

LABOUR AGREEMENT

2008 – 2012

Between

**UNISOURCE CANADA, INC. (Dual Merchant)
1425 Derwent Way
Annacis, New Westminster, British Columbia**

(Hereinafter referred to as the Company)

PARTY OF THE FIRST PART

AND

**LOCAL 433 of the COMMUNICATIONS, ENERGY & PAPERWORKERS
UNION OF CANADA**

(Hereinafter referred to as the Union)

PARTY OF THE SECOND PART

INDEX

ARTICLE 1	GENERAL PURPOSE OF AGREEMENT.....	5
ARTICLE 2	RECOGNITION	5
ARTICLE 3	CHECKOFF	6
ARTICLE 4	TERM OF AGREEMENT AND CHANGES IN AGREEMENT...	6
ARTICLE 5	HOLIDAYS	7
ARTICLE 6	HOURS OF WORK	9
ARTICLE 7	DEFINITIONS.....	10
ARTICLE 8	STARTING AND STOPPING WORK	10
ARTICLE 9	ALLOWANCE FOR FAILURE TO PROVIDE WORK	10
ARTICLE 10	MINIMUM CALL FOR EMPLOYEES	10
ARTICLE 11	BULLETIN BOARDS.....	11
ARTICLE 12	DISCIPLINARY ACTION.....	11
ARTICLE 13	ADJUSTMENT OF COMPLAINTS	12
ARTICLE 14	ARBITRATION	13
ARTICLE 15	SENIORITY	14
ARTICLE 16	JOB SECURITY	19
ARTICLE 17	PERMANENT PLANT CLOSURE	21
ARTICLE 18	VACATIONS	21
ARTICLE 19	SAFETY.....	24
ARTICLE 20	BEREAVEMENT LEAVE	25
ARTICLE 21	JURY DUTY	25
ARTICLE 22	WAGE SHEDULE.....	26
ARTICLE 23	NIGHT SHIFT DIFFERENTIAL	27
ARTICLE 24	OVERTIME	27

ARTICLE 25	MEAL HOUR	28
ARTICLE 26	WELFARE PLAN	28
ARTICLE 27	PENSION PLAN	29
ARTICLE 28	LEAVE OF ABSENCE.....	30
EXHIBIT "C"	WELFARE PLAN	32
SCHEDULE 1	WELFARE PLAN COVERAGES.....	35
	STATEMENT OF POLICY	44
	LETTER OF UNDERSTANDING NO. 1	45
	LETTER OF UNDERSTANDING NO. 2	46
	LETTER OF UNDERSTANDING NO. 3	47
	LETTER OF UNDERSTANDING NO. 4	48
	LETTER OF UNDERSTANDING NO. 5.....	49
	LETTER OF UNDERSTANDING NO. 6	51
	LETTER OF UNDERSTANDING NO. 7	53
	SUPPLEMENTARY HEALTH CARE	54

UNISOURCE CANADA, INC.

ANNACIS DISTRIBUTION CENTRE

LABOUR AGREEMENT

October 22, 2008 – October 22, 2012

ARTICLE 1 GENERAL PURPOSE OF AGREEMENT

The general purpose of this agreement is, in the mutual interest of the employer and employee, to provide for the operation of the plant, hereinafter mentioned, under methods which will further to the fullest extent possible the safety and physical welfare of the employees, economy of operation, quality and quantity of output, cleanliness of plant and protection of property. It is recognized by this agreement to be the duty of the company and employees to co-operate fully, individually, and collectively for the advancement of said conditions.

ARTICLE 2 RECOGNITION

The Company recognizes the Communications, Energy and Paperworkers Union of Canada and the union (Local #433) as the only agencies representing all employees as defined in this agreement for the purpose of collective bargaining.

Any employee who is now a member in good standing, or who becomes or is reinstated as a member of the union, shall, as a condition of continued employment, maintain such membership in good standing in the union throughout the term of this agreement. Any new employee shall, as a condition of employment, become a member of the union on their first day of employment, and further, will be sworn into the Union within thirty (30) calendar days of signing a membership card.

An employee will not be a member in good standing without being sworn into the Union. In the event of the local intending to suspend a member for non-maintenance of membership, the company shall be notified by the local in writing at least seven (7) days before such suspension.

No employee shall be subject to any penalties against his application for membership or reinstatement, except as may be provided for in the constitution and by-laws of the national union and union.

The plant committee chairperson (or designate) will be given a maximum of thirty (30) minutes time to provide a union orientation to all new employees.

Potential employees made available through the union will be given consideration when the company is hiring new or additional employees. The company further agrees to supply the union with information as to any employee's name, social insurance number, job classification, wage rate and date of employment.

ARTICLE 3 CHECKOFF

The company shall remit to the union not less often than once each calendar month, amounts deducted from employee's wages in respect of initiation fees, regular monthly dues and duly authorized union assessments, pursuant to an assignment executed by individual employees on the Union Membership Application Card.

The local union hereby agrees that the company shall be saved harmless with respect to all deductions made and paid to the said union in respect of provisions herein.

ARTICLE 4 TERM OF AGREEMENT AND CHANGES IN AGREEMENT

1. Term of Agreement

The agreement shall be in effect from midnight October 22, 2008 to midnight October 22, 2012 and thereafter from year to year subject to the conditions as set out in paragraphs 2 to 5 which follow hereunder.

2. Labour Code

The parties agree that the operation of Section 50(2) of the Labour Relations Code of British Columbia is hereby excluded.

3. Notice of Re-Opening

This agreement may be opened for collective bargaining as to changes as follows. Either party may, at any time within four (4) months immediately preceding the expiry of this agreement, by written notice require the other party to commence collective bargaining. If notice should not be given by either party ninety (90) days or more before the expiry of the agreement, then both parties are deemed to have given notice ninety days before the expiry. All notices given under the provisions herein on behalf of the union shall be given by the president of the union (or by his representative) and similar notices on behalf of the company shall be given by the president of the company (or his representative).

4. Collective Bargaining

If notice of desire for changes has been given in accordance with paragraph 3 above, the parties shall, as soon as agreeable to the parties following such date of notice, meet for collective bargaining, the company being represented in such negotiations by a bargaining committee appointed by the company and the union being represented by a bargaining committee selected by the union. Any agreement on changes arrived at and approved in such negotiations shall be binding upon the parties to this

agreement. If such negotiations cannot be completed prior to October 22 following the date on which such notice was given, any changes in compensation to employees shall nevertheless be retroactive to the said October 22.

5. Terminations

In case negotiations conducted in accordance with paragraph 4 above break down either party may terminate this agreement upon the expiration of ten (10) days' notice in writing mailed by registered mail to the other party.

6. No Interruption of Work

It is agreed by the union that there should be no strikes, walkouts or other interruptions of work during the period of this agreement. It is agreed by the company that there shall be no lockouts during the period of this agreement.

ARTICLE 5 HOLIDAYS

- 1) New Year's Day
- 2) Good Friday
- 3) Victoria Day
- 4) Canada Day
- 5) B. C. Day
- 6) Labour Day
- 7) Thanksgiving Day
- 8) Remembrance Day
- 9) Christmas Day
- 10) Boxing Day
- 11) An eleventh (11th) and twelfth (12th) paid holiday shall be
- & observed. After discussion with the employees, the company
- 12) may schedule these holidays by giving the union a minimum of thirty (30) days' notice prior to the dates these holidays are to be observed. It is understood that one of these holidays may be observed on a split-crew basis at the discretion of the company.

The Company will comply with any government requirement to observe an additional holiday. In the event additional statutory holidays are declared by any Government beyond those listed in Article 5, the eleventh (11th) and twelfth (12th) floating holidays will be adjusted accordingly. For example, if one (1) additional statutory holiday is declared, the number of floating holidays shall be reduced by one (1).

1. In order to receive pay for a statutory holiday or holidays, all employees must have been on the payroll for not less than thirty (30) days immediately preceding such holiday or holidays and must have actually worked at least one (1) day during the ninety (90) days just preceding the holiday. Eligibility to receive the eleventh (11th) and twelfth (12th) paid holidays will be contingent upon being hired prior to April 1 of the current year. Employees hired between April 1 and June 30 inclusive of the current year will be eligible to receive one (1) of the eleventh (11th) and twelfth (12th) paid holidays. For each above-mentioned holiday, the employees shall receive eight (8) hours' pay at his or her regular hourly rate of pay at straight time rate.
2. In order to discourage absenteeism, the employee, when required, shall work the day before the holiday and the day after the holiday. Employees failing to comply with this rule will not receive the holiday pay.
3. Any employee absent from work on the last day preceding and/or the next work day subsequent to the holiday, as a result of sickness or compensatory accident, shall receive their holiday pay, providing they furnish to the company when requested a doctor's certificate certifying that the sickness or compensatory accident prevented the employee's presence on either or both of these days.
4. When the operation in which the employee is engaged is curtailed or discontinued by the decision of management and which curtailment or discontinuance changes or eliminates the employee's scheduled work day before, or his scheduled work day after, such holiday, the employee shall be granted payment for such holiday, however, an employee shall not be granted payment for a holiday or holidays unless he has actually worked at least one (1) day during the thirty (30) days just preceding any given holiday and at least one (1) day during the thirty (30) days following such holiday.
5. If an employee who would otherwise qualify is recalled and is unable to report for work because of bona fide non-occupational accident or illness he shall nevertheless be granted payment for such holidays falling within the thirty (30) days immediately preceding the date of first recall. Any other employee recalled by reason of the above employee's inability to report for work and who is himself unable to report due to illness or non-occupational injury will not receive holiday pay.
6. In the event an employee is eligible for Weekly Indemnity or Workers Compensation Benefits for a day for which he is also eligible for holiday pay under this Article, the amount of the Weekly Indemnity or Workers Compensation Benefit that would

otherwise be payable for such day will be reduced by the amount of the holiday pay that is paid.

When an employee is on vacation and a holiday occurs, arrangements shall be made to extend the vacation period.

In the event that a holiday falls on Sunday, the following Monday will be observed and the specified hours correspondingly changed.

Overtime shall be paid for all work performed during holidays, at the rates hereinafter specified.

In the event that a holiday falls on Saturday, the company may decide either to observe the holiday on the following Monday or allow eligible employees another day off in lieu of the holiday at a later date, mutually satisfactory to the employee and the company, but in no case later than sixty (60) days following the holiday. Holiday payment, as provided in section 1 will be credited for the day the employee actually takes the holiday time off from work.

ARTICLE 6 HOURS OF WORK

1. Both parties to this agreement are committed to maintain the principles of a basic work week of forty (40) hours, but agree that additional time may be worked to permit operation or protection of the plant when paid for as shown in Article 24.
2. The regular hours of work, unless otherwise mutually agreed upon between the company and the union shall be:

Day shift	6:30 a.m. to 3:00 p.m.
Mid-day shift	9:30 a.m. to 6:00 p.m.
Afternoon shift #1	2:00 p.m. to 10:30 p.m.
Afternoon shift #2	4:30 p.m. to 1:00 a.m.
Night shift	10:30 p.m. to 6:30 a.m.

Variances of these times will be posted on the warehouse bulletin board.

3. The day, mid-day and afternoon shifts will have a lunch period of thirty (30) minutes, without pay. These shifts shall have two (2) fifteen (15) minute paid rest periods at a time designated by the company. The night shift schedule will consist of eight (8) hours work, less thirty (30) minutes paid lunch and two (2) fifteen (15) minute paid rest periods.
4. The Company will post the shift schedule by noon Wednesday of the preceding week. Employees have until noon Thursday to request schedule changes

ARTICLE 7 DEFINITIONS

Wherever used in this agreement, including exhibits, the word EMPLOYEES means all persons on the payroll of the company, as set out in the Certificate of Bargaining Authority issued to Local #433 under the Labour Relations Code of British Columbia.

ARTICLE 8 STARTING AND STOPPING WORK

Employees shall be at their respective posts ready to begin work at the time their pay starts and shall not quit work in advance of the time their pay stops. For example, if an employee's pay time is from 8:00 a.m. to 12:00 noon, and from 1:00 p.m. to 5:00 p.m., he shall be at his post ready for work at 8:00 a.m. and 1:00 p.m., and shall not quit work until 12:00 noon and 5:00 p.m.

ARTICLE 9 ALLOWANCE FOR FAILURE TO PROVIDE WORK

1. In case any employee reports for his regular scheduled shift having been ordered to report for such work and then no work is provided, he shall nevertheless receive two (2) hours' pay for so reporting.
2. In any case where an employee has commenced his regular scheduled shift, he shall receive a minimum of four (4) hours' pay except in cases of accident, breakdown, interruption of power, or acts of God. In cases of accident, breakdown, interruption of power, or acts of God, the employee shall receive a minimum of two (2) hours' pay.
3. In any case where an employee has commenced his regular scheduled shift and is transferred to a lower paid job he will receive his regular rate for the balance of his shift.

ARTICLE 10 MINIMUM CALL FOR EMPLOYEES

1. a) Any employee required to go on duty after he has completed his designated shift shall receive two (2) hours' call time at the straight time day rate plus actual time worked.
- b) Any employee required to report for work on his designated day off shall receive two (2) hours' call time at the straight time day rate except that such call time shall not be payable when notification has been given during his second shift preceding the work involved.

- c) When an employee is required to report for duty in advance of his regular scheduled shift or when his regular scheduled shift is changed to another regular shift with an earlier starting time, or when the company changes the employee's regular shift schedule after the start of the week he shall receive two (2) hours call time at the straight time day rate subject to the following exceptions (i), (ii), (iii).
 - i) When the change in starting time does not exceed one (1) hour, no call time is payable.
 - ii) When the employee is given thirty-six (36) hours notice of the change in starting time and such notice is given during the employee's regular working hours, no call time is payable.
 - iii) When the change in shifts during the week is temporary, the call time is not payable for the second change in shifts when the employee returns to his previously established shift.
- 2. It is understood and agreed that in the payment of call time on the basis provided in this Article, a minimum of four (4) hours' pay will be paid for each call when work has actually commenced, it being understood that such payment will include the payment for call time and payment for the time worked whether at straight time or at an overtime rate.

It is further understood and agreed that in the payment of call time on the basis provided in this Article, not more than one (1) basis shall be used to cover the same period of work, nor will call time be added to or paid in lieu of allowance payable under Article 9, hereof.

ARTICLE 11 BULLETIN BOARDS

The employer shall supply adequately enclosed official bulletin boards for the use of the union in posting of officially signed bulletins.

ARTICLE 12 DISCIPLINARY ACTION

- 1. The company has the right to discipline or discharge employees for just cause.
- 2. Should an employee be required to attend a meeting with management where a disciplinary investigation, discussion or action may occur, the Company will make every effort to notify a Shop Steward or a member of the Plant Committee and will further inform them of the nature of the issue. A Shop Steward or a member of the Plant Committee will have the right to attend any such meeting.

3. The Plant committee will be given copies of all written disciplinary letters or letters of reprimand given to employees. It is understood and agreed that the time limits referred to in the grievance procedure will not start until any such letter(s) is given to the Union Plant Committee and the employee involved.
4. Any disciplinary letters or letters of reprimand placed on an employee's file shall be purged from the file if the employee goes eighteen (18) months without having any formal discipline of any kind.

Article 12 (4) will be interpreted as follows:

- (a) Any absence of any employee from the workplace for a period of one (1) month or less will be considered as part of the eighteen (18) months time frame for the purging of disciplinary letters or letters of reprimand on an employee's file, and;
- (b) Any absence of an employee from the workplace for a period more than one (1) month will result in the eighteen (18) months period being extended by the total duration of the absence.

For the purpose of the foregoing, an absence does not include vacation absences.

ARTICLE 13 ADJUSTMENT OF COMPLAINTS

A plant committee shall be elected to consist of four employees elected by the union members employed in the operation covered by this agreement. Meetings of the plant committee shall, whenever possible, be held out of working hours. In the event a grievance shall arise, it shall be dealt with in the following manner.

1. Should any dispute or complaint as to the interpretation, application or compliance with the terms of this Agreement arise between the parties, the Company and the Union will make every effort to settle the dispute or complaint.
2. The Company, the Union, or the employee having a grievance, dispute or complaint will submit same within fourteen (14) calendar days of learning of the event giving rise to such grievance, dispute, or complaint. The following steps will be followed:

i) Step (1)

The employee, with the Shop Steward (or designate) will take the grievance up with the Supervisor (or designate). If no satisfactory settlement is reached, the grievance may, within ten (10) calendar days be referred to the next step.

ii)Step (2)

The grieving party will submit the grievance, in writing to the other party. Upon receipt of the written grievance, the parties will, within fourteen (14) calendar days, or other time that may be mutually agreed upon, meet and discuss the grievance. The meeting will be between the Company and the Union Plant Committee. If no satisfactory settlement is reached, the grievance may, within ten (10) calendar days be referred to the next step.

Union or Company grievances will be initiated at this step.

iii)Step (3)

The parties will, within thirty (30) calendar days, or other time that may be mutually agreed upon, meet and discuss the grievance. The meeting will be between the Company and Union Plant Committees and the Business Agent and / or the National Representative of the Union. A decision as to the grievance will be rendered in writing and delivered to the grieving party within fourteen (14) calendar days of the meeting.

It is agreed that all termination grievances will proceed directly to Step 3.

iv)Step (4)

Failing settlement of the grievance at this stage the grieving party will notify the other party in writing, within thirty (30) calendar days of the decision that it intends to submit the matter to arbitration.

3. If the grievance has not been advanced within the time limits specified, the grievance will be deemed to be abandoned and all rights of recourse to the grievance procedure will be at an end. It being understood that the time limits between steps may be extended by mutual consent.

ARTICLE 14 ARBITRATION

1. In the event of a dispute arising out of this agreement, or any question in respect of the interpretation of this agreement which cannot be settled to the mutual satisfaction of the parties hereto, such dispute shall be submitted for determination to an arbitrator. Either party shall notify the other party in writing, by registered mail, of the question to be arbitrated.
2. The company and the union will endeavour to agree upon the selection of the Arbitrator. In the event the Company and the Union are unable to agree upon the selection of the Arbitrator, they will apply, within the thirty (30) day period, to have the Arbitrator appointed under the Arbitration provisions within the Labour Relations Code of B.C.

3. After the Arbitrator has been chosen he shall meet and hear evidence of both sides and render a decision within fifteen (15) days after he has concluded his hearings, said decision to be final and binding upon all parties to this Agreement.
4. The parties shall bear in equal portions the fees and expenses of the Arbitrator and rental of any premises used for the hearing.
5. The Arbitrator shall be restricted to interpreting and applying the provisions of this Agreement and shall have no authority to alter, modify, subtract from or supplement them in any way.
6. In the case of discharge, demotion, or suspension which the Arbitrator has determined to have been unjust, the Arbitrator shall order the reinstatement of the employee and may award him back pay or substitute another penalty which the arbitrator considers appropriate. In the case of back pay, should there be any doubt in the opinion of the Arbitrator, the Arbitrator may order all or part back pay as he deems fit.
 - i) The company will not use as evidence a note of a discussion with an employee concerning his performance unless the employee was told at the time of the discussion that a note was being included in his record.
7. In all matters of procedure not covered by the provisions herein, including alternate procedure for the selection of the Arbitrator, the Arbitration Provisions of the Labour Relations Code of B.C. shall apply.

ARTICLE 15 SENIORITY

1. In promotions or layoffs, or recall from layoffs, other things being equal, the principles of seniority will govern. In the event of job elimination, employees will be able to bump into a job classification whose rate is equal to or less than their rate. In the event of curtailment or job elimination, regular truck drivers may be replaced by more senior qualified employees who are listed as relief drivers. However, before a final decision is made by management, management shall confer with the standing committee of the union. In cases of disagreement, the grievance procedure, as laid down in Article 13 and 14 of this agreement shall apply.

With regard to recall from layoff, the most senior employee on layoff who is capable of performing the work available shall be recalled.

With regard to permanent postings, the Company will continue the practice of awarding the job to the most senior employee and providing the training for that individual. For the Dispatcher and Router positions, the postings will be awarded to the most senior employee provided the applicant possesses the knowledge and ability requirements. The Company and the Union will meet to discuss these requirements before any posting goes up. Should the Company and Union be unable to agree on the requirements, the Company will have the right to proceed with the posting and the Union may grieve the requirements under dispute. Should no one in the bargaining unit either apply or qualify for the posting, then the Company may hire externally to fill these bargaining unit positions.

For the position of transport truck drivers, employees who post for this position must pay for the training and take the training on their own time. Upon successful completion of the training, the employee will be reimbursed by the Company. The Company will only pay for one (1), thirty (30) hour driver training course per employee. Employees who are reimbursed by the Company must stay in the position for a minimum of one (1) year, and failure to do so will result in their owing the Company the training costs.

2.
 - a) Effective August 20, 1995, when two (2) or more employees are hired on the same day, their order of seniority will be determined by the alphabetical order of their surnames.
 - b) An employee will be considered probationary until he or she has completed sixty (60) accumulated calendar days with the company. The Company will inform both the probationary employee and the Union, at the earliest opportunity, when the Company believes a new employee's progress may result in the unsuccessful completion of the probationary period. This probationary period may be extended by the Company for an additional thirty accumulated calendar days. Prior to an employee's probationary period being extended, the Union Plant Committee and the employee will be informed, and will be provided with written reasons for the extension.
 - c) In the event of layoff, a probationary employee will be terminated. A probationary employee who is terminated and recalled will receive credit for each period of employment in calculating his sixty (60) day probationary period, and at the completion of the probationary period his plant seniority will be adjusted to sixty (60) days prior to completion.

- d) During the period of April 1 to September 30 each year, summer students may be employed to supplement the regular work force. These summer students shall be designated as “temporary employees”. Such temporary employees shall be subject to all the provisions of this agreement with the exception of seniority and when summer students have not worked forty (40) hours in the work week prior to any Saturday and/or Sunday work, then any hours worked on Saturday and/or Sunday shall only carry the overtime premium rate for hours in excess of eight (8) or forty (40) in the week. In the event of a decrease in the work force “temporary employees” shall be laid off before any reduction is made in the permanent work force. In the event that a temporary employee wishes to obtain permanent status he or she must make application in writing and will be subject to evaluation before being added to the permanent crew.
3. Vacancies above the base rate that are not due to vacations, sick leave or leave of absence, shall be posted on the bulletin boards for a period of 10 calendar days in order that all employees may bid therefore.

Employees who are absent on vacation will be considered for a job posting if the employee has left notice, in writing, with the Company and the Union that he/she would be interested in the posting should it become available during his/her absence.

In the case of an employee who is accepted for a job as a result of a posting for a vacancy, his first thirty (30) days after reporting to the new job will be considered a probationary period. During this period the company might deem it necessary to transfer the employee back to his former job or the employee may elect to do so of his own volition. In either case the employee will be returned to his former job with no loss of seniority rights. In such event, the filling of any vacancies (by posting or hiring) that resulted from the assignment of the employee to the job from which he is being returned will also be reversed.

At any time employees may, after one (1) year in a position and with thirty (30) calendar days written notice to the company, relinquish their posted position. Any employee who takes this action will go to the position of “Warehouseperson” and will be placed on the shift to which their seniority entitles them. It is agreed that for a truck driver the transfer may take up to four (4) months or until a replacement is ready.

4. Temporary Transfers

a) When a temporary vacancy occurs because of an employee's illness, injury, vacation or leave of absence, the temporarily vacant position will be filled by another employee selected on the basis of seniority provided he/she can perform the job without training. If the employee with the most seniority cannot perform the job without training, he/she may apply for special training, at a time mutually convenient to the employee and the Company, to qualify for future temporary transfers.

b) The employee who is temporarily transferred will be paid at the rate of the job to which he/she has transferred or his/her own wage rate, whichever is greater.

c) Temporary, for the purpose of this Section, is defined as less than thirty (30) working days. Temporary vacant positions that extend beyond twenty-nine (29) working days will be posted, under the following provisions:

i) Vacancies will be posted for five (5) working days.

ii) The senior qualified employee will be accepted for the posting and will remain in the position for its duration.

iii) There will not be any probationary period.

iv) Any vacancy created by the award under the posting will be treated as a temporary vacancy, to be filled under paragraph (a) above.

When an employee is on vacation for more than twenty-nine (29) days, their position will not be posted.

When the absent employee returns, they will reclaim their position, and the employee posted to the position during the absence will revert to their former classification and rate.

If an absent employee is accepted for L.T.D. benefits, or it is clear they will not return to the bargaining unit, then the position will be re-posted as per the Collective Agreement, and the employee filling in for the absent employee will revert to their former classification and rate, unless they are the successful bidder.

5. Lay-Off and Recall

The following rules will apply to employees, other than probationary, who are laid off due to shortage of work:

a) An employee who requests and receives his vacation pay for the current period of employment shall be terminated.

The request must be in writing and co-signed by a member of the union plant committee.

- b) Failure of an employee to report for work within one (1) week of notice to his last address reported to and received at the plant shall result in termination of employment with the company. Bona fide reason for failure to report shall not deprive an employee of his recall rights.
- c) Laid off employees shall retain their seniority on the following basis:
 - i) An employee with less than one (1) year of continuous service shall retain seniority for six (6) months from the date of his layoff.
 - ii) An employee with one (1) or more years of continuous service shall retain seniority for one year from the date of layoff plus one (1) additional month for each year of service up to an additional twelve (12) months.
 - iii) Employees may give up their recall rights earlier in exchange for earlier payment of appropriate severance pay.
- d) Medical Services Plan of B.C. and Group Life Insurance coverage continuance:
 - i) Medical Services Plan of B.C., extended health benefits, dental plan, life insurance and accidental death and dismemberment coverage for an employee laid off with more than three (3) months but less than one (1) year of service shall be continued at the employee's option for three (3) months from the end of the period for which deductions have already been made on a cost sharing basis as provided in Exhibit "C", paragraph 5, if the employee pays his portion of the premiums in advance. Benefit plans in existence will be reinstated upon his return to work.
 - ii) Medical Services Plan of B.C., extended health benefits, dental plan, life insurance and accidental death and dismemberment coverage for an employee laid off with one (1) or more years of service shall be continued at the employee's option for six (6) months from the end of the period for which deductions have already been made on a cost sharing basis as provided in Exhibit "C", paragraph 5, if the employee pays his portion of the

premiums in advance. Benefit plans in existence will be reinstated upon his return to work.

- iii) The continued coverage does not include Weekly Indemnity or Long Term Disability.

ARTICLE 16 JOB SECURITY

1.
 - a) The company and the union recognize that technological change, while necessary to the industry, may have an impact on employees. It is the purpose of the following provisions to assist employees in adjusting to the effects of such change.
 - b) Technological change, which term shall include automation, mechanization, and process change, means the introduction of equipment or material of a different nature or kind than that previously utilized, or a change in the operation that is directly related to the introduction of that equipment or material.
2. A joint committee on automation will be established at the plant which shall consist of two (2) persons representing the management and two (2) persons representing the union. It shall be the function of the committee to study the effect of mechanization, technological changes and automation on employment in the plant and to make such recommendations as are agreed upon to the plant manager, to ensure that the interests of the company and of the employees are fairly and effectively protected.
3. The company will advise the appropriate committee as soon as possible, and in any case not less than ninety (90) days before the introduction thereof of mechanization, technological changes and/or automation which the company has decided to introduce and which will result in terminations or other significant changes in the employment status of employees.

The company will advise the appropriate committee or committees as soon as possible and in any case not less than sixty (60) days before the expected date of change of the anticipated time sequence of final installation and production start-up and the anticipated effect on the job status of individual employees.

4.
 - a) In the event that it is necessary, crews will be reduced in accordance with Article 15, Seniority.
 - b) An employee who is set back to a lower paid job because of mechanization, technological change or automation will receive the rate of his regular job at the time of the set

back for a period of six (6) months, and for a further period of six (6) months he will be paid an adjusted rate which will be midway between the rate of his regular job at the time of the set back and the rate of his new regular job. At the end of this twelve (12) month period, the rate of his new regular job will apply.

However, such employee will have the option of terminating his employment and accepting severance pay as outlined in subsection 5(a) below, provided he exercises this option within the initial six (6) month period.

- c) Any employee assigned to an equal or higher rated job because of mechanization, technological change or automation will have the option of terminating his employment and accepting severance pay as outlined in section 5(a) below if the job should prove to be unsuitable, provided he exercises his option within six (6) months of starting on the job.

In case of a dispute concerning suitability of the job, the employee may process a grievance.

- 5. a) An employee with one (1) or more years of continuous service for whom no job is available because of mechanization, technological changes or automation will, upon termination, receive a severance allowance calculated by the following method:

- i) One (1) week's pay for each year of employment during his last period of continuous service, computed on the basis of forty (40) straight time hours at the employee's regular rate, the maximum severance allowance payable being thirty (30) weeks' pay.

At the time of separation the employee shall have the option of receiving his severance allowance on termination, or he may elect to have his severance allowance held in abeyance for up to one year from the date of termination. He may apply in writing at any time during the year, at which time his full severance will be paid forthwith.

Partial years of service will be pro-rated in determining severance entitlement.

- b) Where the right of recall and seniority retention is elected, the employee's severance will be held in abeyance for the duration of his/her recall rights at which time the employee will be terminated and his/her severance will be paid.

Where the employee renounces the right of recall during this period, the employee will be terminated and his/her severance will be paid and all seniority, recall and employment rights will cease. Senior employees within the department may have the opportunity of accepting severance under this article.

- c) Such employees for whom no employment is available will be given at least thirty (30) days' notice of separation.
6. If the Company decides to permanently discontinue a job category the provisions of this Article shall apply. If the job category eliminated should be re-established within one (1) year an employee who receives the benefits of this Article shall have the right to return to his former job with the seniority he would have held had the job category elimination not occurred, unless he has since been terminated.
7. The Company agrees to participate in a program of training or retraining for another job within the operation for those employees who are displaced under the circumstances set forth in this Article.

ARTICLE 17 PERMANENT PLANT CLOSURE

1. Notice: An employee terminated as a result of a permanent planned closure of the plant shall be given a minimum of sixty (60) days' notice of closure.
2. Severance Allowance: Such employees shall be entitled to a severance allowance of one (1) week's pay for each year of employment during his last period of continuous service, computed on the basis of forty (40) straight time hours at the employee's regular rate. Partial years of service will be pro-rated in determining severance entitlement.

ARTICLE 18 VACATIONS

1. Entitlement

Subject to the requirements of this Section, every employee is entitled to a vacation and vacation pay as follows:

An Employee who is on the payroll on January 1 st , who has been continuously employed during the qualifying period, and who has:	Length of Vacation	Vacation Pay being the greater of:	
		% of the total wages earned by the employee during the preceding vacation period	or hours pay at the hourly rate of the employee's regular job
a) Been employed for less than one year and does not qualify under (b) below	¼ day for each full week of actual work performed during the preceding vacation period provided no vacation of less than one day will be granted	4 ½ % or	Nil hours
b) Been employed for less than one year but has worked not less than 1,500 hours during the preceding vacation period Or Been employed for not less than one year and who has worked not less than 1,200 hours during the preceding vacation period. The following hours will count as hours worked for the purpose of qualifying for a vacation: Vacations; Supplementary Vacations; Statutory Holidays; Jury/or Witness Duty; Bereavement Leave; First Aid Leaves; and Banked Days off	2 weeks	4 ½ %	80 hours
c) Qualified for his 2 nd vacation under this agreement;	3 weeks	6 ½ %	120 hours
d) Qualified for his 7 th vacation under this agreement;	4 weeks	8 ½ %	160 hours
e) Qualified for his 15 th vacation under this agreement;	5 weeks	10 ½ %	200 hours
f) Qualified for his 24 th vacation under this agreement;	6 weeks	12 ½ %	240 hours
g) Qualified for his 30 th vacation under this agreement;	7 weeks	14 ½ %	280 hours

2. Payment on Termination:

In the event an employee's employment terminates either before he becomes entitled to a vacation with pay, or being entitled to it, before he takes it, he shall be paid on termination 4½%, 6½%, 8½%, 10½%, 12½%, or 14½% (depending on which category described above the employee belongs) of his wages earned during the period of employment ending with his termination in respect of which no vacation or vacation pay to which he remains entitled has been paid or taken.

3. General Rules

- a) The vacation period is January 1 to December 31. It is agreed that the Company and Union will meet no later than November 15th to discuss any issues related to the vacation selection process. The Company will then endeavour to start the vacation selection process with the intent being that the process is completed before January 15th of the next year.
- b) Vacations with pay provided in accordance with subsection 1 above for employees in category (a) may not be counted when determining whether an employee has qualified for the vacations provided under subsection 1 for employees in categories (c), (d), (e), (f) or (g).
- c) Except as provided in Section 4(d) below, vacations with pay are not cumulative and must be taken during the vacation period.
- d) A vacation with pay provided under Section 1 for employees in category (a) may be taken during the vacation period in which the entitlement thereto is established or during the next following vacation period.
- e) No employee may continue to work and draw vacation pay in lieu of taking the vacation.
- f) The allocation of vacation times is to be decided by the Company. Such allocation will be done separately for 1) Drivers/Transport Drivers and 2) all other classifications, with employee preferences considered on the basis of plant seniority. However, the Company will endeavour by discussion with the employees or the union, to arrange vacations to suit the employees' wishes.
- g) Time not exceeding one year, lost as the result of an accident recognized as compensable by the Workers' Compensation Board, suffered during the course of employment, shall be

considered as time worked for the purpose of qualifying for vacation.

- h) Time not exceeding one year, lost as the result of a non-occupational accident, illness, or approved maternity leave, shall be considered as time worked for the purpose of qualifying for vacation provided that at the time of the accident or illness or commencement of maternity leave, the employee has been on the payroll for not less than one (1) year and returns to employment. It is understood that the employer may require that the employee provide a certificate from a qualified medical practitioner.
- i) Time lost as the result of layoff shall not be considered as time worked for the purpose of qualifying for a vacation.

4. Computation of Vacation Pay

Where an employee's vacation pay for the current year is to be computed as a percentage of his "total wages earned" in the previous year, such "total wages earned" shall include the amount of vacation pay the employee received in the previous year.

5. Employees who qualify for seven weeks vacation shall bank the seventh week. The bank shall be paid out at retirement. Employees who qualify for five or six week's vacation shall have the option of having the fifth and / or sixth week of vacation paid out on a yearly basis. Employees must notify the Company by November 15 of each year if they wish the vacation to be paid out. The vacation will be paid out in January of the following year.

ARTICLE 19 SAFETY

The union undertakes to promote safety education among their members in an effort to overcome accidents.

Employees and the Company are to comply with established safety rules. Employees will not be expected to operate with unsafe equipment or under unsafe working conditions. Employees are expected to report immediately any unsafe equipment.

The local union and the Company shall co-operate in selecting one (1) or more safety committees, which will meet at least once a month to consider all safety problems.

An employee who has reasonable cause to believe that an unsafe condition exists, may refuse to work under such conditions without being subject to discipline.

The Company will provide a safety footwear allowance of one hundred dollars (\$100) per contract year to employees who purchase approved safety footwear and who provide receipt of proof of purchase.

Employees who provide medical verification of the need for orthopaedic safety footwear shall be provided a safety footwear allowance of one hundred and twenty dollars (\$120) per contract year upon receipt of proof of purchase.

ARTICLE 20 BEREAVEMENT LEAVE

1. When death occurs to a member of a regular full-time employee's immediate family, the employee will be granted an appropriate leave of absence and he shall be compensated at his regular straight time hourly rate for hours lost from his regular schedule for a maximum of three (3) days. Such leave is not to be deferred nor used for any other purpose.
2. Members of the employee's immediate family are defined as the employee's spouse, mother, father, brothers, sisters, sons, daughters, mother-in-law, father-in-law, step parents, step children, grandparents and grandchildren, sons-in-law, daughters-in-law, brothers-in-law and sisters-in-law only.
3. Compensable hours under the terms of this article will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holiday, but will not be counted as hours worked for the purpose of computing overtime.

ARTICLE 21 JURY DUTY

1. Any regular full-time employee who is required to report for jury duty including coroner's inquest or who is required to appear as a Crown witness, on a day on which he would normally have worked, will be reimbursed by the Company for the difference between the pay received for jury duty or witness duty and his regular straight time hourly rate of pay for his regular scheduled hours of work necessarily lost. It is understood that such reimbursement shall not be for hours in excess of eight (8) per day or forty (40) per week, less pay received for jury or witness duty. The employee will be required to furnish proof of jury or witness service and jury duty or witness pay received.
2. Hours paid for jury or witness duty will be counted as hours worked for the purpose of qualifying for vacations and for recognized paid holidays but will not be counted as hours worked for the purpose of computing overtime.

ARTICLE 22 WAGE SCHEDULE

Effective October 22

	2008	2009	2010	2011
WAREHOUSE PERSON (<i>End Rate</i>)	\$23.99	\$24.47	\$24.71	\$24.96
PUT AWAY/REPLENISHMENT DRIVER	\$23.99	\$24.47	\$24.71	\$24.96
TRANSPORT TRUCK DRIVER RECEIVER	\$24.38	\$24.87	\$25.12	\$25.37
GUILLOTINE OPERATOR	\$25.17	\$25.67	\$25.93	\$26.19
DISPATCHER	\$24.38	\$24.87	\$25.12	\$25.37
ROUTER	\$25.34	\$25.85	\$26.11	\$26.37
DOCK PERSON	\$25.45	\$25.96	\$26.22	\$26.48
	\$25.45	\$25.96	\$26.22	\$26.48
	\$23.99	\$24.47	\$24.71	\$24.96

The starting wage rate for employees hired during the term of October 2005 to October 2008 Collective Agreement will be \$15.00 per hour. The rate will increase by \$1.00 per hour for each 1,000 hours worked until the employee reaches the end rate.

The starting wage rate for employees hired after the date of ratification for the October 2008 to October 2012 Collective Agreement shall be \$15.00 per hour. The rate will increase by \$0.75 per hour for each 2,000 hours worked, for the first 8,000 hours worked; and then \$1.25 per hour for each 2,000 hours worked for the next 4,000 hours worked; and then \$1.75 per hour for each 2,000 hours worked for the next 4,000 hours worked; and then the employee receives the final increase after 1,000 hours worked in order to reach the end rate (i.e. the employee reaches the end rate in 8.5 years working 2,000 hours per year).

Put-Away / Replenishment Workers: Where possible, when work activities require the reassignment of Put-Away / Replenishment Workers to do order picking the reassignment will be based on seniority

Summer Students will receive a rate of \$3.00 less than the posted rate for the job category.

First Aid Attendants: An employee who is designated by the Company to be the First Aid Attendant on shift will receive this following sum for each hour worked:

- Level 3 certificate - occupational rate plus \$0.65 per hour
- Level 2 certificate - occupational rate plus \$0.65 per hour
- Level 1 certificate - occupational rate plus \$0.45 per hour

Relief First Aid Attendants: An employee who holds a valid B.C. Industrial First Aid Ticket who is not acting as the designated first aid attendant on shift will receive a premium of \$0.15 per hour for each hour worked. This premium will not be added to the wage rates for the purpose of calculating overtime.

When acting as relief designated first aid attendant, the appropriate first aid attendant rate will be paid in place of this premium.

Pay Schedule. The Company reserves the right to change to a revised bi-weekly (every two weeks) payroll schedule. Fifteen (15) days advance notice will be given prior to the exercise of this option. In no case will employees go longer than two (2) weeks without a paycheque.

ARTICLE 23 NIGHT SHIFT DIFFERENTIAL

1. A differential of forty (40) cents per hour shall be paid for all hours actually worked, whether at straight time or overtime, between the hours of 2:30 p.m. and 11:00 p.m. or between the hours nearest to 2:30 p.m. and 11:00 p.m. which are the scheduled hours of starting and stopping the regular afternoon shift.

A differential of sixty (60) cents per hour shall be paid for all hours actually worked, whether at straight time or overtime, between the hours 10:30 p.m. and 6:30 a.m. or between the hours nearest to 10:30 p.m. and 6:30 a.m. which are the scheduled hours of starting and stopping the regular graveyard shift.

When such hours are worked as part of a regular day shift, no differential shall be paid.

2. Such differential shall be paid in addition to an employee's regular rate of compensation, but it is not to be added to the wage rates for the purpose of calculating overtime.

ARTICLE 24 OVERTIME

1. Employees shall be entitled to receive overtime pay for time worked on the following basis:
 - a) Time and one-half for work in excess of forty (40) hours per week.
 - b) Time and one-half for the first three (3) hours worked in excess of eight (8) hours in a day and double time thereafter.

- c) Time and one-half for the first twelve (12) hours on Saturday and double time thereafter.
- d) Time and one-half for the first twelve (12) hours and double time thereafter for work performed on designated days off.
- e) Double time for all work performed on Sundays and holidays.

In the payment of overtime on the basis provided above, the one basis which results in payment of the largest amount of overtime shall be used.

- 2. The employee has the right to voluntarily agree to work or refuse to work overtime. If the employee agrees to work he/she will be expected to report to work for those hours agreed to.
- 3. If conditions make it essential to work overtime and the Company is unable to obtain sufficient qualified workers, then the Company will notify the Union representative(s) on shift in order to obtain adequate staff.
- 4. All employees may elect to participate in a Deferred Overtime Plan as outlined in Appendix 1 attached. This provision shall be deleted effective December 31, 2009. Any hours an employee has accumulated to this point will either be paid out or taken as time off, at the employee's option. Should an employee elect to schedule time off, it must be scheduled by May 1, 2010. Any unused deferred overtime not taken by December 31, 2010 shall be paid out.

ARTICLE 25 MEAL HOUR

Any employee required to work more than two (2) hours beyond the end of his regular scheduled eight (8) hour shift or who is required to report for work more than two (2) hours before the start of his regular scheduled eight (8) hour shift, and who is expected to work more than ten (10) consecutive hours shall be granted a meal allowance of twelve (12) dollars.

ARTICLE 26 WELFARE PLAN

It is understood and agreed that the company will make available to all employees as defined in Article 7 of this agreement, the Welfare Plan, as defined in Exhibit "C" of this Labour Agreement including any amendments that may be negotiated from time to time. It is further agreed that the effective date of these negotiated changes will be

consistent with the dates shown in this Unisource Canada Annacis Distribution Centre Labour Agreement.

ARTICLE 27 PENSION PLAN

1. Each employee as defined in this agreement shall participate in the Pulp and Paper Industry Pension Plan as set forth in the B.C. Standard Labour Agreement.
2. Contributions will be made by the Company to the Pulp and Paper Industry Pension Plan in accordance with the terms of the B.C. Standard Labour Agreement.
3. The contribution levels will be as follows:

Company 10%

Employee 8%

Retiree Bridging

4.
 - a) For the term of the labour agreement, there will be available a Term Annuity Benefit which will be funded by the Company in a manner selected by the Company.
 - b) This benefit will be available to those employees who request it and who choose to retire early from active employment commencing at age 61, and up to, but not including age 65. The benefit payable under this provision will be eighteen (18) dollars per month per year of service and credited on the same basis as under the terms and conditions of the Pulp and Paper Industry Pension plan.
 - c) Payment under this provision will cease at the end of the month immediately preceding the month in which the employee who selects to retire early under this provision attains age 65 or dies, whichever occurs first. Should an employee return to work after commencement of this provision, the payment will be handled on the basis as the present benefit is handled under the terms of the plan text.
 - d) Employees who retire after the date of ratification will be eligible for a bridge benefit of nineteen (\$19) dollars per month per year of service. This benefit shall be made available commencing at age sixty (60). In addition, those employees who choose to retire at age fifty-five (55) or later after the date of ratification, will have access to the bridging benefit paid by the Company when they reach age sixty (60). It is understood that it will be the retired employee's responsibility to contact the Company 30 days prior to becoming eligible for the bridging. Retroactive payments will not be made available to retired employees

who fail to notify the Company prior to attaining age sixty (60).

ARTICLE 28 LEAVE OF ABSENCE

1. Union and Public Office

The Company agrees that it is proper to grant leave to employees who have been elected or appointed to office in the Union, or who have been nominated, elected or appointed to Federal, Provincial, Municipal or Aboriginal office. However, it is not the intention of the Company to grant life-time leaves of absence.

An employee appointed or elected to full time office in his union, or to Federal, Provincial, Municipal or Aboriginal office, shall be granted as much leave as is necessary during the term of such office.

Seniority shall accumulate during the period of an employee's leave of absence.

2. First Aid Certificate

A first aid attendant authorized by the Company to attend classes for obtaining, renewing or upgrading a first aid ticket will be compensated for lost regular straight time earnings.

3. Maternity and Parental Leave

a) At the time of the birth or adoption of a child, the employee shall be granted an appropriate leave of absence in accordance with the Employment Standards Act of B.C.

b) The Company will grant extended maternity leave without pay to female employees to a maximum of six (6) weeks in excess of that provided in the Employment Standards Act where there is a valid and documented medical reason applicable to the health or well-being of the mother and/or child.

4. Other Leave

Granting of leave is a matter between the employees and the plant management. The Company will consider length of service and will endeavour to arrange leave of absence to suit the employee's wishes. Employees with ten or more years of service will be given special consideration.

IN WITNESS WHEREOF, we, the undersigned, have, as the accredited representatives of the respective parties to this agreement, hereunto set our signatures.

UNISOURCE CANADA, INC.
ANNACIS DISTRIBUTION CENTRE

COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA,
LOCAL #433

The Communications, Energy and Paperworkers Union of Canada hereby sanctions and approves this agreement and recognizes that the said agreement is made between the union and the Company and hereby agrees to carry out all of the duties imposed upon the national by the Company and the union.

V. Lukacs, Representative

Attachments: Exhibit "C" - Welfare Plan
Statements of Policy
Letters of Understanding 1, 2, 3, 4, 5 ,6 and 7

EXHIBIT “C” – WELFARE PLAN

This Exhibit “C”, including Schedule 1 which is attached hereto and forms part hereof, sets forth the respective rights and obligations of the Company and its employees, under the Welfare Plan which the Company has established pursuant to Article 26 of this Labour Agreement.

1. Compliance

- a) The Company will comply with the terms and conditions set forth in this Exhibit “C” and provide the coverages required therein.
- b) The coverages shall be subject to the limitations in the contracts of the selected carrier or carriers.

2. Waiting Period

All full-time employees who are actively working and have completed six (6) months service are eligible for the coverage except for the B.C. Medical Plan which will be effective the first of the month following date of hire.

All employees shall join the Welfare Plan, as a condition of employment, when they become eligible.

3. Union Welfare Committee – Management Welfare Committee

A union welfare committee shall be appointed and shall meet with a management welfare committee with respect to questions which may arise concerning the operations of the Welfare Plan. The union welfare committee shall consist of three (3) members, who shall be selected by the union from participating employees who are working in the plant at the time of appointment to and while serving on such committee. The Company shall appoint a management welfare committee consisting of four (4) members.

The Company agrees to furnish to the committee such statistical reports as the committee may require.

4. Changes in Classification

The regular wage rate of the employee in effect on December 1 and June 1 will determine his entitlement to Group Life and Accidental Death and Dismemberment coverages as outlined in the schedule contained in Exhibit “C”. Where an employee’s regular duties consist of more than one job, his regular rate shall be deemed to be the average of the rates applicable to such jobs.

5. Costs

Net costs of the coverages and benefits made available to participating employees under the Welfare Plan will be shared between the Company and the said employees in accordance with the following:

Group Term Life Insurance	Company 100%
Accidental Death and Dismemberment Insurance	Company 100%
Medical Surgical Coverage	Company 100%
Extended Health Benefit	Employee 20% Company 80%
Dental Plan	Company 100%
Non-Occupational Accident & Sickness Insurance	Employee 30%; Company 70%
Long Term Disability Benefit	Employee 100%

6. Reporting Period

The reporting period will be December 1 to November 30 each year. Such reports will be submitted to the welfare committee not later than March 1st of each year. The committee shall distribute copies of the reports to the local union concerned.

7. Changes in Premiums

It is understood that any change in respect of the rate charged by the carrier may only be made effective as of April 1 in any year.

8. Distribution of Surplus

It is understood that a surplus accumulation, if any, will be used only for the purpose of reducing premium costs.

Surplus accumulations must be disposed of within reasonable time limits. Questions in this respect will be referred to the welfare committee for decision.

9. Optional Payments Under Life Insurance

In any case where the existing company plan provides optional methods of payment to the beneficiary under the life insurance program, such policy provisions will remain in effect.

10. Disputes

No dispute arising out of the operation, administration or interpretation of any coverage contract between the Company and the carrier shall be subject to the Adjustment of Complaints procedure of this labour agreement. Any such dispute shall be adjudicated under the terms of such coverage contract.

11. Disputed Workers' Compensation Board Claims

If any employee covered by the Welfare Plan suffers a disability, payment for which is in dispute with the Workers' Compensation Board, weekly indemnity

payments under the Welfare Plan will be paid retroactively as set forth in this Exhibit if requested by the employee and provided he has been off work for at least two (2) weeks due to the disability without the Workers' Compensation Board having accepted the claim.

In cases where the W.C.B. has accepted a claim for medical costs but there is a dispute existing over time loss benefits, weekly indemnity payments under the Welfare Plan will be available after an independent medical by a physician of the insurance carrier's choice has confirmed the employee's disability.

If the Workers' Compensation Board claim is subsequently established the employee will then repay the weekly disability payment received to the appropriate fund or insurance company.

12. Negotiated Changes in Benefits

In the case of an employee who is on active claim arising from a disability which occurred before a negotiated change in benefits and which continues thereafter, the said employee shall, as from the effective date of the negotiated change, be paid the changed Weekly Indemnity Benefit, be covered for the changed Group Term Life Insurance and Accidental Death and Dismemberment Insurance, and make the changed contributions.

13. Coverage During Leave of Absence

- a) Employees on authorized leave of absence under Article 28, Subsection 1 for Local Union business will have their Welfare Plan continued for a period of up to one year.

After one (1) year the Welfare Plan may be continued for the duration of the leave of absence upon payment of the full premium by the employee.

- b) Group Term Life Insurance, Accidental Death and Dismemberment Insurance, Medical-Surgical Coverage, EHB, and Dental coverage for employees on authorized leave of absence for extended vacation purposes will be provided up to a total of three (3) months in any one calendar year.

14. Common-Law Dependent Coverage

It is agreed that an employee's common-law spouse and children who are dependent upon the employee will be recognized with respect to the Welfare Plan.

15. Surviving Spouse and Dependent Children

Where a surviving spouse and dependents of a deceased employee are not covered by such plans by reason of their own employment, the Company will extend the coverage under Medical-Surgical Plan, the Extended Health Benefit

Plan and the Dental Plan for a period of three (3) months, commencing on the first of the month following the month in which the death occurs.

16. The Company shall reimburse employees the cost of all light duty forms. Reimbursement will not apply in those circumstances where the costs associated with light duty forms is covered by Worksafe BC.

SCHEDULE "1" - WELFARE PLAN COVERAGES

The Company undertakes to amend the appropriate section of the insurance coverage contract with respect to the duration of pregnancy coverage.

The change will provide for coverage for medical complications to mother or unborn child during pregnancy to the extent that the present limit of fifteen (15) weeks coverage under the plan will be eliminated and the revision will provide for benefits to be paid for the period up to but not including the ten (10) weeks before delivery and the six (6) weeks after delivery, and for such periods beyond that time to a limit of fifty-two (52) weeks.

In other words, the weekly indemnity plan will pay benefits for such medical complications so that in combination with E.I. maternity benefits the employee will receive fifty-two (52) weeks of total benefit, if required.

a) **Group Term Life Insurance**

The Welfare Plan will include group term life insurance coverage for all eligible employees in the amount of \$70,000. This benefit will be payable on a twenty-four (24) hour coverage basis.

Benefits will be payable as a result of death, from any cause on a twenty-four (24) hour coverage basis.

b) **Accidental Death or Dismemberment Insurance**

The Welfare Plan will include accidental death or dismemberment insurance coverage for all eligible employees in the amount of \$70,000. This benefit will be payable on a twenty-four (24) hour coverage basis.

Dismemberment and paralysis insurance benefits of the Welfare Plan will be in accordance with the schedules offered by the particular carrier involved, such coverage to be on a twenty-four (24) hour basis.

c) **Non-Occupational Accident and Sickness Insurance**

Weekly indemnity benefits will be 66 & 2/3% of the employees regular straight time rate for forty (40) hours per week, for a maximum of fifty-two (52) weeks during any one period of disability. Weekly indemnity benefits will be payable beginning with the first day of disability caused by non-occupational accident and beginning with the fourth day of disability caused by non-occupational sickness except that in those cases of non-occupational sickness which result from the claimant being hospitalized, and in those cases where surgery is performed

which necessitates loss of time from work, the said weekly indemnity benefits will be payable beginning with the first day of sickness.

An employee receiving benefits under this insurance or Workers' Compensation shall not be entitled to receive vacation pay during the same period unless the employee has been off work for more than four (4) months or in the event such vacation pay represents the balance owing to an employee at the end of a vacation year.

Income tax shall be deducted from Weekly Disability Payments on a single status basis. Employees who wish tax deducted on some other basis may make arrangements by contacting the Industrial Relations Department.

d) Medical Surgical Coverage

The present B.C. Medical Plan or comparable medical-surgical coverage will be maintained for the term of this agreement as provided in Exhibit "C", paragraph 5.

e) Standard Extended Health Benefit Plan

i) The standard extended health benefit plan as provided by Medical Services Association as at September 1, 1981, will be implemented as outlined in "Your Group Benefits" dated September 1, 1995 (as attached).

ii) Incorporate the co-insurance rate for hospitalization into the Extended Health Benefit Coverage to a maximum of \$8.50 per day.

ii) The Plan will be amended to provide payment up to a maximum of \$225.00 for employees and eligible dependents in any 24 consecutive month period, for charges incurred relative to the purchase of lenses and frames or contact lenses when prescribed by a person legally qualified to make such prescription; provided, however, that if the eyeglasses are for an employee for use while working in a mill they must be safety lenses and frames.

iii) Life time maximum coverage - \$100,000.

f) Out of Province Travel Plan

When in the opinion of the attending physician and attending specialist a medical procedure is required that is not available in B.C., and is one for which the Medical Services Plan of B.C. will accept financial responsibility, the cost of travel and accommodation to the limits specified below will be paid for by the Plan. Where the attending physician specified that an attendant is required, the travel and accommodation expenses for such person will be paid to the limit specified.

The maximum limit under any one claim will be the return economy airfare or equivalent for patient and attendant, plus accommodation expenses up to a

maximum of \$1,500.00. Receipts will be required and forwarded with the claim form prescribed by the Carrier.

This benefit will not stack on top of or duplicate existing provisions under local medical travel benefit or government plans.

g) Long Term Disability Plan

The Welfare Plan will include a Long Term Disability Plan which will provide the following:

- i) The Plan will become effective September 1, 1978 and will only apply to non-occupational disabilities.
- ii) Benefits and other terms and conditions of the plan will be established pursuant to the general principles set forth in the Long Term Disability Plan Summary for Unisource Canada, Inc., Industrial Products.
- iii) The union accepts the foregoing Long Term Disability Plan as payment in kind of the employees' share of the reduction in the employment insurance premium resulting from the qualification of the Weekly Indemnity Plan under Employment Insurance regulations.

Long Term Disability Plan Summary for Unisource Canada, Inc.,
(Industrial Products)

1. Eligibility

- a) Hourly employees who are working full-time for full pay. Minimum hours worked no less than thirty (30) per week.
- b) Coverage to commence after six (6) months of service.
- c) Enrolment in the Plan to be compulsory.
- d) Must be actively at work, full-time and for full pay on date coverage commences.
- e) With respect to employees who are actively at work and who have completed six (6) months of employment as well as employees who are in receipt of either Weekly Indemnity or Long Term Disability Benefits from former industry plans coverage will commence on the date the plan is implemented.

2. Level of Benefit

- a) For employees who qualify for commencement of Long Term Disability Benefits prior to September 1, 1981 - 50% of regular weekly earnings calculated at forty (40) times the disabled employee's hourly straight time job rate at date of onset of

disability. (Note: Not to include negotiated increases or retroactive adjustments.)

- b) For employees who qualify for commencement of Long Term Disability Benefits after September 1, 1981 - 50% of regular weekly earnings calculated at forty (40) times the disabled employee's hourly straight time job rate at date of onset of disability plus any negotiated increases to that hourly straight time job rate at date of onset of disability plus any negotiated increases to that hourly straight time rate which would take place during the Elimination Period.

3. Elimination Period

Benefits commence after the employee has been totally and continuously disabled for fifty-two (52) weeks or has exhausted his weekly indemnity benefits whichever occurs last.

4. Maximum Duration of L.T.D. Benefit Payments

- a) There will be a minimum of sixty (60) months of benefit payment for persons with sixty (60) or less months of service.
- b) Additional benefits will be paid on the basis of one (1) month for each two (2) months of continuous service beyond the sixty (60) months' service with the member pulp and paper company up to the date of onset of disability.
- c) For new claims that commence after September 1, 1988, benefits will be paid to age sixty (60) as a minimum if the employee does not have sufficient service to carry him further under b) above. At the point when he runs out of L.T.D. benefit, he will retire.
- d) Benefit payment will not be paid beyond age sixty-five (65) and in all cases, will cease on recovery.

5. Definition of Total Disability

- a) The disabled employee's inability to perform the duties of his own occupation for the first twenty-four (24) months of L.T.D. disability payments and thereafter his inability to perform the duties of any occupation for which he is qualified by education, training or experience.
- b) During a period of disability the disabled employee must be under the regular care and attention of a medical doctor, or in cases of disability arising from a mental or nervous condition, a psychiatrist.

6. Integration with Other Disability Income

- a) The benefit from this Plan combined with all other disability income to which the disabled employee is entitled will not exceed 70% of the employee's basic wage at date of disability.

All other disability income will include: CPP/QPP primary disability pension benefits, Workers' Compensation, disability income from a group or association plan, disability income arising out of any law or legislation, and wage continuation or pension plan of any employer including the Pulp and Paper Industry Pension Plan. Private or individual disability plan benefits of the disabled employee will not reduce the benefit from this Plan.

- b) Increases in CPP/QPP disability pensions or Workers' Compensation disability pensions that result from increases in the Canadian Consumer Price Index and which occur after the date disability payments from this plan commence, will not further reduce the benefits from this plan.

7. Rehabilitative Employment

- a) During a period of total disability under this Plan, a disabled employee may engage in rehabilitative employment in which case the benefit from this Plan will be reduced by 50% of the employee's rehabilitative employment income that exceeds fifty (50) dollars per month. The benefit from this Plan will be further reduced by the amount that remuneration from rehabilitative employment plus the benefit from the L.T.D. plan exceeds 75% of the employee's basic wage at date of disability.
- b) Rehabilitative employment shall mean any occupation or employment for wage or profit or any course or training that entitles the disabled employee to an allowance, provided such rehabilitative employment has the approval of the employee, and his doctor in consultation with the underwriter of the L.T.D. Plan.
- c) Rehabilitative employment will be deemed to continue until such time as the employee's earnings from rehabilitative employment exceeds 75% of his straight time earnings at date of disability but in no event for more than 24 months from the date rehabilitative employment commences.

8. Exclusions

Disabilities resulting from the following are not covered:

- a) War, insurrection, rebellion or service in the armed forces of any country.
- b) Participation in a riot or civil commotion.
- c) Intentionally self-inflicted injuries.

- d) Pregnancy, childbirth, miscarriage or abortion. Severe complications following termination of pregnancy will however be covered.

9. Pre-Existing Conditions

To be applicable to employees hired after the effective date of the plan. A disability that results from an accident, illness, mental or nervous disorder for which the employee received treatment or medical supplies within the 90 day period prior to joining the plan will not be covered unless the employee has completed 12 consecutive months of employment during which he was not absent from work from the aforementioned accident, sickness or mental disorder.

10. Successive Disabilities

A subsequent disability that is related to a previous disability and occurs within six months of an employee's return to work will be considered a continuation of the previous L.T.D. disability and the employee will not be eligible for W.I. benefits. The employee under these circumstances will be eligible to receive benefits without the necessity of completing another elimination period.

11. Termination

Coverage will cease:

- a) On termination of employment
- b) On a date 52 weeks prior to an employee's 65th birth date.
- c) On the date leave of absence commences except as provided for in the Collective Agreement.
- d) On the date an employee is laid off except when an employee has requested continuation of coverage in accordance with Section 6 of Article XXI of the B.C. Standard Labour Agreement, in which case coverage under this plan will continue only for the periods specified in the aforementioned Sections of the Agreements. In the event an employee becomes totally disabled while covered by this plan under this provision, the elimination period will commence on the date such an employee is scheduled to return to active full-time employment.

Employees who have sufficient seniority and who request continuation of coverage under this plan during a period of layoff will be required to pay their portion of the plan premium.

12. Contributions

- a) Cost to be 100% employee paid.
- b) Contributions are to be waived when an employee is in receipt of L.T.D. payments.

13. Conditions for Implementing the Plan

- a) The Long Term Disability Plan is payment in kind of the employee's share of the reduction in the Unemployment Insurance Premium resulting from the qualification of the Weekly Indemnity Plan under the Unemployment Insurance Regulations. The full U.I.C. premium reduction including the employee 5/12 share will be retained by the employer.
- b) When an employee becomes totally disabled under this plan he will be paid any outstanding entitlement with respect to vacations, supplementary vacations, statutory holidays, and banked overtime.

Upon commencement of L.T.D. benefits all terms and conditions of the Collective Agreements will become inoperative except where provided for in Article 13-c-ii, c-iii and c-iv of this Plan Summary.

- c) The following will also pertain:
 - i) Negotiated wage increases or subsequent increases in plan benefits will not affect employees on L.T.D. benefit.
 - ii) Employees in receipt of L.T.D. benefits from this plan will continue to accrue credit under the Pulp and Paper Industry Pension Plan provided such employees are not in receipt of a disability pension under the Pulp and Paper Industry Pension Plan.
 - iii) Employees in receipt of disability payments from this plan will continue to be covered under his employer's medical, extended health and dental plans. Coverage under the employer's group life and A.D & D. plans will also continue in accordance with the conditions of those plans.

For employees who commence receipt of disability benefits under the L.T.D. Plan on or after September 1, 1988, the premium waiver provisions for Group Life will end at the earlier of retirement or termination of L.T.D. disability benefits.

- iv) An employee returning to work from an L.T.D. claim will return to a job that his seniority, qualifications and ability to perform the work properly entitle him to.
 - v) Active claims as referred to in Section 12 of Exhibit C of the Labour Agreement between Unisource Canada, Inc., Annacis Distribution Centre, and the Communications, Energy and Paperworkers Union of Canada, Local 433, will
 - vi) be defined as that period of time during which an employee is in receipt of W.I. payments only.
- h) Dental Plan:
- a) Benefits
 - i) Diagnostic Services

All necessary procedures to assist the dentist in evaluating the existing conditions to determine the required dental treatment, including:
Oral examinations
Consultations
X-Rays (complete mouth x-rays will be covered only once in a three year period.)
 - ii) Preventative Services

All necessary procedures to prevent the occurrence of oral disease, including:
Cleaning and scaling
Topical application of fluoride
Space maintainers
 - iii) Surgical Services

All necessary procedures for extractions and other surgical procedures normally performed by a dentist.
 - iv) Restorative Services

All necessary procedures for filling teeth with amalgam, synthetic porcelain, and stainless steel crowns. Gold inlays or onlays will be provided as a filling material only when teeth, in the professional opinion of a dentist, cannot be restored with any of the above materials. Gold foil will be provided only in cases of repair to pre-existing gold restorations.

- v) Prosthetic Repairs
All necessary procedures required to repair or reline fixed or removable appliances.
- vi) Endodontics
All necessary procedures required for pulpal therapy and root canal filling.
- vii) Periodontics
All necessary procedures for the treatment of tissues supporting the teeth.
- viii) Prosthetic Appliances and Crown and Bridge Procedures
 - a) Crowns and bridges.
 - b) Partial and/or complete dentures, but not more than once in five years.
- ix) Orthodontics
The services of a certified orthodontist registered as such by the College of Dental Surgeons of British Columbia only after the patient has been covered continuously for twelve (12) months. Appliances lost, broken or stolen will not be replaced.

These services are available for the employee, the employee's spouse and dependent children. However, dependent children will be covered to their 19th birthday only.

The maximum lifetime benefit is \$2,100.00 per person for all services provided by an Orthodontist.

b) Co-Insurance

- i) With respect to benefits (i) to (vii), the plan will provide reimbursement of 80% of eligible expenses.

Benefits (viii) and (ix) will be subject to 50% co-insurance.
- ii) The insurance carrier will make payment on behalf of the employee to the dentist rendering services, or at the dentist's option make payment to the

member for covered dental services in accordance with the terms of the dental plan.

STATEMENT OF POLICY

Clarification of Work Performed by Supervisors and other Non Bargaining Unit Employees

The union and employer recognize that salaried supervisors and other non – bargaining unit employees are excluded from the provisions of the labour contract, and accordingly, it is improper for salaried supervisors and other non – bargaining unit employees normally to do the kind of work which is done by those defined as employees in the contract.

It is also recognizes that from time to time Supervisors and other non bargaining unit employees of the Company may be required to perform the kind of work that is normally performed by those defined as employees in the contract to respond to emergency situations or training. Such occasions must be temporary in nature and must not result in the displacement or exclusion of employees under the contract.

Bonding

If, at any time, the employer requires any employee hereunder to be bonded, it is agreed that the employer shall then request the employee to fill in an application to a recognized bonding firm selected by the employer. It is further agreed that the costs of such bonding shall be paid by the employer.

LETTER OF UNDERSTANDING NO. 1

Six Day Operations

If during the term of the collective agreement, the requirements of the business make it necessary to operate the Annacis facility on a regular six day basis, a new work schedule shall be developed. As soon as practical, the Company and union committee shall meet to try to develop a mutually agreeable work schedule which includes Saturday as a regular work day. Hours worked on a Saturday, as part of a regular shift, will be paid at straight time rates. The amended work schedule will apply to a limited number of employees. Should the Company and Union be unable to agree on the terms of a Six Day Week, the Company will have the right to implement the shift, and the Union will have the right to grieve individual provisions of the shift it finds objectionable.

Dated this _____ day of _____, 20_____.

UNISOURCE CANADA, INC.
ANNACIS DISTRIBUTION CENTRE

COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA,
LOCAL #433

LETTER OF UNDERSTANDING NO. 2

Mutual Changes

Employees may trade shifts by mutual agreement with the advance approval of the Company provided such change shall not involve additional cost to the Company.

Dated this _____ day of _____, 20_____.

UNISOURCE CANADA, INC.
ANNACIS DISTRIBUTION CENTRE

COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA,
LOCAL #433

LETTER OF UNDERSTANDING NO. 3

Hours of Work

The Company and Union agree to abide by Article 6 of the Collective Agreement except that:

1. With seven (7) calendar days written notice to any affected employee, the Company can change the day, mid-day, afternoon, and/or graveyard shift, by advancing or retarding the start time by one (1) hour. This will not affect the number of total hours worked by an employee on each shift (i.e. – if the start time for the day shift is advanced by one (1) hour then the quit time for the day shift will also be advanced by one (1) hour). Notwithstanding the preceding provisions of this paragraph, the starting time may be as late as 9:00 A. M. for a maximum of either two (2) drivers; two (2) transport drivers; or one (1) driver and one (1) transport driver.
2. Before the Company decides to advance or retard the start times as listed above, they will first meet with the Union Plant Committee and provide the distribution or competitive reasons for the change.
3. Volunteers will first be solicited to work the new schedule provided that volunteers are capable of performing the work in question. If more volunteers apply than opportunities available, seniority will be the determining factor. If no volunteers come forth, the most junior employees capable of performing the work will be required to work the new shifts.

Dated this _____ day of _____, 20_____.

UNISOURCE CANADA, INC.
ANNACIS DISTRIBUTION CENTRE

COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA,
LOCAL #433

LETTER OF UNDERSTANDING NO. 4

Uniforms

The Company will provide uniforms for Drivers, and will include Relief Drivers who have driven a minimum of twenty six (26) weeks in the prior calendar year. For Relief Drivers who do not qualify for uniforms, the Company will provide them with shirts.

Dated this _____ day of _____, 20_____.

UNISOURCE CANADA, INC.
ANNACIS DISTRIBUTION CENTRE

COMMUNICATIONS, ENERGY AND
PAPERWORKERS UNION OF CANADA,
LOCAL #433

LETTER OF UNDERSTANDING NO. 5

BETWEEN: COMMUNICATIONS, ENERGY AND PAPERWORKERS
UNION OF CANADA, LOCAL 433
hereinafter referred to as “the Union”

AND: UNISOURCE CANADA INC.
hereinafter referred to as “the Company”

SUBJECT: NON STANDARD WORK WEEK

The Company and Union agree that a non standard work week may be implemented under the following conditions:

General

- * The work week will be a five (5) day week and the principle of a basic work week of forty (40) hours will be maintained.
- * Scheduled work days will be no shorter than six (6) hours and no longer than ten (10) hours per day.
- * One example of this shift schedule would be Monday at 8 hours; Tuesday at 10 hours; Wednesday at 10 hours; Thursday at 6 hours; Friday at 6 hours.
- * Before implementing a non-standard work week, the Company will meet with the Union Plant Committee and provide the rationale for the change.
- * Volunteers will first be solicited to work the new schedule provided that volunteers are capable of performing the work in question. If more volunteers apply than opportunities available, seniority will be the determining factor. If no volunteers come forth, the most junior employees capable of performing the work will be required to work the new shifts.

Statutory Holidays

- * The modified work week will not apply during weeks with a statutory holiday, therefore there are no changes to statutory holiday pay.

Breaks

- * As per current practice on the graveyard shift, all breaks will be paid. As per the Collective Agreement, the principle of five (5) hours of break time per week will apply.

Bereavement Leave

- * Employees will be paid for their regularly scheduled hours missed as a result of bereavement leave.

Jury Duty

- * Employees will be paid for their regularly scheduled hours missed as a result of jury duty.

Overtime

- * Overtime pay rates will apply as per Article 25 of the Collective Agreement. For employees who are scheduled work either more or less than eight (8) hours per day, they will be paid time and one half for the first three (3) hours beyond their scheduled hours and double time thereafter (eg. - an employee who is scheduled to work 10 hours in a day would be paid time and one half for hours worked beyond 8 hours and double time for hours worked in excess of 11 hours. Likewise, an employee who is scheduled to work 6 hours in a day would be paid time and one half for hours worked beyond 6 hours and double time for hours worked in excess of 9 hours).

Meal Hour

- * Any employee required to work more than two (2) hours beyond the end of his regular scheduled shift, or who is required to report for work more than two (2) hours before the start of his regular scheduled shift, and who is expected to work more than ten (10) consecutive hours shall be granted a meal allowance with a monetary value as per Article 26 - Meal Hour in the Collective Agreement.

Signing Page for Letter of Understanding #5

Dated this _____ day of _____, 20_____.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING #6

BETWEEN: COMMUNICATIONS, ENERGY AND PAPERWORKERS
UNION OF CANADA, LOCAL 433
hereinafter referred to as “the Union”

AND: UNISOURCE CANADA INC.
hereinafter referred to as “the Company”

SUBJECT: AGENCY EMPLOYEES

The Company and Union agree that only Full Time Employees will be employed in the bargaining unit. However, when a need for overtime arises and there are either no volunteers or not enough volunteers, and / or when there are members on layoff who do not respond to a call in, then the Company may utilize “Agency Employees”. Agency Employees will be subject to the following:

1. Agency employees will not be used to fulfill full time, ongoing operational needs. They will only be utilized when the Company is either unable to get enough volunteers for overtime or when members on layoff do not respond to a call in.
2. At no time will the total Agency Employee workforce in the plant number more than 7% of the total bargaining unit workforce. As well, the number of Agency employees working will not be more than the number of employees who have turned down overtime or who do not respond to a call in.
3. Agency employees will only perform work in the Warehouse person classification. It is intended that Agency Employees will operate Walkies when Walkie work is available.
4. The hiring and / or use of Agency Employees will not result in any reduction in the regular work force, and no employee will be terminated, laid off, or have their regularly scheduled work day or regularly scheduled work week reduced or modified as a result of the use of Agency Employees.
5. Laid off employees will have the first right of recall before any Agency Employee is called in to work. Laid off employees may indicate their willingness to be considered on this basis by calling the supervisor by Monday at 6:00 A.M. on a weekly basis. Should the opportunity arise the laid off employees will be called in order of seniority and offered the

available opportunity. Coverage of the hours does not extend recall rights unless the employee works sixteen (16) or more hours in a work week.

6. Regular, full time employees will have first right of refusal for any overtime opportunities.
7. It is agreed that nothing in this Letter of Understanding gives the Union either more or less rights on the issue of contractors or contracting.

Signing Page For Letter of Understanding #6 (Agency Employees)

Dated this ____ day of _____, 20____.

FOR THE COMPANY:

FOR THE UNION:

LETTER OF UNDERSTANDING # 7

BETWEEN: COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF CANADA, LOCAL 433
hereinafter referred to as “the Union”

AND UNISOURCE CANADA, INC.
hereinafter referred to as “the Company”

SUBJECT: DISPATCHER AND ROUTER POSITIONS

The Company and Union agree that the incumbents in the Dispatcher and Router positions, as at date of ratification of the Collective Agreement will be grandfathered into the Dispatcher and Router positions and the new language agreed to in the 2008 set of bargaining regarding posting requirements will have no effect on them.

Dated this ____ day of _____, 20____.

For the Company:

For the Union

SUPPLEMENTARY HEALTH CARE

The Company's Health Plan is designed to supplement the benefits provided by your provincial hospital and medicare programs. It helps pay the cost of most hospital and medical expenses incurred by you and your eligible dependents.

After a Calendar Year Deductible of \$25, for both single and family coverage, the plan pays 80% of covered expenses, except for out-of-province hospital expenses which are paid at 100%.

The overall lifetime maximum benefits payable will not exceed \$100,000.

Covered Expenses

This section should be read in conjunction with the "General Provisions" section entitled "Exclusions". Before incurring any major expenses you may submit details to the Claims Department of the Plan Administrator which will inform you what benefits, if any, are available under the plan.

Covered expenses included under the plan are the charges which you are required to pay for the following services and supplies received while you are covered, for the treatment of non-occupational injuries and illnesses.

HOSPITAL BOARD AND ROOM AND OTHER NECESSARY SERVICES AND SUPPLIES up to the difference between the hospital's daily charge for standard ward and average private accommodation.

DRUGS AND MEDICINES obtainable only upon a physician's prescription and dispensed through a registered pharmacist, (i.e. those drugs that legally require a written prescription to be purchased), except for drugs and amounts eligible for reimbursement under any Provincial plan.

PROFESSIONAL AMBULANCE SERVICE when used to transport the individual from the place where he/she is injured by an accident or stricken by a disease to the first hospital where treatment is given, or from a hospital to a convalescent hospital. No other expenses in connection with travel are included.

OUT-PATIENT HOSPITAL SERVICES AND SUPPLIES in connection with:

- use of examination or operating room,
- drugs, dressings or casts,
- anaesthesia in connection with the performance of a surgical procedure

but not charges made by a resident physician or intern of a hospital.

REGISTERED GRADUATE NURSES (R.N.) SERVICES while the patient is not confined to a hospital, up to a maximum of 30 days in any calendar year. The nursing service must have been ordered by a physician as medically necessary and requiring the specialized training of a registered nurse. The nurse must not ordinarily reside in the employee's home or be a member of the family.

TREATMENTS BY A PROVINCIALY LICENSED CHIROPRACTOR, NATUROPATH, OR PODIATRIST. However, no benefit will be paid for any charges while the individual is entitled to similar benefits under any provincial health plan regardless of whether the provincial plan pays all or only part of such charges.

Maximum benefits payable per calendar year:

Chiropractor)	-	\$200 for all such
Naturopath)		charges combined
Podiatrist		-	\$100

TREATMENTS BY A MASSEUR, PHYSIOTHERAPIST, SPEECH THERAPIST OR ACUPUNCTURE PRACTITIONER who is duly qualified, registered and legally engaged in the practice of such services, provided such services, by duration and type, have been prescribed by a physician.

Maximum benefits payable per calendar year:

Masseur)	-	\$250 for all such
Physiotherapist)		charges combined
Speech Therapist)	-	\$100 per type of
Acupuncture)		practitioner

DIAGNOSIS, ASSESSMENT AND TREATMENT BY A PERSON DULY QUALIFIED, REGISTERED AND LEGALLY ENGAGED IN THE PRACTICE OF PSYCHOLOGY on the written recommendation of a physician, but not more than \$100 per calendar year.

OUT OF PROVINCE EMERGENCY TREATMENT

- charges incurred, while travelling or on vacation outside the individual's home Province for periods of not more than 6 weeks, provided part of the charge is payable under the individual's Provincial Health Plan, that are:
 - hospital charges, but not beyond 90 days, for;
 - room and board in excess of the ward rate under the individual's Provincial Health Plan, up to average semi-private, provided part of the charge is payable under such plan; and
 - other in-patient and out-patient medical services;
- and
- reasonable and customary charges for the area in which they are incurred, that are in excess of the amount payable under the individual's Provincial Health Plan for:
 - a licensed doctor (M.D.);

- professional licensed ambulance service, including air or rail ambulance service, to transport the individual back to a hospital within his home Province, provided prior approval is obtained from the Plan Administrator; and
- blood, blood products and their transfusion.

RENTAL OF DURABLE MEDICAL OR SURGICAL EQUIPMENT.

ARTIFICIAL LIMBS AND EYES, CRUTCHES, SPLINTS, CASTS, TRUSSES AND BRACES FOR BACK, NECK, ARM OR LEG, including replacement due to a change in physical condition when prescribed or ordered by the attending physician.

ORTHOPAEDIC SHOES AND ORTHOTIC DEVICES when recommended by a physician, but not more than \$400 in any calendar year (\$200 for children).

HEARING AID(S) excluding batteries, when recommended by an otolaryngologist but not more than \$400 in any 48 month period.

ACCIDENTAL DENTAL WORK performed by a dentist for the prompt repair of sound natural teeth required as a result of a non-occupational accidental injury, external to the mouth.

ANAESTHESIA, OXYGEN, BLOOD AND BLOOD PRODUCTS.

DIAGNOSTIC LABORATORY AND X-RAY EXPENSES.

VISION CARE EXPENSES for the following supplies recommended by a legally qualified ophthalmologist or optometrist every 24 months.

- payment for lenses and frames or for contact lenses but with a maximum payment of \$225.
- No benefits are payable for:
 - safety glasses
 - sunglasses
 - sports glasses
 - anti-reflective coatings, or tinting.