have permitted him/her to retain Seniority under the time for time provisions of the Collective Agreement) at such other Bargaining Unit, shall not have his/her Credit Units forfeited. Notwithstanding any other provisions of the Plan, such retained Credit Units may be used solely for the Payment of Regular Benefits to such former Employee for Weeks including and subsequent to the date of his/her Break in Seniority at such other Bargaining Unit on the same basis and in the same amount as if such Seniority had not been broken. Such retained Credit Units shall be permanently forfeited effective as of the earliest of the following:
- (i) the date he/she becomes an Employee with one (1) or more Years of Seniority and becomes eligible to be credited with Credit Units under the provisions of section 3.02(d) (or under any other "SUB" plan of the company), or

- (ii) the last day of a period equal to his/her Years of Seniority on his/her last day worked at such other Bargaining Unit, following such last day worked, or
- (iii) twenty-four (24) months from the date of his/her last day worked at such other Bargaining Unit.

3.04 Credit Unit Cancellation on Payment of Regular Benefits

- (a) The number of Credit Units to be cancelled for any Regular Benefit shall be determined in accordance with the following Table:

CREDIT UNIT CANCELLATION TABLE

(For Weeks Beginning on or after **September 24, 2012**)

<i>If the ASL Utilization Percentage applicable to the Week for which a Benefit is paid is:</i>	<i>And as of the last day of the Week for which such Benefit is paid, the Employee's Years of Seniority are:</i>	
	3 to 5	5 Years
	Years	& Over

The Credit Units to be Cancelled shall be:

Less than 45%	1.00	1.00
45% but less than 65%	2.00	1.00
65% but less than 75%	3.00	1.00
75% but less than 80%	4.00	1.00
80% or greater	5.00	1.00

- (b) Provided, however, that no Credit Units shall be cancelled when an Employee receives a Levelling Week Benefit.
- (c) If an Employee receives a reinstated Accident and Sickness Benefit paid under the Insurance Program with respect to any Week, there shall be cancelled the number of Credit Units which would have been cancelled if he/she had received a Regular Benefit for such Week. If an Employee receives such reinstated Accident and Sickness Benefit for a portion of a Week, and does not receive a Regular Benefit with respect to any part of such Week, only one-half the number of such Credit Units shall be

cancelled for the reinstated Accident and Sickness Benefit. If an Employee receives a reinstated Accident and Sickness Benefit for a portion of a Week and also receives a Regular Benefit under section 1.02(c) for such Week, no Credit Units will be cancelled for the reinstated Accident and Sickness Benefit.

3.05 Armed Services

An Employee who enters the Canadian Armed Forces directly from the employ of the company shall, while in such service, be deemed for purposes of the Plan to be on leave of absence and shall not be entitled to any Regular Benefit, and

- (a) all Credit Units credited to such an Employee at the time of his/her entry into such service, plus
- (b) any Credit Units for which he/she is entitled to be credited with respect to the period of his/her military leave of absence, or
- (c) any Credit Units earned prior to or with respect to the period of his/her military leave of absence that would have been credited to him/her on or after the date he/she attained 1 year of Seniority if he/she had been on the Active Employment Rolls on or after such date, notwithstanding the provisions of section 3.02(d), shall be credited to him/her upon his/her reinstatement as an Employee in accordance with the terms of his/her company approved leave of absence, within ninety (90) days from the date of his/her discharge from the Armed Services.

3.06 Crediting of Guaranteed Annual Income Credit Units

- (a) An Employee who is on the Active Employment Rolls in the Bargaining Unit and **if hired prior to September 24, 2012 has at least three (3) years of Seniority, if hired on or after September 24, 2012 has at least five (5) years of Seniority**, on a Guarantee Date (as defined in section 3.07 of this article) shall be credited as of the day following such Guarantee Date with the number of Guaranteed Annual Income Credit Units (as defined in section 3.08 of this article), if any, determined by **(i) and (ii) below:**

- (i) **For Employees hired prior to January 1, 2010:** subtracting from fifty-two (52) [one hundred and four (104) in the case of an Employee who has ten (10) or more years of Seniority] or in the case of an Employee who is at work on or after November 17, 2002: fifty-six (56) if the Employee has seven (7) but less than eight (8) Years of Seniority; sixty (60) if the Employee has eight (8) but less than nine (9) Years of Seniority; and sixty-four (64) if the Employee has nine (9) but less than ten (10) Years of Seniority the number of credit units to his/her credit on the Guarantee Date;

For Employees hired on or after January 1, 2010, but before September 24, 2012:

subtracting from fifty-two (52) [one hundred and four (104) in the case of an Employee who has twenty (20) or more years of Seniority; seventy-eight (78) in the case of an Employee who has ten (10) but less than twenty (20) years of Seniority] the number of credit units to his/her credit on the Guarantee Date;

For Employees hired on or after September 24, 2012:

subtracting from twenty-six (26) [one hundred and four (104) in the case of an Employee who has twenty (20) or more years of Seniority; seventy-eight (78) in the case of an Employee who has ten (10) but less than twenty (20) years of Seniority] the number of credit units to his/her credit on the Guarantee Date;

- (ii) **For Employees hired prior to September 24, 2012** multiplying the resulting number by the applicable percentage set forth in the following table:

<i>Years of Seniority on the Guarantee Date</i>	<i>Applicable Percentage</i>
3 but less than 4	50.0%
4 but less than 7	75.0%
7 and over	100.0%

For Employees hired on or after September 24, 2012 multiplying the resulting number by the applicable percentage set forth in the following table:

<i>Years of Seniority on the Guarantee Date</i>	<i>Applicable Percentage</i>
5 but less than 7	75.0%
7 and over	100.0%

- (b) If Guaranteed Annual Income Credit Units were not credited to an Employee on a Guarantee Date solely because he/she did not then have at least three (3) years of Seniority **[five (5) years of Seniority in the case of an Employee hired on or after September 24, 2012]** or was not then on the Active Employment Rolls in the Bargaining Unit, but on any day within the fifty-two (52) Pay Periods following such Guarantee Date such Employee has at least three (3) years of Seniority **[five (5) years of Seniority in the case of an Employee hired on or after September 24, 2012]** and is then on the Active Employment Rolls in the Bargaining Unit, he/she shall be entitled to be credited with Guaranteed Annual Income Credit Units as of the day following the end of the first Pay Period in which he/she meets such requirements. An Employee with three (3) or more years of Seniority **[five (5) years of Seniority in the case of an Employee hired on or after September 24, 2012]** on the preceding Guarantee Date shall have Guaranteed Annual Income Credit Units calculated, under this subsection 3.06(b), based upon the Employee's years of Seniority as of such preceding Guarantee Date. The number of Guaranteed Annual Income Credit Units, if any, to be credited to such Employee shall be the number determined by (i) to (iii) below:

- (i) **For Employees hired prior to January 1, 2010:** subtracting from fifty-two (52) [one hundred and four (104) in the case of an Employee who has ten (10) or more years of Seniority] or in the case of an Employee who is at work on or after November 17, 2002: fifty-six (56) if the Employee has seven (7) but less than eight (8) Years of Seniority; sixty (60) if the Employee has eight (8) but less than nine (9) Years of Seniority; and sixty-four (64) if the Employee has

nine (9) but less than ten (10) Years of Seniority the number of Pay Periods between the preceding Guarantee Date and the last day of such Pay Period;

For Employees hired on or after January 1, 2010, but prior to September 24, 2012:

subtracting from fifty-two (52) [one hundred and four (104) in the case of an Employee who has twenty (20) or more years of Seniority; seventy-eight (78) for an Employee who has ten (10) but less than twenty (20) years of Seniority] the number of Pay Periods between the preceding Guarantee Date and the last day of such Pay Period;

For Employees hired on or after September 24, 2012:

subtracting from twenty-six (26) [one hundred and four (104) in the case of an Employee who has twenty (20) or more years of Seniority; seventy-eight (78) in the case of an Employee who has ten (10) but less than twenty (20) years of Seniority] the number of Pay Periods between the preceding Guarantee Date and the last day of such Pay Period;

- (ii) subtracting from the resulting number the number of Credit Units to the Employee's credit on such last day; and
- (iii) **For Employees hired prior to September 24, 2012:** multiplying that resulting number by the percentage in subsection (a)(ii) of this section, applicable to the Employee's Seniority on the preceding Guarantee Date (or the date subsequent thereto on which he/she acquired three (3) years of Seniority).

For Employees hired on or after September 24, 2012:

multiplying that resulting number by the percentage in subsection (a)(ii) of this section, applicable to the Employee's Seniority on the preceding Guarantee Date (or the date subsequent

thereto on which he/she acquired five (5) years of Seniority).

- (c) With respect to paragraphs (a) and (b) of this section 3.06, an Employee who reports for work at the expiration of a medical leave of absence and for whom there is no work available in line with his/her Seniority and who then is placed on layoff status shall be deemed to be on the Active Employment Rolls.

3.07 Guarantee Date

The term Guarantee Date shall mean the third Sunday in November 1981 and the third Sunday in each November thereafter.

3.08 Guaranteed Annual Income Credit Unit

A Guaranteed Annual Income Credit Unit shall be deemed in all respects for all purposes the same as a Credit Unit credited pursuant to article 3, except that Guaranteed Annual Income Credit Units shall be credited only pursuant to the provisions of this article.

ARTICLE 4
APPLICATION, DETERMINATION OF
ELIGIBILITY AND APPEAL PROCEDURES
FOR REGULAR BENEFITS

4.01 Applications

(a) Filing of Applications

An application for a Regular Benefit may be filed, either in person or by mail, in accordance with procedures established by the company. No application for a Regular Benefit shall be accepted unless it is submitted to the company within sixty (60) calendar days after the end of the Week with respect to which it is made; provided, however, that if the amount of the Employee's Employment Insurance Benefit is adjusted retroactively with the effect of establishing a basis for eligibility for a Regular Benefit in a greater amount than that previously paid, he/she may apply within sixty (60) calendar days after the date on which such basis for eligibility is established.

(b) Application Information

Applications filed for a Regular Benefit under the Plan shall include:

- (i) in writing any information deemed relevant by the company with respect to other benefits received, earnings and the source and amount thereof, Dependents and such other information as the company may require in order to determine whether the Employee is eligible to be paid a Regular Benefit and the amount thereof; and
- (ii) with respect to a Regular Benefit, the exhibition of the Employee's Employment Insurance Benefit cheque or other evidence satisfactory to the company of either
 - (1) his/her receipt of or entitlement to an Employment Insurance Benefit or

- (2) his/her ineligibility for an Employment Insurance Benefit only for one or more of the reasons specified in section 1.01(d).

Employment Insurance Benefits shall be presumed to have been received by the Employee on the date of the cheque as set forth on the cheque or on the satisfactory evidence referred to in the preceding paragraph.

4.02 Determination of Eligibility

(a) Application Processing by company

When an application is filed for a Regular Benefit under the Plan, and the company is furnished with the evidence and information required, the company shall determine the Employee's entitlement to a Regular Benefit. The company shall advise the Employee of the number of Credit Units cancelled for each Regular Benefit payment and the number of Credit Units remaining to the Employee's credit after such payment.

(b) Notification to Trustee to Pay

If the company determines, or the Board or the Local S.U.B.P. Committee on an appeal determines, that a Regular Benefit is payable from the Fund, the company shall deliver prompt written notice thereof to the Trustee to pay such Regular Benefit.

(c) Notice of Denial of Regular Benefits

If the company determines that an Employee is not entitled to a Regular Benefit, it shall notify him/her promptly, in writing, of such determination including the reasons therefor.

(d) Union Copies of Determinations

The company shall furnish promptly to a union member of the Local S.U.B.P. Committee a copy of all company determinations of Regular Benefit ineligibility or overpayment.

4.03 Appeals

(a) Applicability of Appeals Procedure

- (i) The appeals procedure set forth in this section may be employed only for the purposes specified in this section.
- (ii) No question involving the interpretation or application of the Plan shall be subject to the grievance procedure provided for in the Collective Agreement.

(b) Procedure for Appeals

(i) First Stage Appeals

- (1) An Employee may appeal from the company's written determination with respect to the payment or denial of a Regular Benefit by filing a written appeal with the Local S.U.B.P. Committee on a form provided for that purpose. If there is no Local S.U.B.P. Committee at any Plant because of a discontinuance of such Plant, the appeal may be filed directly with the Board. Appeals concerning determinations made in connection with section 1.01(d)(v) shall be made directly to the Board.
- (2) Such written appeal shall be filed with the designated company representative within thirty (30) days following the date of mailing of the determination appealed. With respect to appeals that are mailed, the date of filing shall be the postmarked date of the appeal. No appeal shall be valid after such thirty (30) day period.
- (3) The Local S.U.B.P. Committee shall advise the Employee, in writing, of its resolution of, or failure to resolve his/her appeal. If the appeal is not resolved within ten (10) days after the date thereof (or such extended period as may be agreed upon by the Local S.U.B.P. Committee), the Employee or any two (2) members of the Local S.U.B.P. Committee, at

the request of the Employee, may refer the matter to the Board for disposition.

(ii) Appeals to the Board of Administration

- (1) An appeal to the Board shall be considered filed with the Board when filed with the designated company representative with respect to the Plant at which the first stage appeal was considered by the Local S.U.B.P. Committee.
- (2) Appeals shall be in writing, shall specify the respects in which the Plan is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.
- (3) Appeals by the Local S.U.B.P. Committee to the Board with respect to Benefits or Separation Payments shall be made within twenty (20) days following the date the appeal is first considered at a meeting of the Local S.U.B.P. Committee, plus such extension of time as the Local S.U.B.P. Committee shall have agreed upon. Appeals by the Employee to the Board with respect to Benefits or Separation Payments shall be made within thirty (30) days following the date notice of the Local Committee's decision is given or mailed to the Employee. With respect to appeals that are mailed, the date of filing shall be the postmarked date of the appeal.
- (4) The handling and disposition of each appeal to the Board shall be in accordance with regulations and procedures established by the Board. Such regulations and procedures shall provide that in situations where a number of Employees have filed applications for Regular Benefits under substantially identical conditions, an appeal may be made from the Local S.U.B.P. Committee to the Board with respect to one of such Employees, and the decision of the Board thereon shall apply to all such Employees.

- (5) The Employee, the Local S.U.B.P. Committee or the union members of the Board may withdraw any appeal to the Board at any time before it is decided by the Board.
- (6) There shall be no appeal from the Board's decision. It shall be final and binding upon the union, its members, the Employee or former Employee, the Trustee, and the company. The union shall discourage any attempt of its members to appeal, and shall not encourage or cooperate with any of its members in any appeal, to any Court or Labour Board from a decision of the Board, nor shall the union or its members by any other means attempt to bring about the settlement of any claim or issue on which the Board is empowered to rule hereunder.
- (7) The Local S.U.B.P. Committee shall be advised, in writing, by the Board of the disposition of any appeal previously considered by the Local S.U.B.P. Committee and referred to the Board. A copy of such disposition shall be forwarded to the Employee.

(c) Regular Benefits Payable After Appeal

In the event that an appeal with respect to entitlement to a Regular Benefit is decided in favour of an Employee, the Regular Benefit shall be paid to him/her; provided, however, that if such Regular Benefit requires Credit Unit cancellation the Regular Benefit shall be paid only if he/she did not exhaust Credit Units after the Week of the Regular Benefit in dispute during the same period of layoff.

(d) Meaning of Term "Employee" with Respect to Appeal Provisions

With respect to the appeal provisions set forth under this section 4.03 only, the term "Employee" shall include any person who received or was denied the Regular Benefit in dispute.

ARTICLE 5

ADMINISTRATION OF THE PLAN

5.01 Powers and Authority of the Company

(a) Company Powers

The company shall have such powers and authority as are necessary and appropriate in order to carry out its duties under the Plan, including, without limitation, the power:

- (i) to obtain such information as it shall deem necessary in order to carry out its duties under the Plan;
- (ii) to investigate the correctness and validity of information furnished with respect to an application for a Regular Benefit;
- (iii) to make initial determinations with respect to Regular Benefits;
- (iv) to establish reasonable rules, regulations and procedures concerning
 - (1) the manner in which and the times and places at which applications shall be filed for Regular Benefits, and
 - (2) the form, content and substantiation's of applications for Regular Benefits.

In establishing such rules, regulations and procedures, the company shall give due consideration to recommendations from the Board;

- (v) to designate an office or department at each Plant, or in the alternative a location in the general area of such Plant, where Employees laid off from such Plant may appear for the purpose of complying with the requirements of the Plan (it being understood that a single location may be established to serve a group of Plants within a single area);

- (vi) to establish appropriate procedures for giving notices required to be given under the Plan;
- (vii) to establish and maintain necessary records; and
- (viii) to prepare and distribute information explaining the Plan.

(b) Company Authority

Nothing contained in the Plan shall be deemed to qualify, limit, or alter in any manner the company's sole and complete authority and discretion to establish, regulate, determine, or modify at any time levels of employment, hours of work, the extent of hiring and layoff, production schedules, manufacturing methods, the products and parts thereof to be manufactured, where and when work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if the Plan were not in existence; nor shall it be deemed to confer either upon the union or the Board any voice in such matters.

5.02 Board of Administration of the Plan

(a) Composition and Procedure

- (i) There shall be established a Board of Administration of the Plan consisting of six (6) members, three (3) of whom shall be appointed by the company (hereinafter referred to as the company members) and three (3) of whom shall be appointed by the union (hereinafter referred to as the union members). Each member of the Board shall have an alternate. In the event a member is absent from a meeting of the Board, his/her alternate may attend, and when in attendance, shall exercise the powers and perform the duties of such member. Either the company or the union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. The company and the union each shall notify the other in writing of the members respectively appointed by it before any such appointment shall be effective.

- (ii) The members of the Board shall appoint an Impartial Chairperson, who shall serve until requested in writing to resign by three (3) members of the Board. In the event that the members of the Board are unable to agree upon such Chairperson, the Umpire under the Collective Agreement shall make the appointment; provided, however, that the company and union members may, by agreement, request such Umpire to serve as the Impartial Chairperson of the Board. The Impartial Chairperson shall be considered a member of the Board, and shall vote only in matters within the Board's authority to determine where the other members of the Board shall have been unable to dispose of a matter by majority vote, except that the Impartial Chairperson shall have no vote concerning determinations made in connection with section 1.01(d)(v). The Chairperson shall not be bound to attend routine meetings of the Board. He/she need only attend special meetings at which the Board will reconsider those matters not disposed of by majority vote (hereinafter called "disputed matters").
- (iii) At least two (2) union members and two (2) company members shall be required to be present at any meeting of the Board in order to constitute a quorum for the transaction of business. At all meetings of the Board the company members shall have a total of three (3) votes and the union members shall have a total of three (3) votes, the vote of any absent member being divided equally between the members present appointed by the same party. Decisions of the Board shall be by a majority of the votes cast.
- (iv) Neither the Board nor any Local S.U.B.P. Committee established pursuant to section 5.02(b) shall maintain any separate office or staff, but the company and the union shall be responsible for furnishing such clerical and other assistance as its respective members of the Board and the Local S.U.B.P. Committees shall require. Copies of all appeals, reports and other documents to be filed with the Board pursuant to the Plan shall be filed in duplicate, one (1) copy to be sent to the company members at the address

designated by them and the other to be sent to the union members at the address designated by them.

(b) Powers and Authority of the Board

- (i) It shall be the function of the Board to exercise ultimate responsibility for determining whether an Employee is eligible for a Regular Benefit under the terms of the Plan, and, if so, the amount of the Regular Benefit. The Board shall be presumed conclusively to have approved any initial determination by the company unless the determination is appealed as prescribed in section 4.03(b).
- (ii) The Board shall have jurisdiction:
 - (1) to hear and determine appeals by Employees pursuant to article 4;
 - (2) to obtain such information as the Board shall deem necessary in order to determine such appeals;
 - (3) to prescribe the form and content of appeals to the Board and such detailed procedures as may be necessary with respect to the filing of such appeals;
 - (4) to direct the company to authorize the Trustee to make payments of Regular Benefits pursuant to determinations made by the Local S.U.B.P. Committee or by the Board; and
 - (5) to have prepared and distributed on behalf of the Board information explaining the Plan;
 - (6) to rule upon disputes as to whether any Short Work Week resulted from an act of God as defined in section 6.05(c)(i); and
 - (7) to perform such other duties as are expressly conferred upon it by the Plan.

- (iii) In ruling upon appeals, the Board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirements set forth in the Plan, the procedure for applying for Regular Benefits as provided therein, or any other provisions of the Plan; and shall have no jurisdiction other than to determine, on the basis of the facts presented and in accordance with the provisions of the Plan;
 - (1) whether the first stage appeal and the appeal to the Board were made within the time and in the manner specified in section 4.03(b),
 - (2) whether the Employee is an eligible Employee with respect to the Regular Benefit claimed and, if so,
 - (3) the amount of any Regular Benefit payable
 - (4) whether a protest of an Employee's Employment Insurance Benefit by the company is frivolous.
- (iv) The Board shall have no jurisdiction to act upon any appeal not made within the time and in the manner specified in section 4.03(b).
- (v) The Board shall have no power to determine questions arising under the Collective Agreement, even though relevant to the issues before the Board. All such questions shall be determined through the regular procedures provided therefor by the Collective Agreement, and all determinations made pursuant to such Agreement shall be accepted by the Board.
- (vi) Nothing in this article shall be deemed to give the Board the power to prescribe in any manner internal procedures or operations of either the company or the union.
- (vii) The Board shall provide for a Local S.U.B.P. Committee for each Bargaining Unit to handle appeals from determinations as provided in section 4.03(b)(i) except determinations made in connection

with section 1.01(d)(v). The Local S.U.B.P. Committee shall be composed of two (2) members or their alternates designated by company members of the Board and two (2) members or their alternates designated by union members of the Board. Either the company or union members of the Board may remove a Local S.U.B.P. Committee member appointed by them and fill any vacancy among the Local S.U.B.P. Committee members appointed by them. The company and the union each shall notify the other in writing of the members respectively appointed by it before any such appointment shall be effective.

5.03 Determination of Dependents

In determining an Employee's Dependents for purposes of Regular Benefit determinations, the company (and the Board) shall be entitled to rely upon the official form filed by the Employee with the company for income tax withholding purposes; and the Employee shall have the burden of establishing that he/she is entitled to a greater number of withholding exemptions than he/she shall have claimed on such form.

5.04 To Whom Regular Benefits Are Payable in Certain Conditions

Regular Benefits shall be payable hereunder only to the Employee who is eligible therefor, except that if the Board shall find that such an Employee is deceased or is unable to manage his/her affairs for any reason, any such Regular Benefit payable to him/her shall be paid to his/her duly appointed legal representative, if there be one, and if not, to the spouse, parents, children or other relatives or Dependents of such Employee as the Board in its discretion may determine. Any Regular Benefit so paid shall be a complete discharge of any liability with respect to such Regular Benefit. In the case of death, no Regular Benefit shall be payable with respect to any period following the last day of layoff immediately preceding the Employee's death.

5.05 Nonalienation of Regular Benefits

No Regular Benefit shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind other than an authorization for Check-off of union dues and any attempt to accomplish the same shall be void. In the event that the Board shall find that such an attempt has been made with respect to any such Regular Benefit due or to become due to any Employee, the Board in its sole discretion may terminate the interest of such Employee in such Regular Benefit and apply the amount of such Regular Benefit to or for the benefit of such Employee, his/her spouse, parents, children or other relatives or Dependents as the Board may determine and any such application shall be a complete discharge of all liability with respect to such Regular Benefit.

5.06 Applicable Law

The Plan and all rights and duties thereunder shall be governed, construed and administered in accordance with the laws of the Province of Ontario, except that the eligibility of a person for, and the amount and duration of, Employment Insurance Benefits shall be determined in accordance with the Employment Insurance Act of Canada.

ARTICLE 6

FINANCIAL PROVISIONS AND REPORTS

6.01 Establishment of Funds

The company shall establish and maintain a Trust Fund, in accordance with the Plan, with a qualified trust company or companies selected by the company as Trustee. The company's contributions shall be made into the Fund. Regular Benefits shall be payable only from the Fund.

6.02 Company Contributions

(a) General

Effective September 19, 2005, all Company contribution provisions and requirements under the 2002 Plan shall cease and no further contributions as previously required shall be placed into the Fund.

(b) Fund Level

The Company will make periodic weekly contributions to the Fund to maintain the Fund at a level sufficient to pay the Regular Benefits then due and payable.

(c) Income Security Fund Maximum Company Liability

Regular Benefits paid shall be applied against and limited by the Income Security Fund Maximum Company Liability pursuant to article 8 (16).

(d) Effect of Withholding

If the Company at any time shall be required to withhold any amount from any contribution to the Fund by reason of any federal, provincial or municipal law or regulation, the Company shall have the right to deduct such amount from the contribution and pay only the balance of the Fund.

6.03 Liability

- (a) The provisions of these articles 1 through 8 constitutes the entire Plan. The provisions of this article 6 express, and shall be deemed to express, completely each and every obligation of the company with respect to the financing of the Plan and providing for Regular Benefits.
- (b) The Board, the company, the Trustee, and the union, and each of them shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others.
- (c) Notwithstanding the above provisions, nothing in this section shall be deemed to relieve any person from liability for willful misconduct or fraud.

6.04 No Vested Interest

No person shall have any right, title or interest in or to any of the assets of any Fund or in or to any company contribution thereto.

6.05 Company Reports

- (a) Company Contributions

Not later than the third Tuesday following the first Monday of each month the company shall furnish a statement to the union showing the amount of contributions the Company made to the Fund in accordance with section 6.02 (b) of this Article during the preceding month.

- (b) ASL Utilization Percentage

Not later than the third Tuesday following the first Monday of each month, the company shall furnish a statement to the union showing details of the ASL Utilization Percentage calculations for the preceding month.

(c) Automatic Short Week Benefits

Not later than the third Tuesday following the first Monday of each month the company shall furnish a statement to the union showing the number and amount of Automatic Short Week Benefits, if any, paid by the Company during each week of the preceding month.

(d) Separation Payments

Not later than the third Tuesday following the first Monday of each month the company shall furnish a statement to the union showing the number and amount of Separation Payments, if any, paid by the Company during each week of the preceding month.

(e) Benefits Paid From Fund

Not later than the third Tuesday following the first Monday of each month, the company shall furnish a statement to the union showing the number and amount of payments, if any, made during each Week of the preceding month, as:

- (1) Levelling Week Benefits**
- (2) Regular Benefits paid to Employees who were eligible for an Employment Insurance Benefit shown separately as Regular Benefits paid with and without reduction for Other Compensation.**
- (3) Regular Benefits paid without reduction for Other Compensation to Employees who were not eligible for an Employment Insurance Benefit for one or more of the reasons set forth in section 1.01(d) and not included in any of the foregoing.**
- (4) Regular Benefits paid with reduction for Other Compensation to Employees who were not eligible for an Employment Insurance Benefit for one or more of the reasons set forth in section 1.01(d) and not included in any of the foregoing.**

- (5) Regular Benefits paid to Employees who were eligible with respect to some but not all of the regular work days in a Week as provided in section 1.02(c), and not included in any of the foregoing, shown separately as Regular Benefits paid with and without reduction for Other Compensation.
- (f) On or before April 30 of each year, the company shall furnish to the union a statement, certified by a qualified independent firm of chartered accountants selected by the company, verifying the accuracy of the information furnished by the company during the preceding year pursuant to sections 6.05(a), (b), (c), (d) and (e).
- (g) The company will comply with reasonable requests by the union for other statistical information on the operation of the Plan which the company may have compiled.
- (h) On or before April 30 of each year, the company shall furnish to the union a statement showing the number of Employees receiving Regular Benefits during the preceding year, distributed according to the number of such Benefits received.
- (i) On or before April 30 of each year the company shall furnish to the union a statement showing the amount of any contributions made to each Fund in accordance with section 6.05(c)(i) for Automatic Short Week Benefit payments.
- (j) On or before January 31 of each year, the company shall furnish to the union a statement showing the number of Employees to whom Guaranteed Annual Income Credit Units were credited on the preceding Guarantee Date and the number of such Guaranteed Annual Income Credit Units both distributed according to the Seniority brackets set forth in the tables in section 3.06(a) and according to the number of Credit Units which were credited (numbers above 13 being grouped in intervals of 5).
- (k) After December 31 of each year the company shall furnish to each Employee credited with Credit Units as of each such date a statement showing the number of such Credit Units.

6.06 Costs of Administering the Plan

(a) Expenses of Trustee

The costs and expenses incurred by the Trustee under the Plan, and the fees charged by the Trustee, shall be applied against the Income Security Fund Maximum Company Liability pursuant to article 8 (16).

(b) Expenses of the Board of Administration

The compensation of the Impartial Chairperson, which shall be in such amount and on such basis as may be determined by the other members of the Board, shall be shared equally by the company and the union. The company members and the union members of the Board and of Local S.U.B.P. Committee shall serve without compensation from the Fund. Reasonable and necessary expenses of the Board for forms and stationery required in connection with the handling of appeals shall be borne by the company.

(c) Cost of Services

The cost to the Company of bank fees and auditing fees shall be applied against the Income Security Fund Maximum Company Liability pursuant to article 8 (16).

6.07 Regular Benefit Cheques Not Presented

If the Trustee has segregated any portion of a Fund in connection with any determination that a Regular Benefit is payable under the Plan and the amount of such Regular Benefit is not claimed within a period of two (2) years from the date of such determination, such amount shall revert to such Fund.

ARTICLE 7

MISCELLANEOUS

7.01 Purpose of Plan and Status of Employees Receiving Regular Benefits

(a) Purpose of Plan

It is the purpose of the Plan to supplement Employment Insurance Benefits and not to replace or duplicate them.

(b) Status of Employees Receiving Regular Benefits

Neither the company's contributions nor any Regular Benefit paid under the Plan shall be considered a part of an Employee's wages for any purpose. No person who receives any Regular Benefit shall for that reason be deemed an Employee of the company during such period, and he/she shall not thereby accrue any greater right to participate in, accrue credits or receive benefits under any other employee benefit plan to which the company contributes than he/she would if he/she were not receiving such Regular Benefit.

7.02 Effect of Revocation of Income Tax Rulings

In the event that any rulings which have been or may be obtained by the company holding that any contributions to the Fund shall constitute currently deductible expense under federal income tax or similar legislation (if any) as now in effect or as it may be hereafter amended shall be revoked or modified in such manner as no longer to be satisfactory to the company, all obligations of the company under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect (without in any way affecting the validity or operation of the Collective Agreement), except for the purposes of disposing of the assets of the Fund as set forth in section 7.04(b).

7.03 Supplementation of Employment Insurance Benefits

If Supplementation is no longer permitted by rulings from Canadian governmental authorities or by amendments of the Employment Insurance Act, the parties shall endeavour to negotiate an agreement establishing a plan for benefits not inconsistent with the purposes of the Plan. Any agreement so reached shall not apply to an Employee who is ineligible to receive an Employment Insurance Benefit for any of the reasons stated in section 1.01(d) of the Plan. Such Employee, if otherwise eligible, may apply for and receive a Regular Benefit under the Plan.

7.04 Amendment and Termination of the Plan

- (a) So long as the Agreement of which this Plan as amended is a part shall remain in effect, the Plan shall not be amended, modified, suspended, or terminated, except as may be proper or permissible under the terms of the Plan or the Agreement. Upon the termination of the Agreement, the company shall have the right to continue the Plan in effect and to modify, amend, suspend, or terminate the Plan, except as may be otherwise provided in any subsequent agreement between the company and the union.
- (b) Upon any termination of the Plan, the Plan shall terminate in all respects except that the assets then remaining in the Funds shall be used to pay expenses of administration and to pay Regular Benefits to eligible Employees for a period of one (1) year following termination, if not sooner exhausted. The Plan provisions with respect to the effect of a low CUCB on the payment of Regular Benefits shall not be applicable. At the expiration of such one (1) year period, the parties shall endeavour to negotiate a program for the orderly disposition of any remaining assets of the Fund for Employee benefits not inconsistent with the purpose of the Plan.

ARTICLE 8

DEFINITIONS

As used herein:

(1) "Active Employment Rolls"

An Employee whose Seniority rights have not ceased is considered to be on the active employment roll of the company under the following circumstances:

- (i) while he/she is actually working for the company,
- (ii) while he/she is on an authorized vacation,
- (iii) while he/she is on an authorized leave of absence (other than a medical leave of absence) which is issued for a period of ninety (90) days or less,
- (iv) during the first ninety (90) days when he/she is on a medical leave of absence,
- (v) while he/she is on a disciplinary suspension,
- (vi) while he/she is on a temporary layoff as defined in the Collective Agreement;

Provided, however, that solely with respect to the provisions of section 3.02(d) (Accrual of Credit Units) and section 3.06(a) (Crediting of Guaranteed Annual Income Credit Units), an Employee also shall be deemed to be on the Active Employment Rolls while he/she is on strike;

(2) "Agreement" means the currently effective agreement between the company and the union which incorporates this Plan, the Separation Payment Plan, and the Automatic Short Week Benefit Plan by reference;

(3) "ASL" (Annual SUB Level) means an amount determined by multiplying (i) the number of straight time hours, time and one-half hours and double time hours, respectively, for which Employees have received pay from the Company (excluding any hours for which benefits hereunder or under the Automatic Short Week Benefit Plan were payable to Employees) for the immediately preceding Benefit Year, by

(ii) the applicable number of cents-per-hour as determined in accordance with the following Table:

Annual SUB Level to be Established	Applicable number of cents per straight-time hour	Applicable number of cents per straight-time hour	Applicable number of cents per straight-time hour
September 24, 2012	\$0.80	\$0.86	\$0.92
September 16, 2013	\$0.80	\$0.86	\$0.92
September 15, 2014	\$0.80	\$0.86	\$0.92
September 21, 2015	\$0.80	\$0.86	\$0.92

- (a) If the total Plan benefits paid in any Benefit Year are less than the ASL in the same Benefit Year, the difference between the ASL and the Plan benefits will be added to the immediately following year's ASL, except that the resulting ASL shall not exceed \$50,000,000.00 in any given Benefit Year.
- (b) If the total Plan benefits paid in any Benefit Year are greater than the ASL in the same Benefit Year, the excess above the ASL will be deducted from the immediately following year's ASL;
- (4) "ASL Utilization Percentage" means a percentage determined each Week by dividing Plan benefits paid in a Benefit Year up to and including the immediately preceding Week, by the ASL established for such year;
- (5) "Automatic Short Week Benefit" means the benefit payable to an eligible Employee for a Short Workweek in accordance with the Automatic Short Week Benefit Plan;
- (6) "Bargaining Unit" means a unit of Employees covered at the particular time by the Collective Agreement;
- (7) (i) "Base Hourly Rate" (exclusive of cost-of-living allowance) for an Hourly Employee means:
 - (a) the straight-time hourly rate of an Employee on his/her last day of work in the Bargaining Unit; except that if the Employee was paid at a higher straight-time hourly rate by the company while in the Bargaining Unit and within ninety (90) calendar days immediately preceding

his/her last day worked, Base Hourly Rate shall be such higher rate;

(ii) Base Rate Salary (exclusive of cost-of-living allowance) means:

(a) the straight-time monthly salary rate of an Employee on his/her last day of work in the Bargaining Unit; except that if the Employee was paid at a higher straight-time monthly salary rate by the company while in the Bargaining Unit and within ninety (90) calendar days immediately preceding his/her last day worked, Base Salary Rate shall be such higher rate;

(b) the Base Salary Rate as determined in section (7)(ii)(a) above shall be adjusted to reflect the amount of any monthly salary increase which became effective (pursuant to the Collective Agreement) after the day or period (or during the period) used to establish his/her Base Salary Rate. In such event the amount of any monthly salary increase shall be the amount applicable to the job classification in which the Employee worked either on the day, or the last day of the period, whichever is applicable, for which his/her Base Salary Rate was determined under section (7)(ii)(a) above. The adjusted Base Salary Rate shall be effective with respect to Regular Benefits which may be payable for and subsequent to the Week in which such increase became or becomes effective;

(iii) the Base Hourly Rate and Salary Rate as determined in section (7)(i) and (ii) above shall be adjusted to reflect the amount of any wage increase which became effective (pursuant to the Collective Agreement) after the day or period (or during the period) used to establish his/her Base Hourly Rate. In such event the amount of any wage increase shall be the amount applicable to the job classification in which the Employee worked either on the day, or the last day of the period, whichever is applicable, for which his/her Base Hourly Rate or Base Salary Rate

was determined under section (7)(a) above. The adjusted Base Hourly Rate or Base Salary Rate shall be effective with respect to Regular Benefits which may be payable for and subsequent to the Week in which such increase became or becomes effective;

- (8) "Benefit Year" means a consecutive fifty-two (52) week period commencing with the first Monday of October each year.
- (9) "Board" means the Board of Administration under the Plan;
- (10) "Break in Seniority" means break in or loss of Seniority pursuant to the Collective Agreement;
- (11) "Collective Agreement" means the Collective Agreement between the company and the union which is in effect at the particular time;
- (12) "Company" means Ford Motor Company of Canada, Limited;
- (13) "Credit Unit" means a Credit Unit, or fraction thereof, credited to an Employee under the Plan generally for Workweeks for which he/she receives pay, and cancelled at specified rates for the payment of certain Regular Benefits; and includes a Guaranteed Annual Income Credit Unit credited pursuant to sections 3.06, 3.07 and 3.08;
- (14) "Dependent" means a person recognized as a Dependent under the Canadian Income Tax Act for purposes of establishing the Employee's withholding tax exemptions;
- (15) "Employee" means an Employee in a Bargaining Unit;
 - (a) "Hourly Employee" means an Employee who at the particular time is paid on an hourly basis.
 - (b) "Salaried Employee" means an Employee who at the particular time is paid on a salary basis.

(16) "Income Security Fund Maximum Company Liability"

- (a) Shall be established at **\$165,217,000.00.**
- (b) The following benefits, payments and costs shall be applied against and limited by such Income Security Fund Maximum Company Liability amount, as provided under:
 - (i) The Supplemental Unemployment Benefit Plan
 - (ii) The Separation Benefit Plan
 - (iii) The Automatic Short Week Benefit Plan
 - (iv) The Income Maintenance Benefit Plan
 - (v) The Voluntary Termination of Employment Plan
 - (vi) The Restructuring Allowance
 - (vii) The Retirement Allowance
 - (viii) The Pre-Retirement Income Maintenance Program
 - (ix) — **NOT IN USE** —
 - (x) Program Administration Costs including, but not limited to, those set out in section 6.
 - (xi) **Moving Allowance**

(17) "Fund" means the Hourly Fund or the Salary Fund established under the Plan to receive and invest company contributions and to pay Regular Benefits;

- (a) "Hourly Fund" means the Fund which receives company contributions and from which Regular Benefits may be payable to Hourly Employees.
- (b) "Salary Fund" means the Fund which receives company contributions and from which Regular Benefits may be payable to Salaried Employees.

(18) "Insurance Program" means the Insurance Programs referred to in any Collective Agreement;

(19) "Local S.U.B.P. Committee" means the Committee established by the Board with respect to each Bargaining Unit to handle Employee appeals from company determinations;

- (20) "Plan" means the amended Supplemental Unemployment Benefit Plan as set forth in this part B;
- (21) "Plant" shall be deemed to include any manufacturing or assembly plant, parts distribution centre, or other company activity at which there are Employees;
- (22) "Regular Benefit" means a benefit payable under section 2.01 to an eligible Employee for a Week of layoff in which he/she performed no work for the company, and received no jury duty pay or bereavement pay from the company, or for which he/she received holiday pay from the company if he/she was not eligible for an Automatic Short Week Benefit for such Week;
- (23) "Levelling Week Benefit" means the Regular Benefit payable to an eligible Employee for all or part of a Week because, with respect to the Week, he/she was serving an Employment Insurance "waiting period" and during such Week or part thereof he/she was temporarily laid off out of line of Seniority pending an adjustment of the workforce in accordance with the terms of the Collective Agreement;
- (24) "Seniority" means Seniority status under a Collective Agreement;
- (25) "Separation Payment" means a lump sum amount payable to an eligible Employee by reason of qualified layoff and certain separations from the company in accordance with the Separation Payment Plan;
- (26) "Short Workweek" means a Workweek during which an Employee has less than forty (40) Compensated or Available Hours as defined under the Automatic Short Week Benefit Plan and
- (a) during which he/she performs some work for the company or
 - (b) for which he/she receives some jury duty pay or bereavement pay from the company or
 - (c) for which he/she receives only holiday pay from the company and, for the immediately preceding Week,

he/she either received an Automatic Short Week Benefit or had forty (40) or more Compensated or Available Hours;

- (27) "Supplementation" means recognition of the right of a person to receive both an Employment Insurance Benefit and a Regular Benefit under the Plan for the same Week of layoff at approximately the same time and without reduction of the Employment Insurance Benefit because of the payment of the Regular Benefit under the Plan;
- (28) "Trustee" means the Trustee or Trustees of the Fund established under the Plan;
- (29) "Employment Insurance Benefits" means "benefits" as defined by the Canadian Employment Insurance Act;
- (30) "Effective Date" means the effective date of the Collective Agreement except as otherwise specified in the Plan;
- (31) "Employment Insurance and Other Compensation" means an Employment Insurance Benefit and other compensation as defined in section 2.02;
- (32) "Union" means National Automobile, Aerospace, Transportation and General Workers union of Canada (CAW-Canada), and Locals 200, 240, 584, 707, 1324 and 1520;
- (33) "Scheduled Short Workweek" means a Short Workweek as described in section 6.05(h)(i);
- (34) "Unscheduled Short Workweek" means a Short Workweek as described in section 6.05(h)(ii);
- (35) "Week" when used in connection with eligibility for and computation of Regular Benefits with respect to an Employee means:
 - (a) a period of layoff equivalent to a Workweek, or
 - (b) a Workweek for which the total pay received or receivable by an Employee from the company (including vacation pay considered applicable to such

Workweek) and any amount of pay which could have been earned, computed as if payable, for hours made available by the company but not worked (excluding however, hours not worked which the Employee had an option to refuse under the Collective Agreement, as outlined in section 1.02(b)(iii), is less than 65% of his/her Weekly Straight Time Pay.

(c) a Short Workweek.

"Week of Layoff" shall include any such Week; provided, however, that if there is a difference between the starting time of a Workweek and of a Week under Employment Insurance, the Workweek shall be paired with the Week under Employment Insurance which corresponds most closely thereto in time; and provided, further, that if an Employee is ineligible for an Employment Insurance Benefit because of any of the reasons set forth in section 1.01(c) (excluding the reasons under (iii)) for the entire continuous period of layoff, the Week under the Employment Insurance System shall be deemed to be the same as the Workweek. If an Employee becomes ineligible for an Employment Insurance Benefit because of any of the aforementioned reasons during a continuous period of layoff the Week under Employment Insurance shall continue to mean, for the duration of the layoff period during which he/she so remains ineligible for an Employment Insurance Benefit, the seven (7) day period for which an Employment Insurance Benefit was last paid to the Employee during such continuous period of layoff. Each Week within a continuous period of layoff does not constitute a new or separate layoff.

- (36) "Weekly Straight-Time Pay" or "Weekly Straight-Time Ford Salary" means an amount equal to an Employee's Base Hourly Rate or Base Salary Rate (plus any applicable cost-of-living allowance in effect at the time of computation of the Regular Benefit, but excluding all other premiums and bonuses of any kind) multiplied by 40; or in the case of the Base Salary Rate by 3/13.

- (37) "Weekly After-Tax Pay" means the amount of an Hourly Employee's Weekly Straight-Time Pay or a Salaried Employee's Weekly Straight-Time Ford Salary reduced by the sum of all federal, provincial and municipal taxes and contributions which would be required to be collected, deducted or withheld by the company from a regular weekly wage of such amount if paid to him/her for the last Pay Period he/she worked in the Bargaining Unit; and
- (38) "Workweek" or "Pay Period" means a period commencing with the No. 1 shift Monday and ending one hundred and sixty-eight (168) hours thereafter.

PART C

SEPARATION PAYMENT PLAN

Section 1 Eligibility

An Employee shall be eligible for a Separation Payment on or after **September 24, 2012** if:

- (a)** (i) he/she has been on a layoff from the Bargaining Unit for a continuous period of at least twelve (12) months (or any shorter period determined by the company) and such layoff was not the result of any of the circumstances or conditions set forth in section 1.02(b)(ii) of the Supplemental Unemployment Benefit Plan; provided, however, that an Employee shall be deemed to have been on layoff from the company for a continuous period if, while on layoff, he/she accepts an offer of work by the company and subsequently is laid off again within not more than ten (10) work days from the date he/she was reinstated;
- (ii) he/she was actively at work on or after December 1, 1958 but became totally and permanently or occupationally disabled after such date, has been found to be so disabled by the local Employee Relations activity (the Plant physician in conjunction with the hourly employment supervisor) at the company Plant or Plants where the applicant has Seniority (provided, however, that any difference of opinion between the Plant physician and the Employee's personal physician concerning whether the Employee is totally and permanently or occupationally disabled shall be resolved in accordance with the Referral Procedure set forth in the attached letters exchanged between the union and the company and would be eligible for disability retirement benefits under section 4.03 of the Retirement Pension Plan established by agreement between the company and the union except that he/she does not have the requisite years of creditable service to be eligible for such benefit.

- (1) An Employee shall be deemed to be permanently and totally disabled if the Employee is suffering from a physical or mental impairment that prevents the Employee from engaging in any employment for which the Employee is reasonably suited by virtue of the Employee's education, training or experience and that can reasonably be expected to last for the remainder of the Employee's life-time, as established, in part, by a written certificate of a medical doctor licensed to practice in a province of Canada or in the place where the Employee resides.
- (2) An Employee shall be deemed to be occupationally disabled only if it is found on the basis in part of written medical evidence from a medical doctor licensed to practice in a province of Canada or in the place where the Employee resides:
 - (A) that he/she is totally disabled by bodily injury or disease so as to be prevented thereby from engaging in any regular occupation or employment with the company at the Plant or Plants where he/she has Seniority and
 - (B) that such disability will be permanent and continuous during the remainder of his/her life; provided, however, that no Employee shall be deemed to be totally and permanently disabled if his/her incapacity resulted from service in the armed forces of any country except that on or after October 25, 1967 nothing herein shall prevent an Employee from being deemed so disabled under the Plan if he/she has accumulated at least ten (10) years of Seniority after separation from service in the armed forces and before such incapacity occurs; or

- (iii) he/she has had a combination of such layoff period and disability period which combined period is continuous through the date on which application for a Separation Payment is received by the company; and in addition to (i) and (ii) above, meets the requirements of section 1(b); or
 - (iv) is terminated at or after age 60, provided he/she is ineligible for a retirement benefit in accordance with section 1(c);
- (b) he/she had one or more years of Seniority on the last day on which he/she was on the Active Employment rolls, and such Seniority has not been broken on or prior to the earliest date on which he/she can make application (the requirement that Seniority be unbroken on the date application is made shall not be applicable to terminations as referred to in sub-section (a)(iv) above);
- (c) he/she is not eligible to receive a pension or a retirement benefit other than a deferred pension or a deferred retirement benefit under any company Plan or program then in effect;
- (d) he/she has not refused an offer of work pursuant to any of the conditions set forth in section 1.02(b)(iii) of The Supplemental Unemployment Benefit Plan on or after the last day he/she worked in the Bargaining Unit and prior to the earliest date on which he/she can make application, provided that refusal after termination under subsection (a)(iv) above shall not result in ineligibility for a Separation Payment;
- (e) he/she has made application for a Separation Payment within twenty-four (24) months [thirty-six (36) months in the case of an Employee who has ten (10) or more years of Seniority and is eligible for a Separation Payment determined in accordance with section 2(b)(i), below] from the commencement of his/her layoff or disability period, or date of termination in accordance with section 1(a)(iv) above; except that an Employee who meets the requirements of section 1(a)(ii) of this section may make such application on or before the 30th day following the last month for which he/she was eligible to receive an

Extended Disability Benefit under the Insurance Program; provided, however, that in the case of layoff no application may be made prior to the completion of twelve (12) continuous months of layoff from the company (or any shorter period determined by the company); and

Section 2 Payment

- (a) A Separation Payment shall be payable by the company and only in a lump sum.
- (b) Determination of Amount
 - (i) Except as provided in paragraphs (ii) and (iii) of this subsection (b), the Separation Payment of an Employee shall be an amount determined by multiplying
 - (1) the Employee's Base Hourly Rate or Base Salary Rate (to be determined by dividing 12 times the Employee's Base Salary Rate by 2,080 hours) by
 - (2) the applicable Number of Hours' Pay as shown in the following table:

SEPARATION PAYMENT TABLE

*Years of Seniority on
Last Day on the Active
Employment Rolls*

*Number of
Hours' Pay*

1	but	less	than	2	50
2	"	"	"	3	70
3	"	"	"	4	100
4	"	"	"	5	135
5	"	"	"	6	170
6	"	"	"	7	210
7	"	"	"	8	255
8	"	"	"	9	300
9	"	"	"	10	350
10	"	"	"	11	400
11	"	"	"	12	455

*Years of Seniority on
Last Day on the Active
Employment Rolls*

*Number of
Hours' Pay*

12	"	"	"	13	510
13	"	"	"	14	570
14	"	"	"	15	630
15	"	"	"	16	700
16	"	"	"	17	770
17	"	"	"	18	840
18	"	"	"	19	920
19	"	"	"	20	1000
20	"	"	"	21	1085
21	"	"	"	22	1170
22	"	"	"	23	1260
23	"	"	"	24	1355
24	"	"	"	25	1455
25	"	"	"	26	1560
26	"	"	"	27	1665
27	"	"	"	28	1770
28	"	"	"	29	1875
29	"	"	"	30	1980
30	and over				2080

(ii) The amount of a Separation Payment as initially computed under paragraph (i) of this subsection (b) shall be reduced by:

- (1) the amount of any payment, financed in whole or in part by the company, received or receivable on or after the last day the Employee worked in the Bargaining Unit, with respect to any layoff or separation from the company (other than a Regular Benefit, Levelling Week Benefit, an Automatic Short Week Benefit, or an Employment Insurance Benefit);
- (2) the amount of any Moving Allowance deductible under the applicable section of the Collective Agreement; and

- (3) any amount required to be withheld by the Trustee or the company by reason of any law or regulation, for payment of taxes or otherwise, to any federal, provincial or municipal government.
- (iii) If an applicant has been paid a prior Separation Payment under paragraph (i) of this subsection (b) and thereafter was re-employed by the company within three years from the last day he/she worked in the Bargaining Unit, years of Seniority for purposes of determining the amount of his/her current Separation Payment shall mean the sum of the years of Seniority used to determine the amount of his/her prior Separation Payment and the number of years of Seniority acquired by him/her after he/she was rehired. The Number of Hours' Pay used to calculate his/her prior Separation Payment shall be subtracted from the Number of Hours' Pay based on his/her years of Seniority determined as provided above.

Section 3 Effect of Separation Payment on Seniority

An Employee who is issued and accepts a Separation Payment shall cease to be an Employee and his/her Seniority shall be deemed to have been broken as of the date his/her application for such Separation Payment was received by the company.

Section 4 Company Determination of Eligibility

The company shall promptly determine the Employee's eligibility for a Separation Payment, and the Separation Payment shall be paid or denied in accordance with such determination.

Section 5 Overpayments

If the company or the Board determines, after issuance of a Separation Payment, that the Separation Payment should not have been issued or should have been issued in a lesser amount, written notice thereof shall be mailed to the former Employee and he/she shall return the amount of the overpayment to the company. The company shall add the amount of any such overpayment returned by the former Employee to the amount of

contributions required under section 6.05 of the Supplemental Unemployment Benefit Plan.

Section 6 Repayment

If a former Employee is re-employed by the company after he/she has received a Separation Payment, no repayment (except as provided in section 5) by him/her of such Separation Payment shall be required or allowed and no Seniority cancelled in connection with such Separation Payment shall be reinstated except for the specific purpose provided in section 2(b)(iii).

Section 7 Notice of Application Time Limits

The company shall provide written notice of the time limit for filing a Separation Payment application to all persons who may be eligible for such Payment. Such notice shall be mailed to the person's last known address according to the company's records not later than thirty (30) days prior to both the earliest and the latest dates as of which he/she may apply pursuant to the provisions of section 1(e).

Section 8 Board of Administration

The Board shall be empowered and authorized and shall have jurisdiction to direct the company to make Separation Payments pursuant to determinations made by the Board.

Section 9 Reports by the Company

- (a) The company shall furnish the Board and the union quarterly a listing by Bargaining Unit showing the names of the persons who, during the preceding calendar quarter, accepted a Separation Payment, together with both the individual gross and net amounts of such Separation Payments.
- (b) The company shall furnish to a union member of the Local S.U.B.P. Committee a copy of each application for a Separation Payment and a copy of all company determinations of Separation Payment ineligibility or overpayment.

Section 10 Armed Services

An Employee who enters the Canadian Armed Forces directly from the employ of the company shall, while in such service, be deemed for the purposes of the Plan to be on leave of absence and shall not be entitled to any Separation Payment.

Section 11 General

- (a) The provisions of these sections 1 through 13 constitute the entire Separation Payment Plan (hereinafter referred to as the Plan) and express each and every obligation of the company with respect to the financing of the Plan and providing for Separation Payments. The Board, the company and the union, and each of them, shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others. Notwithstanding the above provisions, nothing in this section shall be deemed to relieve any person from liability for willful misconduct or fraud.
- (b) No Separation Payment paid under the Plan shall be considered a part of any Employee's wages for any purpose. No person who receives any Separation Payment shall for that reason be deemed an Employee of the company during such period.
- (c) No question involving the interpretation or application of the Plan shall be subject to the grievance procedure provided for in the Collective Agreement.

Section 12 Amendment and Termination of the Plan

So long as the Agreement of which this Plan is a part shall remain in effect, the Plan shall not be amended, modified, suspended or terminated, except as may be proper or permissible under the terms of the Plan or of the Agreement. Upon the termination of the Agreement, the company shall have the right to continue the Plan in effect and to modify, amend, suspend or terminate the Plan, except as may be otherwise provided in any subsequent Agreement between the company and the union.

Section 13 Definitions

Any term used herein which has a counterpart that is defined in the Supplemental Unemployment Benefit Plan shall, unless specifically defined herein, have the same meaning, for the purpose of this Plan, as such term has under The Supplemental Unemployment Benefit Plan. As used herein:

(1) "Active Employment Rolls"

An Employee whose Seniority rights have not ceased is considered to be on the active employment roll of the company under the following circumstances:

- (i) while he/she is actually working for the company,
- (ii) while he/she is on an authorized vacation,
- (iii) while he/she is on an authorized leave of absence (other than a medical leave of absence) which is issued for a period of ninety (90) days or less,
- (iv) during the first ninety (90) days when he/she is on a medical leave of absence,
- (v) while he/she is on a disciplinary suspension,
- (vi) for hourly, while he/she is on a temporary layoff as defined in the Collective Agreement;
- (vii) for salary, while he/she is on a layoff which is not expected to exceed twenty-four (24) calendar days; provided, however, that solely with respect to the provisions of section 1(b) of this Plan (eligibility for a Separation Payment) an Employee also shall be deemed to be on the Active Employment Rolls while he/she is on strike;

(2) "Base Hourly Rate For an Hourly Employee: means:

- (a) the straight-time hourly rate of an Employee on his/her last day of work in the Bargaining Unit; except that if the Employee was paid at a higher straight-time hourly rate by the company while in the Bargaining Unit and within ninety (90) calendar days immediately preceding his/her last day worked, Base Hourly Rate shall be such higher rate,
- (b) the Base Hourly Rate determined under (a) above, shall be adjusted to include the amount of any applicable cost-of-living allowance in effect with respect to the last day worked for the company;

(3) "Base Salary Rate": means:

- (a) the straight-time monthly salary rate of an Employee on his/her last day of work in the Bargaining Unit; except that if the Employee was paid at a higher straight-time rate by the company while in the Bargaining Unit and within ninety (90) calendar days immediately preceding his/her last day worked, Base Salary Rate shall be such higher rate,
- (b) the Base Salary Rate determined under (a) above, shall be adjusted to include the amount of any applicable cost-of-living allowance in effect with respect to the last day worked for the company;

(4) "Plan" means the Separation Payment Plan as set out in this part C.

PART D

AUTOMATIC SHORT WEEK BENEFIT PLAN

Section 1 Eligibility

- (a) An Employee shall be eligible for an Automatic Short Week Benefit for any Week beginning on or after **September 24, 2012** if:
- (1) during such Week he/she had less than forty (40) Compensated or Available Hours and
 - (i) he/she performed some work for the company, or
 - (ii) for such Week he/she received some jury duty pay or bereavement pay from the company, or
 - (iii) for such Week, he/she received only holiday pay from the company and, for the immediately preceding Week, he/she either received an Automatic Short Week Benefit or had forty (40) or more Compensated or Available Hours.
 - (2) he/she had at least three (3) years of Seniority as of the last day of the Week (or during some part of such Week he/she had at least three (3) years of Seniority and broke Seniority by reason of death or of retirement under the provisions of the Retirement Plan established by agreement between the company and the union); and
 - (3) he/she was on a qualifying layoff, as described in section 1.02 of The Supplemental Unemployment Benefit Plan for some part of such Week, or he/she was ineligible as defined under the Collective Agreement for pay from the company for all or part of a period of jury duty, bereavement or short term active duty of thirty (30) days or less because he/she was called to active service in a reserve or similar unit by provincial or federal authorities in case of public emergency during the Week and during all or part of such period he/she would otherwise have been on a qualifying layoff under this Plan.

- (b) No application for an Automatic Short Week Benefit shall be required of an Employee. However, if an Employee believes himself/herself entitled to (i) an Automatic Short Week Benefit for a Week which he/she does not receive on the date when such Automatic Short Week Benefits for such Week are paid or (ii) an Automatic Short Week Benefit in an amount greater than he/she received, he/she may file written application therefor within sixty (60) calendar days after such date in accordance with procedures established by the company.
- (c) An Automatic Short Week Benefit payable for a Week shall be in lieu of any other Benefit under the Supplemental Unemployment Benefit Plan for that Week.

Section 2 Automatic Short Week Benefit Amount

- (a) The Automatic Short Week Benefit payable to an eligible Employee for any Week beginning on or after **September 24, 2012** shall be an amount equal to the product of the number by which forty (40) exceeds his/her Compensated or Available Hours, computed to the nearest tenth of an hour, multiplied by 80% of his/her Base Hourly Rate or Base Salary Rate divided by 173.3.
- (b) An Employee, who breaks Seniority during a Week by reason of death or of retirement under the provisions of the Retirement Plan established by agreement between the company and the union and is eligible for an Automatic Short Week Benefit with respect to certain hours of layoff during the Week prior to the date his/her Seniority is broken, will receive an amount computed as provided in subsection 2(a) of this section based on the number by which the hours for which the Employee would regularly have been compensated exceeds his/her Compensated or Available Hours with respect to that part of the Week prior to the date his/her Seniority is broken.
- (c) The company shall deduct from the Amount of any Automatic Short Week Benefit as computed under this Plan any amount required to be withheld by the company by reason of any law or regulation, for payment of taxes or otherwise to any federal, provincial or municipal government.

Section 3 Method of Payment

Automatic Short Week Benefits shall be payable by the company.

Section 4 Company Determination of Eligibility

The company shall promptly determine the Employee's eligibility for an Automatic Short Week Benefit, and the Automatic Short Week Benefit shall be paid or denied in accordance with such determination. If the company determines that an Employee is not entitled to an Automatic Short Week Benefit with respect to the Week for which application for an Automatic Short Week Benefit is made, it shall notify him/her promptly, in writing, of the reason(s) for the determination.

Section 5 Overpayment

- (a) If the company or the Board determines that any Automatic Short Week Benefits paid under this Plan should not have been paid or should have been paid in a lesser amount, written notice thereof shall be mailed to the Employee receiving such Automatic Short Week Benefit(s) and he/she shall return the amount of the overpayment to the company; provided, however, that no such repayment shall be required if the cumulative overpayment is \$3.00 or less or if notice has not been given within one hundred and twenty (120) days from the date the overpayment was established or created, except that no such limitation shall be applicable in cases of fraud or willful misrepresentation.
- (b) If the Employee shall fail to return such amount of overpayment promptly, the company shall make a deduction from any future Automatic Short Week Benefits (not to exceed \$30.00 from any 1 Automatic Short Week Benefit except in cases of fraud or willful misrepresentation) otherwise payable to such Employee by the company, or to make a deduction from compensation payable by the company (including, without limitation, Regular Benefits and Separation Payments) to such Employees (not to exceed \$75.00 from any one paycheque except in cases of fraud or willful misrepresentation), or both. The company is authorized to make the deduction from the Employee's compensation as

provided under this subsection and to pay the amounts deducted to the Trustee.

- (c) If the company determines that an Employee has received an Automatic Short Week Benefit for any Week for which he/she has received an Employment Insurance Benefit, the amount of such Automatic Short Week Benefit, or a portion of such Benefit equivalent to the Employment Insurance Benefit, whichever is less, shall be treated as an overpayment in accordance with this section.
- (d) The company may adjust for any overpayments or underpayments in the amount of an Automatic Short Week Benefit at the same time as related adjustments are made with respect to any wages for the same Workweek. Such Automatic Short Week Benefit adjustments shall be shown on the pay statement or other equivalent record given to the Employee. Such pay statement or equivalent record shall constitute a determination which may be appealed in accordance with the procedure outlined in section 4.03 of The Supplemental Unemployment Benefit Plan.

Section 6 Reports by the Company

- (a) Not later than the third Tuesday following the first Monday of each month, the company shall furnish to the union a statement showing the number and amount of Automatic Short Week Benefits, if any, paid by the company during each Week of the preceding month; and with respect to any Week for which the amount of Scheduled Automatic Short Week Benefits are not deductible from company contributions because of the Fund position, the number and amount of Scheduled and Unscheduled Benefits paid, respectively.
- (b) The company shall furnish promptly to a union member of the Local S.U.B.P. Committee a copy of all company determinations of Automatic Short Week Benefit ineligibility or overpayment.

Section 7 General

- (a) The provisions of these sections 1 through 9 constitute the entire Automatic Short Week Benefit Plan (hereinafter referred to as the Plan) and express each and every obligation of the company with respect to the financing of this Plan and providing for Automatic Short Week Benefits. The Board, the company, and the union, and each of them, shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others. Notwithstanding the above provisions, nothing in this section shall be deemed to relieve any person from liability for willful misconduct or fraud.
- (b) No question involving the interpretation or application of the Plan shall be subject to the grievance procedure provided for in the Collective Agreement.

Section 8 Amendment and Termination of the Plan

So long as the Agreement of which this Plan is a part shall remain in effect, the Plan shall not be amended, modified, suspended or terminated, except as may be proper or permissible under the terms of the Plan or the Agreement. Upon the termination of the Agreement, the company shall have the right to continue this Plan in effect and to modify, amend, suspend or terminate this Plan, except as may be otherwise provided in any subsequent Agreement between the company and the union.

Section 9 Definitions

Any term used herein which has a counterpart that is defined in The Supplemental Unemployment Benefit Plan shall, unless specifically defined herein, have the same meaning, for the purposes of this Plan, as such term has under The Supplemental Unemployment Benefit Plan. As used herein:

- (1) "Base Hourly Rate" means:
 - (a) the highest straight-time hourly rate paid the Employee while in the Bargaining Unit during the Pay Period in which the Short Workweek occurs;

- (b) the Base Hourly Rate as determined under (a) above, shall be adjusted to include:
 - (i) the amount of any applicable cost-of-living allowance in effect with respect to the Week for which the Automatic Short Week Benefit is paid; and
 - (ii) the amount of any wage increase which became effective (pursuant to the Collective Agreement) after the day or period used to establish his/her Base Hourly Rate. In such event the amount of any wage increase shall be the amount applicable to the job classification in which the Employee worked either on the day, or the last day of the period, whichever is applicable, for which his/her Base Hourly Rate was determined under (a) above. The Base Hourly Rate adjustment due to the increase shall be effective with respect to Automatic Short Week Benefits which may be payable for and subsequent to the Week in which such increase became or becomes effective;

(2) "Base Salary Rate" means:

- (a) the highest straight-time monthly salary rate paid the Employee while in the Bargaining Unit during the Pay Period in which the Short Workweek occurs;
- (b) the Base Salary Rate as determined under (a) above, shall be adjusted to include:
 - (i) the amount of any applicable cost-of-living allowance in effect with respect to the Week for which the Automatic Short Week Benefit is paid; and
 - (ii) the amount of any salary increase which became effective (pursuant to the Collective Agreement) after the day or period used to establish his/her Base Salary Rate. In such event the amount of any wage increase

shall be the amount applicable to the job classification in which the Employee worked either on the day, or the last day of the period, whichever is applicable, for which his/her Base Salary Rate was determined under (a) above. The Base Salary Rate adjustment due to the increase shall be effective with respect to Automatic Short Week Benefits which may be payable for and subsequent to the Week in which such increase became or becomes effective;

- (3) "Compensated or Available Hours" for a Week shall be the sum of:
- (a) all hours for which an Employee receives pay from the company (excluding vacation pay except as provided in section (e) below), and excluding any hours of overtime that are either worked or made available to the Employee during the Week.
 - (b) all hours scheduled or made available to the Employee by the company but not worked by the Employee, after reasonable notice has been given to the Employee (including any period on leave of absence); provided, however, if the hours made available but not worked were straight-time hours, which the Employee had an option to refuse under provisions of the Collective Agreement or which he/she could refuse without disqualification under section 1.02(b)(iii) of the Supplemental Unemployment Benefit Plan, such hours are not to be considered as hours made available by the company;
 - (c) all hours not worked by the Employee because of any of the reasons disqualifying an Employee from receiving a Regular Benefit under section 1.02(b)(ii) and 1.02(b)(iv) of the Supplemental Unemployment Benefit Plan;

- (d) all hours not worked by the Employee which are in accordance with a written agreement between the local management and the local union or which are attributed to absenteeism of other Employees;
 - (e) all hours represented by vacation pay, paid pursuant to the Vacation With Pay Plan of the appropriate Collective Agreement, on the basis that forty (40) hours, or such fewer hours for which vacation pay was received, shall be applicable to the first vacation week to which the Employee is entitled, and all additional vacation pay shall be allocated to such subsequent vacation weeks on a pro rata basis of forty (40) hours pay, or lesser amount as may have been received, per vacation week.
 - (f) in the case of Salaried Employees, all hours represented by payments for casual absence or while on sick leave.
- (4) "Plan" means the Automatic Short Week Benefit Plan as set forth in this Part D.
- (5) "Week" when used in connection with eligibility for and computation of Automatic Short Week Benefits with respect to an Employee means a Short Workweek.

November 4, 1979

Mr. R. White
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

This is to confirm our understanding that the company will furnish information weekly to the Financial Secretary of each local Union as soon as practicable concerning the names of Employees who receive Regular Benefits under the Ford-UAW SUB Plan and the amount of such Benefits.

Yours very truly,
S. J. Surma
Vice President
Industrial Relations

Accepted and Approved:
INTERNATIONAL UNION, UNITED
AUTOMOBILE, AEROSPACE AND
AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA (UAW)

By R. White

November 4, 1979

Mr. R. White
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

Notwithstanding any provisions of the Supplemental Unemployment Benefit Plan to the contrary, an Employee on a qualifying layoff who is ineligible for an Unemployment Insurance Benefit for any Week solely because of the maternity provisions of the Unemployment Insurance Act will, if otherwise eligible, be entitled to a Regular Benefit for such Week, subject to the following conditions:

Prior to the payment of a Regular Benefit for such Week, such Employee must:

- (a) Submit written evidence satisfactory to the company of her ineligibility for an Unemployment Insurance Benefit under the maternity provisions of the Unemployment Insurance Act, and
- (b) With respect to such Week, file a written application in person and establish to the satisfaction of the company that she is able and available for and seeking full-time work to the same extent as though she was receiving an Unemployment Insurance Benefit.

Any term defined in the Plan and used in this letter has the same meaning in this letter as in the Plan.

Yours very truly,
S. J. Surma
Vice President
Industrial Relations

Accepted and Approved:
INTERNATIONAL UNION, UNITED
AUTOMOBILE, AEROSPACE AND
AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA (UAW)

By: R. White

November 4, 1979

Mr. R. White
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

During the present negotiations you requested an explanation as to how company determinations are made that Employees are or are not on a qualifying layoff, within the meaning of section 1.02 of the Supplemental Unemployment Benefit Plan, in the event of severe weather constituting an Act of God.

In making these decisions the company considers the following factors:

- Weather conditions in relation to normally expected weather for the area and the experience of local governmental agencies and the population in dealing with such weather.
- Existence of legally enforceable government directive affecting a substantial number of Employees, that any motorist will receive a substantial fine for any driving in the affected area.
- Disaster area declarations.
- Weather-related experience of other area employers (especially any other automotive manufacturers in the area).
- Road closings in the vicinity of the facility which prevent reasonable access to the facility.
- Effect of severe weather on the facility, e.g., collapsed walls, power outages, inability to move stock, etc.
- School closings.
- Airport closings.
- Government office closings.
- Postponement or cancellation of public or private events.
- Shutdown or serious weather-related impairment of rail and truck transportation.
- Attendance and tardiness patterns in the Plant and other company facilities in the area.

No single factor in and of itself may be determinative. These factors are considered as a whole based on a reasonable assessment. The critical determination is the impact of the severe weather, based on the pertinent factors listed above, on Employees and facilities.

It was also agreed by the parties during these negotiations that in the case of an Employee who reports for work on a day for which a company determination is made that a qualifying layoff, by reasons of severe weather, exists with respect to Employees in such Plant who did not report for work, all hours worked by such reporting Employee will be disregarded in calculating Compensated or Available hours for the Week and such Employee shall be deemed to be on qualified layoff for the shift.

Yours very truly,
S. J. Surma
Vice President
Industrial Relations

October 10, 1982

Mr. R. White
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

The conditions of eligibility for a Separation Payment based on layoff, as set forth in section 1 of the 1982 Separation Payment Plan, include the requirement that an Employee have been on layoff "... for a continuous period of at least 12 months (or any shorter period determined by the Company)".

This is to confirm our understanding with you reached in these negotiations that during the term of the Separation Payment Plan the Company will waive the 12 month Separation Payment layoff waiting period described above with respect to layoffs resulting from Plant closings, discontinuance of operations or other circumstances or events in which layoffs appear to be permanent and the Employees involved appear to have no further opportunity for employment with the Company.

Yours very truly,
S. J. Surma
Vice President
Industrial Relations

November 18, 1984

Mr. R. White
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

During the current negotiations the Union expressed some concern regarding a possible interpretation of the provisions of section 1.02(b)(iv) of the SUB Plan which could result in denying a Benefit to an otherwise eligible Employee who is claiming a benefit under a Workers' Compensation law while not totally disabled. This is to advise you that the provisions of section 1.02(b)(iv) of the Plan will not be interpreted to disqualify an Employee on layoff from Benefits solely because he is eligible for or claiming a permanent partial or scheduled loss benefit under a Workers' Compensation law or other law providing benefits for occupational injury or disease so long as the injury or disease does not prevent the Employee from working.

Yours very truly,
A. W. Hanlon
Vice President
Industrial Relations

November 18, 1984

Mr. R. White
International Vice President and
Director for Canada
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America (UAW)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

During the present negotiations the parties discussed the subject of the calculation and crediting of Guaranteed Annual Income Credit Units to Employees returning to work from a layoff period that included the Guarantee Date. This is to advise you that in the calculation of any Guaranteed Annual Income Credit Units under section 3.06 of the SUB Plan, to which an Employee is entitled by reason of his return to work from layoff or while on temporary layoff on the Guarantee Date, the calculation will include the number of Credit Units that are or would be cancelled for SUB applications for Weeks of layoff during the prior layoff period, that are received and paid or determined to be payable by the Company as of the fourth Sunday following the Employee's scheduled return to work date.

Yours very truly,
A. W. Hanlon
Vice President
Industrial Relations

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace
and Agricultural Implement
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. White:

For purposes of calculating the Average Full Benefit Rate in the SUB Plan, the number and amount of Full Regular Benefits paid from the Fund for the second Week of the Waiting Period under Unemployment Insurance shall not be used in the calculation of the Average Full Benefit Rate. The number and amount of such Benefits shall be reported separately from other Full Benefits on the monthly SUB report.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President
Industrial Relations

Concur: R. White

October 13, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

The parties acknowledge that the intent under the SUB Plan is to provide SUB benefits and initially "top-up" Unemployment Insurance Compensation. The parties further acknowledge that historically the payment of Regular Benefits has followed this approach. The Company and Union representatives agree that in the future, Regular Benefits will continue to be determined in this manner.

In the event that it is determined that this intent has been purposely circumvented (i.e. initial application for Regular Benefits is made after exhaustion of Unemployment Insurance Benefits) the Unemployment Insurance maximum benefit at the time of SUB application will be deducted from Regular Benefits.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President
Employee Relations

October 13, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

During the 1993 negotiations the parties discussed circumstances whereby Unemployment Insurance Benefit periods were being terminated prematurely and new claims immediately being established in order to qualify Employees for a maximum SUB Benefit for which they would otherwise not be entitled.

The parties agreed that such actions were contrary to the intent of the Supplemental Unemployment Benefit Plan and that no benefits will be payable in such circumstances in the future.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace, Transportation
and General Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

During the course of the 1996 negotiations the parties discussed the Union's proposal to pay maternity, parental and adoption leaves from a Supplemental Unemployment Benefit (SUB) Fund as a top-up to Benefits under the Employment Insurance Act. Given that there was insufficient time for the parties to address all the issues associated with this matter, the parties agreed to pattern the arrangements that will be negotiated at Chrysler Canada following their negotiations.

It is the company's intent to establish a new maternity leave allowance which will provide seniority employees with up to 16 weeks of benefits at 75% of Weekly Straight Time Pay less any benefits obtained under the Employment Insurance Act. In addition, it is the company's intent to establish new parental and adoption leave allowances which will provide seniority employees with 10 weeks of benefits, or for duration of the leave, if shorter, at 65% of Weekly Straight Time Pay less Unemployment Insurance benefits.

It is the intent of the Company to implement this new procedure no later than April 1, 1997.

The parties agree that the adoption leave allowance will be at 75% of Weekly Straight Time Pay less Unemployment Insurance Benefits for up to 16 weeks if Employment Insurance adoption leave benefits are modified to equate with maternity leave benefits.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 2002 negotiation, the parties agreed to modify the SUB Plan as follows:

- Current seniority employees on layoff from the Company as the result of a qualifying event under the Job and Income Security Program who exhaust Supplemental Unemployment Insurance Benefits (SUB) and/or Income Maintenance Plan (IMP) benefits during the term of the 2002 Collective Agreement and who are not otherwise employed, will be credited with seventy-eight (78) SUB credit units. SUB payable will be based on the employee's last day worked.
- Current seniority employees on layoff from the Company as the result of a qualifying event under the Job and Income Security Program who exhaust Supplemental Unemployment Benefits (SUB) and/or Income Maintenance Plan Benefits (IMP) during the term of the 2002 Collective Agreement and who are otherwise employed will be credited with seventy-eight (78) SUB credit units and therefore will be eligible to receive a top up of their outside employment earnings to 65% of weekly straight-time pay based on their last day worked. Such top up will be provided to the employee at the end of each three (3) month period following submission of proof of earnings, to the Company.
- Employees, credited with the seventy-eight (78) SUB credit units will be eligible for the Legal Services Plan and Company paid health care and group insurance benefits, normally available during the initial twelve (12) months of layoff.

- The maximum duration of the entitlements provided above will not exceed the term of the 2002 collective agreement.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations, the parties agreed, effective with the 2009 income tax year, to eliminate reimbursements made to employees who are required to rebate Employment Insurance Benefits otherwise known as "EI Clawback." The company agreed that, for the 2009 taxation year only, this would not apply to any employee whose layoff is the result of an application of inverse seniority as provided for in Article 15 of the 2008 Ford – CAW collective agreement.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations, the company advised the union of the increased cost of Supplemental Unemployment Benefits (SUB) paid out to employees that are recalled from layoff to cover vacation leaves during the summer months. Accordingly, the parties agreed that full-time employees recalled from layoff on or after May 1 and subsequently laid off prior to September 1 will not accrue SUB credits based on those hours worked.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

November 2, 2009

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Lewenza:

During 2009 negotiations and in response to the one year extension of the 2008 Ford-CAW Agreement, the company agreed to increase the Income Security Fund Maximum Company Liability by \$66,305,125.00.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

EXHIBIT F

**SUPPLEMENTAL AGREEMENT CONCERNING INCOME
MAINTENANCE BENEFIT PLAN AND
VOLUNTARY TERMINATION OF EMPLOYMENT PLAN**

BETWEEN

FORD MOTOR COMPANY OF CANADA, LIMITED

AND

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA
(CAW-CANADA)
AND ITS LOCALS 200, 240, 584, 707, 1324, AND 1520**

September 24, 2012

INCOME MAINTENANCE BENEFIT PLAN

EXHIBIT F

2012 SUPPLEMENTAL AGREEMENT

On this **24th** day of September, **2012** Ford Motor Company of Canada Limited, hereinafter referred to as the Company, and the National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) and its Locals 200, 240, 584, 707, 1324, and 1520 hereinafter referred to as the Union, on behalf of the Employees covered by the **2012** Collective Agreements of which this Supplemental Agreement becomes a part, agree as follows:

Section I. Establishment of the Plans

- (a) This Agreement concerning the Income Maintenance Benefit Plan (Exhibit F-1), and the Voluntary Termination of Employment Plan (Exhibit F-2), shall become effective with respect to Employees in each of the Bargaining Units to which this Supplemental Agreement shall apply on the date of commencement of the first pay period coincident with or immediately following the respective Effective Dates of the **2012** Collective Agreements of which this Supplemental Agreement is a part.
- (b) The Income Maintenance Benefit Plan and the Voluntary Termination of Employment Plan, which are attached as Exhibits F-1 and F-2 to this Supplemental Agreement between the parties dated **September 24, 2012** will be established as set forth in Exhibits F-1 and F-2 attached hereto, effective as of the date this Agreement becomes effective for each Bargaining Unit in accordance with section 1(a) above, except as otherwise may be specified in this Agreement and the Plans** and maintained by the Company for the duration of the Collective Agreements of which this Agreement is a part, subject to the terms and conditions of such Plans attached to this Agreement as Exhibits F-1 and F-2.

** The definitions of section 19 of Exhibit F-1 are applicable to this Agreement as if fully set forth herein.

Section 2. Termination of the Plans Prior to Expiration Date

In the event the Income Maintenance Benefit Plan shall not become effective by reason of section 5 of this Agreement or if the rulings described in section 5 shall be revoked or modified in such manner so as to no longer be satisfactory to the Company, notice of such event shall be provided to the Union within five working days, and all obligations of the Company under this Agreement and the Income Maintenance Benefit Plan and the Voluntary Termination of Employment Plan shall cease and the Plans shall thereupon terminate and be of no further effect. Thereafter the parties shall negotiate for a period of sixty (60) days, or a mutually satisfactory longer period, from the date of notice to the Union of receipt of such unfavourable rulings, with respect to adopting a program adhering as closely as possible to the language and intent of the provisions outlined in Exhibit F-1 for which favourable rulings may be obtained.

Section 3. Obligations During Term of this Agreement

During the term of this Agreement, neither the Company nor the Union shall request any change in, deletion from, or addition to the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan or this Agreement; or be required to bargain with respect to any provision or interpretation of such Plans or this Agreement; and during such period no change in, deletion from or addition to any provision, or interpretation, of such Plans or this Agreement, nor any dispute or difference arising in any negotiations pursuant to section 2 of this Agreement, shall be an object of, or a reason or cause for, any action or failure to act, including, without limitation, any strike, slowdown, work stoppage, lockout, picketing or other exercise of economic force, or threat thereof, by the Union or the Company.

Section 4. Term of Agreement: Notice to Modify or Terminate

This Agreement shall remain in full force and effect without change until **September 19, 2016**. As of that date this Agreement may be terminated, modified, changed, or continued, subject to and in accordance with the terminal provisions of the Collective Agreements of which this Agreement is a part.

Anything herein which might be construed to the contrary notwithstanding, however, it is understood that termination of this Agreement under this section shall not have the effect of automatically terminating the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan which shall continue only for eligible Employees laid off during the term of the **2012** Collective Agreements.

Any notice under this section shall be in writing and shall be sufficient to the Union if it is sent by mail addressed to the National President, National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), 205 Placer Court, Toronto, Ontario, or to such other address as the Union shall furnish to the Company in writing; and to the Company if it is sent to the Vice President, Human Resources, Ford Motor Company of Canada, Limited, Oakville, Ontario, or to such other address as the Company shall furnish to the Union, in writing.

Section 5. Governmental Rulings

- (a) This Agreement and the Income Maintenance Benefit Plan and the Voluntary Termination of Employment Plan incorporated in Exhibits F-1 and F-2 hereof shall not be effective prior to receipt by the Company of rulings, satisfactory to the Company, from Canadian governmental authorities:
 - (1) permitting Supplementation as defined in the Income Maintenance Benefit Plan, and
 - (2) from the Minister of National Revenue holding that the Income Maintenance Benefit Plan is acceptable to the Minister of National Revenue as a "registered supplemental unemployment benefit plan" under the provisions of section 145 of the Canadian Income Tax Act, R.S.C. 1985, c.1 (5th supplement), as amended, now in effect or as hereafter may be amended during the term of this **2012** Supplemental Agreement.
- (b) The Company shall apply promptly for the rulings described in subsection (a) of this section.

- (c) Notwithstanding any other provisions of this Agreement or the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan, the Company, with the consent of the National President, National Automobile, Aerospace and Agricultural Implement Workers Union of Canada (CAW-Canada), may, during the term of this Agreement, make revisions in such Plans not inconsistent with the purposes, structure, and basic provisions thereof which shall be necessary to obtain or maintain any of the rulings referred to in subsection (a) of this section 5 or in section 18 of the Income Maintenance Benefit Plan. Any such revisions shall adhere as closely as possible to the language and intent of the provisions outlined in such Plans.
- (d) In the event that rulings acceptable to the Company are not obtained, or having been obtained shall be revoked or modified so as to be no longer satisfactory to the Company, and it is determined by the Company that the Income Maintenance Benefit Plan cannot become effective without such rulings, the Company, within five working days after receipt of notice of disapproval, will give written notice thereof to the Union and this Agreement, the Income Maintenance Benefit Plan and the Voluntary Termination of Employment Plan shall thereupon have no force or effect, in which event section 2 of this Agreement shall apply.

Section 6. General Provisions

(a) Board of Administration

(1) Establishment

There shall be established a board of administration (hereinafter referred to as the board) consisting of six (6) members, three (3) of whom shall be appointed by the Company (hereinafter referred to as the Company members), and three (3) of whom shall be appointed by the Union (hereinafter referred to as the Union members). Either the Company or the Union at any time may remove a member appointed by it and may appoint a member to fill any vacancy among the members appointed by it. Both the

Company and the Union shall notify each other in writing of the members respectively appointed by them before any such appointments shall be effective.

The Company and the Union members of the board shall appoint an impartial third person to act as an impartial chairperson who shall serve until such time as he/she may be requested to resign by three members of the board. In the event that the Company and Union members of the board are unable to agree upon an impartial chairperson, the umpire under the Collective Agreement applicable to the majority of Employees covered by the Plan shall make the selection; provided, however, that the Company and Union members may by agreement request such umpire to serve as the impartial chairperson of the board.

The impartial chairperson shall be considered a member of the board and shall vote only on matters within the board's authority to determine where the other members of the board shall have been unable to dispose of the matter by majority vote, except that the impartial chairperson shall have no vote concerning determinations made in connection with section 14 of the Income Maintenance Benefit Plan.

(2) Powers and Authority of the Board

- (i) It shall be the function of the board to exercise ultimate responsibility for determining whether an Employee is eligible for IMP Benefits under the terms of the Income Maintenance Benefit Plan or a payment under the terms of the Voluntary Termination of Employment Plan, and, if so, the amount of the IMP Benefit or Voluntary Termination of Employment Payment. The board shall be presumed conclusively to have approved any initial determination by the Company unless the determination is appealed as prescribed in this section 6.

- (ii) The board shall be empowered and authorized and shall have jurisdiction to:
 - (a) hear and determine appeals by Employees pursuant to this section 6;
 - (b) obtain such information as the board shall deem necessary in order to determine such appeals;
 - (c) prescribe the form and content of appeals to the board and such detailed procedures as may be necessary with respect to the filing of such appeals;
 - (d) direct the Company to pay IMP Benefits or Voluntary Termination of Employment Payments pursuant to determinations made by the board;
 - (e) prepare and distribute, on behalf of the board, information explaining the Plans; and
 - (f) perform such other duties as are expressly conferred upon it by this Agreement.
- (iii) In ruling upon appeals, the board shall have no authority to waive, vary, qualify, or alter in any manner the eligibility requirements set forth in the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan, the procedure for applying for IMP Benefits or Voluntary Termination of Employment Payments as provided herein, or any other provisions of the Plans; and shall have no jurisdiction other than to determine, on the basis of the facts presented and in accordance with the provisions of the Plans:
 - (a) whether the appeal to the board was made within the time and in the manner specified in this section 6,

- (b) whether the Employee is an eligible Employee with respect to the Plans, and, if so,
- (c) the amount of any IMP Benefit or Voluntary Termination of Employment Payment payable.
- (iv) The board shall have no jurisdiction to act upon any appeal not made within the time limit and in the manner specified in this section 6.
- (v) The board shall have no jurisdiction to determine questions arising under a Collective Agreement, even though relevant to the issues before the board. All such questions shall be determined through the regular procedures provided therefor by a Collective Agreement, and all determinations made pursuant to such Agreement shall be accepted by the board.
- (vi) Nothing in this section or in the Plans shall be deemed to give the board the power to prescribe in any manner internal procedures or operations of either the Company or the Union.
- (vii) The board shall make recommendations to the Company with respect to the Company's establishment of rules, regulations and procedures for carrying out the Company's duties under the Plans as provided for under section 11(a) of the Income Maintenance Benefit Plan, and the Company shall give consideration to such board recommendations.
- (viii) The board may provide for a local committee at a Facility of the Company. The local committee shall be composed of two (2) members designated by the Company members of the board and two (2) members designated by the Union members of the board. Appointments to the local committee shall become effective when the members' names are exchanged in writing between the Union and the Company.

Either the Company or the Union members of the board may remove a local committee member appointed by them and fill any vacancy among the local committee members appointed by them.

Any individual appointed by the Union as a member of a local committee shall be an Employee having Seniority at the Facility where, and at the time when, he/she is to serve as a member of the local committee. In addition to their regularly appointed local committee members, the Union members of the board may name one (1) additional Employee, who qualifies under the above, as an alternate local committee member to serve during temporary specified periods when the local committee member is absent from the Facility during scheduled Working hours and unable to serve on the committee. The Company members of the board may also name one (1) alternate local committee member to serve during temporary specified periods. The alternate local committee member may serve on the local committee when the party desiring him/her to serve gives notice, locally, to the other party of such temporary service and the period thereof.

(3) Quorum; Voting

To constitute a quorum for the transaction of business, there shall be required to be present at any meeting of the board at least two (2) Union members and two (2) Company members. At all meetings of the board the Company members shall have a total of three votes and the Union members shall have a total of three votes; the vote of any absent member being divided equally between the members present appointed by the same party. Except on matters with respect to which the Income Maintenance Benefit Plan or the Voluntary Termination of Employment Plan specifies otherwise, decisions of the board shall be by a majority of the votes cast, with the impartial chairperson empowered to cast the deciding vote in cases where there shall have been a tie vote.

(4) Compensation and Expenses

The compensation of the impartial chairperson, which shall be in such amount and on such basis as may be determined by the other members of the board, shall be shared equally by the Company and the Union. The Company members and the Union members of the board or any local committee shall serve without compensation. Reasonable and necessary expenses of the board for forms and stationery required in connection with the handling of appeals shall be borne by the Company.

(5) Liability of Members of the Board

The Board and any member thereof shall be entitled to rely upon the correctness of any information furnished by the Union or the Company. Neither the Board nor any of its members, nor the Union, nor any officer of or any other representative of the Union, nor the Company, nor any officer of or any other representative of the Company, shall be liable because of any act or failure to act on the part of the board, or any of its members, to any person whatsoever, except that nothing herein shall be deemed to relieve any such individual from liability for his/her own fraud or bad faith.

- (6) Anything herein which might be construed to the contrary notwithstanding, however, it is understood that the members of the board of administration and the members and alternates of the local committees provided for under this section 6(a) of this Agreement shall be the same persons as those appointed to similar positions under article 5.02(a) and 5.02(b)(vii) of the Supplemental Unemployment Benefit Plan applicable to hourly Employees; provided however, that the Union members of the board of administration shall be appointed from the group of Employees holding the position of Union member on the Board of Administration for a Supplemental Unemployment Benefit Plan applicable to Employees in a Bargaining Unit covered by this Agreement; and provided further that at any Facility which has two

Bargaining Units, the Union members and alternate of the local committee provided herein shall be appointed from the group of Employees holding the positions of Union member or alternate on either of the Supplemental Unemployment Benefit Plan local committees at such Facility.

(b) Appeal Procedures for Benefits

(1) Applicability of Appeal Procedure

- (i) The appeal procedure set forth in this section may be employed only for the purposes specified in this section.

(2) Procedure for Appeals

- (i) An Employee may appeal from the Company's written determination with respect to the payment or denial of an IMP Benefit or Voluntary Termination of Employment Payment by filing a written appeal with the board on a form provided for that purpose.
- (ii) Such appeal shall be filed in writing within thirty (30) days following the date of mailing of the determination appealed. With respect to an appeal that is mailed, the date of filing shall be the postmarked date of the appeal. No appeal filed after such thirty (30) day period will be valid.
- (iii) Such appeals shall specify the respects in which the Plan(s) is claimed to have been violated, and shall set forth the facts relied upon as justifying a reversal or modification of the determination appealed from.
- (iv) The handling and disposition of each appeal to the board shall be in accordance with regulations and procedures established by the board. Such regulations and procedures shall provide that in situations where a number of Employees either have applied for and were

denied an IMP Benefit or Voluntary Termination of Employment Payment or were paid such Benefit or Payment and believe that they were entitled to such payment in a greater amount, under substantially identical conditions, an appeal may be filed with respect to one of such Employees and the decision of the board thereof shall apply to all such Employees.

- (v) The Employee or the Union members of the board may withdraw an appeal to the board at any time before it is decided by the board.
- (vi) There shall be no appeal from the board's decision. It shall be final and binding upon the Union, its members, the Employee, and the Company. The Union shall discourage any attempt of its members to appeal, and shall not encourage or cooperate with any of its members in any appeal, to any court or administrative agency from a decision of the board, nor shall the Union or its members by any other means attempt to bring about the settlement of any claim or issue on which the board is empowered to rule hereunder.
- (vii) The Employee shall be advised in writing, by the board of the disposition of any appeal.

(c) Notice Copies to Union

Copies of the Company notices issued to Employees concerning ineligibility for an IMP Benefit or Voluntary Termination of Employment Payment will be furnished to the Union.

Section 7. Miscellaneous

- (a) Notwithstanding the provisions of the Income Maintenance Benefit Plan, the provisions of section 11, Powers and Authority of Company, section 13, Application and Determination of Eligibility, section 15, Nonalienation of Benefits and section 16, Miscellaneous, shall to the extent practicable, be equally applicable under the Voluntary Termination of Employment Plan.

In witness hereof, the parties hereto have caused this Agreement to be executed this **September 24, 2012**.

FORD MOTOR COMPANY OF CANADA, LIMITED

By:	Stacey Allerton	G. M. Briscoe
	M. J. Hyland	V. Swindall
	D. J. Nangini	R. Derhodge
	R. A. Cook	
	K. A. Belleghem-Grima	
	J. L. Bridgman	
	P.R. Cameron	
	T. P. Stewart	
	E. C. Kozma	
	M. Huggins	
	D. T. Cantagallo	

**NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA (CAW-
CANADA)**

By:	K. Lewenza	FOR LOCAL 200	FOR LOCAL 584
	P. Kennedy	C. Taylor	D. Champagne
	J. Dias	J. D'Agnolo	
	R. Macdonald	C. Yott	FOR LOCAL 240
		T. Little	M. R. Radvanyi
		T. Kerr	
	FOR LOCAL 707	FOR LOCAL 1520	FOR LOCAL 1324
	G. Beck	D. McGee	A. S. Maslanka
	R. Scott		
	G. Ensell		
	D. Thomas		

EXHIBIT F-1

INCOME MAINTENANCE BENEFIT PLAN

Section 1. General

The Income Maintenance Benefit Plan is designed to promote employment stability and avoid layoffs. The Plan provides a Weekly income payment and insurance coverage, subject to the terms, conditions and limitations contained herein (including the definitions contained in section 19 hereof), for eligible Employees who become laid off from the Company on or after the Effective Date and during the term of the 2012 Collective Agreements.

Section 2. Eligibility for an IMP Benefit

An Employee at Work on or after the Effective Date and laid off during the term of the Collective Agreements shall be eligible for an IMP Benefit for any Week beginning on or after the Effective Date if with respect to such Week the Employee meets all of the following conditions:

- (a) Was, for the entire Week, on a qualifying layoff as described in section 3 and such Week occurs within the fifty-two (52) Weeks immediately following the last Week for which the Supplemental Unemployment Benefit was paid that exhausted the Employee's entitlement for Supplemental Unemployment Benefits for the qualifying period of layoff.
- (b) Had at least five (5) Years of Seniority under the terms of the Collective Agreement on the last day the Employee Worked prior to the Effective Date of such layoff and such Years of Seniority had not been broken on or prior to the last day of the Week.
- (c) Has no credit units under the Supplemental Unemployment Benefit Plan applicable to Employees in his/her Bargaining Unit or any other "SUB" Plan of the Company and after the qualifying layoff for IMP Benefits has had no credit units cancelled under Article 3.03(a)(3) of such Supplemental Unemployment Benefit Plan for willfully misrepresenting any material fact in connection

with an application for benefits under the Supplemental Unemployment Benefit Plan.

- (d) Has not received on or after the Effective Date and subsequent to the Effective Date of such layoff a separation payment under the Separation Payment Plan applicable to Employees in his/her Bargaining Unit (or any other "Separation Payment" Plan of the Company), unless the Employee returns to Work and thereafter Works five (5) years and thereby becomes eligible for any future IMP Benefits that may be available.
- (e) Is either
 - (1) Working with a subsequent employer; (2) meets the requirement of able and available for Work, utilized by the Canada Employment Centre, for purposes of the receipt of an Employment Insurance Benefit and meets the eligibility requirements other than minimum number of qualifying Weeks for such Employment Insurance Benefit for such Week even though the Employee may have exhausted such benefits; (3) is participating in a jointly approved vocational training program; or (4)(i) becomes wholly and continuously disabled after such otherwise qualifying layoff began, and (ii) remains wholly and continuously disabled for a period of more than one Week (the period of eligibility shall not include the first Week of such disability), and (iii) is under a doctor's care; provided, however, that such eligibility while disabled shall cease when the Employee becomes eligible for a Disability Retirement Benefit under any applicable Company pension or Retirement program. If the Employee has exhausted his/her Employment Insurance Benefits, any reporting requirements associated with Employment Insurance Benefit eligibility will not apply under this paragraph.
- (f) Except when eligible while disabled under subsection (e)(4) of this section, maintains an active registration for such Week with the Canada Employment Centre for purposes of locating employment opportunities.

- (g) Reports on a Timely Basis, as required, to the Company:
- (1) Income from Other Sources,
 - (2) Statutory Benefits,
 - (3) Evidence of active registration with the Canada Employment Centre,
 - (4) Changes in employment status.
- (h) Provides the Company or governmental agencies, as required, with any waivers, releases and reasonable evidence that may be required by such agencies or the Company for purposes of verifying the Employee's eligibility for an amount of IMP Benefits.
- (i) Has made an application for IMP Benefits in accordance with procedures established by the Company.

Section 3. Conditions with Respect to Layoff

- (a) A layoff for purposes of this Plan includes any Seniority layoff except an inverse Seniority layoff resulting from a reduction in force, including a layoff resulting from the discontinuance of a Facility or an operation, and any layoff occurring or continuing because the Employee was unable to do the Work offered by the Company, although able to perform other Work in the Facility to which the Employee would have been entitled if the Employee had sufficient Seniority.
- (b) An Employee's layoff for any Week shall be deemed qualifying for purposes of this Plan only if:
- (1) such layoff was for the entire Week;
 - (2) such layoff was from the Bargaining Unit;
 - (3) such layoff was not for disciplinary reasons, and was not a consequence of:
 - (i) any strike, slowdown, Work stoppage, picketing (whether or not by Employees), or concerted action, at a Company Facility or Facilities, or any dispute of any kind involving Employees,

whether at a Company Facility or Facilities or elsewhere,

- (ii) any fault attributable to the Employee,
 - (iii) any war or hostile act of a foreign power (but not government regulation or controls connected therewith),
 - (iv) sabotage (including but not limited to arson) or insurrection,
 - (v) any act of God, or
 - (vi) the sale of a Company Facility to another employer and the Employee did not receive an offer of employment from the new employer;
- (4) the Employee is not eligible to receive a monthly pension or a monthly Retirement benefit other than a deferred pension or a deferred Retirement benefit under any other Company Plan or program then in effect and at the time such layoff became effective did not meet the minimum age and creditable service requirements for, or was not offered, special early Retirement under the Retirement Pension Plan applicable to Employees in his/her Bargaining Unit;
- (5) at a time when the Employee was on an otherwise qualifying layoff for purposes of this Plan or after having been advised that he/she would be placed on such a layoff in the future, the Employee did not refuse or fail to appear for an employment interview or related pre-employment physical examination (unless for Good Cause) or refuse any offer of employment (including employment with the Company outside the Bargaining Unit) which the Employee was then capable of performing at another Company Facility, or at the Company Facility where he/she last Worked, the acceptance of which could have avoided, delayed or reduced the period of the layoff that otherwise would have qualified the Employee for IMP Benefits, except that until two (2) years immediately following the Employee's last day

Worked, or if less, the last day of eligibility for a regular Supplemental Unemployment Benefit, the Employee may refuse an offer which he/she has a right to refuse under the Collective Agreement covering Employees in his/her Bargaining Unit and still remain eligible for a Regular Benefit under the applicable Supplemental Unemployment Benefit Plan. If the employment or employment interview which was refused is at a different Company Facility which is more than eighty (80) kilometers from the Employee's address of record for purposes of the Plan and from the Company Facility where the Employee last Worked or is currently Working for the Company, the Employee shall not be ineligible hereunder unless with respect to an employment offer the Company shall have offered to pay a Relocation Allowance, or with respect to an employment interview, the Company offers to pay reasonable expenses actually incurred to attend the interview; provided, however, that an otherwise eligible Employee may refuse either a Company offer of employment in a province other than the province in which the Company Facility where the Employee last Worked or is currently Working for the Company is located, or a temporary part-time position with the Company and with respect to either such refusal will remain eligible for IMP Benefits; and

- (6) the Employee retains his/her Seniority under the Collective Agreement covering Employees in his/her Bargaining Unit.

Section 4. Description of IMP Benefits

An Employee eligible for IMP Benefits, in accordance with section 2 of this Plan, is entitled to an IMP Income Benefit and to IMP Insurance Coverage as provided in this section, and reduced as provided in this section and in section 5, until the Employee's eligibility for such benefits is terminated, or until the Maximum Company Liability Amount, as defined in section 14(c), has been reached.

(a) IMP Income Benefit

- (1) At the time of layoff an income level will be calculated for each Employee who thereafter may be eligible for an IMP Income Benefit. For eligible Employees, the income level will equal 60% of Weekly Before-Tax Base Earnings, as of the Employee's last day Worked prior to the qualifying layoff.
- (2) The gross amount of the IMP Income Benefit payable to an eligible Employee will equal the income level reduced by offsets provided under section 5 of the Plan.

(b) IMP Insurance Coverage

If not otherwise provided at Company cost pursuant to the Insurance Program incorporated in the Collective Agreement covering Employees in his/her Bargaining Unit, an Employee who is eligible to receive IMP Benefits will receive IMP Insurance Coverage, as determined in accordance with this paragraph, through the month following the month in which IMP Benefits terminate and the Employee forfeits his/her Seniority in accordance with section 5 of the Voluntary Termination of Employment Plan. The IMP Insurance Coverage consists of Health Care and Life and Accidental Death and Dismemberment Insurance.

Section 5. IMP Income Benefit Offsets

- (a)** The IMP Income Benefit described in section 4(a) is reduced by gross income or payments that an Employee receives or is eligible to receive from the following sources:

- (1) Statutory Benefits,
- (2) Income from Other Sources in excess of the greater of the amount disregarded as earnings by Employment Insurance or 20% of such Income received or receivable (except disability, termination and supplemental unemployment benefit pay will be offset at 100%); provided, however, that with respect to a Week for which an Employee has received an

Employment Insurance "waiting period" credit, the reduction for Income from Other Sources shall be such amount in excess of the greater of an amount equal to 25% of the Employee's Unemployment Insurance Benefit rate or 20% of such Income received or receivable by the Employee for such Week,

- (3) The amount of any pay in lieu of notice of termination of employment, mass termination or plant closing or similar payment required under federal or provincial law.

- (b) In addition, an Employee's outstanding debts to the Company or trustees of any Company benefit plan or program, and an Employee's unrepaid overpayments under a Supplemental Unemployment Benefit Plan shall be offset against IMP Income Benefits. The amount of IMP Income Benefits that are offset by Supplemental Unemployment Benefit overpayments or outstanding debts to the Company or trustees of any Company plan or program, shall be paid to the Company or trustee of the Supplemental Unemployment Benefit Plan Fund or other Company plan or program, as applicable.

Section 6. Relationship Between Governmental Required Separation or Severance Pay and Plan Benefits

The IMP Benefits described in section 4 shall be applied to reduce the amount of any separation, severance payment or similar payment required by federal or provincial law by reason of any plant closing.

Section 7. Duration of IMP Benefits

- (a) The period for which IMP Benefits are payable to an eligible Employee under this Plan (hereinafter referred to as the IMP Benefit Period) shall be a period of consecutive Weeks equal in number to the number of IMP Units credited to the Employee under the provisions of section 7(b) below, beginning the Week immediately following the last Week for which the Employee received a Supplemental Unemployment Benefit under the Supplemental Unemployment Benefit Plan applicable to

Employees in his/her Bargaining Unit and with respect to which the Employee exhausted his/her Credit Unit balance under the Supplemental Unemployment Benefit Plan (or any other Supplemental Unemployment Benefit Plan of the Company) or following such Week the Employee elected to cancel his/her Credit Unit balance under the provisions of section 2(c) of this Plan.

- (b) Upon the Employee's exhaustion of Supplemental Unemployment Benefit Plan credit units, he/she will be credited with IMP Units under this Plan in accordance with the following table:

(i) For Employees hired prior to September 24, 2012:

<i>Employees Years of Seniority* on Last Day Worked Prior to Qualifying Layoff for IMP Benefits</i>	<i>Number of IMP Units Credited</i>
5 - 6	26
6 - 7	32
7 - 8	38
8 - 9	45
9 and over	52

* Fractional Years of Seniority shall be disregarded.

(ii) For Employees hired on or after September 24, 2012:

<i>Employees Years of Seniority* on Last Day Worked Prior to Qualifying Layoff for IMP Benefits</i>	<i>Number of IMP Units Credited</i>
5 - 6	13
6 - 7	16
7 - 8	19
8 - 9	23
9 - 10	26
10 and over	52

* Fractional Years of Seniority shall be disregarded.

- (c) IMP Units will be cancelled for each and all IMP Income Benefits paid to the Employee under this Plan in the same manner as, and at a rate equal to the credit unit cancellation rate that would have applied to the Employee in accordance with his/her Years of Seniority for, credit units under the applicable Supplemental Unemployment Benefit Plan for the payment of a Supplemental Unemployment Benefit paid for the first Week for which the Employee is eligible for an IMP Benefit under this Plan.
- (d) Any IMP Units remaining to the Employee's credit at the end of his/her IMP Benefit Period and after the expiration of the IMP Benefit application time limit for the final Week of the Employee's IMP Benefit Period, will be permanently forfeited.

Section 8. Termination of IMP Benefits

An Employee's eligibility for IMP Benefits will permanently terminate (even though the Employee may not have applied for or yet become eligible to receive IMP Benefits for any period) upon the earliest of:

- (a) Death,
- (b) Retirement,
- (c) Acceptance of a Voluntary Termination of Employment Payment as provided under the Voluntary Termination of Employment Plan,
- (d) Acceptance of a Separation Payment under the Separation Payment Plan applicable to Employees in his/her Bargaining Unit (or any other "Separation Payment" Plan of the Company),
- (e) Refusal of or failure to appear for an employment interview or related pre-employment physical examination, (unless for Good Cause), or refusal to accept any offer of employment which the Employee is capable of performing (including employment with the Company outside the Bargaining Unit) at any Company Facility (except that refusal of an offer which the Employee has a right to refuse under the Collective Agreement covering Employees in

his/her Bargaining Unit, if such refusal occurs within two (2) years from the last day at Work, or if less, the last day of eligibility for a regular Supplemental Unemployment Benefit Plan benefit, will not terminate eligibility hereunder); provided that if the employment or interview is at a different Company Facility which is more than eighty (80) kilometers from the Employee's address of record for purposes of the Plan and the Company Facility where the Employee last Worked for the Company, the Company offers to pay a Relocation Allowance, or with respect to an employment interview, the Company offers to pay reasonable expenses actually incurred to attend the interview. Refusal of either a Company offer of employment in a province other than the province where the Company Facility at which the Employee last Worked or is currently Working for the Company is located, or a temporary part-time position with the Company, shall not terminate an otherwise eligible employee's eligibility under the Plan,

- (f) Failure of an Employee to report on a timely basis, the following information to the extent the information would result in an offset to IMP Benefits:
 - (1) Income from Other Sources;
 - (2) Statutory Benefits;
 - (3) Changes in employment status,
- (g) Refusal of an Employee, otherwise eligible for IMP Benefits, to apply for a Statutory Benefit that would or could offset IMP Benefits following a request by the Company to apply for such benefit,
- (h) Loss of Seniority for any reason,
- (i) Failure of an Employee to file an application for Company employment in accordance with the Employment Application Procedure and any pertinent letter(s) in accordance with the application procedure established pursuant to the provisions of the letter(s); provided, however, that failure to apply with respect to employment in a province other than the one in which the Company Facility at which the Employee last Worked is located, will

not cause termination of the Employee's IMP Benefit entitlement under the Plan.

Section 9. IMP Benefit Overpayments

- (a) If the Company or the board determines that any benefit paid under the Plan should not have been paid or should have been paid in a lesser amount, written notice thereof shall be mailed to the Employee receiving such benefit and he/she shall return the amount of the overpayment to the Company; provided however, that no such repayment shall be required if the cumulative overpayment is \$3.00 or less, or if notice has not been given within one hundred and twenty (120) days from the date the overpayment was established and the overpayment was caused solely by Company error.
- (b) If the Employee shall fail, within thirty (30) calendar days following receipt or attempted delivery of notice of such overpayment, to return the overpayment to the Company, the Employee's future IMP Benefits will be reduced by such IMP Benefit overpayment; provided, however, that the Company shall include in such overpayment notice a statement that eligibility for IMP Benefits will be so reduced. The Company shall have the right to make or arrange to have made deductions for such overpayments from any present or future amounts which are or become payable by the Company to such Employee.

Section 10. Withholding Tax

The Company shall deduct from the amount of any payment under the Plan any amount required to be withheld by the Company by reason of any law or regulation, for payment of taxes or otherwise, to any federal, provincial or municipal government. In determining the amount of any applicable tax entailing personal exemptions, the Company shall be entitled to rely on the official form filed by the Employee with the Company for purposes of income tax withholding.

Section 11. Powers and Authority of the Company

(a) Company Powers

The Company shall have such powers and authority as are necessary and appropriate in order to carry out its duties under the Plan, including, without limitation, the power to:

- (1) obtain such information as it shall deem necessary to carry out its duties under the Plan;
- (2) investigate the correctness and validity of information furnished with respect to an application for an IMP Benefit;
- (3) make initial determinations with respect to IMP Benefits;
- (4) establish reasonable rules, regulations and procedures concerning:
 - (i) the manner in which and the times and places at which an application shall be filed for IMP Benefits,
 - (ii) the form, content and substantiation of the application for IMP Benefits;
 - (iii) the allocation of Statutory Benefits and Income from Other Sources that are not directly attributable to specific Weeks for purposes of determining IMP Benefits;
- (5) determine the amount of Company funds that have been expended under the Plan to ensure that the Maximum Company Liability Amount, as defined under section 14(c), will not be exceeded;
- (6) establish appropriate procedures for giving notices required to be given under the Plan;
- (7) establish and maintain necessary records;

- (8) furnish the Union an annual report for each calendar year as to Company expenditures counted against the Maximum Company Liability Amount; and
- (9) prepare and distribute information explaining the Plan.

(b) Company Authority

Nothing contained in the Plan shall be deemed to qualify, limit or alter in any manner the Company's sole and complete authority and discretion to establish, regulate, determine or modify at any time levels of employment, hours of Work, the extent of hiring and layoff, production schedules, manufacturing methods, the products and parts thereof to be manufactured, where and when Work shall be done, marketing of its products, or any other matter related to the conduct of its business or the manner in which its business is to be managed or carried on, in the same manner and to the same extent as if the Plan were not in existence; nor shall it be deemed to confer upon the Union any voice in such matters.

(c) Applicable Law

The Plan and all rights and duties thereunder shall be governed, construed and administered in accordance with the laws of the Province of Ontario, except that the eligibility of an Employee for, and the amount and duration of Employment Insurance Benefits shall be determined in accordance with the Employment Insurance Act of Canada.

**Section 12. Non-Applicability of Collective Agreement
Grievance Procedure**

No matter respecting the Plan shall be subject to the grievance procedure established in a Collective Agreement between the Company and the Union.

Section 13. Application and Determination of Eligibility

(a) IMP Benefits

(1) Application Procedure

(i) Filing Applications

An application for an IMP Benefit may be filed, either in person or by mail, in accordance with procedures established by the Company. No application for an IMP Benefit shall be accepted unless it is submitted to the Company within sixty (60) calendar days after the end of the Week with respect to which it is made.

(ii) Application Information

Application for IMP Benefits shall be in writing and shall include any information deemed relevant by the Company with respect to the determination of the Employee's eligibility for and amount of IMP Benefits and the determination of offsets to such benefits as provided under section 5 of the Plan.

(2) Determination of Eligibility

When an application is filed for an IMP Benefit and the Company is furnished with the evidence and information as required, the Company shall have initial responsibility for determining eligibility.

(b) Relocation Allowance

A Relocation Allowance shall be provided under the Plan to help defray the moving costs incurred by eligible Employees and their families relocating as a result of accepting a job offer from the Company. A Relocation Allowance will be payable after the Employee reports and begins Work at the Company Facility to which relocated, provided the following conditions of eligibility are satisfied:

- (1) the Company offered a Relocation Allowance and the Company Facility to which the Employee relocates is more than eighty (80) kilometers from the Employee's address of record for purposes of the Plan and from the Company Facility where the Employee last Worked or is currently Working for the Company; and
- (2) as a result of the relocation, the Employee changes his/her permanent residence; and
- (3) the Employee applies for a Relocation Allowance within **six (6) months** of the date the Employee was scheduled to begin Work at the Facility to which the Employee has relocated; and
- (4) the Employee has applied for and received (or is eligible to receive) any statutory relocation, moving or similar payment or allowance under any applicable law, rule or regulation; and
- (5) the Employee is not eligible to receive a Relocation Allowance or similar payment for the same relocation under a Collective Agreement or under any other plan or program of the Company;

provided, however, that only one Relocation Allowance will be payable in situations where more than one member of a family living in the same residence, is also an Employee being relocated to the same Company Facility.

(c) Notice of Denial

If the Company determines that an Employee is not entitled to IMP Benefits or to a Relocation Allowance, it shall notify the Employee promptly, in writing, of such determination, including the reasons therefor, and of the Employee's right to appeal.

Section 14. Financial Provisions and Liability

(a) All IMP Benefits shall be payable by the Company.

- (1) Any payments made by the Company are subject to, and limited by, in the aggregate, the Income Security Fund Maximum Company Liability as defined under subsection (c) of this section.
- (2) If the Company at any time shall be required to withhold any amount from IMP Income Benefits by reason of any federal or provincial law or regulation, the Company shall have the right to charge such amount against the amount of the Income Security Fund Maximum Company Liability as defined under subsection (c) of this section.

(b) IMP Benefit Cheques Not Presented

If a cheque is issued as payment under the Plan and the amount of the payment is not claimed within a period of two (2) years from the date such cheque was issued, the amount shall revert to the Company and such amount will be credited to the Plan's Income Security Fund Maximum Company Liability.

(c) Liability

The Plan applies only to eligible Employees laid off on or after the Effective Date and during the term of the 2012 Collective Agreements. The Company's total financial liability for the cost of the Income Maintenance Benefit Plan including payments of IMP Income Benefits (including amounts paid to the trustee of a Supplemental Unemployment Benefit Plan and amounts owed to the Company or trustees of other Company plans or programs which were offset against the IMP Income Benefit under section 5), IMP Insurance Coverages, any taxes or contributions imposed on the Company by reason of paying IMP Benefits, any Relocation Allowance or interview expenses provided in conjunction with the Plan, and any taxes which reduce IMP Benefits and are paid to the appropriate tax authority by the Company, shall be

limited to the Income Security Fund Maximum Company Liability.

Section 15. Non-alienation of Benefits

Except as otherwise provided under section 5 and section 9 of this Plan, no IMP Benefit shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind, and any attempt to accomplish the same shall be void.

In the event that the Company shall find that such an attempt has been made with respect to any such IMP Benefit due or to become due to any Employee, the Company in its sole discretion may terminate the interest of such Employee in such IMP Benefit and apply the amount of such IMP Benefit to or for the benefit of such Employee, his/her spouse, parents, children or other relatives or dependents as the Company may determine, and any such application shall be a complete discharge of all liability with respect to such IMP Benefit.

Section 16. Miscellaneous

- (a) IMP Benefits shall be payable hereunder only to the Employee who is eligible therefor, except that if the Company shall find that such an Employee is deceased and has not received all IMP Benefits payable prior to termination by death or is unable to manage his/her affairs for any reason, any such IMP Benefit payable to him/her shall be paid to his/her duly appointed legal representative, if there be one, and if not, to the spouse, parents, children or other relatives or dependents of such Employee as the Company in its discretion may determine. Any IMP Benefit so paid shall be a complete discharge of any liability with respect to such IMP Benefits. In the case of death, no IMP Benefit shall be payable with respect to any period following the Employee's death.
- (b) An Employee's IMP Benefits will not be terminated nor will the Employee be deemed ineligible for IMP Benefits for refusal of, or failure to appear for, an employment interview, or refusal to accept employment where such employment, at the time of such refusal or failure, would have been in a Bargaining Unit at a location at which a

strike, lockout or other labour dispute is or was in progress and the Employee would not have been disqualified for Unemployment Insurance Benefits by such action.

Section 17. Amendment and Termination of the Plan

So long as Exhibit F, **2012** Supplemental Agreement covering the Income Maintenance Benefit Plan, shall remain in effect and subject to section 14(c), the Plan shall not be amended, modified, suspended, or terminated, except as may be proper or permissible under the terms of the Plan or such Agreement. Upon the termination of such Exhibit F, **2012** Supplemental Agreement, the Company shall have the right to continue the Plan in effect and to modify, amend, suspend, or terminate the Plan, except as may be otherwise provided in any subsequent agreement between the Company and the Union, and except that the Plan shall continue for eligible Employees laid off during the term of the **2012** Collective Agreements and eligible for IMP Benefits hereunder, subject to section 14(c).

Section 18. Effect of Revocation of Governmental Rulings

(a) If any ruling which may be obtained by the Company holding that payments under the Plan constitute currently deductible expenses under the Canadian Income Tax Act, R.S.C. 1985, c.1 (5th supplement), as amended, as now in effect or as hereafter may be amended, or under any other applicable federal or provincial income tax law, shall be revoked or modified in such manner so as to be no longer satisfactory to the Company, all obligations of the Company under the Plan shall cease and the Plan shall thereupon terminate and be of no further effect (without in any way affecting the validity or operation of the **2012** Collective Agreements).

(b) **Supplementation of Employment Insurance Benefits**

If Supplementation is no longer permitted by rulings from Canadian governmental authorities, or by amendments of the Employment Insurance Act, the parties shall endeavour to negotiate an agreement establishing a plan for benefits not inconsistent with the purposes of the Plan.

Section 19. Definitions

As used herein:

- (1) "Act of God" under the Plan shall have the same meaning as it has for a qualifying layoff under the Supplemental Unemployment Benefit Plan applicable to a Bargaining Unit.
- (2) "Bargaining Unit" means a unit of Employees covered by a Collective Agreement.
- (3) "Base Hourly Rate" means the straight-time hourly rate, including cost-of-living allowance, but excluding all other premiums and bonuses of any kind, of an Employee on his/her last day at Work in the Bargaining Unit prior to layoff, except that if he/she was paid at a higher straight-time hourly rate in one (1) or more Bargaining Units at any time during the thirteen (13) consecutive Weeks ending with the Week which includes his/her last day Worked, Base Hourly Rate shall be such higher rate.
- (4) "Base Salary Rate" means the straight-time monthly salary rate, including cost-of-living allowance, but excluding all other premiums and bonuses of any kind, of an Employee on his/her last day at Work in the Bargaining Unit prior to layoff, except that if he/she was paid at a higher straight-time monthly salary rate in one (1) or more Bargaining Units at any time during the thirteen (13) consecutive Weeks ending with the Week which includes his/her last day Worked, Base Salary Rate shall be such higher rate.
- (5) "Canada Employment Centre" means the federal agency responsible for the administration of:
 - (i) benefits provided under any federal or provincial laws to persons on account of their unemployment;
 - (ii) programs to identify employment opportunities; or
 - (iii) training or education programs that may assist an individual in qualifying for better paying employment opportunities.

- (6) **2012 "Collective Agreements"** means the current Collective Agreements between the Company and the Union which incorporate this Plan by reference, and **"2012 Collective Agreement"** means one of such Collective Agreements.
- (7) **"Company"** means Ford Motor Company of Canada, Limited.
- (8) **"SUB Plan"** means the Supplemental Unemployment Benefit Plan; the Separation Payment Plan, or the Automatic Short Week Benefit Plan applicable to a Bargaining Unit.
- (9) **"Effective Date"** means the date on which the Income Maintenance Benefit Plan and the Voluntary Termination of Employment Plan shall be effective with respect to Employees in each of the Bargaining Units to which these Plans shall apply, as defined in section 1(a) of the Supplemental Agreement Concerning Income Maintenance Benefit Plan and Voluntary Termination of Employment Plan dated **September 24, 2012**.
- (10) **"Employee"** means a Full-Time Employee in a Bargaining Unit covered by the Plan, including such a person laid off from Company employment in such a Bargaining Unit and who is eligible for an IMP Benefit except that an **"Employee at Work"** means a Full-Time Employee in such a Bargaining Unit who receives pay for regular hours scheduled by the Company and Worked within such a Bargaining Unit on or after the Effective Date.
- (11) **"Employment Application Procedure"** means any procedures by which an Employee may file an application for employment with the Company under applicable sections of a **2012 Collective Agreement** including any related Letters concerning preferential placement opportunities dated **September 24, 2012**. Such applications are to be filed within twelve (12) months after the last day Worked prior to layoff.
- (12) **"Facility"** shall be deemed to include any manufacturing or assembly plant, works, parts depot, or other Company activity or location in or out of which an Employee Works.

- (13) "Good Cause" for refusing to interview or failing to appear for an interview or related physical examination or failing to file a timely application under the Employment Application Procedure, is deemed to exist if there is a justifiable reason, determined in accordance with a standard of conduct expected of an individual acting as a reasonable person in light of all the circumstances. Justifiable reasons include, but are not limited to, the following:
- (i) Acts of God that prevent an individual from getting to an interview or related physical examination;
 - (ii) Personal physical incapacity;
 - (iii) Death occurring in the Employee's immediate family which could have otherwise been covered as bereavement time under a Collective Agreement if the Employee were at Work in the Bargaining Unit; and
 - (iv) Jury duty.
- (14) "Health Care" means Health Care coverages as specified in the Insurance Program applicable to Employees in a Bargaining Unit. Coverage shall not include Dental Benefits.
- (15) "Income from Other Sources" means any income by reason of or related to any employment (for example, wages, tips, commission, bonuses, vacation pay, disability pay, supplemental unemployment compensation and termination pay) of the Employee.
- (16) "IMP Benefit" means an IMP Income Benefit and IMP Insurance Coverage, provided to an eligible Employee under the provisions of this Income Maintenance Benefit Plan.
- (17) "IMP Income Benefit" means the income benefit payable for a Week to an eligible Employee under section 4(a) of the Plan which is subject to offset in accordance with section 5.
- (18) "IMP Insurance Coverage" means Health Care coverages and Life and Accidental Death and Dismemberment Insurance coverage provided to eligible Employees under the Plan as defined in section 4(b) of the Plan.

- (19) "Income Security Maximum Company Liability" means the definition in the SUB Plan, Article 8 (16).
- (20) "Life and Accidental Death and Dismemberment Insurance" means Life Insurance coverage as specified in the Insurance Program applicable to Employees in a Bargaining Unit. Coverage shall not include Accident and Sickness or Extended Disability coverage.
- (21) "Plan" means the Income Maintenance Benefit Plan as set forth in this Exhibit F-1.
- (22) "Relocation Allowance" means an amount equal to the amount provided under applicable provisions of the 2012 Collective Agreements, less any statutory relocation, moving allowance or similar payment paid or payable under any applicable law, rule or regulation.
- (23) "Reports on a Timely Basis" or "Report on a Timely Basis" means that the Employee must fully furnish the information required to establish eligibility for and the amount of any IMP Benefits within sixty (60) calendar days after the end of the Week with respect to which IMP Benefits are sought and with respect to any additional information requested by the Company within sixty (60) days of such Company request, unless the Employee can demonstrate that the information was furnished at the earliest time when it could be obtained with diligence or that the failure was clearly inadvertent. Failure to report earnings from any subsequent employment or any Employment Insurance Benefits will not be considered inadvertent. Upon discovery that the Employee failed to furnish certain information required, clearly through inadvertence, the Employee shall promptly furnish the information.
- (24) "Retirement" means retirement regardless of age or type, under the Retirement Pension Plans established by agreement between the Company and the Union or any other pension plan or retirement program maintained by the Company.
- (25) "Seniority" means Seniority status under terms of a Collective Agreement as of the date of a layoff qualifying for IMP Benefits hereunder.

- (26) "Separation Payment Plan" means the Separation Payment Plan applicable to Employees in a Bargaining Unit.
- (27) "Statutory Benefits" means payments which the Employee receives or which without a means test would be available (upon application if necessary) as a result of federal, provincial, or municipal laws, regulations or statutes, including, without limitation, such income received or receivable as an Employment Insurance Benefit, or benefits under the Canada or Quebec Pension Plan, governmental pensions, and Weekly lost-time benefits under Workers' Compensation; provided, however, that Statutory Benefits shall not include amounts which would be available to the Employee, but which he/she has not received, and which require a means test in order to be eligible. The foregoing are intended to be examples only and do not limit the types of present or future Statutory Benefits which shall be offset under the Plan.
- (28) "Supplementation" means recognition of the right of a person to receive both an Employment Insurance Benefit and an IMP Income Benefit under the Plan for the same Week of layoff at approximately the same time and without reduction of the Employment Insurance Benefit because of the payment of the IMP Income Benefit under the Plan;
- (29) "Employment Insurance Benefit" means an unemployment benefit payment by a Canada Employment Centre, including any federal or provincial training allowances.
- (30) "Union" means National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada) and CAW Local No. 200; CAW Local No. 240; CAW Local No. 584; CAW Local No. 707; CAW Local No. 1324; and Local No. 1520.
- (31) "Voluntary Termination of Employment Payment" means a payment of a benefit under the Voluntary Termination of Employment Plan.
- (32) "Voluntary Termination of Employment Plan" means the Voluntary Termination of Employment Plan.
- (33) "Week" when used in connection with eligibility for and computation of IMP Benefits with respect to an Employee,

means a period of layoff equivalent to a Work Week. "Work Week" means seven (7) consecutive days beginning on Monday at the regular starting time of the shift to which the Employee is assigned, or was last assigned immediately prior to being laid off, or other appropriate seven (7) day period.

- (34) "Weekly Before-Tax Base Earnings" means (a) for hourly-rate Employees, an amount equal to an Employee's Base Hourly Rate as of the last day Worked prior to layoff, including cost-of-living allowance but excluding all other premiums and bonuses of any kind, multiplied by 40; and (b) for salaried Employees, an amount equal to an Employee's Base Monthly Salary Rate as of the last day Worked prior to layoff, including cost-of-living allowance but excluding all other premiums and bonuses of any kind, multiplied by 3/13.
- (35) "Work" or "at Work" or "Worked" means receiving pay for regular hours scheduled by the Company and Worked within the Bargaining Unit.
- (36) "Years (or Year) of Seniority" means for all purposes of this Plan and for those purposes only, the longest Seniority an Employee has in any Bargaining Unit except that in determining an Employee's "longest Seniority", if he/she has Seniority (or if, while on the active employment roll as defined under the Supplemental Unemployment Benefit Plan, he/she acquires Seniority) in a Bargaining Unit at the time his/her Seniority is broken in another Bargaining Unit under the time for time provisions of the Collective Agreement or because he/she refuses recall at such other Bargaining Unit, or if his/her Seniority is broken in a Bargaining Unit because he/she quits to respond to recall to another Bargaining Unit, such lost Seniority shall be included in "Years of Seniority".

EXHIBIT F-2

VOLUNTARY TERMINATION OF EMPLOYMENT PLAN

An Employee otherwise eligible for IMP Benefits under the Income Maintenance Benefit Plan may elect to receive a Voluntary Termination of Employment Payment in lieu of future IMP Benefits.

Section 1. Eligibility

An Employee at Work on or after the Effective Date shall be eligible for a Voluntary Termination of Employment Payment if he/she shall meet the conditions set forth in either (a), (b) or (c) below:

- (a) the Employee has at least five (5) Years of Seniority under the terms of the Collective Agreement and is terminated from the active employment rolls of the Company, as defined in the Supplemental Unemployment Benefit Plan applicable to Employees in his/her Bargaining Unit, with eligibility for a Voluntary Termination of Employment Payment pursuant to step (6) of the provisions for plant closing, multi-plant site or step (6) of the provisions for permanent job loss in the parties understandings dated **September 24, 2012** concerning benefit entitlements in restructuring actions, under terms and conditions set forth in such understandings; or
- (b) the Employee is on a qualifying layoff for purposes of the Supplemental Unemployment Benefit Plan applicable to Employees in his/her Bargaining Unit, and
 - (1) had at least five (5) Years of Seniority under the terms of the Collective Agreement on the last day the Employee Worked prior to the Effective Date of such layoff and such Years of Seniority have not been broken prior to the date of his/her application for a Voluntary Termination of Employment Payment,
 - (2) has not received on or after the Effective Date and subsequent to the Effective Date of such layoff a separation payment under the Separation Payment Plan applicable to Employees in his/her Bargaining Unit (or any other "Separation Payment" Plan of the Company), unless the Employee returns to Work and

thereafter Works five (5) years and thereby becomes eligible for any future Voluntary Termination of Employment Payments that may be available,

- (3) is at the time he/she shall apply for a Voluntary Termination of Employment Payment not eligible to receive a monthly pension or a monthly Retirement benefit other than a deferred pension or a deferred Retirement benefit under any other Company plan or program then in effect and at the time such layoff became effective did not meet the minimum age and creditable service requirements for, or was not offered, special early Retirement under the Retirement Pension Plan applicable to Employees in his/her Bargaining Unit,
 - (4) has not been on layoff from the Bargaining Unit for a continuous period of twenty-four (24) months [thirty-six (36) months in the case of an Employee who has ten (10) or more Years of Seniority as of his/her last day Worked prior to layoff], and
 - (5) has to his/her credit a credit unit or fraction thereof under the Supplemental Unemployment Benefit Plan applicable to Employees in his/her Bargaining Unit and elects to (i) cancel all his/her remaining credit units under such Supplemental Unemployment Benefit Plan and any other "SUB" Plan of the Company and (ii) waive any prospective eligibility he/she may otherwise have for IMP Benefits under the Income Maintenance Benefit Plan in order to elect a Voluntary Termination of Employment Payment; or
- (c) the Employee is otherwise eligible for IMP Benefits under section 2 of the Income Maintenance Benefit Plan, and
- (1) is at the time he/she shall apply for a Voluntary Termination of Employment Payment ineligible to receive a monthly pension or a monthly Retirement benefit other than a deferred pension or a deferred Retirement benefit under any other Company plan or program then in effect and at the time his/her layoff became effective did not meet the minimum age and

creditable service requirements for, or was not offered, special early Retirement under the Retirement Pension Plan applicable to Employees in his/her Bargaining Unit,

- (2) has not refused any employment interview or offer of Work by the Company pursuant to any of the conditions set forth in section 3(b)(5) of the Income Maintenance Benefit Plan on or after the last day he/she Worked for the Company, and prior to the date on which the Employee makes application, and
- (3) has made application for a Voluntary Termination of Employment Payment prior to the last day of the Week with respect to which the Employee's final Week of Income Maintenance Benefit entitlement applies and as of such application date has unbroken Years of Seniority under the Plan.

Section 2. Determination of Amount and Payment

- (a) Subject to the Income Security Fund Maximum Company Liability defined in section 7 a Voluntary Termination of Employment Payment shall be payable by the Company and only in a lump sum.
- (b) The Voluntary Termination of Employment Payment payable to an Employee who shall meet the conditions of eligibility set forth in section 1(a), 1(b) or 1(c) of this Plan shall be an amount determined in accordance with the Employee's Years of Seniority on the last day Worked prior to the Employee's qualifying layoff for IMP Benefits or in the case of a Voluntary Termination of Employment Payment payable to an Employee eligible therefor under section 1(a), in accordance with his/her Years of Seniority on the date he/she shall apply for such payment. For eligible Employees with five (5) or more Years of Seniority, the gross payment amount will be in accordance with Table A below for eligible Employees on layoff as the result of the closing of a stand-alone plant and in accordance with Table B below for all other eligible Employees.

TABLE A

<i>Years of Seniority*</i>	<i>Amount</i>
5 to 6	\$42,500
6 to 7	44,500
7 to 8	46,500
8 to 9	48,500
9 to 10	50,500
10 to 11	52,500
11 to 12	54,500
12 to 13	56,500
13 to 14	58,500
14 to 15	60,500
15 to 16	62,500
16 to 17	64,500
17 to 18	66,500
18 to 19	68,500
19 to 20	70,500
20 to 21	72,500
21 to 22	74,500
22 to 23	76,500
23 to 24	78,500
24 to 25	80,500
25 and over	82,500

TABLE B

<i>Years of Seniority*</i>	<i>Amount</i>
5 to 6	\$27,500
6 to 7	29,500
7 to 8	31,500
8 to 9	33,500
9 to 10	35,500
10 to 11	37,500
11 to 12	39,500
12 to 13	41,500
13 to 14	43,500
14 to 15	45,500
15 to 16	47,500
16 to 17	49,500
17 to 18	51,500
18 to 19	53,500
19 to 20	55,500
20 to 21	57,500
21 to 22	59,500
22 to 23	61,500
23 to 24	63,500
24 to 25	65,500
25 and over	67,500

* Fractional Years of Seniority to the nearest 1/10th year, will be considered when calculating the gross VTEP amount.

The gross payment amount will be reduced by the gross amount of any IMP Benefits (including an amount equal to the Company cost for the Employee's IMP Insurance Coverage) paid to the Employee under the Income Maintenance Benefit Plan as of the date the payment application is received by the Company.

- (c) The Company shall deduct from the amount of any Voluntary Termination of Employment Payment as computed under this Plan any amount required to be withheld by the Company by reason of any law or regulation, for payment of taxes or otherwise to any federal, provincial, or municipal government.

Section 3. Voluntary Termination of Employment Payment Offsets

Any Voluntary Termination of Employment Payment to an eligible Employee will be reduced by the Employee's outstanding debts to the Company or to trustees of any Company benefit plan or program, including any unpaid overpayments to the Employee under a Supplemental Unemployment Benefit Plan and by the amount of any pay in lieu of notice of termination of employment, mass termination or plant closing or similar payment required under federal or provincial law.

Section 4. Relationship Between Governmental Required Separation or Severance Pay and Plan Benefits

The Payments described in section 2 shall be applied to reduce the amount of any separation, severance payment or similar payment required by federal or provincial law by reason of any plant closing.

Section 5. Effect of Receiving Voluntary Termination of Employment Payment

An Employee who accepts a Voluntary Termination of Employment Payment (i) shall cease to be an Employee and shall have Seniority cease at any and all of the Company's plants and locations as of the date the Employee's application for a Voluntary Termination of Employment Payment is received by the Company and (ii) shall have cancelled any eligibility the Employee may otherwise have had for Regular Benefits and a Separation Payment under the Supplemental Unemployment Benefit Plan and the Separation Payment Plan applicable to Employees in his/her Bargaining Unit (or any other "SUB" and "Separation Payment" Plan of the Company) and for IMP Benefits under the Income Maintenance Benefit Plan.

An Employee who receives a Voluntary Termination of Employment Payment, and who is subsequently reemployed by the Company will not be eligible for any future Voluntary Termination of Employment Payment until the Employee has Worked five (5) years and thereafter becomes eligible for any future Voluntary Termination of Employment Payment that may be available under the Voluntary Termination of Employment Plan. No Seniority used to determine the amount of a previous Voluntary Termination of Employment Payment shall be used in determining a subsequent Voluntary Termination of Employment Payment.

Section 6. Overpayments

If the Company or the board determines after issuance of a Voluntary Termination of Employment Payment that the Payment should not have been issued or should have been issued in a lesser amount, written notice thereof shall be mailed to the former Employee and such former Employee shall return the amount of the overpayment to the Company.

Section 7. Financial Provisions and Liability

(a) All Voluntary Termination of Employment Payments shall be payable by the Company.

(1) Any payments made by the Company are subject to, and limited by, in the aggregate, the Income Security Fund Maximum Company Liability as defined under subsection (c) of this section.

(2) If the Company at any time shall be required to withhold any amount from Voluntary Termination of Employment Payments by reason of any federal or provincial law or regulation, the Company shall have the right to charge such amount against the amount of the Income Security Fund Maximum Company Liability as defined under subsection (c) of this section.

(b) Voluntary Termination of Employment Payment Cheques Not Presented

If a cheque is issued as payment under the Plan and the amount of the payment is not claimed within a period of two (2) years from the date such cheque was issued, the amount shall revert to the Company.

(c) Liability

The Plan applies only to eligible Employees laid off on or after the Effective Date and during the term of the **2012** Collective Agreements. The Company's total financial liability for the cost of the Voluntary Termination of Employment Plan including Payments under the Plans (including amounts paid to the trustee of a Supplemental

Unemployment Benefit Plan and amounts owed to the Company or trustees of other Company plans or programs which were offset against the Voluntary Termination of Employment Payment under section 3), any taxes or contributions imposed on the Company by reason of paying such payments, and any taxes which reduce such payments and are paid to the appropriate tax authority by the Company, shall be limited to the Income Security Fund Maximum Company Liability.

Section 8. General

- (a) The provisions of these sections 1 through 10 constitute the entire Voluntary Termination of Employment Plan and express each and every obligation of the Company with respect to financing of the Plan and providing for Voluntary Termination of Employment Payments.

The board, the Company and the Union, and each of them shall not be liable because of any act or failure to act on the part of any of the others, and each is authorized to rely upon the correctness of any information furnished to it by an authorized representative of any of the others.

Notwithstanding the above provisions, nothing in this section shall be deemed to relieve any person from liability for willful misconduct or fraud.

- (b) No Voluntary Termination of Employment Payment paid under the Plan shall be considered a part of any Employee's wages for any purpose. No person who receives a Voluntary Termination of Employment Payment shall for that reason be deemed an Employee of the Company during such period.
- (c) No matter respecting the Plan shall be subject to the grievance procedure established in a Collective Agreement between the Company and the Union.

Section 9. Amendment and Termination of the Plan

So long as the 2012 Collective Agreements shall remain in effect, the Plan shall not be amended, modified, suspended or terminated, except as may be proper or permissible under the terms of the Plan or the 2012 Collective Agreements. Upon the termination of the 2012

Collective Agreements, the Company shall have the right to continue the Plan in effect and to modify, amend, suspend or terminate the Plan, except as may be otherwise provided in any subsequent Collective Agreements between the Company and the Union.

Section 10. Definitions

Any term used herein which has a counterpart that is defined in the Income Maintenance Benefit Plan shall, unless specifically defined herein, have the same meaning, for purposes of this Plan, as such term has under the Income Maintenance Benefit Plan.

As used herein:

- (1) "Separation Payment Plan" means the Separation Payment Plan applicable to Employees in a Bargaining Unit.
- (2) "Income Maintenance Benefit Plan" means the Income Maintenance Benefit Plan as set forth in Exhibit F-1.
- (3) "Income Security Fund Maximum Company Liability" means the definition contained in the SUB Plan, Article 8 (16).
- (4) "Plan" means the Voluntary Termination of Employment Plan as set forth in this Exhibit F-2.

October 18, 1993

Mr. B. Hargrove
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

During the 1993 negotiations the Union raised a concern about the time lapse that occurs between when an Employee's application for VTEP is received by the Company and the date of actual benefit payment. Section 5 of the Voluntary Termination of Employment Plan provides that an Employee's Seniority is broken as of the date the VTEP application is received by the Company, thereby creating a period of time during which the Employee may be without income.

To address the problem, the parties have agreed that, the provision of exhibit F-2, section 5 to the contrary notwithstanding, an Employee who is in receipt of regular benefits under the SUB Plan and/or IMP Benefits and who makes an application for VTEP payment at anytime up to six Weeks prior to the last Week for which the Employee is eligible to receive such regular benefits or IMP Benefit, shall have their Seniority broken as of the end of the 6th Week following the date the application for VTEP is received by the Company.

During such six Week period, regular benefits or IMP Benefits, as applicable, will continue to be payable so long as the Employee remains eligible for such benefits. In addition, notwithstanding the provisions of exhibit F-2, section 2(b) the gross amount of any IMP Benefits paid during such six Week period between receipt of the VTEP application by the Company and payment of the VTEP payment will be deducted from the VTEP payment.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

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EXHIBIT H
SUPPLEMENTAL AGREEMENT CONCERNING
CAW-FORD LEGAL SERVICES PLAN
BETWEEN:

FORD MOTOR COMPANY OF CANADA, Limited,
hereinafter called the "company"
and

NATIONAL AUTOMOBILE, AEROSPACE. TRANSPORTATION

AND GENERAL WORKERS UNION OF

CANADA (CAW-CANADA)

hereinafter called the "union"

Made at Toronto, Ontario as of the

24th day of September, 2012

The company and the union, on behalf of the employees covered by the Collective Agreement, dated **September 24, 2012**, of which this CAW-Ford Legal Services Plan (hereinafter referred to as the "Plan") becomes a part, agree as follows:

Section 1 Establishment and Continuance of Plan

- 1.01** The Plan was established as the UAW-Ford Legal Services Plan for UAW Represented Hourly Employees of the company as exhibit H of the Collective Agreement, dated November 18, 1984, between the company and the union, then known as the International union, United Automobile, Aerospace and Agricultural Workers of America, for the purpose of providing certain specified, personal legal service benefits to Participants. In a 1987 Agreement the Plan was continued as the CAW-Ford Legal Services Plan for CAW Represented Hourly Employees. The Plan covers only legal services arising under the laws of Canada and the United States of America, or any province, state, territory or any political subdivision thereof.

- 1.02** The Plan is amended as set forth herein and shall be maintained for the duration of the Collective Agreement to which this Plan is a part.
- 1.03** **The CAW-Ford Legal Services Plan covers Employees hired or rehired prior to September 24, 2012 and Retirees, including their covered dependents.**
- 1.04** Inclusion of other Employees and Retirees. Any other employees or retirees of the company (or of any domestic subsidiary of the company) **provided that such employee is hired prior to September 24, 2012 and such retiree is an individual who was formerly such an employee** represented by the National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW-Canada) or any of its local unions, being any local union of the National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW-Canada) by written agreement between the company or the domestic subsidiary and the National Automobile, Aerospace, Transportation and General Workers Union of Canada, (CAW) or any such local union, may be deemed and treated as Employees or Retirees covered by this Plan, but nothing herein shall constitute such other employees or retirees and the Employees or Retirees therefore covered by the Plan a single unit appropriate for the purpose of collective bargaining, or be evidence that they constitute such a unit.

Section 2 Definitions

- 2.01** Benefits: means the specified, personal legal services and related items, which are necessary and appropriate to the particular legal matter covered by the Plan, pursuant to this Agreement.
- 2.02** Committee: means the Administrative Committee, as provided for in section 3 of this Plan.
- 2.03** Cooperating Lawyer: means a Lawyer, other than a full or part time employee of the Plan, who has contracted with the Plan to provide one or more Benefits to Participants.

2.04 Covered Dependent: means individual(s) related to an Employee or Retiree in any of the following ways:

- (a) **Spouse:** will be interpreted to mean the person to whom the employee is legally married, or if there is no such person, the person who has been cohabiting and residing with the employee in a conjugal relationship for an immediately preceding continuous period of at least one (1) year, and has been publicly represented by the employee as the employee's spouse.
- (b) **Surviving Spouse:** means an Employee's or a Retiree's Spouse who survives such person, and who is eligible for surviving spouse benefits under the Ford of Canada-CAW Pension Plan or transition, bridge or health care coverages under the Insurance Program provided under Appendix R of the Collective Agreement of which this Plan is a part. An individual shall cease being a surviving spouse on remarriage.
- (c) **Eligible Children:** provided they meet the requirements of this subsection:
 - (i) **Personal Status** - the child must be the child by birth, legal adoption, or legal guardianship of the Employee or Retiree, or of the spouse of an Employee or Retiree;
 - (ii) **Marital Status** - the child must be unmarried;
 - (iii) **Residency** - the child must reside with the Employee, Retiree, Spouse or Surviving Spouse, as a member of such Employee's, Retiree's, Spouse's or Surviving Spouse's household, such Employee, Retiree, Spouse or Surviving Spouse, must be legally responsible for the child (e.g., child of divorced parents, legal ward, child confined to training institution, child in school);

- (iv) Dependency - the child must be dependent, within the meaning of the Income Tax Act of Canada, upon the Employee, Retiree, Spouse or Surviving Spouse.

Eligibility under section 2.04(c) ceases at the end of the calendar year in which the child becomes age 25, unless prior to such date the child has been determined to be totally and permanently disabled. For the purposes of this subsection "totally and permanently disabled" shall mean having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death, or to be of long-continued or indefinite duration, provided that each disabled child who has reached the end of the calendar year in which such child attained 25 years of age must legally reside with or be a member of the household of the Employee, Retiree, Spouse or Surviving Spouse, and must be dependent upon the Employee, Retiree, Spouse or Surviving Spouse.

For the purposes of this section, children of the Employee or Retiree shall include the after-born child by birth of a deceased Employee or deceased Retiree.

- 2.05** "Legal Services Plan Funding Excess" means the dollar amount by which cumulative contributions required by section 6.02 of this Plan exceeds the cumulative operating expenses of the Legal Services Plan.
- 2.06** "Special Contingency Fund Balance" means the dollar amount as determined under section 2 of the Memorandum of Understanding - Covering Special Contingency Fund between Ford Motor Company of Canada, Limited and CAW Canada and its Locals 200, 584, 707 and 1520.
- 2.07** "Collective Agreement" means any Collective Agreement between the company and the union which incorporates this Plan by reference.
- 2.08** Director: means the individual appointed by the Committee, who is responsible for administering the Plan, set out in section 3.01(e) of this Plan.

- 2.09** Employee: means any individual **hired prior to September 24, 2012** who is actively employed by the company in Canada on an hourly-rate basis, or who retains seniority rights under the terms of the Ford-CAW Collective Agreement in Canada, of which this Plan is a part, and who **was hired prior to September 24, 2012** and is also a member of the bargaining unit as defined in the Collective Agreement, represented by the union.
- 2.10** Fund: means the fund: means the fund of assets established and maintained to provide Benefits under the Plan, as set out in section 6 hereof.
- 2.11** Lawyer: means an individual licensed to practice law in the relevant province and for the purpose of this Plan includes a notary in Quebec, and a notary in British Columbia.
- 2.12** Legal Worker: means any individual, other than a Lawyer or clerical employee, who is employed by the Plan, either on a full or part-time basis, to assist a Lawyer or Cooperating Lawyer in providing Benefits.
- 2.13** Participant: means an Employee, Retiree and/or Covered Dependent as defined in this section 2.
- 2.14** Retiree: means any individual who was formerly an Employee, who is eligible for benefits, other than a deferred pension, under the Ford of Canada-CAW Pension Plan, as amended from time to time, **and for greater certainty excludes employees hired on or after September 24, 2012 upon retirement.**
- 2.15** Staff Lawyer: means a Lawyer employed by the Plan on a full or part time basis, other than a Cooperating Lawyer.

Section 3 Administration

- 3.01** Allocation of Power and Duties. The Plan shall be administered by the following, who shall have the powers and duties specified herein and none other:
- (a) Union: name and monitor its members of the Committee, as provided in 3.02 below.

- (b) Company: name and monitor its members of the Committee, as provided in 3.02 below.
- (c) Independent Member: act as Chair of the Committee, and carry out such other responsibilities as may be delegated by the Committee members.
- (d) Committee: The Committee shall have such powers and duties, not otherwise assigned by this section, as are necessary for proper administration of the Plan, including, but not limited to, the following:
 - (i) Select, appoint, remove, direct, and monitor the Director.
 - (ii) Receive the Director's recommendations for staff assistants, and if appropriate to select, appoint, remove, direct and monitor such staff assistants.
 - (iii) Provide a mechanism, as set out in 3.03 below, for review and adjudication of the appeal of individuals dissatisfied with the actions of the Director, or any representative of the Plan.
 - (iv) In its sole discretion, establish limitations of any Benefit including related fees, but may not expand benefits or add additional benefits beyond those specified in section 5 below.
 - (v) Prescribe uniform rules and regulations, consistent with the provisions of this Plan, for determining an individual's eligibility for Benefits, and for determining whether a claimed Benefit is covered or not.
 - (vi) Prescribe uniform procedures to apply for Benefits under the Plan, and for furnishing evidence necessary to establish entitlement to such Benefits.

- (vii) In its discretion, prescribe uniform procedures for evaluating Benefit usage under the Plan, and collecting data thereon.
 - (viii) Either directly or by delegation, request disbursement from the Fund in accordance with provisions of the Plan, and receive such disbursements. Establish and maintain such depository and other accounts as may be required.
 - (ix) Receive a report, not less frequently than quarterly, together with an annual report, from the Director on the operation and status of the Plan.
 - (x) Receive a report, not less frequently than annually, from the trustee or bank on the status of the Fund.
 - (xi) Prescribe procedures for providing benefits under the Plan.
 - (xii) Delegate any of the above powers and duties in such manner as the Committee considers necessary and proper.
 - (xiii) In its sole discretion to permit staff lawyers to represent Participants on mixed benefits matters which exceed the prepaid limit and on referral benefits on a fee for service basis in accordance with the fees set forth in the Plan Fee Schedule as determined by the Committee from time to time, provided such benefit is not excluded by section 5.05 Exclusions.
- (e) Director: In addition to those delegated by the Committee, the Director shall have the following powers and duties:
- (i) Act as the chief executive officer of the Plan.

- (ii) When duly authorized, take such action in the name of the Plan or the Committee as is necessary to administer the Plan.
- (iii) Keep the books and records of the Plan and, not less frequently than annually, cause those books to be audited by an independent Chartered Accountant.
- (iv) Prepare, file and provide to relevant Participants, all required documents and forms in the manner and with the frequency required by law and regulations thereunder.
- (v) Receive applications for Benefits under the Plan.
- (vi) Make initial determination of eligibility for and amount of Benefits.
- (vii) Prepare, and recommend to the Committee an annual budget for the Plan.
- (viii) Prepare, and present to the Committee quarterly and annual reports on the operation and status of the Plan.
- (ix) Select and hire, under procedures approved by the Committee, a financial officer(s), all necessary Staff Lawyers, Legal Workers, clerical personnel, and such other personnel as are necessary for the operation of the Plan.
- (x) Negotiate and enter into contracts with Cooperating Lawyers, under such terms and conditions as the Committee may set.
- (xi) Implement procedures, as appropriate, for evaluating Benefit usage under the Plan. Advise and inform the Committee on patterns of Benefit usage. Recommend changes which may be helpful in delivering Benefits and otherwise accomplishing the purposes of the Plan.

3.02 Structure and Operation of the Committee.

The Committee shall have the following structure and functions:

- (a) **Appointment.** The Committee shall consist of three (3) members appointed by the company (hereinafter referred to as company Members); three (3) members appointed by the union (hereinafter referred to as union Members); and, as Chair of the Committee, an Independent Member mutually satisfactory to the company and the union. Either the company or union may appoint alternate member(s). The union may remove any Committee Member, or alternate, appointed by it. The company may remove any Committee Member, or alternate, appointed by it. Any removal or appointment shall be effective upon receipt of written notification by the remaining members of the Committee.

- (b) **Compensation.** Union and company members of the Committee will serve without compensation from the Plan. The compensation of the Chair will be paid by the Plan, and will be set by majority vote of the Committee.

The Plan will procure the appropriate fiduciary duty, errors and omissions and related insurance coverage for Committee members, administrative personnel and Staff Lawyers. The Plan will bear the cost of such insurance coverage.

- (c) **Quorums and Decision.** To constitute a quorum at any Committee meeting, at least two (2) union members and two (2) company members shall be present. At all Committee meetings, the company members shall have 3 votes and the union members shall have 3 votes. The vote of any absent or abstaining member shall be equally divided between the other members present appointed by the same party. Decisions of the Committee shall be by majority of votes cast and the result shall be final

and binding. In the event of a tie vote, the Chair shall cast the deciding vote.

- (d) Frequency of Meetings. The Committee shall meet not less frequently than quarterly. Formal minutes of Committee meetings shall be prepared and kept.
- (e) Requests for Funds. The Committee shall not request disbursements from the assets of the Fund unless the disbursement is pursuant to the provisions of the Plan.
- (f) Limitation on Authority. The Committee shall have no power to add to, subtract from, or modify any of the terms of this Plan, or to waive or fail to apply any requirement of eligibility for a Benefit under the Plan, except as provided by this Agreement. In particular, the Committee shall have no authority to modify or delete any of the exclusions set out in section 5.05.

3.03 Appeal Procedure. Any Participant who, for any reason, is dissatisfied with any action or inaction of a Staff Lawyer, Cooperating Lawyer or Legal Worker in connection with the Plan has a right to complain in writing to the Director, who shall within thirty (30) days prepare a written decision and furnish the Participant with a copy of his/her written decision. A Participant who is dissatisfied with the Director's decision may, within thirty (30) days after the date of the decision, appeal to the Committee. Appeals shall be in writing and shall specify the reasons claimed to justify a reversal or modification of the Director's decision. The Committee may, by majority vote, adopt procedures governing the handling and types of appeals which it will review. The Committee shall review the merits of any appeal. If the Committee allows an appeal, the Director shall give the Participant written notice of the Committee's decision, which shall be final and binding on all parties. If the Committee disallows an appeal, the decision of the Director shall be final and binding on all parties, and the Director shall so notify the Participant in writing.

- 3.04 Responsibility of Committee Members.** Each Committee member may rely upon any such direction, information or action of another Committee member as being proper under this Plan and is not required to inquire into the propriety of any such direction, information or action.
- 3.05 No Enlargement of Rights.** The company's and the union's rights under existing collective agreements shall not be affected by reason of any of the provisions of this Plan.

Section 4 Eligibility

- 4.01 Eligible Persons.** The following individuals shall be eligible to receive the Benefits set out in section 5, provided the individual makes timely and adequate application therefor;
- (a) Employees with at least one year of seniority provided however that eligibility ceases for any such Employee who has been continuously laid off for a period exceeding eighteen (18) months after the month in which such Employee's layoff began.
 - (b) Covered Dependents, including the Spouse and Surviving Spouse, of Employees eligible under 4.01(a), provided however eligibility shall continue for thirty (30) days after the death of the Employee or of the Surviving Spouse.
 - (c) Retirees and their Covered Dependents, including Spouse and Surviving Spouse.
 - (d) For estate matters only, personal representatives of the estates of those persons who at the date of their death, were eligible to receive benefits under any of sub-sections (a), (b) or (c) above.

For greater certainty, eligible persons does not include any employee hired on or after September 24, 2012, or any individual who was formerly such an employee or their covered dependents.

- 4.02** Loss of Seniority. Any otherwise eligible Employee who has lost seniority under the terms of the Ford-CAW Collective Agreement, of which this Plan is a part, shall not be eligible to receive Benefits under this Plan. If such an Employee is reinstated and reacquires seniority, the Employee's eligibility, if any, shall resume on the effective date that such Employee reacquires seniority. However, eligibility of such Employee shall not terminate while a grievance is being pursued by the union under the said Collective Agreement.

Section 5 Benefits

- 5.01** Subject to the limitations and exclusions of this and other sections of this Agreement, the Plan will provide for the Benefits set out in this section to all Participants who meet the eligibility requirements of section 4 above.

- 5.02** For the purposes of this section the following definitions apply:

- (a) Prepaid Benefit: means that the Plan will pay for all lawyer fees in accordance with the Plan Fee Schedule (attached hereto as Attachment I and forming part of this Agreement), as determined by the Committee from time to time.
- (b) Mixed Benefit: means that the Plan will pay for part of the lawyer fees in accordance with the Plan Fee Schedule as determined by the Committee from time to time. The remainder of the lawyer's fees will be charged to the Participant in accordance with the Plan Fee Schedule.
- (c) Referral Benefit: means that the Plan will refer the Participant to a cooperating lawyer, if available, who will only charge the Participant lawyer fees in accordance with the Plan Fee Schedule as determined by the Committee from time to time.

- 5.03** The following benefits shall be provided, subject to the limitations and exclusions set out in this and other sections of this Agreement, as determined by the Committee from time to time:

I	Wills and Estates	Benefit
1.	Wills	Prepaid
2.	Powers of Attorney	Prepaid
3.	Inter Vivos Trusts	Referral
4.	Estate Administration	
	(a) Lawyer's Work	Mixed
	(b) Estate Trustee's Work	Referral
5.	Litigation or Election Under Family Law Reform Act	Mixed
6.	Other (e.g. appeals)	Referral
II	Real Estate	
1.	Purchase, including incidental mortgages (Personal Use Only; 2-Year Rule)	Prepaid
2.	Sale, including incidental discharges (Personal Use Only; 2-Year Rule)	Prepaid
3.	Drafting of Agreement of Purchase or Sale	Prepaid
4.	Transfer, assignment, quit claim, discharge	Prepaid
5.	New Mortgage - not incidental to purchase	Prepaid
6.	Foreclosure or Power of Sale	Mixed
7.	Litigation	Mixed
8.	Other (e.g. appeals)	Referral
III	Tenants' Rights	
1.	Non Litigation	Prepaid
2.	Litigation	Mixed
3.	Other (e.g. appeals)	Referral

IV Family

A. Uncontested Matters

- | | |
|--|---------|
| 1. Guardianship or Committee of Minor
or Mental Incompetent | Prepaid |
| 2. Private Adoption | Prepaid |
| 3. Change of Name | Prepaid |
| 4. Domestic Contract | Prepaid |
| 5. Divorce or Annulment | Prepaid |

B. Uncontested Matters Not Listed Above And Contested Matters

Mixed

C. Other (e.g. appeals)

Referral

V Civil Litigation

- | | |
|--|----------|
| 1. Personal Injury * | Mixed |
| 2. Property Damage | Mixed |
| 3. Wrongful Dismissal, Professional Malpractice* | Mixed |
| 4. Other (e.g. appeals) | Referral |

VI Criminal and Motor Vehicle

- | | |
|--|----------|
| 1. Motor Vehicle | |
| (a) Non-moving | Referral |
| (b) Moving | Mixed |
| 2. Criminal | Mixed |
| 3. Pardon | Mixed |
| 4. Estreat of Bail | Mixed |
| 5. Suspension of Driver's License for
Medical Reasons | Mixed |
| 6. Other (e.g. appeals) | Referral |

VII Consumer/Debtor

- | | |
|--|----------|
| 1. Defence of Collection Actions on
Personal/Family Debts | Mixed |
| 2. Personal Bankruptcy | Mixed |
| 3. Consumer Transactions | Mixed |
| 4. Insurance Claims or loss of coverage | Mixed |
| 5. Other (e.g., appeals) | Referral |

VIII Administrative Law

1.	Veterans Benefit	Mixed
2.	Social Assistance Claim	Mixed
3.	Citizenship, Immigration, Deportation	Mixed
4.	Claims to Taxes by Government	Mixed
5.	Canada/Quebec Pension Plan	Mixed
6.	Revenue Ministry	Mixed
7.	Property Tax Assessment Dispute	Mixed
8.	Other (e.g., tax planning, appeals)	Referral

* Effective January 1, 2007

5.04 Discretionary Limitations. Notwithstanding any other section of this Agreement, any Benefit set out in this Agreement shall be subject to such limitations as the Committee, in its sole discretion, may impose. The Plan shall not provide nor shall it be liable for Benefits in excess of such limitations.

5.05 Exclusions. Notwithstanding section 5.03 above, the Plan shall not provide Benefits, or in any other manner pay for the following:

- (a) Any proceeding involving the company and/or Ford Motor Company, their subsidiaries, their dealers, or any of their directors, officers or agents;
- (b) Any proceeding involving the union, any of its subordinate or affiliated bodies, or the officers, or agents of such, or against any labour union or association representing Employees of the company;
- (c) Any proceeding arising under the applicable labour relations acts, labour codes, labour standards acts, as may be amended;
- (d) Fines and penalties, whether civil or criminal;
- (e) Any judgment for civil damages, including judicially awarded costs;

- (f) Any action pending on or before the effective date of the Plan;
- (g) Legal services which are for a Participant's business, it being understood that real estate matters involving personal use properties containing three units or less are not for a participant's business;
- (h) Any proceeding involving another eligible Participant as an adverse party, unless the Participants are separately represented by Lawyers who are not in a conflict of interest position;
- (i) Costs attendant to the purchase or sale of real estate, such as registration fees, land transfer taxes, surveys, real estate agent fees and fees for title searches.
- (j) Matters involving Federal, Provincial, Municipal or Local election to any public office;
- (k) Workers' Compensation or Unemployment Insurance matters involving the company;
- (l) Any bankruptcy proceeding that would result in discharge of a debt owed to the company, to Ford Motor Company, their subsidiaries, dealers, or any of their directors, officers or agents, the union, or any benefit plan or trust established or maintained by the company;
- (m) Any dispute involving the Plan; and
- (n) Proceedings against any benefit plan or arising out of any benefit plan established or maintained by the company, including proceedings against any trust or insurance carrier through which such benefits are provided to the company, its Employees or Retirees.
- (o) All disbursements such as court filing fees, process serving, transcripts, expert witnesses, etc.

- 5.06** Co-ordination of Benefits. The Plan shall not be liable to provide Benefits in any matter to the extent that the Participant has a right to substantially identical benefits under the terms of an insurance contract, or any other legally-enforceable arrangement. Where multiple coverage results under this Plan by reason of the relation of two (2) (or more) Participants, the Plan shall co-ordinate Benefits. If any insurance contract or any other legally enforceable arrangement exists, the services under this Plan shall be secondary to such other coverage.
- 5.07** Non-assignment of Benefits. Assignment, pledge or encumbrance, of any kind, of Benefits under this Plan shall not be permitted or recognized under any circumstances. Nor shall Benefits be subject to attachment or other legal process for debts of Participants, or Covered Dependents. In the event of any such assignment or attachment of any kind, the Benefit shall automatically terminate and thereafter may be applied by the Committee, in its discretion, for the benefit of the Participant or Covered Dependent.

Section 6 Financing

- 6.01** A Fund shall be established by the company and held by a corporate trustee(s) or bank(s) and used to pay Benefits for Participants and pay administrative expenses of the Plan. The company shall select such corporate trustee(s) or bank(s) and enter into any appropriate agreement for such purposes. The Fund will consist of the monies transferred to it from the company. The trustee or bank shall retain all assets of the Fund, including investment income, if any, for the exclusive benefit of Participants, and it shall be used to pay Benefits for Participants or to pay administrative expenses of the Plan. The assets of the Fund shall not revert to or inure to the benefit of either the company or the union.

6.02 The company will make available for funding the Plan, an amount equal to:

- (A) \$0.14 for each hour worked for months in which the sum of the Legal Services Plan Funding Excess and the Special Contingency Fund Balance exceeds \$1,088,000.00 or;
- (B) \$0.18 for each compensated hour for months in which the sum of the Legal Services Plan Funding Excess and the Special Contingency Fund Balance is below \$1,088,000.00.

In the event that funding is required under section 6.02 (B) above, the company will continue to fund pursuant to such section until the sum of the Legal Services Plan Funding Excess and the Special Contingency Fund Balance exceeds \$2,176,000.00.

The company will transfer monies to the Fund on a monthly basis in an amount sufficient for the administration of the Plan.

Section 7 General Provisions

7.01 This Plan creates no vested rights of any kind. No Participant, nor any person claiming through such Participant, shall have any right, title or interest in or to the Fund, or other property of the Plan, or part thereof.

7.02 No matter respecting the delivery or non-delivery of the Benefits provided by this Plan, under the provisions of this Plan shall be subject to the Grievance Procedure established in the Collective Agreement of which this Plan is a part.

7.03 The company and union, by mutual agreement, may modify, amend, or terminate this Agreement, in whole or in part.

- 7.04** Provided that the assets of the Fund are adequate, no termination of this Plan shall deprive a Participant of legal representation in a matter pending in a court or administrative agency on the date of termination. Rather, the Committee shall, if possible, make appropriate arrangements for representation of the Participant to the conclusion of the matter, or for one (1) year following the date of termination, whichever is lesser. The Plan shall have no liability for representation of the Participant beyond that period. If the assets of the Fund are not adequate to provide such post-termination representation, the Committee shall prorate the Benefits based on the available assets, after deducting necessary administrative expenses.
- 7.05** Upon termination of this Plan, the Benefits payable shall be only such as can be provided by the assets of the Fund when distributed pursuant to this section.
- 7.06** The company and union shall make any amendments which are required by the Revenue Ministries and other governmental authorities to qualify the Plan under applicable legislation and maintain same. Furthermore, implementation of the Plan shall be subject to subsequent receipt by the company of rulings satisfactory to the company from proper governmental authorities:
- (a) that implementation of such Plan will not have any adverse effect upon any other favourable rulings previously received by the company, and
 - (b) that the company contribution under this Plan is acceptable to the Revenue Ministries as a legitimate business expense deductible from company income under the provisions of applicable income tax acts. The company shall apply promptly for such rulings.

7.07 This Plan shall commence and remain in effect during the term of the Ford-CAW Collective Agreement of which this Plan is a part.

In witness whereof, the company and the union have caused this Plan to be executed by their duly authorized representatives as of the day and year first above written.

FORD MOTOR COMPANY OF CANADA, LIMITED

By:	Stacey Allerton	G. M. Briscoe
	M. J. Hyland	V. Swindall
	D. J. Nangini	R. Derhodge
	R. A. Cook	
	K. A. Belleghem-Grima	
	J. L. Bridgman	
	P.R. Cameron	
	T. P. Stewart	
	E. C. Kozma	
	M. Huggins	
	D. T. Cantagallo	

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA (CAW-
CANADA)

By:	K. Lewenza	FOR LOCAL 200	FOR LOCAL 584
	P. Kennedy	C. Taylor	D. Champagne
	J. Dias	J. D'Agnolo	
	R. Macdonald	C. Yott	FOR LOCAL 240
		T. Little	M. R. Radvanyi
		T. Kerr	
	FOR LOCAL 707	FOR LOCAL 1520	FOR LOCAL 1324
	G. Beck	D. McGee	A. S. Maslanka
	R. Scott		
	G. Ensell		
	D. Thomas		

CAW LEGAL SERVICES PLAN
FEE SCHEDULE - JANUARY 1, 2008

Legal Problem	*Plan Benefit	**Participant Pays
I. WILLS AND ESTATES		
1. a) Single Will or codicil	\$100.(B)	Nil
b) Will or codicil for Spouse	\$50.(B)	Nil
2. a) Single Power of Attorney	\$60.(B)	Nil
b) Power of Attorney for Spouse	\$30.(B)	Nil
c) Single Personal Care (Medical) Power of Attorney	\$40.(B)	Nil
e) Personal Care (Medical) Power of Attorney For Spouse	\$20.(B)	Nil
3. Estate administration		
a) Lawyer's Work	\$220.(H)	\$110.(H)
b) Estate Trustee's Work	Nil	\$110.(H)
4. Election under Family Law Reform Act	\$220.(H)	\$110.(H)
5. Litigation		
a) Claim is \$3,000.00 or less	\$440.(H)	\$110.(H)
b) Claim is over \$3,000.00	\$1100.(H)	\$110.(H)
6. Other: (e.g. inter vivos trust, appeals)	Nil	\$110.(H)
II. REAL ESTATE		
1. Purchase, including incidental mortgages		
a) Personal use property (2 year Rule)	\$600.(B)	Nil
b) Other	Nil	\$600.(B)
c) Adjacent lot purchases, aborted transactions	\$600.(H)	Nil
2. Sale, including incidental discharges		
a) Personal use property (2 year Rule)	\$400.(B)	Nil
b) Other	Nil	\$400.(B)
c) Aborted transactions	\$400.(H)	Nil

Legal Problem	*Plan Benefit	**Participant Pays
3. Drafting of Agreement of Purchase or Sale (does not include review or minor amendments)		
a) Personal use property (2 year Rule)	\$220.(H)	Nil
b) Other	Nil	\$110.(H)
4. Transfer, assignment, quit claim, discharge (not incidental to purchase or sale or new mortgage); mortgage extension, renewal or amendment	\$110.(B)	Nil
5. New Mortgage - not incidental to purchase (includes incidental discharges)	\$350.(B)	Nil
6. Foreclosure or Power of Sale	\$3300.(H)	\$110.(H)
7. Litigation		
a) Claim is \$3,000.00 or less	\$440.(H)	\$110.(H)
b) Claim is over \$3,000.00	\$3300.(H)	\$110.(H)
Other: (e.g. appeals)	Nil	\$110.(H)

III. TENANTS' RIGHTS

1. Non Litigation (personal use property)	\$220.(H)	Nil
2. Litigation (personal use property)		
a) Monetary claim only and \$3,000.00 or less	\$440.(H)	\$110.(H)
b) Claim over \$3,000.00 or non-monetary (e.g. eviction)	\$3300.(H)	\$110.(H)
Other: (e.g. appeals)	Nil	\$110.(H)

IV. FAMILY

1. Guardianship or Committee Minor or Mental Incompetent		
a) Uncontested	\$470.(B)	Nil
b) Contested	\$1320.(H)	\$110.(H)
2. Private Adoption		
a) Uncontested	\$400.(B)	Nil
b) Contested	\$1320.(H)	\$110.(H)

Legal Problem	*Plan Benefit	**Participant Pays
3. Change of Name		
a) Uncontested	\$200.(B)	Nil
b) Contested	\$1320.(H)	\$110.(H)
4. Domestic Contract		
a) Uncontested	\$470.(B)	Nil
b) Contested	\$1320.(H)	\$110.(H)
5. Divorce or Annulment		
a) Lawyer for Petitioner		
i) Uncontested	\$470.(B)	Nil
ii) Contested	\$1320.(H)	\$110.(H)
b) Lawyer for Respondent		
i) Uncontested	\$1320.(H)	\$110.(H)
ii) Contested	\$1320.(H)	\$110.(H)
6. Quebec Notarial Marriage Contract	\$110.(B)	Nil
7. Spouse or dependent conflict with employee or retiree - NCL	\$110.(H)	N/A
8. Other		
a) Uncontested matters not listed above	\$1320.(H)	\$110.(H)
b) Contested matters not listed above	\$1320.(H)	\$110.(H)
c) Appeals	Nil	\$110.(H)
V. CIVIL LITIGATION		
1. Personal injury (only or in addition to property damage)	\$220.(H)	\$110.(H)
2. Property Damage Only (i.e., no personal injury)	\$220.(H)	\$110.(H)
3. Wrongful Dismissal, Professional Malpractice	\$220.(H)	\$110.(H)
4. Other: (e.g., appeals)	Nil	\$110.(H)

Legal Problem	*Plan Benefit	**Participant Pays
VI. CRIMINAL AND MOTOR VEHICLE		
1. Motor Vehicle		
a) Non-moving	Nil	\$110.(H)
b) Moving	\$440.(H)	\$110.(H)
2. Criminal		
a) Adult	\$440.(H)	\$110.(H)
b) Young offender	\$440.(H)	\$110.(H)
3. Pardon	\$440.(H)	\$110.(H)
4. Estreat of Bail	\$440.(H)	\$110.(H)
5. Suspension of Driver's License for Medical Reasons (initial hearing only)	\$3300.(H)	\$110.(H)
6. Other: (e.g. appeals)	Nil	\$110.(H)
VII. CONSUMER/DEBTOR		
1. Defence of collections on personal/family debts (does not include items listed in Schedule VIII or judgments for personal injury or family law support)		
a) If \$3,000.00 or less	\$440.(H)	\$110.(H)
b) If over \$3,000.00	\$3300.(H)	\$110.(H)
2. Personal Bankruptcy (does not include services ordinarily performed by Trustee or Official Receiver)		
a) If \$3,000.00 or less	\$440.(H)	\$110.(H)
b) If over \$3,000.00	\$3300.(H)	\$110.(H)
3. Consumer Transactions (e.g., contracts, warranties)		
a) If \$3,000.00 or less	\$440.(H)	\$110.(H)
b) If over \$3,000.00	\$3300.(H)	\$110.(H)
4. Insurance Claims or loss of coverage		
a) If \$3,000.00 or less	\$440.(H)	\$110.(H)
b) If over \$3,000.00	\$3300.(H)	\$110.(H)
5. Other: (e.g., appeals)	Nil	\$110.(H)

Legal Problem	*Plan Benefit	**Participant Pays
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VIII. ADMINISTRATIVE LAW

1. Veterans Benefit)		
2. Social Assistance Claim (includes)		
Unemployment Insurance, Workers' Compensation and Criminal Injuries Compensation) ***)	If \$3,000. or less \$440.(H)	\$110.(H)
3. Citizenship, Immigration, Deportation))		
4. Claims to taxes by government (does not include tax planning or preparing tax returns).)		
5. Canada/Quebec Pension Plan (initial hearing only))	If over	
6. Revenue Ministry)	\$3,000.	
a) Audit)	\$3300.(H)	\$110.(H)
b) Administrative proceeding (initial hearing only))		
7. Property Tax Assessment dispute (initial hearing only))		
8. Other: (e.g., tax planning, appeals)		Nil	\$110.(H)

* Plan Pays nil or block fee (B) or \$110.00 per hour (H) up to maximum fee as indicated. Plan benefit does not include GST or any other taxes.

** Participant Pays nil or block fee (B) or \$110.00 per hour (H) as indicated, (plus taxes, disbursements and title search fees).

*** Does not include Workers Compensation or Unemployment Insurance matters involving the Company.

NOTE: Conflicts with Spouse or Dependent: In these situations coverage for the Spouse or Dependent is limited up to one (1) hour reimbursement only.

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**GROUP LIFE AND DISABILITY INSURANCE
HOSPITAL-SURGICAL-MEDICAL-DRUG-
DENTAL-VISION
EXPENSE COVERAGES (H-S-M-D-D-V PROGRAM)**

APPENDIX "R"

to

AGREEMENT

between

FORD MOTOR COMPANY OF CANADA, LIMITED

and

NATIONAL UNION

CAW

September 24, 2012

2012 MASTER AGREEMENT
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**GROUP LIFE AND DISABILITY INSURANCE
HOSPITAL-SURGICAL-MEDICAL-DRUG-
DENTAL-VISION
EXPENSE COVERAGES (H-S-M-D-D-V PROGRAM)**

GROUP LIFE AND DISABILITY INSURANCE

1. Coverages

The following coverages, each as hereinafter described, shall be provided under the company's group insurance contract with Great-West Assurance Company (or another reputable insurer or insurers of the company's choice):

- (a) life insurance, and
- (b) total and permanent disability benefits, and
- (c) survivor income benefits, and
- (d) accidental death and dismemberment insurance, and
- (e) accident and sickness insurance, and
- (f) extended disability insurance.

2. Company Contributions

The company shall pay the full premium for the applicable coverage of an employee under the group insurance contract:

- (a) for any month he/she receives pay from the company for any time during such month, and
- (b) for life insurance provided after the month in which the employee becomes age 65 if he/she is insured at age 65.

The company shall also pay the full premium for the applicable coverages for periods during which coverages are continued under section 14 without cost to the employee and shall pay the portions of the premium not covered by employee contributions for periods during which coverages are continued under section 14 by employee contributions.

3. Schedule of Benefits

(a) For employees under age 65:

- (i) Life, Accidental Death and Dismemberment and Disability Coverages for Employees Last at Work prior to **September 24, 2012**, shall be determined in accordance with the Schedule of Benefits in section 3(a)(ii) of the Group Life and Disability Insurance part of Appendix R in effect on **September 23, 2012**,
- (ii) Life, Accidental Death and Dismemberment and Disability coverages for employees last at work on or after **September 24, 2012** shall be determined in accordance with the schedules below:

SCHEDULE OF BENEFITS - HOURLY EMPLOYEES

Base Hourly Rate ¹	Life Insurance	Accidental Death & Dismemberment Benefit ²	Weekly Accident & Sickness Benefits ³	Monthly Disability Schedule I ⁴	Extended Benefits Schedule II ⁴
Up to but less than 20.25	46,000	23,000	500	1,740	1,915
20.25 but less than 20.60	46,500	23,250	510	1,770	1,945
20.60 but less than 20.95	47,500	23,750	520	1,800	1,980
20.95 but less than 21.30	48,500	24,250	525	1,830	2,015
21.30 but less than 21.65	49,000	24,500	535	1,860	2,045
21.65 but less than 22.00	50,000	25,000	545	1,890	2,080
22.00 but less than 22.35	50,500	25,250	550	1,920	2,115
22.35 but less than 22.70	51,500	25,750	560	1,950	2,145
22.70 but less than 23.05	52,500	26,250	570	1,985	2,180
23.05 but less than 23.40	53,000	26,500	575	2,015	2,215
23.40 but less than 23.75	54,000	27,000	585	2,045	2,245
23.75 but less than 24.10	54,500	27,250	595	2,075	2,280
24.10 but less than 24.45	55,500	27,750	605	2,105	2,315
24.45 but less than 24.80	56,500	28,250	610	2,135	2,350
24.80 but less than 25.15	57,000	28,500	620	2,165	2,380
25.15 but less than 25.50	58,000	29,000	630	2,195	2,415
25.50 but less than 25.85	58,500	29,250	635	2,225	2,450
25.85 but less than 26.20	59,500	29,750	645	2,255	2,480
26.20 but less than 26.55	60,500	30,250	655	2,285	2,515
26.55 but less than 26.90	61,000	30,500	660	2,315	2,550
26.90 but less than 27.25	62,000	31,000	670	2,345	2,580
27.25 but less than 27.60	62,500	31,250	680	2,375	2,615
27.60 but less than 27.95	63,500	31,750	685	2,405	2,650
27.95 but less than 28.30	64,500	32,250	695	2,440	2,680
28.30 but less than 28.65	65,000	32,500	705	2,470	2,715
28.65 but less than 29.00	66,000	33,000	710	2,500	2,750
29.00 but less than 29.35	67,000	33,500	720	2,530	2,780
29.35 but less than 29.70	67,500	33,750	730	2,560	2,815
29.70 but less than 30.05	68,500	34,250	735	2,590	2,850
30.05 but less than 30.40	69,000	34,500	745	2,620	2,880

30.40 but less than 30.75	70,000	35,000	755	2,650	2,915
30.75 but less than 31.10	71,000	35,500	760	2,680	2,950
31.10 but less than 31.45	71,500	35,750	770	2,710	2,980
31.45 but less than 31.80	72,500	36,250	780	2,740	3,015
31.80 but less than 32.15	73,000	36,500	785	2,770	3,050
32.15 but less than 32.50	74,000	37,000	795	2,800	3,080
32.50 but less than 32.85	75,000	37,500	805	2,830	3,115
32.85 but less than 33.20	75,500	37,750	815	2,860	3,150
33.20 but less than 33.55	76,500	38,250	820	2,895	3,180
33.55 but less than 33.90	77,000	38,500	830	2,925	3,215
33.90 but less than 34.25	78,000	39,000	840	2,955	3,250
34.25 but less than 34.60	79,000	39,500	845	2,985	3,280
34.60 but less than 34.95	79,500	39,750	855	3,015	3,315
34.95 and over	80,500	40,250	865	3,045	3,350

SCHEDULE OF BENEFITS - SKILLED TRADES HOURLY EMPLOYEES

Base Hourly Rate ¹	Life Insurance	Accidental Death & Dismemberment Benefit ²	Weekly Accident & Sickness Benefits ³	Monthly Disability Schedule I ⁴	Extended Benefits Schedule II ⁴
Up to but less than 37.05	84,500	42,250	905	3,195	3,515
37.05 but less than 37.40	85,000	42,500	915	3,225	3,550
37.40 but less than 37.75	86,000	43,000	920	3,255	3,580
37.75 but less than 38.10	87,000	43,500	930	3,285	3,615
38.10 but less than 38.45	87,500	43,750	940	3,315	3,650
38.45 but less than 38.80	88,500	44,250	945	3,350	3,680
38.80 but less than 39.15	89,000	44,500	955	3,380	3,715
39.15 but less than 39.50	90,000	45,000	965	3,410	3,750
39.50 but less than 39.85	91,000	45,500	970	3,440	3,780
39.85 but less than 40.20	91,500	45,750	980	3,470	3,815
40.20 but less than 40.55	92,500	46,250	990	3,500	3,850
40.55 but less than 40.90	93,000	46,500	995	3,530	3,880
40.90 but less than 41.25	94,000	47,000	1,005	3,560	3,915
41.25 but less than 41.60	95,000	47,500	1,015	3,590	3,950
41.60 but less than 41.95	95,500	47,750	1,025	3,620	3,985
41.95 but less than 42.30	96,500	48,250	1,030	3,650	4,015
42.30 but less than 42.65	97,000	48,500	1,040	3,680	4,050
42.65 but less than 43.00	98,000	49,000	1,050	3,710	4,085
43.00 but less than 43.35	99,000	49,500	1,055	3,740	4,115
43.35 and over	99,500	49,750	1,065	3,770	4,150

- 1 "Base Hourly Rate" to be used in determining life, accidental death and dismemberment, extended disability benefits, and, weekly accident and sickness benefits shall, for disabilities commencing or for deaths occurring after the employee has so worked, be:

- (i) The employee's Base Hourly Rate as defined in section 6(a) for employees who last work before September 21, 2009.

- (ii) The employee's Base Hourly Rate as defined in section 6(a), plus the sum of (A) the cost-of-living allowance in effect on September 21, 2009, minus (B) \$0.05, for employees who last work on or after September 21, 2009 but before September 20, 2010.
 - (iii) The employee's Base Hourly Rate as defined in section 6(a), plus the sum of (A) the cost-of-living allowance in effect on September 20, 2010, minus (B) \$0.05, for employees who last work on or after September 20, 2010.
- 2 Twice the scheduled amount may be payable for an occupational-related death (as defined in Section 10 below).
 - 3 Subject to reduction for other benefits described in Section 11 or 13 below. Accident and Sickness Benefits subject to adjustment for short-service employees as described in Section 11(d) below.
 - 4 Schedule II applies to eligible employees who on their last day worked preceding a continuous period of disability either have ten or more years of creditable service under the Retirement Pension Plan or ten or more years of participation under Group Life and Disability Insurance. Schedule I applies to all other employees eligible for Extended Disability Benefits.

(b) For employees age 65 and older:

(1) Life Insurance - 10 or more Years

If an employee is insured at age 65 and has ten (10) or more years of creditable service under the Retirement Pension Plan at the end of the month in which he/she attains age 65, his/her Life Insurance shall be continued until his/her death. However, the amount of insurance shall be gradually reduced (at the rate of 2% of the amount in force at age 65) each month after he/she becomes age 65 until an ultimate amount of Life Insurance called "Continuing Group Life Insurance" (CGL) is reached.

The Continuing Group Life Insurance (CGL) amount will be determined by multiplying by 1-1/2% his/her years of creditable service under the Retirement

Pension Plan at the end of the month in which he/she attains age 65. This amount will then be multiplied by the amount of Life Insurance in force at age 65.

The reduction of Life Insurance commences at age 65. The minimum amount of CGL is the greater of 15% of Life Insurance in force at age 65 [with ten (10) years of creditable service] or, for deaths occurring on or after September 27, 1999, \$5,000.00. If the amount of Life Insurance in force at age 65 is less than \$5,000.00, the CGL is the amount of Life Insurance in force at age 65 or \$500.00, whichever is greater.

(2) Life Insurance - Less than 10 Years

If an employee remains employed after age 65 but has less than ten (10) years of creditable service under the Retirement Pension Plan, his/her Life Insurance will be continued subject to the reductions described in (1) above. However, if his/her seniority breaks or if he/she is on layoff in excess of twenty-five (25) consecutive months, Life Insurance is discontinued; provided, however, that such an employee attains ten (10) years of creditable service after his/her 65th birthday will have his/her Life Insurance in force at the end of the month in which he/she attains age 65 reduced and continued as provided in (1) above.

(3) Those Becoming Insured After Age 65

If an employee becomes insured after age 65, the amount of his/her Life Insurance (until discontinued under the provision of (2) above) will be determined in accordance with the Schedule of Benefits in section 3 above, subject to the reductions described in (1) above, as though he/she had been insured since age 65.

(4) Years of Participation

For purposes of (1) and (2) above, years of participation (prior to age 65) in Group Life and Disability Insurance, if any, after an employee last ceases active work before age 65, are added to creditable service under the Retirement Pension Plan in determining eligibility for and amounts of Continuing Group Life Insurance.

4. Commencement of Coverage

Coverage becomes effective as set forth below, provided the employee (excluding the conditions described in (a)(1) herein) makes written application by the end of the month in which his/her employment starts:

(a) Employees hired or rehired: The first of the month following date employed, except

- (1) that if an employee hired or rehired dies as a result of bodily injuries prior to becoming insured for Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefits, such insurance coverages shall be provided for such death but only if:
 - (i) a benefit would be payable for such death under section 10 if such employee were insured at the time of such injuries,
 - (ii) the bodily injuries are caused solely by employment with the company, and
 - (iii) the bodily injuries result solely from an accident in which both the cause and result are unexpected and definite as to time and place; and
- (2) that Accident and Sickness and Extended Disability Benefit Insurance coverages do not commence until the first of the fourth month following date employed.

- (b) Employees reinstated: Date of reinstatement, if insured at last termination;

Provided, however, that if accident or sickness keeps him/her from work on the day he/she would otherwise become insured, the insurance does not take effect until the day he/she returns to work.

For an employee who does not make written application before the date that particular coverages otherwise become effective, such coverages become effective on the day he/she makes written application provided he/she is then at work, otherwise on the day he/she returns to work.

Provided, however, that in the event the company otherwise qualifies for a premium reduction under the Employment Insurance Act, coverage will be provided on the date necessary to retain the company's eligibility for Employment Insurance premium reduction.

5. When Scheduled Amounts of Insurance Change

Changes in the employee's scheduled amounts of benefits as a result of changes in his/her Regular Hourly Wage Rate, will be made as follows:

If in A New Insurance Bracket On	The Change Takes Effect On
January 1	February 1
April 1	May 1
July 1	August 1
October 1	November 1

Provided, however, that if accident or sickness keeps him/her from work on the day the change would otherwise be effective, the change does not take effect until the day he/she returns to work.

6. Benefit Payments

(a) General

Life and Accidental Death and Dismemberment claims are paid promptly upon submission of satisfactory proof of death, accident or loss. Survivor Income Benefits are paid upon continuing proof of eligibility as a Survivor. Accident and Sickness Benefits are paid to the eligible employee weekly subject to receipt of due proof. Extended Disability Benefits are paid to the eligible employee monthly following the date of expiration of the maximum number of weeks for which he/she is entitled to receive Accident and Sickness Benefits, subject to receipt of due proof.

Except for Survivor Income Benefits, benefit payments shall be based upon the employee's regular hourly rate (exclusive of shift differentials, overtime, cost-of-living allowance or other extras) on the last day he/she worked preceding death or disability, or if higher, on the scheduled amounts applicable to him/her as described in section 5.

If an employee is assigned a lower rated job because of an occupational disability with a resulting loss in pay, his/her benefit payments shall be based on his/her regular hourly rate at the time of injury, during periods while he/she is at work and for which he/she receives weekly Workers' Compensation for such loss in pay.

(b) Incompetents

If the person to whom a payment is otherwise payable is incompetent or otherwise incapable of giving a valid release, the Insurer may withhold payment until a guardian of such person is appointed or, at its option in the case of payments due on a weekly or monthly basis, pay any relative of such person by blood or marriage or any other individual or institution appearing to it to have assumed custody of such person. The liability of the Insurer shall be fully discharged to the extent of such payment.

(c) Settlement Options

The amount of any valid life insurance or accidental death and dismemberment insurance claim for death shall be paid in one sum or in a fixed number of monthly or yearly installments for each \$1,000.00, in accordance with the settlement options made available by the Insurer.

In the event that provision for payment of such a claim by installments has not been made by the employee prior to his/her death, then such provision may be designated by the beneficiary last named by the employee.

(d) Recovery of Benefit Overpayments

If it is determined that any benefits paid to an employee should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given to such employee and he/she shall repay the amount of the overpayment to the Insurer.

If the employee fails to repay such amount of overpayment promptly, the Insurer may arrange to recover the amount of the overpayment by making an appropriate deduction or deductions from any future benefit payment or payments payable to the employee or the company at the Insurer's request may make an appropriate deduction or deductions from future compensation payable by the company to the employee.

(e) Subrogation

In the event of any payment to the employee under the Life and Disability Insurance Plan for loss of income for which the employee may have a cause of action against a third party, the Trustee of the Ford Group Health Trust (the Trustees) the Administrator or the company will have their interest subrogated in this regard. This will entitle the Trustee, the Administrator or the company to be reimbursed for any amount, that the employee recovers for loss of income from the Trustees, the Administrator or the company which exceeds the employee's actual loss of income.

The employee will execute and deliver such instruments and papers as may be required and do whatever else is necessary to secure such rights. The employee may take no action which may prejudice the subrogation rights.

The subrogation rights referred to above do not apply to an individual plan purchased by the employee specifically for wage loss replacement.

(f) Spouse

Wherever "wife", "husband" or "spouse" is used it shall mean the person to whom the employee is, and has been for at least one year, legally married; if there is no such wife, husband or spouse, it shall mean the person who has been cohabiting and residing with the employee in a conjugal relationship for an immediately preceding continuous period of at least one year and has been publicly represented by the employee as the employee's spouse.

7. Life Insurance

(a) Benefit

If an employee dies from any cause while insured, the amount for which he/she is insured shall be paid to the person he/she has named as beneficiary. Subject to the provisions of any applicable laws, in the event the last named beneficiary dies before the employee, or if no beneficiary shall have been named, the life insurance will be paid to the employee's spouse, if living; if not living, equally to the employee's surviving children; if none survive, to either the employee's mother or father, or to both equally if both survive; if there are no such survivors, to the executors or administrators of the employee's estate. For the purpose of this section 7(a) only, the term "spouse" shall include the person to whom the employee had been legally married for less than one year or with whom the employee had been cohabiting and residing with in a conjugal relationship for an immediately preceding continuous period of at least one year, and had been publicly represented by the employee as the employee's spouse.

(b) **Beneficiary Designation**

Subject to the provisions of any applicable laws, an employee has the right to name the beneficiary of his/her choice, and to change his/her beneficiary at any time. The beneficiary is that designation he/she has last made as indicated on the records of the Insurer.

When the Insurer receives notice of a beneficiary change, the change then relates back to and takes effect as of the date the employee signed such notice, according to the date shown thereon, whether or not he/she is living when the Insurer received such notice, but without prejudice to the Insurer on account of any payment it may have made before receipt of such written notice.

(c) **Assignment**

Life Insurance is not assignable.

8. Total and Permanent Disability Benefits

(a) **Benefit**

An employee eligible for Total and Permanent Disability Benefits can elect to have his/her Life Insurance paid to him/her in fifty (50) monthly installments at the rate of \$20.00 for each \$1,000.00 of Life Insurance for which he/she is insured on the date of commencement of such disability. If an employee returns to work after receiving any such installments, his/her Life Insurance amount will be reinstated in an amount determined in accordance with the provisions of section 3. If he/she subsequently collects disability installments, they are to stop when their total plus the total of installments paid for any previous disability equals the amount of his/her Life Insurance in force at the time of the subsequent disability.

(b) Eligibility

To be eligible for Total and Permanent Disability Benefits, an employee must:

- Be totally and permanently disabled,
- Be no longer eligible to receive Accident and Sickness Benefits or Extended Disability Benefits; provided, however, an employee shall not qualify earlier than the completion of the maximum period of eligibility for such Benefits by reason of a waiver as provided under sections 11 (j) or 13 (g) below,
- Have completed at least a twenty-six (26) week period of such disability,
- Have either ten (10) years of creditable service under the Retirement Pension Plan or ten (10) years of participation under Group Life and Disability Insurance at the end of the month in which such disability begins,
- Notify the Insurer on its prescribed forms within one (1) year from the date premiums on his/her Insurance have been paid, and
- Submit to the Insurer satisfactory written proof of such disability, as required herein.

The Insurer shall reserve the right to require the employee to submit to physical examination by physicians designated by it. An employee shall be deemed to be totally and permanently disabled only if he/she is not engaged in regular employment or occupation for remuneration or profit and on the basis of medical evidence satisfactory to the Insurer the employee is found to be wholly and permanently prevented from engaging in regular employment or occupation with the company at the plant or plants where he/she has seniority for remuneration or profit as a result of bodily injury or disease, either occupational or non-occupational in cause.

(c) **Benefits Upon Death**

If the employee should die before all the monthly installments have been paid, the balance will be paid to his/her beneficiary in a lump sum. If all the installments have been paid, or if the unpaid balance is less than \$500.00, his/her beneficiary will receive \$500.00.

Payment of Total and Permanent Disability benefits will in no way affect any benefit the employee may be entitled to under the Retirement Pension Plan.

(d) **Limitation**

An employee does not qualify for Total and Permanent Disability benefits for disability which results from service in the armed forces, unless he/she has been in employment with the company at least ten (10) years after separation from such service.

9. Survivor Income Benefits

(a) **Transition Survivor Income Benefit**

If an employee dies while insured for Survivor Income Benefits, leaving one or more Survivors, as defined below, the Insurer shall begin payment of not more than twenty-four (24) monthly Survivor Income Benefits ("Transition Survivor Income Benefits"), provided at least one of such Survivors is living on the first day of the month following the employee's death and then qualifies as his/her Survivor and provided that no waiver of benefits is in force.

The amount of the monthly Transition Survivor Income Benefit payable to the eligible Class A, Class B or Class C survivors of employees shall be \$875.00 per month, except that for any month in which an eligible Class A survivor has a dependent child as defined in subsection (a)(2) herein and for any month in which an eligible Class B survivor has no parent surviving, the amount of the transition survivor income benefit shall be \$950.00 per month.

For months in which two (2) or more eligible Class B or Class C survivors share a Benefit, each survivor's share is computed as a fraction of the Benefit that would be paid to him/her as a sole survivor, according to his/her own eligibility for statutory benefits.

The first such Benefit is payable on the first day of the month following the employee's death. Thereafter, a monthly Survivor Income Benefit is payable on the first day in each of the next twenty-three (23) months, but if on the first day of any month after the employee's death no person then living qualifies as his/her survivor, no such benefit is payable for that month or any subsequent month.

Survivors are classified and defined as follows:

- (1) A "Class A Survivor" means the employee's surviving spouse.
- (2) A "Class B Survivor" means the employee's child who at the employee's death and at the time a survivor income benefit first becomes payable to such child is both unmarried and either (i) under 21 years of age, or (ii) at least age 21 but under age 25 or (iii) totally and permanently disabled at any age over 21; provided, however, that a child under clause (ii) or (iii) must have been legally residing with and dependent upon the employee at the time of his/her death. A child ceases to be a Class B Survivor upon marrying, or if not totally and permanently disabled, upon reaching his or her 25th birthday. To qualify as the employee's child, the child must be one of the following:
 - (i) the employee's own child born prior to the first of the month following the employee's death,
 - (ii) the employee's legally adopted child or a child with respect to whom he/she had initiated legal adoption proceedings which were terminated by his/her death,
 - (iii) the employee's step-child who resided with him/her at the time of his/her death.

- (3) A "Class C Survivor" means the employee's parent for whom he/she had, during the calendar year immediately preceding his/her death, provided at least 50 per cent of such parent's support, if such parent was
- (i) the employee's father or mother by blood relationship, or
 - (ii) the employee's adopting parent.
- (4) The Survivors entitled to each Monthly Survivor Income Benefit that becomes payable under this Subsection 9 (a) shall be determined as follows:
- (i) the employee's Class A Survivor who is living on the first day of a month shall be entitled to the Benefit payable for such month;
 - (ii) if the employee's Class A Survivor is not living on the first day of a month, persons who qualify on that day as his/her Class B Survivors, excluding any then deceased, shall be entitled to the Benefit payable for that month; two (2) or more such persons to share the Benefit equally,
 - (iii) if the employee's Class A Survivor is not living on the first day of a month and no living person qualifies on that day as the employee's Class B Survivor, persons who qualify on that day as the employee's Class C Survivors, excluding any then deceased, shall be entitled to the Benefit payable for that month; two (2) such persons to share the Benefit equally.
 - (iv) In any case in which the Class A eligible survivor does not receive Survivor Income Benefits, because of a waiver under section 9(d), any payments of Transition Survivor Income Benefits to a Class B or Class C eligible survivor shall be determined as if the deceased Class A eligible survivor had not waived such benefits. In no event, however, would any such benefit be paid to a Class B or Class C eligible survivor for any month for which Transition Survivor Income

Benefits would have been payable to the Class A eligible survivor except for the waiver or for any month subsequent to twenty-four (24) calendar months after the date of death of the insured employee.

(b) Bridge Survivor Income Benefit

There shall also be payable in accordance with the terms and conditions of this subsection to a Class A eligible survivor, as defined in subsection (a)(1) above, who is 45 years of age or more on the date of the employee's death, or whose age (to the nearest 1/12) when combined with the employee's years of creditable service under the Retirement Plan, both of which to be determined as of the date of the employee's death, totals 55 or more, and who has received twenty-four (24) monthly payments of the Transition Survivor Income Benefit provided in subsection (a) above, an additional survivor income benefit (hereinafter referred to as a Bridge Survivor Income Benefit). The amount of the Bridge Survivor Income Benefit payable to a Class A Survivor shall be \$875.00 per month, except that for any month in which the survivor has a dependent child as defined in subsection (a)(2) above, the amount of the Bridge Survivor Income Benefit shall be \$950.00 per month.

Such benefit shall be paid as follows:

- (i) The Bridge Survivor Income Benefit will become payable commencing with the first month following the month for which the 24th monthly payment of the Transition Survivor Income Benefit is paid.
- (ii) The Bridge Survivor Income Benefit will cease to be paid immediately upon the occurrence of:
 - (a) the death of the Class A eligible survivor;
 - (b) the remarriage of the Class A eligible survivor or upon such eligible survivor's acquiring a spouse within the meaning of section 6(f);

- (c) attainment by Class A eligible survivor, age 65, or such lower age, at which Old Age Security Benefits become payable under any Federal legislation, as now in effect or hereafter enacted or amended; or
- (d) the commencement of a period covered by a waiver in accordance with (d) below.

(c) Assignment and Attachment

An employee may not assign his/her Survivor Income Benefits and his/her Survivors may not assign any Monthly Survivor Income Benefit that becomes payable.

To the extent permitted by applicable law, Monthly Survivor Income Benefits shall not be subject to attachment or other encumbrance or subject to the debts or liability of any survivor.

(d) Waiver

An eligible Class A Survivor of an employee may execute a waiver with respect to any right to receive Survivor Income Benefits for any period by completing a waiver form furnished by the company for that purpose, regardless of the date the deceased employee last worked, such waiver being effective the first of the second month following the month in which such waiver is received by the company. No Survivor Income Benefits shall be payable for any period covered by such waiver; provided, however, any month in which a Survivor Income Benefit is not paid because of such waiver shall be counted as if it is a month for which a benefit is paid under (a) above for the purpose of determining the maximum number of monthly Transition Survivor Income Benefits. An eligible Class A Survivor may revoke such a waiver by completing the appropriate form furnished by the company, such revocation being effective with respect to Survivor Income Benefits payable on and after the first of the second month following the month in which such revocation is received by the company.

(e) Proof of Death and Entitlement

Survivor Income Benefits become payable only if due proof of the employee's death is submitted to the Insurer. Payment of each Monthly Survivor Income Benefit is subject to the condition that the person claiming the Benefit submit to the Insurer due proof of entitlement to such Benefit.

10. Accidental Death and Dismemberment Insurance

(a) Benefit

If an employee has an accidental bodily injury and dies or incurs any of the other losses described below as a result of, and dies within one year of or incurs any of the other losses within two (2) years of such accident, the employee or his/her designated beneficiary receives the following benefits, provided the employee is insured for this coverage at the time of such injury and at the time of such loss:

<i>Loss</i>	<i>Accidental Death and Dismemberment Benefit</i>
Accidental Death or accidental loss of more than one of the following: hand, foot, or sight of an eye. Accidental loss of use of more than one of the following: hand or foot.	Equal to one-half Life Insurance in force.
Accidental loss of one of the following: hand, foot, or sight of an eye. Accidental loss of use of one of the following: hand or foot.	Equal to one-quarter Life Insurance in force.

Loss of a hand or a foot means loss by severance at or above the wrist or ankle joint; and loss of sight of an eye means total and irrecoverable loss of sight.

Loss of Use means total and irrecoverable loss of the ability to perform every action the hand or foot was able to perform before the accident occurred, beyond correction by surgical or other means, **including paralysis**. No benefits will be

paid for loss of use if benefits for loss by dismemberment of the same hand or foot are paid or payable as a result of the same accident. Loss of Use will be considered a loss only if it is continuous for one (1) year.

If loss of life results from accidental bodily injuries caused solely by employment with the company, and results solely from an accident in which the cause and result are unexpected and definite as to time and place, the total amount payable as an accidental death and dismemberment benefit shall be the amount of Life Insurance then in force.

(b) Examination

In the case of Dismemberment or Loss of Use claims, the Insurer has the right as often as it may reasonably require to examine the employee at its expense while the claim is pending. It also has the right to make an autopsy, where not forbidden by law, in connection with Accidental Death claims.

(c) Limitations

No payment shall be made for any loss caused wholly or partly, directly or indirectly, by:

- Disease, or bodily or mental infirmity, or medical or surgical treatment thereof,
- Any infection, except infection caused by an external visible wound accidentally sustained,
- Self-destruction or intentionally self-inflicted injury while sane or insane,
- War, or any act of war, whether declared or undeclared,
- The employee's act of aggression, participation in a felonious enterprise or illegal use of drugs.

The total amount payable on account of more than one of the losses listed in (a) above sustained in any one accident shall not exceed the amount equal to one-half the Life Insurance in force, except that in the event of loss of life resulting from accidental injuries caused solely by employment with the

company as set forth in (a) above, the total amount payable as an accidental death and dismemberment benefit on account of such accident shall not exceed the amount of Life Insurance in force for the employee on the date of the accident.

(d) Assignment

Accidental Death and Dismemberment Insurance is not assignable.

11. Accident and Sickness Insurance

(a) Eligibility Requirements

To be eligible for benefits, an employee must:

- become wholly and continuously disabled by accidental bodily injury or sickness, while insured for Accident and Sickness Insurance,
- be unable to perform all duties of the employee's occupation,
- be under a doctor's care, and
- furnish the Insurer with satisfactory proof of disability.

The requirement that an employee be under a doctor's care shall be deemed to have been met if an employee under treatment for alcohol or drug abuse in a residential or outpatient substance abuse treatment facility approved for benefits under the H-S-M-D Program furnishes the insurance company with certification of disability, provided either by the facility's physician director, or by a physician consultant selected by the facility, based on information furnished by, and upon the recommendation of, the therapist who is supervising the employee's therapy. For such certification to be acceptable, the physician director or physician consultant providing it must be a licensed doctor of medicine.

(b) Commencement of Benefits

If an employee is eligible for Benefits as the result of an accident, benefits start on the first day of disability. If an employee is eligible for Benefits as the result of a sickness, Benefits start on the eighth day of disability, but if the sickness confines the employee in a hospital before the eighth day of disability, benefits start on the employee's first day in the hospital, and if he/she undergoes an out-patient surgical procedure for which a payment of at least \$25.00 is either scheduled or payable under H-S-M-D-D Program, benefits start the day of surgery. An employee is confined in a hospital only if confinement is for at least eighteen (18) consecutive hours or if the hospital makes a room and board charge. For this subsection (b), a day of disability includes such a day that an employee works less than four hours.

(c) Duration of Benefits

An employee is eligible for benefits for as many weeks as any one accident or illness keeps him/her disabled with a limit of fifty-two (52) weeks for one continuous period of disability. (For pregnancy, see (k) below.) Benefits stop when the employee is able to return to work.

In addition to the time limits above, Accident and Sickness Benefits are further limited for one continuous period of disability due to accident or illness to the lesser of fifty-two (52) weeks or a period equal to the time at commencement of disability since an employee's most recent hire or rehire, except that if, at the date of expiration of the period Accident and Sickness Benefits are payable, such an employee for the same disability is confined in a hospital or is receiving lost time benefits because of employment with the company under Workers' Compensation laws or other laws providing benefits for occupational injury or diseases but excluding specific allowances for loss or 100 percent loss of use of a body member, benefits continue to be payable while the employee continues to be so confined or to receive such lost time benefits, but in no event after fifty-two (52) weeks of such benefits (for disability resulting from pregnancy, see (k) below) have become payable for that continuous period of disability.

One continuous period of disability includes successive periods of disability due to the same or related causes, unless before the later period of disability begins, the employee has returned to work with the company:

- (i) three (3) or more consecutive working days, if the earlier period of disability ended before Weekly Benefits become payable, or
- (ii) seven (7) or more consecutive working days if Weekly Benefits were payable for any part of the previous period of disability.

An employee shall have returned to work only if such employee works four or more hours on each working day.

If an employee becomes disabled again by a new illness or accident, the employee can make a new claim for benefits. The employee can also make a new claim for benefits if an old accident or illness disables the employee again, provided the employee has been back to work as described herein above.

(d) Short-Service Employees

For an employee hired or rehired, the benefit amount for any period that he/she is otherwise eligible for benefits during any period of disability occurring prior to the day one (1) year of seniority is attained shall be 75 percent of the benefit amount set forth in the Schedule of Benefits [section 3(a)].

Provided, however, that in the event the company otherwise qualifies for a premium reduction under the Employment Insurance Act, the above reduced amounts shall not be less than the amount necessary to retain the company's eligibility for Employment Insurance premium reduction.

(e) Proof of Claim and Examination

- (i) Written notice of accident or sickness and satisfactory proof of disability must be submitted to the insuring company within sixty (60) days of the accident or commencement of disability from sickness, except that such sixty (60) day period will not apply in the case of

an employee who initially applies for Workers' Compensation benefits which are subsequently denied, provided the employee submits written notice of accident or sickness and proof satisfactory to the insurance company within sixty (60) days of such denial.

- (ii) The Insurer has the right to have the employee examined at its expense by a physician designated by it, while the Accident and Sickness claim is pending or being paid. Failure to report for such examination may result in denial of Accident and Sickness Benefits.

(f) Employment Compensation

An employee is not entitled to Accident and Sickness benefits while he/she is eligible for employment benefits under any employment compensation law.

(g) Workers' Compensation

An employee's Accident and Sickness Benefits are reduced by the amount of any lost time Workers' Compensation benefits to which he/she is entitled. However, there will be no reduction in Accident and Sickness Benefits for Workers' Compensation payments for loss of member or 100% loss of use of member, or permanent partial disability payments for a work-related disability unrelated to the disability for which Accident and Sickness Benefits are payable.

No Accident and Sickness Benefit is payable for an occupational disability if the employee has rejected or otherwise waived his/her rights to coverage under the Workers' Compensation Law applicable to him/her.

(h) Accident and Sickness Benefits for Less than a Week

Accident and Sickness Benefits for less than a full week are determined on the basis of one-fifth of the Weekly Benefit for each regular work day of disability.

(i) Pay from Company

Accident and Sickness Benefits are not paid for any day for which the employee is entitled to holiday pay, or receives pay from the company for at least eight hours of work. For an employee who shall have received pay for any day for less than eight hours of work, any Accident and Sickness Benefits for which he/she may otherwise be eligible for that day shall not exceed the difference between eight hours and the number of hours paid multiplied by his/her base hourly rate.

(j) Waiver

An employee who has one or more years of seniority may waive irrevocably any right he/she may have to receive Accident and Sickness Benefits with respect to any period of disability by completing a waiver form furnished by the Insurer for that purpose. No Accident and Sickness Benefits shall be payable for any period of disability covered by such waiver.

(k) Pregnancy

Accident and Sickness Benefit shall be payable while an employee is on an authorized pregnancy leave of absence or could be placed on a pregnancy leave of absence by the company in accordance with any pregnancy leave provision of the relevant provincial statutes.

12. Reinstatement of Accident and Sickness Insurance During Layoff

(a) Eligibility Requirements

Accident and Sickness Insurance shall be reinstated, subject to the modifications set forth herein, for an employee who:

- becomes wholly and continuously disabled while on a qualifying layoff as defined in the Ford-CAW Supplemental Unemployment Benefit Plan (S.U.B. Plan) and while insured for Life Insurance,

- has been eligible for a Regular Benefit under the S.U.B. Plan, or ineligible solely because of allocation of vacation pay as earnings, or has been employed by another employer, immediately prior to his/her becoming disabled.

Notwithstanding the provisions of section 11, Accident and Sickness Benefits provided under this section 12 are payable only if, with respect to each week for which a benefit is claimed, the employee:

- is unable to perform all duties of his/her occupation,
- is under a doctor's care,
- has to his/her credit at least a Credit Unit under the Ford-CAW Supplemental Unemployment Benefit Plan.

(b) Payment of Benefits

Benefits start on the first day following the last day for which a Regular Benefit was payable to the employee if he/she was receiving Regular Benefits immediately prior to his/her becoming disabled; otherwise on the first day of qualifying disability. No benefit shall be payable beyond the time that the employee no longer satisfies the disability requirement except that, if he/she remains on qualifying layoff under the S.U.B. Plan, benefits shall be payable for remaining days in the same Week as defined in the S.U.B. Plan for which he/she does not receive a Regular Benefit.

(c) Suspension or Reduction of Benefits

No benefit shall be payable for any week in which:

- the employee receives Accident and Sickness or Extended Disability benefit under sections 11 or 13 of this program, or
- the Credit Unit Cancellation Base is below the applicable dollar amount at which a Supplemental Unemployment Benefit is payable in accordance with the employee's seniority as provided in section 2.04 (b) of the Supplemental Unemployment Benefit Plan.

The benefit for any week shall be reduced by the amount of any disability benefit he/she receives for the same week under a plan financed in whole or in part by another employer, and also by the amount of any employment insurance benefit he/she receives or is eligible to receive for the same week.

(d) Other

Except as specifically modified herein, Benefits under this section 12 shall be governed by the applicable provisions of section 11.

13. Extended Disability Benefits

(a) Eligibility for Benefits

An employee who is insured for Accident and Sickness Benefits and who, at the date of expiration of the maximum number of weeks for which he/she is entitled to receive Accident and Sickness Benefits and during a continuous period of disability thereafter, is totally disabled receives monthly Extended Disability Benefits for the period described in (c) below. For an employee to be deemed totally disabled, he/she must either (1) be unable to engage in any gainful occupation or employment for which he/she is reasonably qualified by education, training or experience, or (2) not be engaged in regular occupation or employment for remuneration or profit and be prevented by bodily injury or disease from engaging in any regular occupation or employment with the company at the plant or plants where he/she has seniority.

(b) Amount of Benefit

- (1) The monthly Extended Disability Benefit is the applicable amount shown in the Schedule of Benefits in section 3, reduced by an amount equal to the monthly equivalent of the total of the following benefits for which the person receiving Extended Disability Benefits is eligible:
 - A. Lost time benefits under Workers' Compensation laws or other laws providing benefits for occupational injury or disease, including lump-sum settlements, but excluding specific allowances for loss, or 100 percent loss of use, of a body member or permanent partial disability payments for a work-related disability unrelated to the disability for which Extended Disability Benefits are payable.
 - B. Disability or old-age benefits to which the person is entitled (amount applicable to such person only) under any existing or future Provincial or Federal Legislation which becomes payable, except old-age benefits reduced because of the age at which received, or benefits payable on a "needs" basis.
 - C. Benefits under any Provincial or Federal law providing benefits for working time lost because of disability.
 - D. All benefits under any retirement plan for the company's employees; provided, however, that this subsection (b) (1) D. shall be applicable only in respect of disabilities occurring on or after January 1, 1974.
- (2) In determining the amount by which Extended Disability Benefits are reduced:
 - A. The monthly equivalent of benefits paid on a weekly basis are computed by multiplying the weekly benefit rate by 4.33, and

- B. Lump-sum settlements under Workers' Compensation laws result in reductions equal to the monthly equivalent of the amount of the Workers' Compensation benefit to which the employee would have been entitled under applicable law had there been no lump-sum payment, but not to exceed in total the amount of the settlement.
 - C. The amount of the benefit under subsections (b)(1) A, B, C, or D above shall not be increased subsequent to the first day for which Extended Disability Benefits are payable, except that the amount of such increase shall not be disregarded if it represents an adjustment in the original determination of the amount of such benefit.
- (3) Extended Disability Benefit computations presume eligibility for statutory disability benefits under any existing or future Federal or Provincial legislation and with respect to disabilities occurring on or after January 1, 1974, disability retirement benefits under the Retirement Pension Plan. However, such presumption of Retirement Pension Plan disability retirement benefits is not made with respect to any Extended Disability Benefit payments due for the twelve (12) month period immediately following the date of expiration of the maximum number of weeks for which the employee is entitled to receive Accident and Sickness Benefits. Amounts deducted from Extended Disability Benefits on this basis are paid upon presentation of satisfactory evidence that these benefits were applied for and denied; provided, however, that a reduction in Extended Disability Benefits is made in an amount equal to statutory disability benefits (benefit of disabled contributor only) that would have been payable except for refusal to accept vocational rehabilitation services.
- (4) Benefits payable for less than a full calendar month are pro-rated on the basis of the ratio of calendar days of eligibility to total calendar days in the month.

- (5) The insurance company may require each applicant or recipient of Extended Disability Benefits to certify or furnish verification of the amounts of his/her income from sources listed in (b)(1) above.
- (6) Commencing October 1, 2009 and each subsequent October 1 for the term of the agreement, the net monthly Extended Disability Benefit, as determined in accordance with (1) through (5) of this Section 13(b), for any employee receiving such Benefit on that date, will be indexed at a rate of 90% of the annual change in the Consumer Price Index published by Statistics Canada (2002=100) as of the preceding July. The annual change shall be determined by dividing the twelve (12) month average of the Consumer Price Index as of such preceding July by the similar average as of July in the previous year and then deducting 1.0. The maximum Consumer Price Index change, subject to this adjustment, will be limited to 5% in any year. In no event shall an employee in receipt of Extended Disability Benefit (inclusive of all prior C.P.I. adjustments under this section) at any adjustment date exceed the Extended Disability Benefit applicable to an active employee, in the same classification, as provided in the Schedule of Benefits for hourly employees in Schedule of Benefits section 3(a).

(c) Commencement and Duration of Benefits

- (1) Extended Disability Benefits to an eligible applicant shall be for the period commencing the day following the last day of disability included within the period for the maximum number of weekly Accident and Sickness Benefits, including weeks in which such Accident and Sickness Benefits were not payable under section 11 (k) or were partially or wholly offset because of receipt of Workers' Compensation benefits.
- (2) The maximum period during which extended disability benefits may be payable shall be: (i) in the case of an employee at work on or after November 18, 1984, who has ten or more years of seniority as of the day on which disability commenced, the number of months commencing with the month in which the date of the

expiration of the maximum number of Weekly Accident and Sickness Benefits occurs and terminating with the end of the month in which the employee attains age 65; and (ii) in the case of an employee who has less than ten (10) years of seniority as of the day on which disability commenced, the number of months by which the employee's full months of seniority at commencement of disability exceeds the maximum number of weeks for which he/she is entitled to receive Accident and Sickness Benefits. In any event, Extended Disability Benefits shall not be payable beyond the date of the employee's death, the first of the second month following the month in which the employee attains age 65 or the time that he/she no longer satisfies the disability requirement. If an employee's return to work with the company is not effective to qualify him/her for a new period of Accident and Sickness Benefits (i.e., an ineffective return to work) or if he/she engages in some gainful occupation or employment other than one for which he/she is reasonably qualified by education, training or experience, his/her satisfying of the disability requirement shall not be deemed to end, but his/her Extended Disability Benefit shall be suspended for the period of the ineffective return to work or the period he/she engages in such occupation or employment.

- (3) If monthly Extended Disability Benefits payable to an employee who was at work on or after October 1, 1974, and commenced receipt of Extended Disability Benefits on or after October 1, 1975, are discontinued because the employee no longer satisfies the disability requirement, and within two (2) weeks of the effective date of such discontinuance and before the employee returns to work with the company, he/she again becomes disabled so as to satisfy the disability requirement, monthly Extended Disability Benefits are resumed.
- 4) For purposes of applying the maximum period for monthly Extended Disability Benefits, a month in which such benefits are partially or wholly offset by benefit payments from sources listed in (b)(1), above, suspended under (c)(2), above, or not paid between

periods of disability under the circumstances described in (c)(3), above, are counted as a full month. Fractions of the first and last month are counted as fractions of a month.

- (5) The cumulative total number of months during any previous periods of eligibility for Extended Disability Benefits, regardless of whether for the same or related disabling condition, reduces the maximum number of monthly benefit payments for which the individual is otherwise eligible under subsection (c)(2)(ii) when Extended Disability benefits again commence.

(d) Rehabilitation

There is no ineligibility for Extended Disability Benefits because of work which is determined to be primarily for training under a recognized program of vocational rehabilitation.

(e) Proof of Disability

The insurer may require an applicant, as a condition of eligibility, to submit to examinations by a physician designated by it for the purpose of determining his/her initial or continuing disability.

(f) Exclusions

No benefit shall be payable while an employee is on an authorized pregnancy leave of absence or could be placed on a pregnancy leave of absence by the company in accordance with any pregnancy leave provision of the relevant provincial statutes.

(g) Waiver

An employee may waive irrevocably any right he/she may have to receive Extended Disability Benefits with respect to any period of disability by completing a waiver form furnished by the Insurer for that purpose. No Extended Disability Benefits shall be payable for any period of disability covered by such waiver.

14. When an Employee Stops Working for Any Reason Before Age 65

(a) Quit or Discharge

Coverage for an employee whose employment is terminated, except as provided under other subsections of this section 14, shall terminate as follows:

- (1) For an employee whose employment is terminated by quitting or being discharged, coverage terminates as of the date he/she quits or is discharged, except that for a discharged former employee who has a grievance pending to protest his/her loss of seniority, coverage terminates as of the end of the month in which employment terminates.

In the case of an employee whose grievance is withdrawn and the employee is undergoing treatment for substance abuse, such employee for the period of treatment, may continue coverage of Group Life Insurance by paying the premiums listed under schedule II in section 14(l), and Optional and Dependent Group Life Insurance.

- (2) For an employee whose employment is terminated for failing to report or overstaying leave, coverage terminates as of the end of the month in which seniority is broken;
- (3) For an employee whose employment is terminated for reasons not otherwise provided for in this section 14, coverage shall terminate as of the end of the month in which employment is terminated;
- (4) If an employee is suspended or on strike, all the Insurance referred to in section 1 will be continued at the sole expense of the company for one (1) month following the month in which the suspension or strike commenced.

Life Insurance and Survivor Income Benefits coverages remain in effect for thirty-one (31) days following the employee's last day worked, except that under the circumstances set out in (a)(4) above Life Insurance and Survivor Income Benefits remain in effect for thirty-one (31) days following the end of the period for which the company has continued such coverages.

(b) Layoff

If an employee is laid off, all of his/her Insurance coverages will be continued for one month after the month in which he/she was laid off.

In addition, Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefit coverage shall be provided for a laid off employee without cost to him/her during a layoff meeting the conditions of section 1.02 of the Supplemental Unemployment Benefit Plan on the basis of the greater of: (i) one (1) full calendar month of layoff (for which he/she receives no pay), not to exceed twenty-four (24) months for each full four (4) weeks of Regular Benefits to which the employee's Credit Units would entitle him/her, pursuant to the Supplemental Unemployment Benefit Plan on the basis of his/her seniority and the Credit Unit Cancellation Base as of the last day worked prior to layoff or, if an employee is initially credited during such layoff with credit units under the SUB Plan his/her entitlement shall be established as of the date such credit units are credited; or (ii) the number of months of coverage, up to a maximum of twenty-four (24) months for which he/she would be eligible on the basis of his/her years of seniority as of the last day worked prior to layoff, in accordance with the following table:

<i>Year(s) of Seniority on Last Day Worked Prior to Layoff</i>	<i>Maximum Number of Months for Which Coverage will be Provided Without Cost to Employees</i>
Less than 1	0
1 but less than 2	2
2 but less than 3	4

<i>Year(s) of Seniority on Last Day Worked Prior to Layoff</i>	<i>Maximum Number of Months for Which Coverage will be Provided Without Cost to Employees</i>
3 but less than 4	6
4 but less than 5	8
5 but less than 6	10
6 but less than 7	12
7 but less than 8*	13*
8 but less than 9*	14*
9 but less than 10*	15*
10 and over	24

* Applicable to an employee at work on or after November 17, 2002

Such months of coverage under the above formula shall be for months following the last month for which coverages were provided under the first paragraph of this subsection (b). If he/she remains on layoff beyond the period for which coverages are provided hereunder, he/she may continue Life Insurance, Accidental Death and Dismemberment Insurance and Survivor Income Benefit coverage for up to an additional twelve (12) months of layoff by paying the applicable contributions referred to in (l) below.

(c) Leave of Absence (Other Than Sickness or Accident)

If an employee goes on approved leave of absence, except an employee serving in the capacity of national union representative, all of his/her Insurance coverages will be continued for the first full month of the leave. Throughout the rest of an approved non-medical leave of absence, such an employee can continue all of his/her Insurance coverages in force by paying the applicable contributions referred to in (l) below.

If an employee goes on an approved leave of absence in accordance with article 27.02 of the Collective Agreement while serving in the capacity of national union representative, he/she may continue Life and Accidental Death and Dismemberment Insurance and Survivor Income Benefits

coverage by paying the applicable contributions referred to in (l) below.

(d) Pregnancy

During the period of an absence due to pregnancy the company will continue all of an employee's insurance coverages in force through the duration of the approved leave.

(e) Leave of Absence due to Sickness or Accident

In the case of an employee on leave of absence due to sickness or accident commencing on or after the effective date of the Group Life and Disability Insurance program, the company will continue all of his/her Insurance coverages then in force for a period equal to his/her seniority when such absence commenced; provided, however, that if an employee's leave of absence is cancelled because the period of such leave equalled the length of his/her seniority the company shall continue to make contributions for the employee's insurance for any month in which the employee continues to receive Extended Disability Benefits provided under section 13 of the Insurance Program subsequent to such cancellation. (Accident and Sickness Insurance or Extended Disability Insurance terminates when maximum duration of benefits is reached.) In the event Accident and Sickness Benefits cease, pursuant to the Insurer's medical examination, while an employee's doctor continues to certify to total disability and if the employee remains on leave of absence due to sickness or accident, Accident and Sickness Insurance shall remain in force but in no case would the duration of benefits exceed the maximum period for which benefits would have been payable at the onset of disability as set forth in section 11(c), Duration of Benefits.

If an employee remains continuously and totally disabled beyond the period for which the company pays the entire cost, he/she may continue his/her Life and Accidental Death and Dismemberment Insurance in force by paying the applicable contributions referred to in (l) below.

If an employee is placed on an approved leave of absence due to sickness or accident as a result of a recall from layoff, the company will provide Life and Accidental Death and Dismemberment Insurance and Survivor Income Benefits coverage for any month while he/she remains totally and continuously disabled and on a leave of absence due to sickness or accident on the same basis as if he/she ceased active work because of disability.

If an employee qualifies for, and elects to receive monthly Total and Permanent Disability Benefits, Accidental Death and Dismemberment Insurance is not continued after such Benefits begin.

(f) Early and Special Early Retirement

If an employee retires early under the Retirement Pension Plan, the company will continue his/her Life and Accidental Death and Dismemberment Insurance in force to age 65.

(g) Disability Retirement

If an employee retires under the Disability Retirement provisions of the Retirement Pension Plan, the company will continue his/her Life Insurance and Survivor Income Benefits coverage until age 65. The company will also continue his/her Accidental Death and Dismemberment Insurance until age 65 unless he/she elects to receive the Monthly Total and Permanent Disability Benefit.

(h) Uninsured Retirees

An uninsured employee retiring before age 65, under the Retirement Pension Plan without returning to work from layoff or leave of absence shall become insured, if he/she is then under age 65, on the first day of the month following the month in which seniority is broken because of such retirement for the same coverages he/she otherwise could have continued at the time of his/her retirement in the amount he/she had in force while last working. Such coverages shall then be continued as provided in (f) or (g) above.

(i) Termination (Excluding Retirement) Within Five Years of Normal Retirement

If the employment of an employee terminates for any reason (except retirement) within five years of his/her normal retirement date (or earlier, if he/she is still insured within five years of his/her normal retirement date) and he/she has at least five years of creditable service under the Retirement Pension Plan as of the date which precedes by five (5) years his/her normal retirement date, he/she may continue Life Insurance, Survivor Income Benefits coverage and Accidental Death and Dismemberment Insurance until his/her normal retirement date by paying the applicable contributions referred to in (l) below based on the amount of Life Insurance he/she had in force while working unless terminated for total and permanent disability in which event the company will pay the cost.

(j) While a Grievance is Pending

While an employee has a grievance pending to protest his/her loss of seniority from discharge, failure to report or overstaying leave under sections 15.07 (b), (c) or (d), 15.26 (b), (c) or (d), 15.45 (b), (c) or (d), or 15.77 (b), (c) or (d), or has been suspended, he/she may continue his/her Life Insurance, Survivor Income Benefits coverage, and Accidental Death and Dismemberment Insurance after the last month for which the company has contributed by paying the applicable contributions referred to in (l) below. If he/she is reinstated or his/her period of suspension is reduced, the company will reimburse him/her for premium payments that the company would have paid had he/she remained at work.

(k) Limitations

(1) Age

Contributions, if any, which an employee may make for continuing any of the Insurance coverages under any of the situations described in this section 14, may not be continued beyond the month in which he/she becomes age 65. At the end of such month, all Insurance other than Life Insurance terminates and his/her Life Insurance becomes subject to the provisions of section 3(b).

(2) Work Elsewhere

No insurance will be continued while an employee is working elsewhere except if he/she qualifies under subsection (f), (g), (h), (i) or (j) of this section, or if he/she is on leave of absence for political office or union business, or for any month for which the company continues coverage without contribution by the employee.

(l) Payment of Premiums

In all of the circumstances described in this section [except (a)] the company pays all or part of the premium. An employee must contribute his/her portion of the premium in order to keep his/her insurance in force when required to do so. Monthly contribution required and the amount payable are as follows:

		<i>Employee Then Contributes In Accordance with the Appropriate Contribution Schedule Below</i>	
	<i>Company Pays</i>		
(1) Quit or Discharge	—	—	
(2) Layoff	First month and the further period provided in (b) above	II	
(3) Leave of Absence, except Medical & union Leave	First Month	I	
(4) Union Leave of Absence (Local union)	First Month	III	
(5) Union Leave of Absence (National Representatives)	Through month in which leave is issued	IV	
(6) Pregnancy	Duration of the approved leave	II	

*Employee
Then Contributes
In Accordance with
the Appropriate
Contribution
Schedule Below*

	<i>Company Pays</i>	
(7) Medical Leave of Absence	Length of absence due to disability not to exceed a period equal to seniority, or if greater, any further period of absence for which Extended Disability benefits are paid	II
(8) Early & Special Early Retirement	Entire Period	—
(9) Disability Retirement	Entire Period	—
(10) Termination Within 5 Years of Normal Retirement Date	—	II
(11) While a Grievance is Pending	—	II

Schedule I

A & S and Extended Disability coverage plus Life, A.D. & D. Survivor Income Benefits and T. & P.D. at 40 cents per month per \$10.00 weekly A & S benefit plus 50 cents per month per \$1000 of Life Insurance.

Schedule II

Life, A.D. & D. Survivor Income Benefit and T. & P.D. at 50 cents per month per \$1000 of Life Insurance.

Schedule III

A & S and Extended Disability coverage plus Life, A.D. & D. Survivor Income Benefits and T. & P.D. at \$5.00 per month plus 60 cents per month per \$1000 of Life Insurance.

Schedule IV

Life, A.D. & D. Survivor Income Benefit and T. & P.D. at 60 cents per month per \$1000 of Life Insurance.

Monthly Contribution Rates:

The monthly contribution an employee is required to pay depends upon the Insurance bracket he/she was in when he/she ceased work and the kinds of insurance which can be continued.

15. Conversion of Life Insurance

(a) If all of an Employee's Life Insurance Terminates After he/she Ceases Active Work but Before Age 65

If an employee ceases active work and is eligible for continued insurance beyond the end of the month in which he/she ceased active work, as provided under section 14, his/her Group Life Insurance, including Survivor Income Benefits coverage, will stay in force

- thirty-one (31) days following the end of the period for which the company pays the full cost, or
- if he/she is eligible to continue his/her insurance for an additional period beyond such month, thirty-one (31) days following the end of the month for which premium contributions are paid and accepted, except that Survivor Income Benefits remain in force only as provided in section 14(g), after he/she retires under the Retirement Pension Plan.

If an employee ceases active work and is not eligible for continued insurance beyond the end of the month in which he/she ceases active work, as provided under section 14, his/her Life Insurance, including Survivor Income Benefits coverage, will stay in force thirty-one (31) days following his/her last day worked.

During the applicable thirty-one (31) day period, an employee may convert, without medical examination, to any individual policy of Life Insurance then customarily issued by the Insurer. The Insurer will provide an individual policy of (i) term insurance for a period of one (1) year; (ii) term insurance to age 65; or (iii) life insurance under any regular plan then being issued by the insurance company. This is done by making application and paying the required premium to the Insurer. The premium for the individual policy will be

that required by the class of risk to which the employee belongs, the form and amount of the individual policy, and his/her age. The maximum amount of the individual policy will be equal to the amount of his/her Group Life Insurance, including Survivor Income Benefits in force on the day immediately preceding the thirty-one (31) day period during which he/she can convert to an individual policy. However, the individual policy may be in any lesser amount (minimum \$500.00) that he/she selects.

In determining the maximum amount of individual Life Insurance to which an employee may convert, the total of all Monthly Survivor Income Benefits that would have become payable to his/her Survivors under section 9 had he/she died on the day before the thirty-one (31) day period for converting will be included assuming that persons who would then have qualified as his/her survivors did not become ineligible for such Benefits because of marriage or death.

(b) If Employment Terminates at or After Age 65

An employee may convert to an individual policy of Life Insurance, without medical examination, as described in subsection (a) above, if his/her employment terminates at or after age 65, except that

1. he/she must apply and pay the first premium for the individual policy within thirty-one (31) days following his/her termination date, and
2. the maximum amount of the individual policy to which he/she may convert is reduced by the amount of Continuing Group Life Insurance for which he/she becomes eligible, and
3. when the individual policy becomes effective, his/her Group Life Insurance remaining in force will be reduced by the amount of such individual policy.

During the thirty-one (31) day period of converting in accordance with this subsection (b), his/her Group Life Insurance, including Survivor Income Benefits, stays in force, except that Survivor Income Benefits do not stay

in force after he/she retires under the Retirement Pension Plan.

16. Termination of Insurance

An employee's Insurance under this plan will terminate on the earliest of the following dates:

- (a) The date the group insurance contract terminates;
- (b) The date of expiration of the period for which the employee's last premium contribution (if any is required) is made;
- (c) The end of the month in which the employee is transferred to an ineligible class of employees;
- (d) With respect to each insurance coverage, the date the provision of the group insurance contract relating to such insurance coverage terminates;
- (e) With respect to Accidental Death or Dismemberment Insurance, the date Total and Permanent Disability payments become payable;
- (f) The end of the month in which he/she ceases active work unless he/she continues his/her insurance coverages as provided in section 14;
- (g) The end of the day on which he/she quits or is discharged unless he/she has a grievance pending to protest the loss of his/her seniority.

17. -- NOT IN USE --

18. Group Insurance Contract

A representative of the company and the union will sign and approve a copy of any group insurance contract and any riders or amendments thereto.

19. Informal Procedure for Review of Claims

The informal procedure for review of denied claims applies to all claims, whether initially denied or denied after some payment has been made.

1. Group Insurance representative to send formal notification letter to any employee whose accident and sickness payments are denied or terminated.
2. The letter advising employee of denial of claim will also inform him/her if he/she has any questions regarding the denial they may be referred to the Plant group insurance office.
3. Upon request, the group insurance office will advise what, if anything, the employee can do to support his/her claim.
4. **At this time the Union Representative will be given the opportunity to speak directly to the employee's claim adjudicator on an exception basis, when no payment has been issued for an extended period of time.** The employee may also request a union representative to discuss the claim with management.
5. Upon request, a representative of management will review the employee's case with the union representative. At this meeting, there will be furnished to the union representative all the material pertinent to the claim including any detailed explanations of the reason for the denial of the claim.
6. If after discussion with the management representative, the union representative contests the disposition of the case, he/she can refer the case to the President of the appropriate local or his/her designated representative for discussion with the Manager, Health Insurance Claims Department of Great-West Life Assurance Company. At such time he/she should advise local management of his/her intention. The President of the local will also notify the National Secretary-Treasurer CAW, and the Manager, Personnel Services of the company who will review the case and advise the Manager, Health Insurance Claims Department, Great-West Life of their views which are to be considered by the insurance company in its review of the claim.

7. If the case is not resolved following discussion with the Manager, Health Insurance Claims Department, Great-West Life Assurance Company, the company and the President of the appropriate local or his/her designated representative will review the case and if they are unable to resolve the case, the company at the request of the union will request a review by a mutually agreed to third party and will incorporate in such request the union's position.
8. The third party will report to the union and the company its action as the result of such review. The results of this report will be final and binding on the company, the union, the employee and the insurance carrier.

20. Company-Union Committee

A Committee composed of two (2) members designated by the union and two members designated by the company shall be established to study and evaluate the Group Life and Disability Insurance Program and to make recommendations to the parties to the Collective Agreement regarding implementing pilot programs and making modifications to the program for the purpose of improving the functioning of the program and to reduce costs while continuing to provide the level of the benefits under and consistent with the intent of the program. In the performance of its duties, this Committee shall consult and advise with representatives of organizations providing the Group Life and Disability Insurance benefits and services and keep the parties to the Collective Agreement informed with respect to the problems which arise in the operation of the program.

21. Dependent Group Life Insurance

The company will make available the Dependent Group Life Insurance as set forth in the attached exhibit I.

In the event of any conflict between the provisions of exhibit I and any other provisions of this Insurance Program, the provisions of exhibit I will supersede such other provisions to the extent they apply to the exhibit I.

22. Optional Group Life Insurance

The company will make available the Optional Group Life Insurance as set forth in the attached exhibit II.

In the event of any conflict between the provisions of exhibit II and any other provisions of this Insurance Program, the provisions of exhibit II will supersede such other provisions to the extent they apply to exhibit II.

EXHIBIT I DEPENDENT GROUP LIFE INSURANCE

I. Eligibility Date

An employee shall become eligible for Dependent Group Life Insurance on the first day of the fourth calendar month following the month in which employment commences; provided that, the employee, at that time, is insured for Life Insurance provided in accordance with section 3 of the Group Life and Disability Insurance provisions and has at least one eligible dependent as defined in section III, herein. If the employee does not then meet these conditions, he/she shall become eligible for Dependent Group Life Insurance on the first day of the calendar month next following the date these conditions are first met.

The date that the employee becomes eligible for amounts of insurance under a schedule shall be hereinafter referred to as the employee's eligibility date for purposes of the insurance under such schedule..

II. Enrollment and Effective Dates

The employee's Dependent Group Life Insurance shall become effective as follows:

- A. If the employee enrolls on or before his/her eligibility date, insurance becomes effective on the eligibility date.
- B. If the employee enrolls during the thirty-one (31) day period following his/her eligibility date, insurance becomes effective on the first day of the calendar month next following the date of enrollment.

- C. If the employee enrolls subsequent to the 31st day following his/her eligibility date, or if the employee becomes insured for Dependent Group Life Insurance under a Schedule and later decides to enroll for a higher amount of insurance under another Schedule as set forth in section IV herein, the employee must furnish evidence satisfactory to the insurance company of each Dependent's good health. In such case, insurance will become effective on the first day of the calendar month next following the date the insurance company approves the evidence, with respect to those persons whose evidence has been approved and who are still eligible Dependents, as defined in section III, herein.

In any event, for insurance to become effective, the employee must be actively at work on the date insurance would otherwise become effective. If the employee is not actively at work on such date, insurance becomes effective on the date the employee returns to active work, provided he/she is then still eligible as set forth in section I, herein.

If the employee becomes insured for the amounts of insurance under a Schedule and later enrolls for decreased amounts of insurance under another Schedule as set forth in section IV herein, the insurance under the requested Schedule shall become effective on the first day of the calendar month next following the last month for which he/she made the required contribution for the insurance under the prior Schedule, whether or not he/she is then actively at work.

III. Definition of Dependent

"Dependent" means (a) the employee's spouse and (b) any unmarried child over 14 days of age (i) of the employee by birth, legal adoption, or legal guardianship, while such child legally resides with and is dependent upon the employee, (ii) of the employee's spouse while such child is in the custody of and dependent upon the employee's spouse and is residing in and a member of the employee's household, (iii) as defined in (i) and (ii) who does not reside with the employee but is the employee's legal responsibility for the provision of health care, and (iv) who resides with and is related by blood or marriage to the employee, for whom the employee provides principal support as defined by the Canadian Income Tax Act, and who was reported as a dependent on the employee's most recent income tax return or who qualifies

in the current year for dependency tax status. A child as defined in (i), (ii), (iii), or (iv) is included until the end of the calendar year in which the child attains age 25, or regardless of age if totally and permanently disabled as defined hereinafter, provided that any such child after the end of the calendar year in which the child attains age 19 must be dependent upon the employee within the meaning of the Canadian Income Tax Act and must legally reside with, and be a member of the household of, the employee. "Totally and permanently disabled" means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or to be of long-continued or indefinite duration. "Spouse" means the person to whom the employee is legally married or, if there is no such person, means the person who has been cohabiting and residing with the employee in a conjugal relationship for an immediately preceding continuous period of at least one year, and has been publicly represented by the employee as the employee's spouse.

No person may be considered a Dependent of more than one employee.

The definition of Dependent used in this exhibit shall apply only to the Dependent Group Life Insurance set forth herein and shall be entirely independent of any such definition used for benefits as set forth in the H-S-M-D-D-V Program.

IV. Amount of Insurance

The amount of Dependent Group Life Insurance applicable to each Dependent is as follows:

<i>Schedule</i>	<i>Spouse</i>	<i>Child</i>
I	\$ 5,000	\$ 2,000
II	10,000	4,000
III	15,000	6,000
IV	20,000	8,000
V	25,000	10,000
VI	30,000	12,000
VII	35,000	14,000
VIII	40,000	16,000
IX	45,000	18,000
X	50,000	20,000

<i>Schedule</i>	<i>Spouse</i>	<i>Child</i>
XI	55,000	22,000
XII	60,000	24,000

An employee may elect the amounts of insurance determined in accordance with either Schedule I, Schedule II, Schedule III, Schedule IV, Schedule V, Schedule VI, Schedule VII, Schedule VIII, Schedule IX, Schedule X, Schedule XI or XII, depending on his/her eligibility as set forth in section I herein.

V. Contributions

The employee shall contribute the full cost of Dependent Group Life Insurance and contributions shall be payable monthly in advance. The required monthly contribution, regardless of the number of Dependents on whose account the employee is insured, is as set forth in the following tables, which are subject to change.

Schedule	Under								
	30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69
I	\$0.33	\$0.43	\$0.52	\$0.73	\$1.05	\$1.59	\$2.53	\$3.66	\$6.11
II	\$0.65	\$0.85	\$1.05	\$1.47	\$2.10	\$3.19	\$5.07	\$7.33	\$12.22
III	\$0.98	\$1.28	\$1.57	\$2.20	\$3.15	\$4.78	\$7.60	\$10.99	\$18.32
IV	\$1.31	\$1.70	\$2.10	\$2.93	\$4.20	\$6.38	\$10.14	\$14.65	\$24.43
V	\$1.63	\$2.13	\$2.62	\$3.66	\$5.25	\$7.97	\$12.67	\$18.32	\$30.54
VI	\$1.96	\$2.55	\$3.15	\$4.40	\$6.30	\$9.56	\$15.21	\$21.98	\$36.65
VII	\$2.29	\$2.98	\$3.67	\$5.13	\$7.35	\$11.16	\$17.74	\$25.64	\$42.76
VIII	\$2.61	\$3.41	\$4.20	\$5.86	\$8.40	\$12.75	\$20.28	\$29.30	\$48.87
IX	\$2.94	\$3.83	\$4.72	\$6.59	\$9.44	\$14.35	\$22.81	\$32.97	\$54.97
X	\$3.27	\$4.26	\$5.25	\$7.33	\$10.49	\$15.94	\$25.34	\$36.63	\$61.08
XI	\$3.59	\$4.68	\$5.77	\$8.06	\$11.54	\$17.53	\$27.88	\$40.29	\$67.19
XII	\$3.92	\$5.11	\$6.30	\$8.79	\$12.59	\$19.13	\$30.41	\$43.96	\$73.30

When the employee attains a birthday which places him/her in a higher age bracket, the monthly contribution will change on the first day of the calendar month next following the month in which such birthday occurs.

VI. Payment of Benefits

If a Dependent dies from any cause while the employee is insured for Dependent Group Life Insurance, the amount of such insurance in force on account of the Dependent shall be paid in a lump sum to the employee (the employee is the beneficiary for Dependent Group Life Insurance). The employee's insurance certificate shall set forth the procedure for payment of insurance in case a Dependent dies subsequent to the death of the employee.

The insurance is term insurance without cash, loan or paid-up values.

VII. Cessation of Insurance

Dependent Group Life Insurance shall automatically cease on the earliest of the following:

- A. The date the employee ceases to have a Dependent as defined in section III, herein.
- B. The date the employee ceases to be insured for Life Insurance provided in accordance with section 3 of the Group Life and Disability Insurance provisions.
- C. If the employee fails to make a required contribution for Dependent Group Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.
- D. The last day of the calendar month in which the employee attains age 70.
- E. The date of discontinuance of Dependent Group Life Insurance under the Insurance Program.

The Dependent Group Life Insurance on account of any Dependent shall automatically cease on the day immediately preceding the date such person ceases to be a Dependent as defined in section III, herein.

VIII. Continuation of Coverage for Surviving Spouse

In the event of the death of an employee or retiree who is enrolled in the optional life insurance plan and has elected dependent coverage, surviving spouses will be allowed to continue existing coverage for themselves and eligible dependent children of the employee.

In order to continue coverage for surviving spouse benefits, notification must be made within thirty-one (31) days of the date of the employee's death.

Premium will be based on the age of the surviving spouse and can be continued to age 70.

Coverage is limited to the surviving spouse and then eligible dependent children of the employee only.

The maximum amount of coverage cannot exceed the amount of coverage in force at the time of the employee's death, however coverage may be decreased upon notification.

IX. Conversion Privilege

Upon written application made by a person to the insurance company within thirty-one (31) days after the date of cessation of the Dependent Group Life Insurance on account of such person because of:

- A. cessation of the employee's Life Insurance provided in accordance with section 3 of the Group Life and Disability Insurance provisions, unless such cessation was due to discontinuance of Dependent Group Life Insurance under the Insurance Program, or
- B. such person's ceasing to be a Dependent as defined in section III, herein, such person shall be entitled to have an individual policy of Life Insurance only, without Disability or Accident Means Death Benefits, issued by the insurance company, without evidence of insurability. Such individual policy shall be upon one of the forms then customarily issued by the insurance company, except term insurance, and the premium for such individual policy shall be the premium applicable to the class of risk to which such person belongs and to the form and amount of the individual policy at such person's attained age at the date of issue of such individual policy. The amount of such individual policy shall be equal to (or, at the option of such person, less than) the amount of Dependent Group Life Insurance in force on account of such person on the date of cessation of such insurance.

Any individual policy of Life Insurance so issued shall become effective at the end of the thirty-one (31) day period during which application for such individual policy may be made. If, however, the person who is entitled to the privilege of obtaining an individual policy of Life Insurance dies during such thirty-one (31) day period,

the insurance company shall pay to the employee, whether or not application for such individual policy shall have been made, the maximum amount of Life Insurance for which an individual policy could have been issued. The employee's insurance certificate shall set forth the procedure for payment of insurance in case such person dies subsequent to the death of the employee.

EXHIBIT II

OPTIONAL GROUP LIFE INSURANCE

I. Eligibility Date

An employee who is insured for the Life Insurance provided in accordance with section 3 of the Group Life and Disability Insurance shall become eligible for Optional Group Life Insurance as follows:

- A. For the amounts of insurance determined in accordance with Schedule I, II, III, IV, V, VI, VII, VIII, IX, X, XI or XII as set forth in section III herein, on the first of the fourth month following date employed.

The date that the employee becomes eligible for Optional Group Life Insurance shall be hereinafter referred to as the employee's eligibility date.

II. Enrollment and Effective Dates

The employee's Optional Group Life Insurance shall become effective as follows:

- A. If the employee enrolls on or before his/her eligibility date, insurance becomes effective on the eligibility date.
- B. If the employee enrolls during the thirty-one (31) day period following his/her eligibility date, insurance becomes effective on the first day of the calendar month next following the date of enrollment.
- C. If the employee enrolls subsequent to the 31st day following his/her eligibility date, or if the employee becomes insured for Optional Group Life Insurance and later decides to enroll for a higher amount of insurance as set forth in section III herein,

the employee must furnish evidence satisfactory to the insurance company (a) of his/her good health, or (b) that he/she has married or acquired children by birth or adoption during the thirty-one (31) day period immediately prior to such enrollment. In either case, insurance shall become effective on the first day of the calendar month next following the date the insurance company approves such evidence, provided that in the case of (b) above, the change in status is still in existence.

In any event, for an employee to become insured initially or for a higher amount of insurance, he/she must be actively at work on the date the insurance would otherwise become effective. If the employee is not actively at work on such date, the insurance becomes effective on the date the employee returns to active work, provided he/she is then still eligible as set forth in section I herein.

If the employee becomes insured for Optional Group Life Insurance and later enrolls for a lower amount of insurance as set forth in section III herein, the employee shall become insured for such lower amount of insurance on the first day of the calendar month next following the month for which he/she last contributed for the higher amount, whether or not he/she is then actively at work.

III. Amount of Insurance

An employee may elect one of the following schedules of Optional Group Life Insurance: Schedule I - \$10,000.00, Schedule II - \$20,000.00, Schedule III - \$30,000.00, Schedule IV - \$40,000.00, Schedule V - \$50,000.00, Schedule VI - \$75,000.00, Schedule VII - \$100,000.00, Schedule VIII - \$125,000.00, Schedule IX - \$150,000.00, Schedule X - \$175,000.00, Schedule XI - \$200,000.00, or Schedule XII - \$225,000.00.

IV. Contributions

The employee shall contribute the full cost of the Optional Group Life Insurance and contributions shall be payable monthly in advance. The required monthly contribution is as set forth in the following tables, which are subject to change.

Employee's Age

Schedule	Under									
	30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	
I	\$0.57	\$0.66	\$0.95	\$1.51	\$2.46	\$4.25	\$6.33	\$10.59	\$19.67	
II	1.13	1.31	1.89	3.03	4.92	8.50	12.66	21.18	39.34	
III	1.70	1.97	2.84	4.54	7.38	12.75	18.99	31.77	59.00	
IV	2.27	2.63	3.78	6.05	9.83	17.00	25.32	42.36	78.67	
V	2.84	3.28	4.73	7.56	12.29	21.25	31.65	52.95	98.34	
VI	4.26	4.93	7.09	11.35	18.44	31.88	47.48	79.43	147.51	
VII	5.67	6.57	9.46	15.13	24.58	42.50	63.30	105.90	196.68	
VIII	7.09	8.21	11.82	18.91	30.74	53.13	79.13	132.38	245.85	
IX	8.51	9.85	14.18	22.69	36.88	63.75	94.95	158.85	295.02	
X	9.93	11.50	16.55	26.48	43.03	74.38	110.78	185.33	344.19	
XI	11.35	13.14	18.91	30.26	49.17	85.00	126.61	211.81	393.35	
XII	12.77	14.78	21.28	34.04	55.32	95.63	142.43	238.28	442.52	

When the employee attains a birthday which places him/her in a higher age bracket, the monthly contribution will change on the first day of the calendar month next following the month in which such birthday occurs.

V. Payment of Benefits

- A. The amount of Optional Group Life Insurance is payable to the beneficiary of record of the employee in the event of death from any cause while the employee is insured for Optional Group Life Insurance.
- B. At the written request of the beneficiary, Optional Group Life Insurance shall be paid either in a lump sum or in installments. No installment settlement election shall be valid if such settlement would result in installment payments of less than \$10.00 each.
- C. If the insurance is payable in installments and the beneficiary dies before all installments have been paid, the unpaid installments shall be commuted at the rate of interest used in computing the amount of installment payments, and paid in one lump sum to the estate of the beneficiary unless otherwise provided in the election of an installment settlement.

- D. The employee's insurance certificate shall set forth the administrative provisions regarding the recording of beneficiary designations, changes of beneficiary and the procedure for payment of insurance in case there is no beneficiary living at the death of the employee.
- E. This insurance is term insurance without cash, loan or paid-up values.

VI. Cessation of Insurance

Optional Group Life Insurance shall automatically cease on the earliest of the following:

- A. The date the employee ceases to be insured for Life Insurance provided in accordance with section 3 of the Group Life and Disability provisions.
- B. If the employee fails to make a required contribution for Optional Group Life Insurance when due, the last day of the calendar month immediately preceding the calendar month for which such contribution was due.
- C. The last day of the calendar month in which the employee attains age 70.
- D. The date of discontinuance of Optional Group Life Insurance under the Insurance Program.

VII. Conversion Privilege

Upon written application made to the insurance company within thirty-one (31) days after the date of cessation of the employee's Optional Group Life Insurance because of cessation, in accordance with section 14 (a)(1), of the employee's Life Insurance provided in accordance with the Group Life and Disability Insurance provisions, the employee shall be entitled to have an individual policy of Life Insurance only, without Disability or Accidental Means Death Benefits, issued by the insurance company, without evidence of insurability. Such individual policy shall be upon one of the forms then customarily issued by the insurance company, except term insurance, and the premium for such individual policy shall be the premium applicable to the class of risk to which the employee belongs and to the form and amount

of the individual policy at the employee's attained age at the date of issue of such individual policy. The amount of such individual policy shall be equal to (or, at the option of the employee, less than) the amount of the employee's Optional Group Life Insurance on the date of cessation of such insurance.

Any individual policy of Life Insurance so issued shall become effective at the end of the thirty-one (31) day period during which application for such individual policy may be made. If, however, the employee dies during such thirty-one (31) day period, the insurance company shall pay to his/her beneficiary of record, whether or not the employee shall have made application for such individual policy, the maximum amount of Life Insurance for which an individual policy could have been issued.

LETTERS - GROUP LIFE

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During 1979 negotiations, the union requested confirmation of the continuation of the arrangements described in the supplemental agreement reproduced below:

"On this 12th day of September, 1972, Ford Motor Company of Canada, Limited and International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, on behalf of the employees covered by the Collective Agreement entered into on January 31, 1971 between the parties hereto, agreed as follows:

- (a) This Agreement is supplemental to, and is hereby part of, such Collective Agreement as if set out in full therein.
- (b) Without prejudice to any other rights the company and the union have under the Collective Agreement dated January 31, 1971 with respect to the payment of accident and sickness benefits, the provisions of section 11(c) of Appendix R, of the Collective Agreement dated January 31, 1971 to the contrary notwithstanding, an insured employee hired or rehired on or after April 1, 1971 with 13 weeks but less than 16 weeks of seniority since his most recent hire or rehire who is absent from work because of total disability commencing on or after July 1, 1972 shall be entitled to receive accident and sickness benefits under the insurance provisions of the Collective Agreement

between the parties for a maximum period of 15 weeks,
provided he is otherwise eligible.

In witness whereof, the parties hereto have caused this
Supplemental Agreement to be executed the day and year first
above written."

This letter is sent to you in confirmation of the continuance of
this arrangement.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

In past negotiations, the union stated that it wanted to avoid the possibility of a problem concerning the group sickness and accident insurance area with respect to the use of company medical officers to terminate a sickness and accident claim.

The company stated that it did not and will not use company doctors to terminate a sickness and accident claim.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

The union members of the Insurance Subcommittee raised several questions concerning the administration of Accident and Sickness claims during 1973 negotiations. The replies to these questions are recorded below:

1. In the event that an employee who is receiving A & S benefits is notified to present himself for a medical examination required by the Insurer, such notification will include the date that the payment of benefits will cease if he fails to present himself for his medical examination. Under ordinary circumstances, benefits will not be discontinued before the date of the scheduled medical examination provided he is otherwise eligible for such benefit payments.
2. If the above indicated medical examination results in a determination that the employee is no longer disabled, the employee will be notified by the Insurer that A & S benefits are being terminated (the reason for termination will be included). Termination of disability benefits will be effective as of the earlier of the following: (1) notification as a result of the employee's telephone call, or (2) the date of the letter or other notification to the employee.
3. When an employee's physician is not available and the employee is requested to obtain a Supplementary Report of Attending Physician by the Insurer, a statement from a substituting doctor to the effect the employee's doctor is unavailable will be sufficient to maintain the employee on claim in the event that the substituting doctor is not sufficiently aware of the details of the employee's disability to make a medical determination.

In the event that the employee's regular attending physician, when he becomes available, fails to concur in the employee's continuing disability, the Insurer shall be entitled to fully recover any overpayment of benefits.

4. The insurer will not accept disability claims based on telephoned medical advice, but will examine each such case on its merits where unusual circumstances are involved.
5. If the employee believes that his Workers' Compensation benefit claim may be delayed, he may file an A & S claim but must agree to reimburse the Insurer for any Workers' Compensation benefits received for periods of time for which Accident & Sickness benefits have previously been paid by signing an assignment in such form as directed by the Insurer. The amount of Workers' Compensation benefit subject to reimbursement on a weekly basis shall not exceed the weekly Accident & Sickness benefit rate.
6. Where an employee's attending physician has certified that he is able to return to work but in the opinion of the appropriate company personnel there is no work to which he can be assigned which he can perform at the plant because of a disability, he will no longer be required to be under his own attending physician's care to continue to be eligible for Accident and Sickness benefits while the plant considers him unable to perform such work. The appropriate company personnel will so advise the Insurer, with a notice to the employee. Accident and Sickness benefits shall be continued, subject to the employee's continued eligibility under the Accident and Sickness benefit provisions and the regular follow-up procedures that apply to such claims.
7. The company stated that it will ask the Insurer to delete from the next printing of the Insurer's Claim for Group Weekly Indemnity Benefits the following words at the bottom of the Attending Physician's Statement: "If there is a charge for completing this form, it is the responsibility of the patient". Removal of this statement shall not relieve the patient of his responsibility for paying any charge for the completion of this form.

8. The company agreed that it would notify the union of any major changes by the Insurer in administrative practices affecting Accident and Sickness benefits or changes in forms and provide a reasonable length of time for the union to discuss.
9. The company confirmed that Accident and Sickness claims will be processed promptly by each location receiving such claims.
10. The Insurer has agreed that, as soon as practicable, it will institute a revised procedure whereby, if a Supplementary Report of Attending Physician is required, this form will be mailed to the employee one week prior to the mailing of the final payment of Accident and Sickness benefits.

Yours very truly,
A.W. Hanlon
Vice President,
Industrial Relations

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the 1982 negotiations, the company and the union discussed the benefit levels for employees who became disabled prior to January 1, 1974 and who are eligible for Extended Disability Benefits on October 10, 1982.

The company agreed that, notwithstanding the provisions of section 13 (b), an employee who is not entitled to a Disability Benefit under any existing or future Provincial or Federal legislation for a month of disability on or after October 10, 1982 shall receive the applicable amount for such month determined in accordance with the Schedule of Benefits in effect at the commencement of the employee's disability increased by \$100 and subject to reductions in accordance with subsection (b).

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear **Mr. Lewenza**:

During the **2012** negotiations, the company agreed that, with respect to medical examinations requested by the insurance company in accordance with section 8(b) and section 13(e) of **Group Life and Disability Insurance** Appendix "R" to the Collective Agreement, an employee whose residence is located more than sixty-four (64) kilometres from the office where a medical examiner will perform the examination will be reimbursed, upon request, at the rate of **forty cents (\$0.40)** per kilometre for kilometres actually driven from his residence to such physician's office and back by the most direct route.

Yours very truly,
Stacey Allerton
Vice President,
Human Resources

November 18, 1984

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During these negotiations the company and the union discussed a proposal to provide an Integrated Disability Benefit which would incorporate disability benefits now provided under the Pension Plan, the SUB Plan and the Ford Canada Insurance Program. However, there was not sufficient time during these negotiations for the parties to work out the involved details necessary to provide such a benefit.

Therefore, the parties have agreed to study the proposal and, if mutually agreeable, to jointly work out the provisions and procedures necessary to implement an Integrated Disability Benefit under the Ford Canada Insurance Program at the earliest practical date. The Benefit would be provided without disruption of any existing levels of benefits available to employees and retirees.

Yours very truly,
A.W. Hanlon
Vice President,
Industrial Relations

Concur: R. White

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

If an employee is disqualified for Workers' Compensation, the employee will be paid Accident and Sickness Benefits if the employee otherwise qualifies for such Benefits.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

The surviving spouses of employees who elect to take a lump sum pension payment in accordance with the Ontario Pension Benefits Act of 1987, are eligible for a residual monthly pension benefit and would otherwise meet the eligibility requirements for Transition and/or Bridge Benefits under the Group Life and Disability Insurance Program, will be given the option to choose which benefit to receive. Such surviving spouses who choose to receive benefits under the insurance plan will become eligible again to receive the pension benefit following the exhaustion of eligibility for insurance benefits.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

October 18, 1993

Mr. B. Hargrove
National President
National Automobile,
Aerospace and Agricultural Implement
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2G 3H9

Dear Mr. Hargrove:

During the current negotiations, the union requested clarification of the company's position with respect to the treatment of a surviving spouse in the situation where an employee has been cohabiting with a person of the opposite sex, legally marries such person and the employee subsequently dies prior to meeting the requirement of being legally married for at least one year prior to the death of such employee.

Notwithstanding the provision of article 6(f) of the Group Life and Disability Plan, any continuous period of time the employee and the person of the opposite sex had been cohabiting and residing together, and such person was being publicly represented by the employee as his or her spouse during the period immediately preceding the employee's legal marriage to such person, will be included in the period of time which may be used to satisfy the requirement to be legally married for at least one year prior to the death of the employee.

Yours very truly,
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

This will confirm our understanding reached during the current negotiations with respect to certain disability benefits.

Sickness and Accident Benefits will be provided for those employees who claim total disability due to a sterilization or sterilization reversal procedure on the same basis as for other illness claims.

Sickness and Accident benefits will also be provided to women who are totally disabled and/or hospitalized due to infertility treatment.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

September 27, 1999

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the 1999 negotiations, the union and the company agreed that Accident and Sickness Benefits would be paid from the first day a female employee seeks sanctuary at a Women's Shelter and otherwise qualifies for Accident and Sickness Benefits.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Human Resources

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW - Canada)
205 Placer Court
Willowdale, Ontario M2H 3H9

Dear Mr. Hargrove:

During these current negotiations the union has expressed concern over the income of certain disabled employees.

To this end the company has agreed to review the current total monthly income of certain disabled employees who are receiving Extended Disability Benefits. The review will include a determination of the total monthly income which will include any Company Pension Benefit, Extended Disability Benefit, CPP/QPP Benefits and any Workers' Compensation Benefits received.

The company agrees to pay to the employee the difference between the total of these benefits and \$1,800.00 per month. This amount, the Extended Disability Special Payment, will be effective beginning January 1, 2003 and will be made from the Extended Disability Benefit Plan. This Payment will continue as long as the employee is entitled to Extended Disability Benefits.

It is further understood that the employee will be required to provide either a copy of a current CPP/QPP cheque statement or a signed Authorization to Communicate Information form by July 1, 2003. Failure to provide this documentation will cause the Payment to be discontinued and any overpayment will be recovered.

Commencing October 1, 2003 and each subsequent October 1, the total of the Extended Disability Special Payment and the net monthly Extended Disability Benefit will be indexed in the same manner as outlined in Section 13 (b)(6).

Yours very truly,
FORD MOTOR COMPANY OF
OFCANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

Concur: B. Hargrove

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During 2012 negotiations, the parties agreed to document the process for employees in receipt of Accident and Sickness benefits who may have entitlement to Canada Pension Plan (CPP) disability benefits and the impact the application may have on future extended disability benefits should their disability extend past one year. The process is as follows:

A letter from the insurance provider will be sent to the employee in the fourth (4th) month following the month in which the employee became disabled, to inform them of their requirement to apply for CPP. The letter will advise the employee that after 52 weeks of disability, their Extended Disability Benefit (EDB) will be automatically reduced by any amounts of CPP they may qualify for. The employee is required to send a copy of their Notice of Entitlement or Declination letter from CPP to the insurance provider.

If there is no response, a second letter from the insurance provider will be sent after eight (8) months of disability reminding the employee of their requirement to apply for CPP disability and the impact on their EDB benefit.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During 2012 negotiations, the union raised a concern regarding the timing of the administration of Accident and Sickness claims when a WSIB claim has been submitted. The company confirmed that an Accident and Sickness claim with a pending WSIB claim will be processed promptly by the carrier upon submission of a properly completed Accident and Sickness application with a completed WSIB waiver. This letter confirms that Human Resources at each location is aware and supportive of this process.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During 2012 negotiations, the union raised a concern regarding the cost of medical documentation required to support Accident and Sickness claims. The company agrees to work with the union and the insurance provider to review the administrative practices with the goal to streamline.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During 2012 negotiations, the parties had meaningful discussions around graduated return-to-work for employees who have been on S&A benefits for more than four (4) months and where it is recommended by the treating physician. The parties agreed to continue discussions around potential opportunities for graduated return-to-work.

**Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources**

September 24, 2012

**Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9**

Dear Mr. Lewenza:

During the 2012 negotiations, the parties agreed that the Optional Life and Dependent Group Life Insurance program rates currently in force will continue until December 31, 2015. The vendor has agreed to maintain the same rates in 2016 if the incurred loss ratio at the time of renewal for 2016 is 85% or less. The parties also agreed that four (4) open enrollment periods will be offered to employees as follows:

- 1) One open enrollment period effective May 1, 2013 to June 30, 2013 as follows:**
 - a. Any currently enrolled employee actively at work may increase the amount of insurance up to one (1) schedule without evidence of insurability.**
 - b. Any employee actively at work who had not previously enrolled may enroll without evidence of insurability but will be limited to the election of Schedule 1 under either the Optional and/or Dependent Group Life Insurance programs.**
- 2) One open enrollment period effective May 1, 2014 to June 30, 2014 where any currently enrolled employee actively at work may increase the amount of insurance up to one (1) schedule without evidence of insurability.**
- 3) One open enrollment period effective May 1, 2015 to June 30, 2015 where any currently enrolled employee actively at work may increase the amount of insurance up to one (1) schedule without evidence of insurability.**

- 4) One open enrollment period effective May 1, 2016 to June 30, 2016 where any currently enrolled employee actively at work may increase the amount of insurance up to one (1) schedule without evidence of insurability.

The coverage will become effective with the first payroll deduction following the conclusion of the open enrollment period provided the employee is actively at work on such date.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources

**HOSPITAL-SURGICAL-MEDICAL-DRUG-
DENTAL-VISION
EXPENSE COVERAGES
(H-S-M-D-D-V PROGRAM)**

1. Coverages

- (a) The company at its sole expense will grant the following Plans to all eligible employees and to their eligible dependents as defined in the said Plans:
- (1) Hospital and Medical Benefits shall be those provided under The Ontario Health Insurance Plan (O.H.I.P.);
 - (2) Supplementary coverage for Semi-Private Hospital Accommodation Benefits as set forth in exhibit VI hereof;
 - (3) Prescription Drug Benefits as set forth in exhibit VII hereof;
 - (4) Hearing Aid Expense Benefits Program as set forth in exhibit III hereof;
 - (5) Dental Expense Benefits Program as set forth in exhibit I hereof;
 - (6) Supplementary coverage for Long-Term Care Facility Expense Benefits as set forth in exhibit VIII hereof;
 - (7) Prosthetic Appliance and Durable Medical Equipment Expense Benefits Program as set forth in exhibit V hereof;
 - (8) Vision Expense Benefits Program as set forth in exhibit IV hereof;
 - (9) Paramedical Coverage program as set forth in exhibit IX hereof;
 - (10) Extended Health Care Services as set forth in exhibit X hereof.

(b) Enrollment Classifications

Subject to the provisions of the applicable plans, at the employee's option, coverage under this section 1 may include protection for (i) self only, (ii) self and spouse, or (iii) self and family (including only spouse and eligible children). For purposes of this H-S-M-D-D-V section eligible dependents shall include:

- (i) spouse to whom the employee is legally married, or the person who has been cohabiting and residing with the employee in a conjugal relationship for an immediately preceding continuous period of at least one year, and has been publicly represented by the employee as the employee's spouse. Where more than one 'spouse' exists, the employee shall designate the participant and provide proof of relationship.
- (ii) Eligible children shall include any unmarried child (A) of the employee by birth, legal adoption, or legal guardianship, while such child legally resides with and is dependent upon the employee; (B) of the employee's spouse and who is residing in and a member of the employee's household; (C) as defined in (A) and (B) above but who does not reside with the employee but is the employee's legal responsibility, and for whom the employee provides principal support as defined by the Canadian Income Tax Act, and who was reported as a dependent on the employee's most recent income tax return or who qualifies in the current year for dependency tax status.

For the purposes of section 2, the term "eligible children" shall also include orphans of employees provided they were covered as a dependent at the time of the employee's death and for as long as they otherwise continue to meet the above criteria or until they become the dependent of someone else.

A child as defined in (A), (B) or (C) above, is included until the end of the calendar year in which he/she attains age 25, provided he/she is unmarried and in full time attendance at school, and the employee recertifies eligibility annually. A child as defined in (A), (B) or (C) above is covered regardless of age if totally and permanently disabled as defined

hereinafter, provided that such child after the end of the calendar year in which the child attains age 19 must be dependent upon the employee within the meaning of the Canadian Income Tax Act and must legally reside with and be a member of the household of the employee. "Totally and permanently disabled" means having any medically determinable physical or mental condition which prevents the child from engaging in substantial gainful activity and which can be expected to result in death or to be of long-continued or indefinite duration.

No person may be considered a dependent of more than one employee except as provided in (d), Co-ordination of Benefits for eligible children where both parents work for Ford.

(c) Third Parties

It is understood that the provisions herein and in the attached exhibits are agreements between the company and the union and, although they set forth intended arrangements involving third parties, they shall not be relied upon by any such third party as establishing any right against the company or the union.

(d) Coordination of Benefits

- A. The H-S-M-D-D-V Program set forth in Appendix R of the Collective Agreement provides benefits in full, or a reduced amount which, when added to the benefits payable and the cash value of services provided by any "Other Plans", will equal 100% of "Allowable Expenses" incurred by the person for whom claim is being made. This provision does not apply during any month in which the individual has paid 50% or more of the cost of the Other Plan. "Allowable Expenses" include any necessary and reasonable charges for items of expense which are covered in whole or in part under the H-S-M-D-D-V Program set forth in Appendix R of the Collective Agreement or the Other Plan to which this provision applies. "Other Plans" include any plan of medical or dental coverage provided by group insurance or other arrangement of coverage for individuals in a group whether or not the Plan is insured; provided that such other plan will not be

considered a "plan" for the purposes of the Coordination of Benefits Provisions during any month for which the individual has paid 50% or more of the cost of that plan.

To administer this provision, and to determine whether the carrier will reduce benefits, it is necessary to determine the order in which the various plans will pay benefits. This will be determined as follows:

- (1) A plan with no coordination of benefits provision will pay its benefits before a plan which contains such a provision;
- (2) A plan which covers an individual other than as a dependent will pay its benefits before a plan which covers the individual as a dependent;
- (3) A plan which covers an individual as a dependent of the covered person with the earliest day and month of birth in the calendar year will pay its benefits first;
- (4) Where the above do not establish the order of payment, the benefits shall be pro-rated between or amongst the plans in proportion to the amounts that would have been paid under each plan had there been coverage by just that plan.

The carrier may release or obtain any information and make or recover any payments it considers necessary to administer this provision.

- B. In cases where both spouses are employed by the company and only for claims incurred while both spouses would otherwise be eligible for company-paid H-S-M-D-D-V Program benefits coverage under their own contract as an employee in accordance with the provisions of section 3 or sections 2 and 5, the coordinated H-S-M-D-D-V Program described under section A above will be provided under the contract of the employee who elects coverage for self and spouse or self and family.

To administer this provision the employee who elects coverage for self and spouse or self and family must enroll his/her spouse for coordinated coverage as an employee on a form provided by the company and the company will advise the carrier concerning the continuing eligibility status of such spouse either as an employee actively on the payroll in accordance with section 3 or as an employee who has ceased to be actively on the payroll in accordance with sections 2 and 5.

- C. In cases where both parents of a child, as defined in 1(b)(ii) above, and who are each otherwise eligible for company-paid H-S-M-D-D-V Program benefits coverage under their own contract as an employee in accordance with the provisions of section 3 or sections 2 and 5, the coordinated H-S-M-D-D-V Program described under section A above will be provided, where both parents have enrolled the same child as a dependent for purposes of the H-S-M-D-D-V Program on a form provided by the company. Under this provision, no more than two employees may enroll the same child as their dependent.

(e) Subrogation

In the event of any payment for services under the H-S-M-D-D-V Program set forth in Appendix R of the Collective Agreement, the carrier will be subrogated to all the covered person's rights of recovery therefor against any person or organization except against insurers on policies of insurance issued to and in the name of the covered person, and the covered person will execute and deliver such instruments and papers as may be required and do whatever else is necessary to ensure such rights. The covered person may take no action which may prejudice the carrier's subrogation rights and all sums recovered by the covered person by suit, settlement or otherwise in payment for services covered under the H-S-M-D-D-V Program set forth in Appendix R of the Collective Agreement must be paid over to the carrier.

2. Contributions

(a) While Employed

The company will make monthly contributions for the following month's coverage on behalf of each subscribing employee while he/she is at work (as defined below) toward the cost of the hospital-surgical-medical-drug-dental-vision-hearing aid coverages described in section 1 above equal to the full subscription rate or premium charge for the classification or coverage to which the employee shall have subscribed according to his/her enrollment classification.

For purposes of this section, an employee shall be considered "at work" in any month if he/she receives pay from the company for any time during such month, except that, for employees hired or rehired, the company's obligation to make monthly contributions for hospital-surgical-medical-drug coverages will commence with the contribution due for the month as set out in section 3, and for employees terminating, the company's obligation shall be as set out in section 5.

(b) Leave of Absence due to Sickness or Accident

In the case of employees on leave of absence due to sickness or accident or while an employee is receiving Extended Disability benefits after exhaustion of reinstated Accident & Sickness benefits under section 12 of the Group Life and Disability Insurance part of the Program, the hospital-surgical-medical-drug-dental-vision-hearing aid coverages referred to in section 1 above will be continued at the sole expense of the company for the benefit of such employees and eligible dependents for a period equal to the seniority of the employee concerned at the time the leave of absence commences, beginning with the month following the month in which the leave of absence begins, provided that the term of the absence continues for so long.

(c) During Layoff

In the case of employees on layoff meeting the conditions of section 1.02 of the Supplemental Unemployment Benefit Plan, the company will make monthly contributions toward

the cost of hospital-surgical-medical-drug-dental-vision-hearing aid coverage under section 1 on behalf of each subscriber and his/her eligible dependents, until the end of the month following the month the layoff begins. Thereafter, hospital-surgical-medical-drug-vision-hearing aid coverages (but not dental expense coverage) under section 1 above shall be provided for a laid-off employee and his/her eligible dependents, without cost to the employee during a layoff meeting the conditions of section 1.02 of the Supplemental Unemployment Benefit Plan on the basis of the greater of (i) one full calendar month of layoff (for which he/she receives no pay), not to exceed twenty-four months, for each full four weeks of Regular Benefits to which the employee's Credit Units would entitle him/her, pursuant to article 3 of the Supplemental Unemployment Benefit Plan on the basis of his/her seniority and the Credit Unit Cancellation Base as of the last day worked prior to layoff or, if an employee is initially credited during such layoff with credit units under the SUB plan his/her entitlement shall be established as of the date such credit units are credited, or (ii) the number of months of coverage, up to a maximum of twenty-four (24), for which he/she would be eligible on the basis of his/her years of seniority as of the last day worked prior to layoff, in accordance with the following table:

<i>Year(s) Seniority as of Last Day Day Worked Prior to Layoff</i>	<i>Maximum Number of Months for Which Coverage Will Be Provided</i>
Less than 1	0
1 but less than 2	2
2 but less than 3	4
3 but less than 4	6
4 but less than 5	8
5 but less than 6	10
6 but less than 7	12
7 but less than 8 *	13 *
8 but less than 9 *	14 *
9 but less than 10 *	15 *
10 and over	24

* Applicable to an employee at work on or after November 17, 2002

Such months of coverage under the above formulas shall be for months following the last month of the employee's coverage for which contributions were made while he/she was at work.

(d) For Retired Employees

- (i) The company will make monthly contributions for the following month's coverage on behalf of **such** retired employees (not including a former employee entitled to or receiving a deferred vested pension).

The continued coverage to which **such** retired employees are entitled will be only the hospital-surgical-medical-drug-dental-vision-hearing aid coverages as described above.

The company may, from time to time, request that **such** retired employees attest to the eligibility status of their dependents towards whose coverage the company contributes. If **any such** retired employee fails to comply with such request, the company may reduce **such** retired employee's coverage to that of "self only", unless it can be demonstrated that he/she has an eligible dependent.

- (ii) **Employees who were hired on or after September 24, 2012 and who have retired from the company and their dependents will not be eligible for or receive any health care benefits (including but not limited to hospital, surgical, medical, drug, dental, vision, hearing aid, paramedical, extended health care services and provincial medical) from the Company upon retirement and are not eligible for coverage under the plans.**

(e) For Surviving Spouse

- (1) The company will make monthly contributions for the following month's hospital-surgical-medical-drug-dental-vision care-hearing aid coverage on behalf of (i) the surviving spouse (determined in accordance with article 1.01(r) of the Retirement Pension Plan) of a retired employee as defined in (d) of this section or (ii) a

surviving spouse eligible to receive benefits under the Retirement Pension Plan (including for this purpose a surviving spouse who would receive such benefits except for receipt of survivor income benefits under the Group Life and Disability Insurance part of this Program), a surviving spouse of a deceased employee who at the time of his/her death was eligible to retire on an early or normal pension under the Retirement Pension Plan, or (iii) for employee deaths occurring on or after October 5, 1987, a surviving spouse eligible for monthly survivor income benefits provided under the Group Life and Disability Insurance part of this Program for the duration of such eligibility for survivor income benefits and the eligible dependents of any such spouse, for the hospital-surgical-medical-drug-dental-vision-hearing aid coverages provided under section 1 above.

The company may, from time to time, request that such surviving spouses attest to the eligibility status of their dependents towards whose coverage the company contributes. If the surviving spouse fails to comply with such request, the company may reduce the surviving spouse's coverage to that of "self only", unless it can be demonstrated that the survivor had an eligible dependent.

- (2) Effective for coverage beginning the month following October 5, 1987 all current surviving spouses who continue to be eligible for monthly survivor income benefits provided in section 9 (a) and 9 (b) of the Group Life and Disability Insurance part of this program will be eligible for company-paid hospital-surgical-medical-drug-dental-vision-hearing aid expense coverage for the duration of such continuing eligibility for monthly survivor income benefits.
- (3) The company will make monthly contributions for hospital-surgical-medical-drug-dental-vision-hearing aid expense coverages provided under section 1 above for a surviving spouse of an employee who was actively at work on or after September 16, 1979 whose loss of life results from accidental bodily injuries caused solely by employment with the company, and results solely from

an accident in which the cause and result are unexpected and definite as to time and place; provided, however, such coverage shall not include dental, vision or hearing aid expense coverages if the employee had less than one (1) year of seniority at date of death, and shall terminate upon the remarriage or death of the surviving spouse.

- (f) For an employee on leave of absence other than for disability, hospital-surgical-medical-drug-dental-vision-hearing aid coverages will be continued until the end of the month following the month in which the employee was last in active service.
- (g) If an employee is cleared to return to work by the company's Medical or Labour Relations Department following a discharge or a layoff but is unable to return to active work due to a subsequent disability the employee will be eligible for reinstatement of company-paid hospital-surgical-medical-drug-dental-vision-hearing aid expense coverage on the first day of the month following the month in which the employee is cleared to return to work. Such reinstated coverage will then be continued from the date of the approved disability leave of absence in accordance with the provisions of section 2(b) above.
- (h) Healthcare Contribution

Effective January 1, 2010, a healthcare contribution will be required to be paid by all employees, retired employees and surviving spouses enrolled for HSMDDV coverage. The required healthcare contribution is as follows:

	Up to Age 65	On or After Age 65
Employee	\$30/month (\$360/year)	\$15/month (\$180/year)
Retired Employee	\$30/month (\$360/year)	\$15/month (\$180/year)
Surviving Spouse	\$15/month (\$180/year)	\$15/month (\$180/year)

Contributions are per subscriber (family).

- (1) Healthcare contributions will be collected the first of each month; reimbursements will not be made for partial month coverage.

- (2) Healthcare coverages will automatically cease for an employee, retired employee or surviving spouse who fails to make a required healthcare contribution when due, the last day of the calendar month for which the last contribution was applicable.
- (3) All employees, retirees, surviving spouses regardless of status will be required to make monthly contributions to maintain coverage.
- (4) A newly hired employee shall be required to make monthly healthcare contributions effective the month such employee becomes eligible for HSMDDV Coverage. **Effective January 1, 2013, a healthcare contribution will not be required as prescribed under (h) above.**

(i) Quarterly Deductible

Effective January 1, 2013, a quarterly deductible will apply to all employees, retired employees and surviving spouses enrolled for HSMDDV coverage. The quarterly deductible will reset January 1st, April 1st, July 1st, and October 1st of each year. The required quarterly deductible is as follows:

	Up to Age 65	On or After Age 65
Employee	\$97.20	\$48.60
Retired Employee	\$97.20	\$48.60
Surviving Spouse	\$48.60	\$48.60

3. Commencement of Coverage/Eligibility

- (1) An employee hired or rehired shall become eligible:**
 - (a) for hospital-surgical-medical-drug coverages on the first day of the fourth calendar month following the month in which employment commences, subject to the provisions of the applicable Plans;
 - (b) for dental and hearing aid coverages and for vision coverage under section 1 (a) (8) on the first day of the calendar month next following the month in which

the employee is actively at work after he/she acquires one year of seniority.

- (2) **Employees who were hired prior to September 24, 2012 and who have retired from the company will have continued coverage for the hospital-surgical-medical-drug-dental-vision-hearing aid coverages as described above (not including former employees entitled to or receiving a deferred pension) subject to the provisions of the applicable Plans.**

Employees who were hired on or after September 24, 2012 and who have retired from the company and their dependents will not be eligible for or receive any health care benefits (including but not limited to hospital, surgical, medical, drug, dental, vision, hearing aid, paramedical, extended health care services and provincial medical) from the company upon retirement and are not eligible for coverage under the plans.

4. Continuation of Coverages

(a) Extended Coverage During Layoff

An employee may continue his/her hospital-surgical-medical-drug-vision-hearing aid coverages (but not dental expense coverage) during layoff without a break in seniority through the twelfth consecutive month following the last month of his/her coverage for which contributions were made by the company under section 2(a) and 2(c) above.

(b) Extended Coverage During Leaves

An employee on approved leave of absence, other than for disability, may continue hospital-surgical-medical-drug-dental-vision-hearing aid coverages for up to twelve (12) consecutive months following the last month of coverage for which the company contributed for the employee while in active service, provided the employee's seniority is not broken and contributions for such coverages continue to be made in accordance with subsection (e) herein.

An employee on an approved local union leave of absence may continue such hospital-surgical-medical-drug-dental-

vision-hearing aid coverage during the period of renewed union leaves of absence.

(c) While Grievance Pending

When an employee has a grievance pending to protest loss of seniority from discharge, failure to report or overstaying leave under sections 15.07 (b), (c) or (d), 15.26 (b), (c) or (d), 15.45 (b), (c) or (d), or 15.77 (b), (c) or (d), or has been suspended, the employee may continue hospital-surgical-medical-drug-dental-vision-hearing aid coverages while the grievance is pending by paying the full subscription rate or premium charge for such continuation following the last month for which the company has contributed.

In the case of an employee whose grievance is withdrawn and the employee is undergoing substance abuse treatment, such employee may continue as a member of the group while undergoing such treatment but without contribution from the company. The employee shall contribute the full monthly premium or subscription charge for health care coverages.

(d) Employee Suspended or On Strike

If an employee is suspended or on strike, hospital-surgical-medical-drug-vision-hearing aid coverages (but not dental expense coverage) provided under section 1 will be continued at the sole expense of the company for one (1) month following the month in which the suspension or strike commenced.

(e) Payment for Continuation

An employee continuing coverage under subsections (a), (b) or (c) of this section beyond the period for which contributions were made by the company must pay the full subscription rate or premium charge for such continuation; provided, however, that if an employee who has continued coverage under subsection (c) is reinstated following such loss of seniority, the company will reimburse him/her for all the contributions in respect to coverage hereunder which the company would have made if the employee had remained at work.

5. Termination of Coverages

(a) Hospital-Surgical-Medical-Drug-Dental-Vision-Hearing Aid Coverages

Hospital-surgical-medical-drug-dental-vision-hearing aid coverages for an employee who quits, shall terminate as of the end of the day employment is terminated.

Hospital-surgical-medical-drug-vision-hearing aid coverages for an employee whose employment is terminated by being discharged, failing to report or overstaying leave, shall terminate as of the last day of the month in which employment is terminated unless such a former employee incurring a break in seniority by being discharged, failing to report or overstaying leave has a grievance pending to protest his/her loss of seniority under sections 15.07(b), (c) or (d), 15.26(b), (c) or (d), 15.45(b), (c) or (d), or 15.77(b), (c) or (d) of the Collective Agreement, except that, in the case of an employee whose grievance is withdrawn and the employee is undergoing substance abuse treatment, such employee may continue as a member of the group while undergoing such treatment by paying the full subscription rate or premium charge for such continuation. Except as provided above, hospital-surgical-medical-drug-vision-hearing aid coverages shall terminate as of the last day of the month following the month in which an employee was last at work unless continued under section 2 or 4.

(b) Dental

Except for dental expense coverage continued under section 2(b), 2(c), 2(d), 2(e), 4(b) and 4(c), dental expense coverage shall terminate as of the last day of the month in which an employee was last at work, except that (i) for an employee whose employment is terminated by quitting, dental expense coverage shall terminate as of the end of the day in which loss of seniority occurs and (ii) for an employee on a layoff meeting the conditions of section 1.02 of the Supplemental Unemployment Benefit Plan or for an employee incurring a break in seniority by being discharged, failing to report or overstaying leave who has a grievance pending to protest his/her loss of seniority under sections 15.07(b), (c) or (d), 15.26(b), (c) or (d), 15.45(b), (c) or (d) or 15.77(b), (c) or (d)

of the Collective Agreement, dental expense coverage shall terminate as of the last day of the month following the month in which the employee was last at work. Notwithstanding the above, an employee may continue dental expense coverage while on approved local union leave under section 4(b).

6. Availability of Coverage

Any provision as to the coverage to be provided or as to eligibility for coverage or for continuation of coverage hereunder is limited by the availability of such coverage from the plans.

7. Enrollment

An eligible employee or retired employee electing to enroll for applicable coverages must complete an application for the coverages in which he/she elects to participate. A surviving spouse electing to enroll for applicable coverages must complete an application for coverages if the applicable plan so requires.

8. Federal or Provincial Medical, Hospital, Surgical, Prescription Drugs, Vision, Hearing Aid Expense Benefits Laws

- (a) (1) The provisions of this H-S-M-D-D-V Program shall not be applicable to employees, former employees (including retired employees), or surviving spouses who are or may become eligible for Medical, Hospital, Surgical, Prescription Drug, Dental, Hearing Aid, Vision Expense Benefits under any Federal or Provincial law. Compliance by the company with such laws shall be deemed full compliance with the provisions of this H-S-M-D-D-V Program with respect to any such employees, former employees, or surviving spouses eligible for benefits under such laws. If such benefits exceed the benefits provided under the H-S-M-D-D-V Program, the company may require from any such employees, former employees, or surviving spouses such contributions as it may deem appropriate for such excess benefits.

- (2) Where the benefits under such laws are on a generally lower level than the corresponding benefits under the H-S-M-D-D-V Program, the company shall, to the extent it finds it practicable, provide benefits supplementary to the governmental benefits to the extent necessary to make the total benefits as nearly comparable as practicable to the benefits provided by the H-S-M-D-D-V Program for employees, former employees, or surviving spouses not subject to such laws.
- (b) The provisions of subsection (a) above to the contrary notwithstanding, the company may, wherever the substitution of a private plan is authorized by any such law, modify the provisions of this agreement to the extent and in the respects necessary to secure the approval of the appropriate governing body to substitute the Plan provided by the agreement in lieu of any plan provided by such law, and upon such modification and approval as a qualified plan, the company may make the Plan provided by the H-S-M-D-D-V Program available to employees, former employees, or surviving spouses subject to such law with such employee, former employee, or surviving spouse contributions as may be appropriate with respect to any benefits under such modified plan which exceed the benefits provided under the agreement.
- (c) Medical, Hospital, Surgical, Prescription Drug, Dental, Vision, Hearing Aid Expense Benefits provided employees, former employees (including retired employees), or surviving spouses, under this H-S-M-D-D-V Program may be reduced by the amount of such benefits provided under any Federal or Provincial law as now in effect or hereafter enacted or amended.

9. Company-Union Committee

A committee composed of two (2) members designated by the union and two members designated by the company shall be established to study and evaluate this H-S-M-D-D-V Program and to make recommendations for the purpose of achieving the maximum coverage and service for those covered by the various hospital-surgical-medical-drug-dental-vision-hearing aid plans for the money spent for such protection. In the performance of its duties, this committee may consult with and seek advice from representatives of the carriers that currently provide services with respect to the H-S-M-D-D-V Program. The committee may also consult with representatives of other companies within the health care industry and may submit recommendations to the company and the CAW and, when agreed to jointly, may commit the parties to implement pilot programs and plan changes. The committee will keep the parties to the Collective Agreement informed with respect to any problems which may arise.

EXHIBIT I

DENTAL EXPENSE BENEFITS PROGRAM

I. Enrollment Classifications

Dental Expense Benefits coverage for an eligible employee, retired employee or surviving spouse shall include coverage for eligible dependents as defined for hospital-surgical-medical-drug coverage provided under the H-S-M-D-D-V Program.

II. Description of Benefits

Dental Expense Benefits will be payable, subject to the conditions herein, if an employee, retired employee, surviving spouse or eligible dependent, while dental expense coverage is in effect with respect to such individual, incurs Covered Dental Expenses.

Effective **December 1, 2009**, Covered Dental Expenses will be reimbursed based on the **2008 Ontario Dental Association (ODA) fee guide**. Effective **January 1, 2013**, Covered Dental Expenses will be reimbursed based on the **Provincial Dental Association fee guide in effect two (2) years prior to the date Covered Dental Expenses are incurred**.

III. Covered Dental Expenses

Covered Dental Expenses are the usual charges of a dentist which an employee, retired employee or surviving spouse is required to pay for services and supplies which are necessary for treatment of a dental condition, but only to the extent that such services and supplies are customarily employed for treatment of that condition, and only if rendered in accordance with accepted standards of dental practice. Such expenses shall be only those incurred in connection with the following dental services which are performed, except as otherwise provided in section VII (B), by a licensed dentist and which are received while insurance is in force.

Payments for Covered Dental Expenses performed by a licensed dentist (or a licensed dental hygienist under conditions specified in section VII (B) (1)) shall be based upon the applicable percentage of the lesser of the dentist's usual charge for the service or of the fee specified for the service in the Provincial Dental Association Schedule of Fees as defined in section IV, but only for the services set forth below, and not for any other services listed in such

Schedule of Fees. Where fees for certain procedures as shown in such Schedule of Fees as "I.C." (Individual Consideration) payment will be made on the basis of the usual, reasonable and customary charges for such procedures. Provided, however, that in the event no Provincial Dental Association Schedule of Fees is in effect one (1) year prior to the date Covered Dental Expenses, as described in the first sentence of this paragraph, are incurred, payments under this section III shall be made on the basis of the usual, reasonable and customary charges for the service rendered or supply furnished one (1) year prior to the date the Covered Dental Expenses are incurred.

Payments for Covered Dental Expenses performed by a licensed denture therapist in accordance with section VII (B) (2) shall be based upon the applicable percentage of the lesser of the denture therapist's usual charge for the service or of the fee specified for the service in the Ontario fee schedule for Licensed Denture Therapists as defined in section VII(B), but only for the services set forth below, and not for any other services listed in such fee schedule. Provided, however, that in the event no Ontario fee schedule for Licensed Denture Therapists is in effect one (1) year prior to the date such Covered Dental Expenses are incurred, payments under this section III shall be made on the basis of the usual, reasonable and customary charges for the service rendered or supply furnished one (1) year prior to the date Covered Dental Expenses are incurred.

(A) The following Covered Dental Expenses shall be paid at 100% of the dentist's usual charge but not more than the amount specified therefor in the Provincial Dental Association Schedule of Fees:

- (1) Routine oral examinations and prophylaxis (scaling and cleaning of teeth), but not more than once in any period of nine (9) consecutive months.
- (2) Topical application of fluoride, only for persons under 20 years of age, unless a specific dental condition makes such treatment necessary.
- (3) Space maintainers that replace prematurely lost teeth for children under 19 years of age.
- (4) Emergency palliative treatment.

(B) The following Covered Dental Expenses shall be paid at:

- (i) 100% of the dentist's or denture therapist's usual charge, or
- (ii) 100% of the amount specified therefor in the Provincial Dental Association Schedule of Fees, or when applicable, in the Ontario fee schedule for Licensed Denture Therapists, whichever of (i) or (ii) is less:
 - (1) Dental x-rays, including full mouth x-rays [but not more than once in any period of thirty-six (36) consecutive months], supplementary bitewing x-rays (but not more than once in any period of nine consecutive months) and such other dental x-rays as are required in connection with the diagnosis of a specific condition requiring treatment.
 - (2) Extractions, including those described in section III(C)(4).
 - (3) Oral surgery, including surgery described in section III(C)(4).
 - (4) Amalgam, silicate, acrylic, synthetic porcelain, and composite filling restorations to restore diseased or accidentally injured teeth.
 - (5) General anesthetics and intravenous sedation when medically necessary and administered in connection with oral or dental surgery.
 - (6)(a) Treatment of periodontal and other diseases of the gums and tissues of the mouth, including provisional splinting Intra Coronal (ODA Code 43111) and Extra Coronal (ODA Codes 43211, 43231, 43241, 43261 and 43271), Periodontal appliance (ODA Codes 43611 and 43612) and a Temporomandibular Joint appliance (ODA Codes 43711 and 43712) as an adjunctive periodontal service.

- (6)(b) Periodontal appliance (codes 43611 and 43612) will be covered when provided for the treatment of bruxism (grinding of teeth) and performed by a licensed dentist. Coverage for benefits will be limited to one appliance in any twenty-four (24) month period.
 - (7) Endodontic treatment, including root canal therapy.
 - (8) Injection of antibiotic drugs by the attending dentist.
 - (9) Repair or recementing of crowns, inlays, onlays, bridgework or dentures; or relining or rebasing of dentures more than six (6) months after the installation of an initial or replacement denture, but not more than one relining or rebasing in any period of thirty-six (36) consecutive months.
 - (10) Inlays, onlays, gold fillings, or crown restorations to restore diseased or accidentally injured teeth, but only when the tooth, as a result of extensive caries or fracture, cannot be restored with an amalgam, silicate, acrylic, synthetic porcelain, or composite filling restoration.
 - (11) Porcelain veneers for all covered persons for treatment of the following conditions: amelogenesis imperfecta; Hutchinson's incisors, and hypo maturation.
 - (12) Pit and fissure sealants for permanent molars for children up to and including age fourteen.
- (C) The following Covered Dental Expenses shall be paid at
- (i) 50% of the dentist's or denture therapist's usual charge, or

(ii) 50% of the amount specified therefor in the Provincial Dental Association Schedule of Fees, or when applicable, in the Ontario fee schedule for Licensed Denture Therapists, whichever of (i) or (ii) is less:

- (1) Initial installation of fixed bridgework (including inlay and crowns as abutments).
- (2) Initial installation of partial or full removable dentures [including precision attachments and any adjustments during the six (6) month period following installation].
- (3) Replacement of an existing partial or full removable denture or fixed bridgework by a new denture or by new bridgework, or the addition of teeth to an existing partial removable denture or to bridgework, but only if satisfactory evidence is presented that:
 - (a) The replacement or addition of teeth is required to replace one or more teeth extracted after the existing denture or bridgework was installed; or,
 - (b) The existing denture or bridgework cannot be made serviceable and, if it was installed under this Denture Expense Benefits Program, at least five (5) years have elapsed prior to its replacement; or,
 - (c) The existing denture is an immediate temporary denture which cannot be made permanent and replacement by a permanent denture takes place within twelve (12) months from the date of initial installation of the immediate temporary denture.

Normally, dentures will be replaced by dentures but if a professionally adequate result can be achieved only with bridgework, such bridgework will be a Covered Dental Expense.

- (4) Orthodontic procedures and treatment (including related oral examinations) consisting of surgical therapy, appliance therapy, and functional/myofunctional therapy (when provided by a dentist in conjunction with appliance therapy) for covered persons under 21 years of age, provided, however, that benefits will be paid after attainment of age 21 for continuous treatment which began prior to such age.
- (5) **Effective January 1, 2013, implantology expenses up to the cost of dental bridgework as described in (1) above.**

IV. Maximum Benefit

The maximum benefit payable for all covered dental expenses incurred during any twelve (12) month period commencing October 1, and ending the following September 30, (except for services described in section III (C)(4) above) shall be \$2,800.00 effective October 1, 2005 for each individual.

For Covered Dental Expenses in connection with orthodontics including related oral examinations described in section III (C)(4) above, the maximum benefit payable shall be \$3,600.00 during the lifetime of each individual, with a maximum of \$3,200.00 applicable to covered dental expenses provided after October 1, 2002 but before October 1, 2005.

For services, appliances and supplies provided by a denture therapist under section III (B) and (C), or a Licensed Dental Hygienist under section III (A), the benefit payable shall not exceed the lesser of the dentist's usual charge or the amount specified in the Provincial Dental Association schedule of fees for such service, appliance or supply.

V. Predetermination of Benefits

If a course of treatment can reasonably be expected to involve Covered Dental Expenses of \$200.00 or more, a description of the procedures to be performed and an estimate of the dentist's charges must be filed with the prepayment agency prior to the commencement of the course of treatment.

The Prepayment agency will notify the employee and the dentist of the benefits certified as payable based upon such course of treatment. In determining the amount of benefits payable, consideration will be given to alternate procedures, services, or courses of treatment that may be performed for the dental condition concerned in order to accomplish the desired result. The amount included as certified dental expenses will be the appropriate amount as provided in sections III and IV, determined in accordance with the limitations set forth in section VI.

If a description of the procedures to be performed and an estimate of the dentist's charges are not submitted in advance, the prepayment agency reserves the right to make a determination of benefits payable taking into account alternate procedures, services or courses of treatment, based on accepted standards of dental practice. To the extent verification of Covered Dental Expenses cannot reasonably be made by the prepayment agency, the benefits for the course of treatment may be for a lesser amount than would otherwise have been payable.

This predetermination requirement will not apply to courses of treatment under \$200.00 or to emergency treatment, routine oral examinations, x-rays, prophylaxis and fluoride treatments.

VI. Limitations

(A) Restorative:

(1) Gold, baked porcelain restorations, crowns and jackets.

If a tooth can be restored with a material such as amalgam, payment of the applicable percentage of the charge for that procedure will be made toward the charge for another type of restoration selected by the patient and the dentist. The balance of the treatment charge remains the responsibility of the patient.

(2) Reconstruction.

Payment based on the applicable percentage will be made toward the cost of procedures necessary to eliminate oral disease and to replace missing teeth. Appliances or restorations necessary to increase vertical dimension or restore the occlusion are

considered optional and their cost remains the responsibility of the patient.

(B) Prosthodontics:

(1) Partial Dentures.

If a cast chrome or acrylic partial denture will restore the dental arch satisfactorily, payment of the applicable percentage of the cost of such procedure will be made toward a more elaborate or precision appliance that patient and dentist may choose to use, and the balance of the cost remains the responsibility of the patient.

(2) Complete Dentures.

If, in the provision of complete denture services, the patient and dentist decide on personalized restorations or specialized techniques as opposed to standard procedures, payment of the applicable percentage of the cost of the standard denture services will be made toward such treatment and the balance of the cost remains the responsibility of the patient.

(3) Replacement of Existing Dentures.

Replacement of an existing denture will be a Covered Dental Expense only if the existing denture is unserviceable and cannot be made serviceable. Payment based on the applicable percentage will be made toward the cost of services which are necessary to render such appliances serviceable. Replacement of prosthodontic appliances will be a Covered Dental Expense only if at least five (5) years have elapsed since the date of the initial installation of that appliance under the Dental Expense Benefits Program, except as provided in section III (C) (3) above.

(C) Orthodontics

- (1) If orthodontic treatment is terminated for any reason before completion, the obligation to pay benefits will cease with payment to the date of termination. If such

services are resumed, benefits for the services, to the extent remaining, shall be resumed.

- (2) The benefit payment for orthodontic services shall be only for months that coverage is in force.

(D) Periodontics:

- (1) The following periodontal services will be Covered Dental Expenses only if performed by a Periodontist:
 - (a) Gingival Curettage (ODA Code 42111)
 - (b) Provisional Splinting Intra Coronal (ODA Code 43111)
 - (c) Provisional Splinting Extra Coronal (ODA Codes 43211, 43231, 43241, 43261, 43271)
 - (d) Occlusal Equilibration (ODA Codes 43311, 43312, 43313, 43314 and 43319)
 - (e) Scaling (ODA Codes 11111 to 11117, 11119) and Root Planing (ODA Codes 43421 to 43426, 43429)
- (2) A Temporomandibular Joint (TMJ) appliance (ODA Codes 43711 and 43712) will be a covered adjunctive periodontal service only when performed by a certified dental specialist (i.e. periodontist, orthodontist, prosthodontist and oral surgeon).

VII. Exclusions

Covered Dental Expenses do not include and no benefits are payable for:

- (A) Charges for services, treatment, appliances and supplies which are specified in the current Provincial Dental Association Schedule of Fees but which are not set forth above.
- (B) Charges for treatment by other than a dentist, except that (1) scaling or cleaning of teeth and topical application of fluoride

may be performed by a licensed dental hygienist if the treatment is rendered under the supervision and guidance of the dentist and (2) a denture therapist licensed under the Ontario Denture Therapists Act, 1974 (or a comparable provider licensed in a province other than Ontario), may provide such services, appliances and supplies as are authorized by his/her license.

- (C) Charges for veneers or similar properties of crowns and pontics placed on or replacing teeth, other than the ten upper and lower anterior teeth.
- (D) Charges for services or supplies that are cosmetic in nature, including charges for personalization or characterization of dentures.
- (E) Charges for prosthetic devices (including bridges **and implants**), crowns, inlays and onlays and the fitting thereof which were ordered while the individual was not insured for Dental Expense Benefits or which were ordered while the individual was insured for Dental Expense Benefits but are finally installed or delivered to such individual more than sixty (60) days after termination of coverage.
- (F) Charges for the replacement of a lost, missing, or stolen prosthetic device.
- (G) Charges for failure to keep a scheduled visit with the dentist.
- (H) Charges for replacement or repair of an orthodontic appliance.
- (I) Charges for services or supplies which are compensable under a Workers' Compensation or Employer's Liability Law.
- (J) Charges for services rendered through a medical department, clinic, or similar facility provided or maintained by the patient's employer.
- (K) Charges for services or supplies for which no charge is made that the patient is legally obligated to pay or for which no charge would be made in the absence of dental expense coverage.

- (L) Charges for services or supplies which are not necessary, according to accepted standards of dental practice, or which are not recommended or approved by the attending dentist.
- (M) Charges for services or supplies which do not meet accepted standards of dental practice, including charges for services or supplies which are experimental in nature.
- (N) Charges for services or supplies received as a result of dental disease, defect or injury due to an act of war, declared or undeclared.
- (O) Charges for services or supplies from any governmental agency which are obtained by the individual without cost by compliance with laws or regulations enacted by any federal, provincial, municipal or other governmental body.
- (P) Charges for any duplicate prosthetic device or any other duplicate appliance.
- (Q) Charges for any services to the extent for which benefits are payable under any health care program supported in whole or in part by funds of the federal government or any province or political subdivision thereof.
- (R) Charges for the completion of any insurance forms.
- (S) Charges for prescription drugs.
- (T) Charges for oral hygiene and dietary instruction.
- (U) Charges for a plaque control program.

VIII. Proof of Loss

The prepayment agency reserves the right at its discretion to accept, or to require verification of, any alleged fact or assertion pertaining to any claim for Dental Expense Benefits. As part of the basis for determining benefits payable, the prepayment agency may require x-rays and other appropriate diagnostic and evaluative materials.

IX. Administrative Manual

Policies, procedures and interpretations to be used in administering Dental Expense Benefits shall be incorporated in an Administrative Manual. Among other things the Manual shall:

- (A) Explain the benefits and the rules and regulations governing their payment.
- (B) Include administrative practices and interpretations which affect benefits.
- (C) Define professionally recognized standards of practice to be applied to benefits and procedures.
- (D) List the eligibility provisions and limitations and exclusions of the coverage, and procedures for status changes and termination of coverage.
- (E) Provide the basis upon which charges will be paid, including provisions for the benefit payment mechanism and protection of individuals against excess charges.
- (F) Provide for cost and quality controls by means of predetermination of procedures and charges, utilization and peer review, clinical post-treatment evaluation and case reviews involving individual consideration of fees or treatment.

X. Prepaid Group Practice Option

The company will make arrangements for employees to be afforded the option to subscribe for dental expense coverage under approved and qualified prepaid group practice plans, instead of dental expense coverage hereunder. An employee who has retired from an area in which the coverage described in the section X is made available to employees shall be given the option to subscribe to the prepaid group practice plans in that area instead of dental expense coverage hereunder; provided, however, that the company's contributions toward coverage under such group practice plans shall not be greater than the amount the company would have contributed for dental expense coverage hereunder.

XI. Definitions

The term "dentist" means a legally licensed dentist practicing within the scope of the dentist's license. As used herein, the term "dentist" also includes a legally licensed physician authorized by the physician's license to perform the particular dental services rendered.

The term "denture therapist" means a denture therapist licensed under the Ontario Denture Therapists Acts, 1974, (or a comparable provider licensed in a province other than Ontario), practicing within the scope of the denture therapist's license.

The term "reasonable and customary charge" means the actual fee charged by a dentist or a denture therapist for a service rendered or supply furnished but only to the extent that the fee is reasonable taking into consideration the following:

- (1) The usual fee which the individual dentist or denture therapist most frequently charges the majority of patients for a service rendered or a supply furnished; and,
- (2) The prevailing range of fees charged in the same area by dentists or denture therapists of similar training and experience for the service rendered or supply furnished; and,
- (3) Unusual circumstances or complications requiring additional time, skill, and experience in connection with the particular dental service or procedure.

The term "area" means a metropolitan area, a county or such greater area as is necessary to obtain a representative cross section of dentists rendering such services or furnishing such supplies.

The term "course of treatment" means a planned program of one or more services or supplies, whether rendered by one or more dentists, for the treatment of a dental condition diagnosed by the attending dentist as a result of an oral examination. The course of treatment commences on the date a dentist first renders a service to correct or treat such diagnosed dental condition.

The term "Ontario fee schedule for Licensed Denture Therapists" means the fee schedule specified in section II. The term "Provincial Dental Association Schedule of Fees" means the fee schedule specified in section II.

The term "orthodontic treatment" means preventive and corrective treatment of all those dental irregularities which result from the anomalous growth and development of dentition and its related anatomic structures or as a result of accidental injury and which require repositioning (except for preventive treatment) of teeth to establish normal occlusion.

The term "ordered" means, in the case of dentures, that impressions have been taken from which the denture will be prepared; and, in the case of fixed bridgework, restorative crowns, inlays and onlays, that the teeth which will serve as abutments or support or which are being restored have been fully prepared to receive, and impressions have been taken from which will be prepared the bridgework, crowns, inlays or onlays.

XII. Cost and Quality Controls

The carrier will undertake the following review procedures and mechanisms and report annually to the Joint Health Care Committee.

A. Utilization Review

Analysis of various reports displaying such data as procedure profiles, utilization profiles and covered dental expense benefits payments summaries to evaluate the patterns of utilization, cost trends and quality of care.

B. Price Reviews

Where possible, price reviews or other audit techniques shall be conducted to examine records, invoices and laboratory facilities and materials and to verify that charges for covered persons are the same as for other patients. These examinations may include patient interviews and clinical evaluations of services and supplies received.

C. Evaluation of Services and Supplies Received

On a random or selective basis, covered persons who have received services under dental expense benefits will be selected for subsequent evaluation and examination by consulting providers to ensure that the services and supplies reported were actually provided and were performed in accordance with accepted professional standards.

D. Survey of Services and Supplies Received

On a random or selective basis covered persons who have received services under dental expense benefits may be sent a questionnaire to:

1. determine the level of satisfaction with respect to these services;
2. determine whether services for which dental expense benefits were paid were actually received;
3. determine whether providers recommend unnecessary optional services or supplies; and
4. identify other problem areas.

E. Claims Processing

The carrier may conduct audits of claims being processed such as an analysis of patient histories and screening for duplicate payments in addition to the normal eligibility, benefit and charge verifications.

F. Provider Review

When the carrier or a covered person does not agree with the appropriateness of a service provided or a charge made under dental expense benefits by a dentist practicing in Ontario, the matter may be presented to the Royal College of Dental Surgeons of Ontario (the licensing and regulating body of dentistry) for resolution. Similar matters involving other providers may be referred by the carrier to the appropriate licensing agency or, where operative, to peer

review. The carrier will seek to establish peer review where it does not exist.

XIII. Data

The prepayment agency shall furnish the company and the union such information and data as may be mutually agreed upon by the parties with respect to dental expense coverage.

EXHIBIT II

UTILIZATION REVIEW AND COST CONTAINMENT

I. Annual Cost Containment Reports

Each H-S-M-D-D-V carrier shall be required to report annually on its cost containment efforts for the preceding year, including but not limited to (a) a description of its cost containment activities, (b) the results/savings, (c) problems, and (d) plans for the next year.

The report shall cover the preceding calendar year and shall be submitted to the company-union committee by May 15 each year. The company-union committee may specify the content or format for such reports.

II. Other Activities

The company-union committee shall investigate, consider and, upon mutual agreement, engage in other activities that may have high potential for cost savings. This may involve instituting by mutual agreement other H-S-M-D-D-V Programs or establishing Pilot Programs.

III. Review

The results of any activities in I and II, above, would be reviewed prior to the expiration of the Collective Agreement so that the parties to the agreement may be prepared to consider the continuation or modification of the review programs and other activities of the company-union committee.

EXHIBIT III

HEARING AID EXPENSE BENEFITS PROGRAM

I. Enrollment Classifications

Hearing Aid Expense Benefits coverage for an eligible employee, retired employee or surviving spouse shall include coverage for eligible dependents as they are defined for hospital-surgical-medical-drug expense coverage under the H-S-M-D-D-V Program.

II. Description of Benefits

Hearing Aid Expense Benefits will be payable, subject to the conditions herein, if any covered person, as defined in section III(I), while hearing aid expense coverage is in effect with respect to such covered person, incurs covered hearing aid expense.

III. Definitions

As used herein:

- (A) "physician" means an otologist or otolaryngologist who is board certified or eligible for certification in the otologist's or otolaryngologist's specialty in compliance with standards established by the respective professional sanctioning body, who is a licensed doctor of medicine legally qualified to practice medicine and who, within the scope of the doctor's license, performs a medical examination of the ear and determines whether the covered person has a loss of hearing acuity and whether the loss can be compensated for by a hearing aid;
- (B) "audiologist" means any hospital-affiliated audiology clinic approved by the Ontario Health Insurance Plan, or an equivalent facility in a province other than Ontario. Such clinics shall conduct audiometric examinations and hearing aid evaluation tests for the purpose of measuring hearing acuity and determining and prescribing the type of hearing aid that would best improve the covered person's loss of hearing acuity. The foregoing services shall be performed by a physician or if not a physician, by a person who (1) possesses a master's or doctorate degree in audiology or speech pathology from an accredited university, or (2)

possesses a Certificate of Clinical Competence in Audiology from the American Speech-Language-Hearing Association and (3) is qualified in the province in which the service is provided to conduct such examinations and tests. An audiology clinic that is not hospital affiliated may be designated an audiologist by the Program carrier, if the carrier determines that (1) such clinic has facilities which are equivalent to the hospital-affiliated clinics described above and (2) audiometric examinations and hearing aid evaluation tests conducted by such clinic are performed only by a physician or by a person described in the third sentence of this section III (B);

- (C) "dealer" means any participating person or organization that sells hearing aids prescribed by an audiologist to improve hearing acuity in compliance with the laws or regulations governing such sales, if any, of the province in which the hearing aids are sold;
- (D) "participating" means having a written agreement with the Program carrier pursuant to which services or supplies are provided under this Program;
- (E) "hearing aid" means an electronic device worn on the person for the purpose of amplifying sound and assisting the physiologic process of hearing, and includes an ear mould, if necessary;
- (F) "ear mould" means a device of soft rubber, plastic or a nonallergenic material which may be vented or nonvented that individually is fitted to the external auditory canal and pinna of the patient;
- (G) "audiometric examination" means a procedure for measuring hearing acuity that includes tests relating to air conduction, bone conduction, speech reception threshold and speech discrimination;
- (H) "hearing aid evaluation test" means a series of subjective and objective tests by which an audiologist determines which make and model of hearing aid will best compensate for the covered person's loss of hearing acuity and which make and model will therefore be prescribed, and shall include one visit by the covered person subsequent to obtaining the hearing

aid for an evaluation of its performance and a determination of its conformity to the prescription;

- (I) "covered person" means the eligible employee, retired employee, eligible surviving spouse and their eligible dependents;
- (J) "dispensing fee" means a fee predetermined by the Program carrier to be paid to a dealer for dispensing hearing aids, including the cost of providing ear moulds, under this Program;
- (K) "covered hearing aid expense" means the charges incurred for hearing aids of the following functional design: in-the-ear, behind-the-ear (including air conduction and bone conduction types), on-the-body, in-the-canal, completely in-the-canal, digital, programmable, and binaural (a system consisting of (2) complete hearing aids) but only if (i) the hearing aid is prescribed based upon the most recent audiometric examination and most recent hearing aid evaluation test and (ii) the hearing aid provided by the dealer is the make and model prescribed by the audiologist and is certified as such by the audiologist;

In order for the charges for a hearing aid as described in section III(K) to be payable as Hearing Aid Expense Benefits under this Program, upon each occasion that a covered person receives such a hearing aid the covered person must first obtain a medical examination of the ear by a physician and such examination or such examination in conjunction with the audiometric examination must result in a determination that a hearing aid would compensate for the loss of hearing acuity, in addition, in the case of a binaural hearing aid system, the carrier must determine that such a system is necessary, based upon professionally accepted standards, to compensate adequately for the loss of hearing acuity;

- (L) "acquisition cost" means the actual cost to the dealer of the hearing aid.

IV. Benefits

The covered person may obtain

- A. hearing aids that the dealer shall have agreed to furnish covered persons in accordance with the following reimbursement arrangements:
 - 1. the acquisition cost of the hearing aid; and
 - 2. the dispensing fee, and
- B. repairs of hearing aids from the dealer.

If the covered person requests unusual services from the dealer, the covered person shall pay the full additional charge therefor.

V. Limitations

Frequency: If a covered person has received a hearing aid for which benefits were payable under the Program, benefits will be payable for each subsequent hearing aid only if received more than thirty-six (36) months after receipt of the most recent previous hearing aid, for which benefits were payable under the Program.

VI. Exclusions

Covered hearing aid expense does not include and no benefits are payable for:

- (A) Medical examinations, audiometric examinations or hearing aid evaluation tests;
- (B) Medical or surgical treatment;
- (C) Drugs or other medication;
- (D) Hearing aids provided under any applicable Workers' Compensation law;
- (E) Hearing aids ordered:
 - (1) before the covered person became eligible for coverage; or

- (2) after termination of coverage;
- (F) Hearing aids ordered while covered but delivered more than sixty (60) days after termination of coverage;
- (G) Charges for hearing aids for which no charge is made to the covered person or for which no charge would be made in the absence of Hearing Aid Expense Benefits coverage;
- (H) Charges for hearing aids which are not necessary, according to professionally accepted standards of practice, or which are not recommended or approved by the physician;
- (I) Charges for hearing aids that do not meet professionally accepted standards, including charges for any services or supplies that are experimental in nature;
- (J) Charges for hearing aids received as a result of ear disease, defect or injury due to an act of war, declared or undeclared;
- (K) Charges for hearing aids provided by any governmental agency that are obtained by the covered person without cost by compliance with laws or regulations enacted by any federal, provincial, municipal or other governmental body;
- (L) Charges for hearing aids to the extent benefits therefor are payable under any health care program supported in whole or in part by funds of the federal government or any province or political subdivision thereof;
- (M) Replacement of hearing aids that are lost or broken unless at the time of such replacement the covered person is otherwise eligible under the frequency limitations set forth herein;
- (N) Charges for the completion of any insurance forms;
- (O) Replacement parts for and repairs of hearing aids;
- (P) Persons enrolled in alternative plans; and
- (Q) Eyeglass-type hearing aids, to the extent the charge for such hearing aid exceeds the covered hearing aid expense for one (1) hearing aid under section III (K).

VII. Administrative Manual

Hearing Aid Expense Benefits Program policies, procedures and interpretations to be used in administering the Program shall be developed by the Program carrier after review and approval by the company and the union.

VIII. Data

The Program carrier annually shall furnish the company and the union such information and data as mutually may be agreed upon by the parties with respect to hearing aid expense coverage.

IX. Cost and Quality Controls

The Program carrier shall undertake appropriate review procedures to assure a high degree of cost and quality control. Where appropriate, such actions may include utilization review, price review and evaluation of services received.

EXHIBIT IV VISION EXPENSE BENEFITS PROGRAM

I. Enrollment Classifications

Vision Expense Benefits coverage for an eligible employee, retired employee or surviving spouse shall include coverage for eligible dependents as they are defined for hospital-surgical-medical-drug expense coverage under the H-S-M-D-D-V Program.

II. Description of Benefits

Vision Expense Benefits will be payable, subject to the conditions herein, if any covered person, while vision expense coverage is in effect with respect to such covered person, incurs Covered Vision Expense.

III. Definitions

As used herein:

- (A) "physician" means any licensed doctor of medicine legally qualified to practice medicine and who within the scope of his/her license performs vision testing examinations and prescribes lenses to improve visual acuity;
- (B) "optometrist" means any person licensed to practice optometry in the province in which the service is rendered;
- (C) "optician" means any person licensed in the province in which the service is rendered to supply eyeglasses prescribed by a physician or optometrist to improve visual acuity, to grind or mould the lenses or have them ground or moulded according to prescription, to fit them into frames and to adjust the frames to fit the face;
- (D) "lenses" means ophthalmic corrective lenses as prescribed to be fitted into frames;
- (E) "contact lenses" means ophthalmic corrective lenses as prescribed;
- (F) "frames" means standard eyeglass frames into which two lenses are fitted;
- (G) "covered person" means the eligible employee, retired employee, eligible surviving spouse and their eligible dependents;

IV. Schedule of Eligible Services

Effective October 1, 2008, reimbursement for prescription eye glasses (frames and/or lenses) or contact lenses every twenty-four (24) months up to a maximum of:

Single Vision Lenses	\$220.00
Bi-focal Lenses	\$275.00
Multi-focal Lenses	\$345.00
Contact Lenses	\$230.00

Effective October 1, 2008, reimbursement to a maximum of \$85.00 for a routine eye examination, once in a twenty-four (24) month period, provided by either an optometrist or physician (as defined in III) for patients aged 20 through 64 when the benefit is not covered by the person's provincial health care plan.

Repairs (not replacements) at the usual and customary rates as determined by the carrier will be allowed in addition to the above scheduled amounts. Reimbursement for laser eye surgery up to a maximum lifetime benefit of \$345.00. A covered person reimbursed for such laser eye surgery will not be eligible for any other reimbursement under this Exhibit IV for a period of forty-eight (48) months. Commencement of the benefit period is based on the initial date vision benefits are received.

V. Limitations

Frequency:

- (A) If a covered person has received lenses and frames or contact lenses for which benefits were payable under the Schedule of Eligible Services, or the prior program, subsequent benefits will be payable only if received more than twenty-four (24) months after the date of the most recent approved claim. If the reimbursement maximums have not been reached, subsequent claims will be allowed within the twenty-four (24) month period, up to the applicable reimbursement maximums. Lenses and frames received under the Company's prescription safety glasses program shall not be considered lenses and frames received under this program.
- (B) A covered person with diabetes or other medical conditions requiring frequent lens changes (as substantiated by an ophthalmologist) will be eligible for new lenses whenever they have a prescription change.
- (C) Contact lenses will be covered every twelve (12) months, when the covered person's visual acuity cannot otherwise be corrected to at least 20/70 in the better eye, or when medically necessary due to keratoconus, irregular astigmatism, irregular corneal curvature or physical deformity resulting in an inability to wear normal frames.

- (D) Repairs to frames will not be subject to a frequency limitation.

VI. Exclusions

Covered Vision Expense does not include and no benefits are payable for:

- (A) Vision examinations, for covered persons under age 20 and over 64, or at any age for patients with medical conditions or diseases affecting the eyes whereby the provincial health plan provides the insured benefit.
- (B) Medical or surgical treatment;
- (C) Drugs or medications;
- (D) Procedures determined by the Program carrier to be special or unusual, such as, but not limited to, orthoptics, vision training, subnormal vision aids and aniseikonic lenses;
- (E) Lenses or frames furnished for any condition, disease, ailment or injury arising out of and in the course of employment;
- (F) Lenses or frames ordered:
 - (1) before the covered person became eligible for coverage; or
 - (2) after termination of coverage;
- (G) Lenses or frames ordered while insured but delivered more than sixty (60) days after coverage terminated;
- (H) Charges for lenses or frames for which no charge is made that the covered person is legally obligated to pay or for which no charge would be made in the absence of Vision Expense Benefits coverage;

- (I) Charges for lenses or frames which are not necessary, according to accepted standards of ophthalmic practice, or which are not ordered or prescribed by the attending physician or optometrist;
- (J) Charges for lenses or frames which do not meet accepted standards of ophthalmic practice, including charges for any such lenses or frames which are experimental in nature;
- (K) Charges for lenses or frames received as a result of eye disease, defect or injury due to an act of war, declared or undeclared;
- (L) Charges for lenses or frames from any governmental agency which are obtained by the covered person without cost by compliance with laws or regulations enacted by any federal, provincial, municipal or other governmental body;
- (M) Replacement of lenses or frames which are lost or broken unless at the time of such replacement the covered person is otherwise eligible under the frequency limitations set forth in section V;
- (N) Charges for the completion of any insurance forms;
- (O) Vision benefits which are not dispensed by an Optometrist, an Optician or an Ophthalmologist;
- (P) Follow up visits associated with the dispensing and fitting of contact lenses; and
- (Q) Charges for eye glass cases.

EXHIBIT V
PROSTHETIC APPLIANCE AND DURABLE
MEDICAL EQUIPMENT EXPENSE
BENEFITS PROGRAM

I. Enrollment Classifications

Prosthetic Appliance and Durable Medical Equipment Expense Benefits coverage for an eligible employee, retired employee or surviving spouse shall include coverage for dependents as they are defined for hospital-surgical-medical-drug expense coverage under the H-S-M-D-D-V Program.

II. Description of Benefits

Prosthetic Appliance and Durable Medical Equipment Expense Benefits will be payable, subject to the conditions herein, if any covered person, as defined in section III (B), while prosthetic appliance and durable medical equipment expense coverage is in effect with respect to such covered person, incurs covered prosthetic appliance and durable medical equipment expense.

III. Definitions

As used herein:

- (A) "physician" means a legally qualified and licensed medical practitioner. Solely in connection with the prescribing of prosthetic lenses under section IV (A) (2) (a), an optometrist who is legally licensed to practice optometry at the time and place services are performed shall be deemed to be a physician to the extent that he or she renders services he or she is legally qualified to perform;
- (B) "covered person" means the eligible employee, retired employee, eligible surviving spouse and their eligible dependents;
- (C) "covered prosthetic appliance and durable medical equipment expense" means charges incurred for prosthetic appliances in accordance with section IV (A) or for durable medical equipment in accordance with section IV (B);

- (D) "prosthetic appliance" means an external prosthetic device or an orthotic appliance as described in IV (A);
- (E) "durable medical equipment" means an item of equipment as described in IV(B);
- (F) "provider" means a facility or dealer which supplies prosthetic appliances or durable medical equipment;
- (G) "usual, reasonable and customary" means the actual amount charged by a provider for a prosthetic appliance or for durable medical equipment, but only to the extent that the amount is reasonable and takes into consideration:
 - (1) the usual amount that the provider most frequently charges the majority of the provider's patients or customers for the prosthetic appliance or durable medical equipment provided;
 - (2) the prevailing range of charges made in the same area by similar providers for the prosthetic appliance or durable medical equipment furnished; and
 - (3) with respect to prosthetic appliances only, unusual circumstances or complications requiring additional time, skill and experience in connection with a particular prosthetic appliance.

IV. Benefits

(A) Prosthetic Appliances

- (1) When obtained from a provider by a covered person on the advice in writing of the attending physician, benefits will be payable on a usual, reasonable and customary charge basis for external prostheses and orthotic appliances which replace all or part of a body organ (including contiguous tissue) or replace all or part of the functions of a permanently inoperative or a malfunctioning body organ. Benefits shall also be payable for the replacement, repairs, fittings and adjustments of such devices. To be covered under this benefit, however, the advice in writing of the attending

physician must include a description of the equipment as well as the reason for use or the diagnosis.

- (2) Included in the external prostheses and orthotic appliances for which benefits shall be payable are:
 - (a) Artificial arms, legs, eyes, ears, noses, larynxes, prosthetic lenses (for people lacking an organic lens or following cataract surgery); aniseikonic lenses; above or below knee or elbow prostheses; external cardiac pacemakers; terminal devices, such as a hand or hook whether or not an artificial limb is required.
 - (b) Rigid or semi-rigid supporting devices (such as braces for the legs, arms, neck or back), splints, trusses; and appliances essential to the effective use of an artificial limb or corrective brace.
 - (c) Ostomy sets and accessories (including disposable gloves), catheterization equipment, urinary sets, external breast prostheses (including surgical brassieres) and orthopedic shoes (when used as an integral part of an orthotic appliance).
 - (d) Wig or hairpiece including duplicates, when hair loss is due to chemotherapy or radiation treatment, alopecia (excluding the following natural non-medical conditions causing hair loss: luminaris, male pattern baldness, prematura, senilis and totalis), hypothyroidism, traumatic scald and scalp fungal infection.
 - (e) Cochlear implants.
 - (f) Effective October 1, 2002, when medically required as a result of severe osteoarthritis, Synvisc (or an equivalent viscosupplementation product) will be an eligible benefit only when treatment is prescribed and administered by an orthopedic surgeon and only when documentation is provided as to why surgery is not a viable alternative. The benefit will be limited to a treatment cycle maximum of \$300.00, and a total

treatment maximum of \$1,200.00, per thirty-six (36) month period. This benefit is not eligible when prescribed in conjunction with/or within one (1) year of the provision of a custom-made knee brace under this Plan.

- (3) Exclusions from this benefit IV (A) include, but are not limited to:

- (a) Dental appliances, hearing aids and, except as provided above, eyeglasses;
- (b) Non-rigid appliances and supplies such as elastic stockings, garter belts, supports, and corsets.

(B) Durable Medical Equipment

- (1) When obtained from a provider by a covered person, benefits will be payable on a usual, reasonable and customary charge basis for the purchase or rental of durable medical equipment, subject to the following:

- (a) The equipment must be:
 - (i) prescribed by a licensed physician;
 - (ii) reasonable and necessary for the treatment of an illness or injury, or to improve the functioning of a malformed body member;
 - (iii) able to withstand repeated use;
 - (iv) primarily and customarily used to serve a medical purpose;
 - (v) generally not useful to a person in the absence of illness or injury; and
 - (vi) appropriate for use in the home.
- (b) The rental price of the durable medical equipment shall not exceed the purchase price. The decision to purchase or rent shall be based

on the physician's estimate of the duration of need as established by the original prescription.

- (c) When the durable medical equipment is rented and the rental extends beyond the original prescription, the physician must re-certify (via another prescription) that the equipment is reasonable and medically necessary for the treatment of the illness or injury. In the event the re-certification is not submitted, benefits will cease as of the original duration of need date or thirty (30) days after the date of death, if earlier.
- (d) When the durable medical equipment is purchased, benefits shall be payable for repairs except that routine periodic maintenance is excluded.
- (e) Included in the durable medical equipment for which benefits shall be payable are:
 - (i) Hospital beds (with or without mattresses), rails, cradles and trapezes;
 - (ii) Crutches, canes, patient lifts, walkers and wheelchairs (or electric scooters in lieu of a wheelchair);
 - (iii) Bedpans, commodes, urinals - if patient is bed confined and portable toilets for a patient who has otherwise qualified for a commode;
 - (iv) Oxygen sets and respirators; (if the prescription is for oxygen, the physician must indicate how it is to be administered and what apparatus is to be used);
 - (v) Decubitus (ulcer) care equipment, dialysis equipment, dry heat and ice application devices;

- (vi) I.V. stands, intermittent pressure units, neuromuscular stimulants, sitz baths, traction equipment, vapourizers and standard whirlpool baths (including installation costs up to a maximum of \$500.00);
- (vii) Electromagnetic coil bone growth stimulator;
- (viii) Home glucose monitors (glucometers and dextrometers);
- (ix) Disposable diapers and cloth diapers for all incontinent persons;
- (x) Effective October 1, 2002, allowance of up to \$1,000.00 for pressure injection devices for insulin or insulin infusion pump once every five (5) years when such pressure injection device or insulin pump is used in lieu of needles and syringes.

Effective October 1, 2002, insulin infusion pump is an eligible benefit, once every five (5) years, to a maximum of \$5,500.00, when prescribed by a physician and as a result of Type 1 diabetes. Physician's prescription should include required number of injections per day, diagnosis, blood sugar levels, and hemoglobin count. Insulin infusion pump supplies are an eligible benefit to a maximum of \$250.00 per month. These benefits are limited to eligible dependent children age 18 and under. Individuals approved for the \$5,500.00 benefit will not be eligible for the aforementioned \$1,000.00 benefit.

- (xi) Raised toilet seats for all medical conditions;
- (xii) Soft casts to a maximum of \$30.00 per cast;

- (xiii) Reusable underpads for wheelchairs to a maximum of six (6) per year;
 - (xiv) One (1) pair of custom made corrective footwear per year (excluding off-the-shelf orthopedic foot wear) to a maximum of \$750.00 per year;
 - (xv) Geriatric chairs on a one time only basis to a maximum of \$2,000.00;
 - (xvi) Bath tub rails up to a lifetime maximum of \$100.00.
 - (xvii) A maximum allowance of \$400.00 toward the purchase of up to two (2) pairs of custom-made foot orthotics in any thirty-six (36) month period. The orthotics must be purchased from a provider who is a member in good standing of the Green Shield Canada Automotive Preferred Provider Service Agreement (PPO) for custom-made foot orthotics.
- (f) Exclusions from this benefit IV (B) include, but are not limited to:
- (i) Deluxe equipment such as motor driven wheelchairs and beds, except when such deluxe features are necessary for the effective treatment of a patient's condition and required in order for the patient to operate such equipment without assistance;
 - (ii) Items that are not primarily medical in nature or are for comfort and convenience (e.g., bed-boards, overbed tables, adjust-a-bed, bathtub lifts, telephone arms, air conditioners, etc.);
 - (iii) Physicians' equipment (e.g., infusion pumps, sphygmomanometer, stethoscope, etc.);
 - (iv) Disposable supplies (e.g., disposable sheaths and bags, elastic stockings, etc.);

- (v) Exercise and hygienic equipment (exercycle, Moore wheel, bidet toilet seats, bathtub seats, etc.);
- (vi) Self-help devices that are not primarily medical in nature (e.g., elevators, sauna baths, etc.); and
- (vii) Arch supports including off the shelf foot orthotics.

V. Limitations

Covered prosthetic appliance and durable medical equipment expense does not include and no benefits are payable for:

- (A) Prosthetic appliances or durable medical equipment furnished for any condition, disease, ailment or injury arising out of and in the course of employment;
- (B) Charges for prosthetic appliances or durable medical equipment for which no charge is made that the covered person is legally obligated to pay or for which no charge would be made in the absence of Prosthetic Appliance and Durable Medical Equipment Expense Benefits coverage;
- (C) Charges for prosthetic appliances or durable medical equipment (or items or special features related thereto) which are not necessary, according to accepted standards of medical practice, or which are not ordered or prescribed by the attending physician;
- (D) Charges for prosthetic appliances or durable medical equipment which do not meet professionally accepted standards, including charges for any such appliances or equipment which are experimental in nature;
- (E) Charges for prosthetic appliances or durable medical equipment received as a result of disease, defect or injury due to an act of war, declared or undeclared;
- (F) Charges for prosthetic appliances or durable medical equipment from any governmental agency which are obtained by the covered person without cost by compliance with laws or regulations enacted by any federal, provincial, municipal or other governmental body;

- (G) Charges for any prosthetic appliances or durable medical equipment to the extent for which benefits are payable under any health care program supported in whole or in part by funds of the federal government or any province or political subdivision thereof;
- (H) Charges for the completion of any insurance forms.

EXHIBIT VI

SEMI-PRIVATE HOSPITAL ACCOMMODATION BENEFIT

I. Enrollment Classifications

Semi-Private Hospital Accommodation Benefit coverage for an eligible employee, retired employee or surviving spouse shall include coverage for eligible dependents.

II. Description of Benefits

Semi-Private Hospital Accommodation Benefit will be payable, subject to the conditions herein, if any covered person, while Semi-Private Hospital Accommodation Coverage is in effect with respect to such covered person, incurs Covered Semi-Private Hospital Accommodation Expense.

III. Definitions

As used herein:

- A. "covered person" means the eligible employee, retired employee, eligible surviving spouse and their eligible dependents.
- B. "covered semi-private hospital accommodation expense" means the charges incurred for semi-private hospital accommodation in accordance with section IV.

IV. Benefits

The covered person may obtain Semi-Private Hospital Accommodation Benefits that the hospital shall have agreed to furnish covered persons in accordance with the following reimbursement arrangement:

A. — NOT IN USE —

- B. **Reimbursement** for the difference in cost, to a maximum of \$200.00 per day, between standard ward charges and the cost of semi-private accommodation in a convalescent or rehabilitation hospital or a convalescent or rehabilitation wing in a public general hospital when the standard ward charges are paid by any Provincial Government Health Plan of the Province in which the patient is a resident and when the patient is occupying or has occupied a convalescent or rehabilitation bed.
- C. In a public chronic hospital or chronic wing facility of a public general hospital, a maximum reimbursement of up to \$30.00 per day for one hundred and twenty (120) days per benefit year (beginning with the first paid claim) for the difference between the charges for a standard ward and the cost of semi-private accommodation when the patient has occupied semi-private accommodation.
- D. In a public chronic hospital or chronic wing facility of a public general hospital, a maximum reimbursement equal to the provincially approved co-pay amount not to exceed \$60.00 per day will be paid toward the chronic care co-pay charge for a one hundred and twenty (120) day period following the expiration of the co-pay benefit period paid by the Provincial Government Health Plan.
- E. In a public hospital in a bed designated as an Alternate Level of Care bed by the attending physician, a maximum reimbursement of up to \$30.00 per day for up to one hundred and twenty (120) days per benefit year (beginning with the first paid claim) for the difference between the charge for a standard ward and the cost of semi-private accommodation when the patient occupies semi-private accommodations.

- F. In a public hospital in a bed designated as an Alternate Level of Care bed by the attending physician, a maximum reimbursement of up to \$47.53 per day will be paid toward the chronic care co-pay charge for up to one hundred and twenty (120) days following the expiration of the co-pay benefit period paid by the Provincial Government Health Plan.
- G. **Following** the expiration of the one hundred and twenty (120) day period provided for in C, D, E and/or F above, the maximum reimbursement for patients in a public chronic hospital or chronic wing facility of a public general hospital, or in a bed designated as an Alternate Level of Care bed by the attending physician, will be provided up to the reimbursement level that would otherwise be payable under the Long Term Care Facility Expense Benefit.

V. Limitations

- A. Where the subscriber or dependent has occupied a chronic bed in a semi-private room, either in, or outside, of the Province of residence, a maximum of up to \$30.00 difference per day, shall be allowed for a maximum of one hundred and twenty (120) days in any twelve (12) month period.
- B. To be eligible for reimbursement for occupancy of a chronic bed, accommodation must be in a public chronic hospital or a chronic wing facility of a public general hospital.
- C. No benefit shall apply to semi-private accommodation in a nursing home, T.B. sanitarium or mental hospital.
- D. Payment of benefits is contingent upon the Provincial Health Insurance Plan in the province in which the patient resides accepting or agreeing to pay the ward or standard rate.
- E. Reimbursement shall not be made in respect to any eligible expense unless a claim is filed as required by the carrier.

VI. Exclusions

Covered semi-private hospital accommodation benefit does not include and no benefit is payable for:

- A. semi-private hospital accommodation where the covered person is not occupying an active treatment bed, a rehabilitation or convalescent bed, or a chronic care bed.
- B. charges for completion of any insurance forms.
- C. charges for semi-private hospital accommodation where such benefits are provided to the covered person without cost by compliance with laws or regulations enacted by any federal, provincial, municipal or other governmental body.

VII. Intent of Exhibit VI

Inclusion of this exhibit VI to the Insurance Program resulting from the 1984 negotiations should not be interpreted to remove or limit any previously existing coverage.

EXHIBIT VII PRESCRIPTION DRUG BENEFITS

I. Enrollment Classifications

Prescription Drug Coverage for an eligible employee, retired employee or surviving spouse shall include coverage for eligible dependents (including only spouse and eligible children).

II. Description of Benefits

Prescription Drug Benefits will be payable, subject to the conditions herein, if an employee, retired employee, surviving spouse or eligible dependent, while Prescription Drug Coverage is in effect with respect to such individual, incurs Covered Prescription Drug Expense.

III. Definitions

As used herein:

- A. "covered person" means the eligible employee, retired employee, eligible surviving spouse and their eligible dependents.
- B. "covered prescription drug expense" means the charges incurred for prescription Drug Expense for such drugs as described below and are either drugs obtained from a participating or member pharmacy payable in accordance with section IV.A., or for drugs obtained from a non-participating pharmacy payable in accordance with section IV.B.
- C. "drug" means and includes any substance:
 - (i) that is listed in the Green Shield Canada Drug Formulary 13 as of November 11, 1996;
 - (ii) that is a new drug product marketed after November 11, 1996 and is recommended for inclusion by Green Shield Canada's Pharmaceutical and Medical Consultants. When Green Shield Canada does not recommend a new drug for inclusion on the formulary or if Green Shield Canada requires additional assistance they will engage the services of an independent external scientific review agency to assist in this review.

The criteria for inclusion into the formulary shall be that the new drug product offers therapeutic advantage to existing products in the formulary, is lifesaving or cost effective.

Provided that for the purposes of this Agreement, drug shall be deemed in its meaning not to include any substance or preparation if the same shall be offered for sale by a Member Pharmacy or a Pharmaceutical Chemist, or sold by a Member Pharmacy or Pharmaceutical Chemist as, or as part of, a food, drink, or cosmetic or for any purpose other than the

prevention or treatment of any ailment, disease or physical disorder.

- D. "participating or member pharmacy" means corporations, partnerships, sole proprietorships, public clinics, or public hospitals as shall from time to time become member pharmacists bound by a carrier member pharmacy agreement. A participating or member pharmacy is one who provides dispensing services in accordance with the agreement with the carrier.
- E. "pharmacy agreement" means the provider of service agreement with the carrier respecting the payment for the dispensing of prescriptions by which member pharmacies agree to be bound.
- F. "prescription" means an order or direction either oral or in writing, given by a practitioner ordering or directing that a stated amount of any drug, or drugs as specified in such order be dispensed by a member pharmacy or a pharmaceutical chemist for a person named in such order or direction. Prescription also includes prescription services.
- G. "pharmaceutical chemist" means a legally qualified pharmaceutical chemist.
- H. "practitioner" means a practitioner legally qualified to practice the professions of medicine or dentistry.
- I. "dispensing fee" means the amount charged by a pharmacy for the professional services of the pharmacy for the dispensing or fulfillment of a prescription order or refill.
- J. "Out-of-Pocket" maximum means:
 - a) In the case of employees, the sum of the prescription drug co-payments for the employee or his or her eligible surviving spouse, and their eligible dependents in a calendar year.
 - b) In the case of retired employees, the sum of the prescription drug co-payments for the retired employee or his or her eligible surviving spouse, and their eligible dependents in a calendar year.

IV. Benefits

- A. From a participating or member pharmacy, the covered person may obtain prescription drugs subject to payment by the covered person of 10% of the total allowed amount paid by the plan for each separate prescription order and refill. The 10% co-pay will be applied until the below out-of-pocket maximums are reached. Thereafter, the plan will pay 100% of the total allowed amount paid by the plan for prescription drugs for the remainder of the year.

<i>Calendar Year</i>	<i>Out Out-of-Pocket, Per-Subscriber Maximums</i>
2012 and after	\$310.00

In the event the agreement with the carrier provides for a maximum allowable dispensing fee in excess of \$9.00, the covered person will be responsible for the excess.

- B. From a non-participating pharmacy, the plan shall pay the usual, reasonable and customary charge paid to a participating or member pharmacy for any prescription drug dispensed by a pharmaceutical chemist, a hospital, medical clinic, physician or dentist, less payment of 10% of the total allowed amount paid by the plan for each such separate prescription order and refill. The 10% co-pay will be applied until the below out-of-pocket maximums are reached. Thereafter, the plan will pay 100% of the total allowed amount paid by the plan for prescription drugs for the remainder of the year.

<i>Calendar Year</i>	<i>Out Out-of-Pocket, Per-Subscriber Maximums</i>
2012 and after	\$310.00

- C. Whenever a generic equivalent for the prescribed drug is available, reimbursement under the Plan will be provided as follows:

- (1) when a drug prescribed for a covered person has a generic equivalent (regardless of interchangeability), the maximum benefit under the Plan for such drug will be limited to the lower cost of the brand name prescription drug or the lowest priced generic equivalent drug less the co-pay stated in IV A and IV B above;

- (2) when the covered person chooses the more costly drug, in lieu of the lowest priced generic drug, such person will be responsible for the difference in cost;
- (3) sections C(1) and C(2) above are subject to the provisions of the "Adverse Drug Reaction" letter dated September 19, 2005 on page 332 of the 2008 collective agreement.

V. Choice of Pharmacy

The subscriber may choose any member pharmacy or pharmaceutical chemist recorded in the records of the Carrier as a member in good standing at the time of dispensing of any prescription then authorized by the Carrier. The Carrier has the right to terminate the membership of any member pharmacy in accordance with the terms of the pharmacy agreement.

VI. Exclusions

Covered Prescription Drug Benefits expense does not include and no benefits are payable for:

- A. Vitamin products, except those which must be injected;
- B. Proprietary medicines defined in Division 10 of the Food and Drug Act of Canada;
- C. Blood and blood plasma;
- D. Contraceptive foams or gels; or appliances whether or not such prescription is given for medical reasons;
- E. Medication, cosmetics, laxatives and medicines which may be lawfully sold or offered for sale in places other than in a retail pharmacy, and which are not normally considered by practitioners as medicines for which a prescription is necessary or required.
- F. Prescription for drugs or products not listed in the latest issue of the Green Shield pharmaceutical directory that lists the drug products described in section III C of exhibit VII.
- G. Prescriptions for which the patient may be compensated under the Workplace Safety and Insurance Act, 1997 or

obtains reimbursement from a municipal, state, provincial or federal government, agency or foundation.

- H. Charges for completion of any insurance forms.
- I. **Effective January 1, 2013, any drug or medicine that can be purchased without a prescription with the exception of insulins, nitrates, vaccines, antifungals and epinephrine kits for the treatment of anaphylaxis (e.g. EpiPen).**

VII. Limitations

- A. Syringes, disposable syringes and needles, diabetic testing agents and insulin are paid at a reasonable, usual and customary suggested retail price.
- B. Injectables or medicine injected by a physician are paid for at the cost of the injectable medicine only.
- C. Syringes, disposable syringes and needles will not be a covered benefit under Prescription Drug Expense Benefits for a period of five (5) years from the date that an insulin pressure injection device is approved by the carrier as a covered durable medical equipment expense under the Prosthetic Appliance and Durable Medical Equipment Expense Benefits set forth in exhibit V.

EXHIBIT VIII

LONG TERM CARE FACILITY EXPENSE BENEFITS

The company shall continue its arrangements to make available the supplementary coverage for Long Term Care Facility expense benefits provided under section 1 (a) (6) of the H-S-M-D-D-V program of appendix 'R' to the Collective Agreement.

Benefits will be provided for the patient co payment expense for each day an insured person resides in a Long Term Care Facility, as an approved resident as determined under the Long Term Care Act 1994, as amended or replaced. The benefit payment under such coverage for the patient co-payment expense of an approved Long Term Care Facility shall be as follows:

- For residents who enter a Long Term Care Facility prior to January 1, 2006, the benefit payment will be the difference between the daily allowance paid to the Long Term Care Facility by the Province of Ontario for a standard ward room and the Long Term Care Facility's daily charge up to the semi-private rate, if such accommodation is occupied.
- For residents who enter a Long Term Care Facility between January 1, 2006 and December 31, 2008, the benefit payment will be the difference between the daily allowance paid to the Long Term Care Facility by the Province of Ontario for a standard ward room and the Long Term Care Facility's daily charge to a maximum of \$1,724.32 per month regardless of the type of accommodation occupied.
- For residents who enter a Long Term Care Facility between January 1, 2009 and December 31, 2010, the benefit payment will be the difference between the daily allowance paid to the Long Term Care Facility by the Province of Ontario for a standard ward room and the Long Term Care Facility's daily charge to a maximum of \$1,543.95 per month regardless of the type of accommodation occupied.
- For residents who enter a Long Term Care Facility **between** January 1, 2011 **and December 31, 2013**, the benefit payment will be the difference between the daily allowance paid to the Long Term Care Facility by the Province of Ontario for a standard ward room and the Long Term Care Facility's daily

charge to a maximum of \$1,200.00 per month regardless of the type of accommodation occupied.

- **For residents who enter a Long Term Care Facility on or after January 1, 2014, the benefit payment will be the difference between the daily allowance paid to the Long Term Care Facility by the Province of Ontario for a standard ward room and the Long Term Care Facility's daily charge to a maximum of \$800.00 per month regardless of the type of accommodation occupied.**

Benefits shall be provided upon submission of proof satisfactory to the insurer that a covered person has been approved as provided under the Act and a payment of an allowance for such care was made on behalf of such person by the Province of Ontario for each such day for which benefits under the program are claimed.

EXHIBIT IX PARAMEDICAL COVERAGE

I. Company Arrangements

The Company shall arrange, effective October 1, 2002, to make available a Paramedical Benefit as set forth in this Exhibit as follows:

II. Enrollment Classifications

Paramedical Benefits coverage for an eligible employee, retired employee or surviving spouse shall include coverage for dependents as they are defined in Section 1(b) of the H-S-M-D-D-V Program.

III. Description of Benefits

Paramedical Benefits will be payable, subject to conditions herein.

IV. Definitions

As used herein:

- (A) "physician" means any licensed doctor of medicine legally qualified to practice medicine;
- (B) "Practitioner of Chiropractic" means a provincially licensed Doctor of Chiropractic (D.C.);
- (C) "Practitioner of Podiatry" means provincially licensed Doctor of Podiatric Medicine (D.P.M.);
- (D) "Practitioner of Chiropody" means a provincially licensed chiropodist holding a diploma in Chiropody (D.Ch.) or equivalent;
- (E) "Doctor of Naturopathy (N.D.)" means one who is accredited through the Provincial Naturopathic Association and is a graduate of a recognized school of naturopathy;
- (F) "Registered Massage Therapist" means one who is accredited and registered with the appropriate provincial licensing board for massage therapists and a graduate of a recognized school of massage therapy; and
- (G) "covered person" means the eligible employee, retired employee, eligible surviving spouse and their eligible dependents.

V. Eligible Benefits and Limitations

- (A) The services (excluding x-rays) of a Practitioner of Chiropractic are an eligible benefit. Chiropractic treatments will be reimbursed at a maximum rate of \$25.00 per visit, to an annual maximum of \$465.00.

In provinces where chiropractic treatments are covered by a provincial benefit plan, reimbursement shall be at a maximum rate of \$15.00 per visit until the applicable provincial benefit plan is exhausted and at a maximum rate of \$25.00 per visit thereafter, to an annual maximum of \$465.00.

- (B) Treatments provided by a Practitioner of Chiropody, when prescribed by a physician, and a Practitioner of Podiatry are eligible. Podiatry treatments are eligible when they occur subsequent to the exhaustion of the applicable provincial benefit period maximum. These benefits will be reimbursed at a maximum rate of \$11.45 per visit for either Podiatry or Chiropody. The annual combined maximum is \$325.00 per benefit year per covered person.
- (C) The services of a Doctor of Naturopathy (N.D.) are an eligible benefit and will be reimbursed at a maximum of \$25.00 per visit. The annual maximum is \$325.00 per benefit year per covered person.
- (D) The services of a Registered Massage Therapist are an eligible benefit, when prescribed by a physician and will be reimbursed at a maximum of \$45.00 per visit, to an annual maximum of \$200.00 per benefit year per covered person.

VI. Exclusions

The above listed paramedical benefits do not include and no benefits are payable:

- (A) for remedies, supplies, vitamins, herbal medications or preparations;
- (B) where the service is necessary as a result of a motor vehicle accident, unless there is no such coverage under a motor vehicle insurance policy or such coverage has been exhausted; and
- (C) if the covered person is a resident of a long term care facility, unless such services otherwise provided by the long term care facility has been exhausted.

EXHIBIT X

EXTENDED HEALTH CARE SERVICES

I. Company Arrangements

The Company shall make available Extended Health Care Services as set forth in this Exhibit as follows:

II. Enrollment Classifications

Extended Health Care Services coverage for an eligible employee, retired employee or surviving spouse shall include coverage for dependents as they are defined in Section 1(b) of the H-S-M-D-D-V Program.

III. Description of Benefits

Extended Health Care Services will be payable subject to conditions herein. Any failure to comply with any of the conditions herein may result in non-payment of a claim.

IV. Eligible Benefits and Limitations

- (A) Out-of-Province Coverage – Supplementary coverage is provided to pay physicians, or to reimburse patients, for covered medical-surgical and hospital expenses incurred under certain circumstances outside the patient's province of residence. "Covered services" are those medical-surgical services for which a fee is scheduled under the fee schedule for the provincial medical-surgical plan and those hospital services for which a benefit is provided under the ward coverage of the provincial hospital.

Benefits are provided under such coverage upon submission of proof satisfactory to the Insurer that a member received covered services out of the province of his/her residence because of:

- (i) accidental injury or emergency medical-surgical services, or
- (ii) referral for medical-surgical care by the member's attending physician.

The benefit payment for covered medical-surgical expenses incurred equals the fee charged for such services less the fee scheduled under the provincial medical-surgical plan for the covered services received, but only to the extent that the fee charged is reasonable and customary in the area where covered services are received.

The benefit payment for covered hospital expenses incurred equals the hospital's charge for covered services in semi-private accommodations, less the sum of the payments made by the provincial and supplementary hospital plans.

- (B) Special Assistance for Out-of-Province Claims – World Access Canada, an international medical service organization, is retained by the carrier to provide special assistance regarding facilitating claims payment and funds transfers to a provider (i.e. physician, hospital or clinic) for hospital, surgical, medical services covered under the patient's out-of-province hospital, surgical, medical expense benefits plan and provincial health insurance plan. Such assistance will provide that the payment for such covered medical services to the provider will be guaranteed by the carrier when the provider or covered patient calls a pre-arranged toll-free number. In cases where a provider will not agree to bill the patient's out-of-province hospital, surgical, medical expense benefit plan or the applicable provincial health insurance plan for covered services as provided above, the carrier will arrange for a direct payment of the eligible hospital, surgical, medical expenses to the provider or directly to the patient if such patient incurred eligible hospital-surgical-medical expenses resulting in financial hardship to the patient. Such direct payment to either the provider or the patient will be subject to proper claims submissions by the patient.

Insured persons are encouraged to contact World Access Canada whenever possible prior to incurring hospital, surgical, medical expenses so that patients can confirm that the services they are requesting will be covered medical expenses under the out-of-province plan. A multilingual World Access Canada assistance specialist can provide direction to the best available medical facility or physician that can provide the appropriate care. In serious medical cases, the World Access Canada physician will provide case

management (i.e. the physician will follow the patient's medical progress to ensure that he/she is receiving the best available medical treatment and keep in constant communication with the patient's family, family physician and the treating physician). Patients who are hospitalized for treatment of an accidental injury or a medical emergency are advised to contact World Access Canada if their in-hospital treatment will continue beyond 5 days so that the World Access Canada physician can consult with the treating physician and the patient's family physician and can arrange for air or land ambulance repatriation for the patient (and the patient's accompanying spouse) to a hospital in the patient's province of residence for such continuing treatment. Such repatriation is mandatory, where the attending physician and family physician or admitting physician determine that the patient is medically fit to travel and appropriate arrangements have been made to admit the patient into the provincial health care system.

Reimbursement will be provided (to a maximum of \$1,000.00) for the cost of returning the patient's personal use motor vehicle to their place of residence or nearest appropriate vehicle rental agency when the patient is repatriated to their province of residence.

- (C) Ambulance Services – Land Ambulance: When it is medically essential for a covered patient to travel by a licensed land ambulance service (municipal, hospital, private or volunteer) either in the patient's province of residence or out of the patient's province of residence, and the patient's Provincial Government Health Insurance Plan makes a payment towards the cost, if available, a benefit will be provided for the patient co-payment charge, if any, up to the usual, reasonable and customary rate, as determined by the carrier, for the area where the service was received.

Emergency Air Ambulance Services: When it is medically necessary for a covered patient to travel by an air ambulance from a location in North America to the patient's province of residence, a benefit will be provided for the amount charged to the patient and, when necessary, for the air fare of an accompanying medical attendant as well as the air fare of an accompanying spouse, provided that:

- (1) there is a demonstrated need for the patient to be confined to a stretcher or for a medical attendant to accompany the patient during the journey;
 - (2) the patient is admitted directly to a hospital in the patient's province of residence;
 - (3) the patient's Provincial Government Health Insurance Plan makes a payment towards the cost, if available;
 - (4) medical reports or certificates from both the dispatching and receiving physicians are submitted; and
 - (5) proof of payment including air ticket vouchers or air charter invoices are submitted.
- (D) Nursing Services – When there is a clear medical necessity for the nursing services of a registered nurse (RN) or a registered practical nurse (RPN), a benefit will be provided for the amount charged to the patient for such services for up to six (6) hours per day, provided that:
- (1) The nursing services are prescribed by a physician and the physician and/or appropriate party responsible for accessing applicable government programs and/or funding indicates:
 - a. the level of nursing skill required;
 - b. the amount of time in each day required for nursing services; and
 - c. the approximate length of time that nursing services are required.
 - (2) The RN or RPN is not a relative.
 - (3) The RN or RPN is currently registered with the appropriate nursing association when the services are performed.
 - (4) The patient is not in an institution (i.e. hospital, long term care facility, etc.).

- (5) The rate charged for nursing care does not exceed the usual and customary charges for the applicable geographic area.
- (6) All applicable provincial or federal government assistance (based on age, disability, income, etc.) is applied for.

In determining the necessity for the nursing services and to ensure all available co-ordination with government programs the carrier will undertake an independent nursing services assessment.

- (E) Personal Support Worker – A Personal Support Worker (PSW) commonly known as a homemaker or health care aid, is an eligible benefit when prescribed by a physician and only when used in conjunction with the Nursing Services benefit referenced in (D) above, provided that:
 - (1) the Personal Support Worker must have a certificate from an accredited program and be employed by a provincially recognized, bonded health care provider;
 - (2) reimbursement will be the amount charged to the covered person for such service up to \$25.00 per hour to a maximum of five (5) hours per week.

Benefits reimbursed under sections (D) and (E) above will be limited to a total annual maximum of \$12,000.00. Should any covered person reach the annual maximum of \$12,000.00 provided above for nursing services and personal support worker, their coverage will be continued at up to two (2) hours a day for the nursing services of a Graduate Registered Nurse (RN).

- (F) Nutritional Supplements – In cases where it is medically necessary due to illness or a concomitant medical condition, nutritional supplements are a covered benefit when these products are prescribed by a physician as the sole source of nutrition either orally or by tube feeding. The following conditions must be met prior to approval:
 - (1) The individual must have an oropharyngeal or gastrointestinal disorder resulting in oesophageal dysfunction or dysphagia (i.e. neuromuscular disorder); or

- (2) The individual must have a maldigestion or malabsorption or significant stomach failure where food is not tolerated (i.e. pancreatic insufficiency); or
- (3) The individual must have a primary diagnosis of cancer and be actively receiving chemotherapy, radiation therapy or palliative care. The benefit will be limited to the lesser of 220 servings or \$500.00 per year and available only when the individual would qualify for the Nursing Services benefit. All applicable Provincial and Federal government assistance must be applied for prior to consideration for coverage and an assessment and re-evaluation of the patient's condition must be done on a semi-annual basis.

Exclusions under this program include but are not limited to prescribed weight loss in the treatment of obesity, food allergies, body building, meal replacement, convenience, or as a replacement to breast feeding. Individuals that are able to tolerate some solid foods and require only supplementation in addition to food will not be eligible for this benefit.

- (G) Speech Therapy – In cases where an employee or eligible dependent require speech therapy as prescribed by a physician and the therapy is provided by a Speech Language Pathologist or Speech Therapist, as licensed under the appropriate provincial College of Audiologists and Speech Language Pathologists, and only after all provincial and federal government programs and/or assistance has been applied for and accessed reimbursement will be provided for such therapy. The annual maximum for such therapy is limited to \$1,100.00 per participant, and shall include reimbursement of a one-time only initial assessment fee, to a maximum of \$125.00.

The benefit does not include the cost of subsequent hearing aid tests, other assessment tools, any supplies, handbooks, tapes, forms, reports or follow-up correspondence.

- (H) Psychologist Services – In cases where an employee or eligible dependent requires counselling services for personal, family or marital problems, a benefit will be provided toward this service.

Counselling provided by a registered clinical psychologist or a Master of Social Work will be reimbursed at a rate of \$50.00 per visit. **The** annual maximum is \$625.00 per benefit year per participant.

For eligible dependent children under the age of fourteen (14), a psychological assessment performed by a registered clinical psychologist may be reimbursed once in a lifetime, to a maximum of \$500.00. Any amounts claimed for psychological assessments will be included in the annual psychological services maximum set out above for the year in which it is claimed.

The benefit is provided only for counselling, and a one-time psychological assessment, and is not intended to cover the costs of any forms, reports other than psychological assessment, or follow up correspondence.

LETTERS - H-S-M-D-D-V

November 4, 1979

Mr. Robert White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Sir:

With reference to section 1 of the H-S-M-D-D-V Program, the term "eligible dependents as defined in the said Plans" shall include for purposes of the H-S-M-D-D-V Program, "children under 25 years of age, or at any age if totally and permanently disabled, who are unmarried, legally residing with and dependent on the employee and must either qualify in the current year as a dependent under the Canadian Income Tax Act for establishing the employee's withholding tax exemptions or have been reported as a dependent on the employee's most recent income tax return".

This undertaking reflects the provisions of the Minutes of Settlement dated January 22, 1965 which were implemented by the company effective November 1, 1966.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. Robert White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Sir:

As we discussed during negotiations, it is agreed that the following procedure will govern continued insurance coverage for employees on union leave:

Local Union Leave

The company will continue the practice of maintaining all group insurance and Hospital-Surgical-Medical-Drug-Vision-Hearing Aid coverages for an employee and his eligible dependents while he is on approved leave of absence for the purpose of fulfilling his responsibilities as President or as Financial Secretary-Treasurer of his local union. The company will pay the appropriate premiums. Such an employee, while on an approved local union leave, may continue Dental Expense coverage for the duration of the approved local union leave.

The amount of insurance, established at the commencement of his leave, will be upgraded according to the insurance amounts which would be applicable to his regular hourly wage rate were he working in the plant. The upgrading takes place following contract negotiations, and incorporates any new benefits which may be applicable, and thereafter as of the dates set out in section 5 of the program to redetermine the correct amounts of insurance applicable to each employee on such leave.

Employees on Leave to Work for the International Union

The present practice will be continued whereby an employee on approved leave of absence to work for the International Union will be allowed to maintain his Life, Accidental Death and Dismemberment Insurance and Survivor Income Benefits Insurance and Hospital-Surgical-Medical-Drug-Vision-Hearing Aid coverages (but not dental expense coverage) by paying the contributions outlined in the Program.

The amount of insurance, established at the commencement of his leave, will be upgraded according to the insurance amounts which would be applicable to his regular hourly wage rate were he working in the plant. The upgrading takes place following contract negotiations, and incorporates any new benefits which may be applicable, and thereafter as of the dates set out in section 5 of the program to redetermine the correct amounts of insurance applicable to each employee on such leave.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. Robert White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Sir:

As discussed during negotiations the company agrees to furnish annually the following data for hospital-surgical-medical-drug coverages:

1. data as to the number of employees, retired employees and surviving spouses with hospital-medical-surgical-drug expense coverages provided at company expense by enrollment classification and local plan area, during a representative month in the preceding calendar year;
2. presumptive premium or subscription rate for the ensuing year by enrollment classification, by local plan area;
3. presumptive premium or subscription rates for the ensuing year for sponsored dependents, if applicable, by local plan area.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

November 4, 1979

Mr. Robert White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This is to confirm the understanding given during 1976 negotiations as to the implementation of section 1 (d) and section 8 of the H-S-M-D-D-V Program set out in Appendix 'R'.

The company undertakes that the options available to provide for coordination of benefits with respect to Hospital Surgical Medical Drug Dental Vision Hearing Aid Expense Benefits or to provide a plan of Hospital Surgical Medical Drug Dental Vision Hearing Aid Expense Benefits supplementary to such government benefits or substitute a plan of Hospital Surgical Medical Drug Dental Vision Hearing Aid Expense Benefits for such government benefits will not be exercised except by mutual agreement between the company and the union.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

Concur: Robert White,
UAW Director for Canada and
International Vice President

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Sir:

Where permitted by Green Shield Prepaid Services Inc., The Excelsior Life Insurance company, or their affiliates, and Ontario Health Insurance Plans, under the policies or contracts under which the employee is covered, the company may permit an employee to elect hospital, medical, prescription drug, vision, hearing aid coverages (but not dental expense coverage) for a dependent other than those presently provided for, who is related to the employee by blood or marriage or a member of his household, dependent upon the employee for more than half of his support as defined in the Canadian Income Tax Act and must either qualify in the current year as a dependent under the Canadian Income Tax Act for establishing the employee's withholding tax exemptions or have been reported as a dependent on the employee's most recent Income Tax return.

Coverages provided under this letter for a dependent enrolled at the time of an employee's death may be continued at the option of the employee's surviving spouse while such spouse is enrolled for coverages as provided in section 2(e) and section 4(d).

The employee or surviving spouse as applicable shall pay the entire cost of coverage for such dependents.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Sir:

During prior negotiations, the union members of the Insurance Subcommittee requested that we provide you with a letter relative to retroactive hospital-surgical-medical-drug-dental-vision-hearing aid coverages for surviving spouses and their eligible dependents.

Subject to the regulations of the applicable plan the company will attempt to arrange with Ontario Health Insurance Plan, Green Shield Prepaid Services Inc., and The Excelsior Life Insurance company, or their affiliates, to provide retroactive coverage in accordance with the following:

1. Coverage for the eligible surviving spouses and their eligible dependents referred to in section 2(e) of the Insurance Program, not enrolled for coverage following the date the employee or retired employee dies, will be effective retroactive to the date coverage would have been effective if enrollment had occurred at the proper time; however, the retroactivity may not exceed twelve months from the date the enrollment actually occurred, and in no event may such retroactive coverage be effective prior to the date the survivor became eligible for coverage under the agreement.
2. The company will pay the group premium or subscription charges due for all retroactive coverage referred to above.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

October 10, 1982

Mr. R. White
UAW Director for Canada and
International Vice President
International Union, United Automobile,
Aerospace and Agricultural Implement
Workers of America
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

This will confirm our understanding reached during these negotiations with respect to employees or retired employees receiving services through approved residential substance abuse treatment facilities.

The company shall make arrangements to provide coverage for the payment of any daily charge levied on an employee or a retired employee who is under treatment for alcohol abuse in a residential substance abuse treatment facility which has been approved by the company Medical Director. Benefits will be provided under such coverage only for employees who are actively involved in the Ford-UAW substance abuse program and are admitted to a treatment facility on the recommendation of the company Medical Director.

The payment of such benefits will be contingent upon the employee's or retired employee's successful completion of required treatment.

Yours very truly,
S.J. Surma
Vice President,
Industrial Relations

Concur: R. White

October 5, 1987

Mr. R. White
National President
National Automobile, Aerospace
and Agricultural Implement
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

In the event of the introduction of new or expanded provincial or federal programs providing dental benefits generally similar to those provided under Appendix 'R' to the Collective Agreement, the following principles will apply with respect to section 8 of the H-S-M-D-D-V Program in Appendix 'R':

1. The company will maintain the current negotiated level of dental benefits as nearly equal as practicable through supplementation, if necessary.
2. Commencing with the date any such dental benefits become available and continuing through September, 1990, the company will pay to the appropriate agency providing benefits any required direct premiums for eligible employees or dependents for such dental benefits up to the level of the benefits provided under Appendix 'R'.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Industrial Relations

Concur: R. White

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the recent negotiations, the union expressed concern that employees and their eligible dependents did not have current information on their dental benefit utilization during a Plan year.

The company agreed to ask the dental expense benefit carrier to show Plan year-to-date benefit payments on the explanation of benefits accompanying each benefit payment.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

September 24, 1990

Mr. R. White
National President
National Automobile, Aerospace and
Agricultural Implement Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. White:

During the recent negotiations considerable discussion took place concerning advantages to the parties of having a annual meeting with the union benefit representatives and the company benefit representatives in attendance.

The purpose of the meeting would be mainly for educational purposes and would cover such topics as, but not be limited to, new legislation, new or updated procedures as they affect the negotiated benefits, and other matters that would improve the knowledge and proficiency of the benefits representatives.

The national union will be given the opportunity to review the agenda, and make necessary recommendations, as well as attend and participate in the proceedings.

In this connection, the company has agreed to provide pay for lost time (eight hours base pay rate plus COLA) to union benefit representatives who attend the annual meeting. The employee who has been designated as the regular replacement for the union benefit representative may be activated for the day the benefit representative attends the annual benefit meeting.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

Concur: R. White

October 18, 1993

Mr. B. Hargrove
National President
National Automobile,
Aerospace and Agricultural Implement
Workers Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During these negotiations, the parties renewed their commitment for the company-union committees defined in exhibit II of the HSMDDV Program and section 20 of the Group Life and Disability Insurance Program to investigate, consider and, upon mutual agreement, engage in activities that may have high potential for cost savings, while achieving the maximum coverage and service for the employees covered for health care benefits. These activities may also include the implementation of pilot programs to improve the functioning of the programs and reduce costs under the Group Life and Disability Insurance and the HSMDDV Programs.

The HSMDDV Program coverages to be discussed may include, but will not be limited to, the following:

- Study and evaluate mail order pharmacy arrangements and, if mutually acceptable, implement a pilot program that will give employees, retired employees and surviving spouses an option to purchase their drugs through a mail order pharmacy without the requirements of a co-pay.
- Consider implementing alternative systems for the delivery of benefits such as dental capitation plans and preferred provider organizations.
- Study and evaluate the CAW Medication Awareness Pilot Program in St. Catharines and the Sunnybrook Hospital Program to determine the feasibility of developing and implementing a similar program specifically for Chrysler employees and retirees.
- Review the drug products removed by the Ontario Drug Benefit Plan from their formulary that they have determined to be no

longer therapeutically necessary or because there is a cheaper substitute available, in order to determine whether such drug products should also be removed from the employee's Drug Plan.

- Study the proposed Ontario long term care program which includes alternatives to extended care in nursing homes and homes for the aged.
- Study and evaluate the concept of a flat fee schedule for vision care benefits, in place of the current vision program utilizing participating providers.
- Meet with the carrier to discuss the implementation of a mutually acceptable third party adjudication process when the dental consultant and practitioner do not agree on an alternate dental procedure.

The Group Life and Disability Insurance Programs topics which may be discussed shall include;

- The integration of Accident and Sickness benefits with the Unemployment Insurance disability benefits.
- A method of encouraging employees in receipt of EDB benefits and/or disability retirement benefits to reapply to Canada Pension Plan when initially denied disability benefits.
- Meet with London Life for the purpose of ensuring timely S&A payments and to discuss possible revisions to the supplementary form in an effort to reduce the frequency of the requests.

The parties agree that the company-union committees will begin discussions on these issues as soon as practical after negotiations and will meet no less frequently than three times each year.

Yours very truly,
D. J. McKenzie
Vice President,
Employee Relations

Concur: B. Hargrove

November 11, 1996

Mr. B. Hargrove
National President
National Automobile,
Aerospace, Transportation and General
Workers of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

This will confirm our understanding with respect to prescription drug coverage for employees, retired employees, surviving spouses and their eligible dependents who are age 65 or older.

Prescription drug benefits for residents of Ontario who are age 65 or older are available without cost to the individual under the Ontario Drug Benefit Program. It is understood that Ontario residents age 65 or older who are eligible for prescription drug coverage under the H-S-M-D-D-V Program shall be required to present their prescriptions for dispensing under the Ontario Drug Benefit Program. Benefits as outlined under exhibit VIII of the H-S-M-D-D-V Program shall continue to be provided for covered prescription drug expenses to the extent that benefit coverage for such expenses is not available under the Ontario Drug Benefit Program.

Yours very truly,
D. J. McKenzie
Vice President,
Employee Relations

November 11, 1996

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

During the course of these negotiations there was considerable discussion concerning the "Controlled Prescription Drug Plan". This resulted in a modification to the Plan which involves Green Shield Canada and where necessary an impartial third party to review the addition of new drugs as a covered benefit.

Despite this change a number of administrative issues required clarification as follows:

- Green Shield Canada will review drugs introduced since October 1, 1993 for inclusion into the formulary. If Green Shield Canada does not recommend a new drug for inclusion on the formulary or Green Shield Canada requires additional assistance they will engage the services of an independent external scientific review agency to assist.
- Participants who inadvertently pay out-of-pocket for a drug not included on the formulary will be reimbursed on an exception basis for the initial prescription pending a prescription change by the participant's physician to a covered drug.
- Participants who have a specific diagnosed medical condition (not including a personal preference) that requires the use of a specific drug for therapeutic or life saving conditions and such drug is not included as a covered benefit will be reimbursed on an exception basis.

The parties also agree to meet and discuss any other concerns that may arise from the modification of the Plan with the intent to resolve in a mutually satisfactory manner.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
D. J. McKenzie
Vice President,
Employee Relations

October 7, 2002

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Willowdale, Ontario
M2H 3H9

Dear Mr. Hargrove:

This will confirm our understanding reached during 2002 negotiations with respect to carriers for health care coverages provided for hourly employees in the Province of Ontario.

It was agreed that the company shall continue arrangements with Green Shield Canada to be the carrier for the Prescription Drug Benefits, Semi-Private Hospital Accommodation Benefit, Out of Province Coverage, Prosthetic Appliance and Durable Medical Equipment Expense Benefits Program, and Long Term Care Facility Expense Benefits for hourly employees in the Province of Ontario.

Effective January 1, 2003, or as soon as practicable thereafter, the Company will arrange to change the carrier for the Dental Expense Benefits Program, Vision Expense Benefits Program and Hearing Aid Expense Benefits Program for hourly employees in the Province of Ontario to Green Shield Canada.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
T. P. Hartmann
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General Workers
Union of Canada (CAW-Canada)
205 Placer Court
Toronto, Ontario
M2H 3H9

Dear Mr. Hargrove:

During 2005 negotiations, the union requested that employees be provided with a plasticized Green Shield Canada benefit identification card to replace their current paper card.

The company agreed to explore with Green Shield Canada the feasibility of providing employees with a more durable card.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear Mr. Hargrove:

During 2005 negotiations, the parties discussed the federal and provincial governments' agreement to develop a National Pharmaceuticals Strategy (NPS). This strategy may precipitate many changes in government drug plan administration policies, for example those related to catastrophic coverage and managing drug costs.

The company and the union realize that the results of this and other federal and provincial initiatives may have effects, both positive and negative, on the cost of funding prescription drug benefits. The changes may occur during the course of the current contract and the details of the changes and the magnitude of any change in cost cannot be predicted.

In view of this uncertainty, the company and the union agree to work with Green Shield Canada as the nature and impact of any changes become known to:

1. Meet and discuss concerns arising from the changes referred to above, with the intent to resolve such concerns in a mutually satisfactory manner.
2. Assist plan members to retain access to medically necessary drug treatments.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 19, 2005

Mr. B. Hargrove
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear Mr. Hargrove:

During 2005 negotiations, the parties discussed the revisions to the drug plan and the concerns of the union that a brand name drug may be prescribed in lieu of a generic equivalent. In the case where a physician indicates a brand name drug is medically required, Green Shield Canada must be provided with a copy of the "Canadian Adverse Drug Reaction Monitoring Program" form completed by the physician that has been submitted to Health Canada to determine eligibility for payment of the cost of the prescribed drug. If it is determined that the brand name drug is medically required, the Plan will pay the cost of the brand name drug.

Yours very truly,
FORD MOTOR COMPANY OF
CANADA, Limited
Stacey Allerton Firth
Vice President,
Human Resources

September 24, 2012

Mr. K. Lewenza
National President
National Automobile, Aerospace,
Transportation and General
Workers Union of Canada (CAW-Canada)
205 Placer Court
Toronto, ON
M2H 3H9

Dear Mr. Lewenza:

During 2012 negotiations, the Union and the Company agreed that a health care trust may be established to provide retiree health care benefits for employees hired on or after September 24, 2012. The Company will make specified hourly contributions towards such retiree health care beginning only after the new hire has grown in to the full current hourly base rate. The contributions will be phased in over a number of years to be agreed to by the Union and the Company to a maximum of \$1 per compensated hour (up to 2,080 hours per year). Such employees will receive no health care benefits (eg. hospital, surgical, medical, drug, dental, vision, hearing aid, paramedical, extended health care services and provincial medical) from the Company. Coverage will be maintained by the Company under the Group Life Insurance, Optional Dependent Life Insurance and the Dependent Scholarship programs, where applicable.

The mechanisms and details of how the retiree health care contributions will be administered will be agreed to by the Union and the Company before the first contribution comes into effect. Beyond these defined hourly contributions, there will be no liability incurred by the Company for retiree health benefits for these employees. The parties agree that tax implications to the Company will be considered when determining the process by which the health care contributions are made.

Yours very truly,
FORD MOTOR COMPANY
OF CANADA, Limited
Stacey Allerton
Vice President,
Human Resources