AGREEMENT

Between

CANADA FORGINGS INC.

And

UNIFOR AND ITS LOCAL 199

October 1, 2016 to September 30, 2019
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AGREEMENT

Between

CANADA FORGINGS INC.

Hereinafter called “The Company”

And

UNIFOR AND ITS LOCAL 199

Hereinafter referred to as “The Union”

October 1, 2016 to September 30, 2019

WITNESSETH –

The parties hereto agree as follows:
ARTICLE 1

Purpose and Recognition

1.01 The purpose of this Agreement is to provide an orderly collective bargaining relationship between the Company and the Union, to secure a prompt and fair disposition of grievances, to eliminate interruption of work and interference with the efficient operation of the Company’s business, and to maintain mutually satisfactory working conditions, hours and wages for the employees covered by this Agreement. It is the desire of the Company and the Union to provide full and efficient employment.

1.02 For the purpose of this Agreement the word “employees” shall mean all employees of the said Company at the Heavy Forge Plant and the Drop Forge Plant, with the exception of the foremen and those above the rank of foreman having the right to employ or discharge; timekeepers, time study men, office staff, Engineering Technologists, guards and quality control (excluding inspection).

1.03 The Company recognizes the Union as the sole Collective Bargaining Representative of all the employees within the bargaining unit at its said plants for all purposes of collective bargaining in respect of wages, benefits, hours, and all other working conditions.

1.04 Anyone outside of the Bargaining Unit shall not perform work which is normally done by members of the Bargaining Unit except for purposes of training, safety or experimental providing Bargaining Unit personnel are not displaced.
1.05 No job or classification or duties of such job or classification presently within the Bargaining Unit will be removed from the Bargaining Unit without the consent of the Union.

1.06 Whenever the masculine gender is used in this agreement, it will include the feminine gender and whenever the feminine gender is used in this agreement it will include the masculine gender.

ARTICLE II

Functions of Management

2.01 It is agreed that the Management of the Plants and the direction of the working force, including the right to hire, suspend or discharge for just cause, or to transfer, promote, demote, or to relieve employees from duty, because of lack of work or for other reasonable cause, is vested in the Management of the Company, subject to the right of an employee or group of employees to process a grievance under the provisions of this Agreement.

2.02 The Union recognizes that all the functions of Management are retained by the Company, including the choice of products, and their process and means to manufacture; and the parties agree that all the provisions of this Agreement are intended to enunciate and clarify the rights, duties, privileges and prerogatives of each of the parties of this Agreement, and to fix and determine their respective responsibilities.
ARTICLE III
Union Security, Check-Off of Union Dues and Fees

3.01 Employees who are members of the Union as of the effective date of this Agreement shall retain such membership for the life of this Agreement as a condition of employment.

3.02 New employees covered by this Agreement shall become and remain members of the Union thirty working days from date of employment as a condition of employment and shall retain such membership for the duration of this Agreement.

3.03 Employees transferred to a position covered by this Agreement shall become members of the Union on the first day of the month following the month during which they become eligible, and shall retain such membership for the duration of this Agreement as a condition of employment.

3.04 During the life of this Agreement, the Company will deduct from the earnings of all employees in the Bargaining Unit on a weekly basis initiation fees where applicable and dues laid down by the constitution and by-laws of the Union. The amount of such deductions shall be advised by letter from the Financial Secretary of the Local Union to the Company. At the end of each calendar month and prior to the 10th day of the following month the Company shall remit by cheque to the Financial Secretary of the Local Union the total sum of the deductions made, together with a list of names from whom deductions were made, and including the names of those from whom no deductions were made.
and the reason for no deduction. All such deductions to be made on a weekly basis, provided the employee has worked eight (8) hours in such weekly pay period. Failing this, the deduction will be made from the next pay period meeting the hours worked requirement.

3.05 The Company will use its best endeavours to comply with this Article, but it is relieved by the Union of any and all responsibility and/or liability for failure to collect and pay Union dues.

ARTICLE IV

Representation

4.01 The Company will negotiate with chosen accredited representatives of the Union for the purpose of collective bargaining with respect to rates of pay, hours of work, and all other conditions of employment subject to and in accordance with the provisions of this Agreement.

4.02 The Company will recognize a Steward Body of two (2) members for Heavy Forge and two (2) members for Drop Forge who shall be regular employees of the Company, elected by the Union in a manner determined by the Union, and the Company shall be kept informed by the Union of the personnel of this body, and the sections of the plant they represent. The Sections they represent shall be agreed upon from time to time between the Company and the Union.

4.03 The Company will recognize a Committee of not more than three (3) members, one (1) of whom will be the Unit Chair. This Committee hereinafter shall be known as The
Plant Negotiating Committee and shall qualify in the same manner as set out in Clause 4.02 of this Agreement.

4.04 Stewards and Plant Negotiating Committee members, when they wish to leave their regular duties to investigate and negotiate grievances under the terms of this Agreement shall first advise the Foreman of the department where they are employed and the Foreman of the department they are entering. Time spent during working hours by a member of the Steward body or Plant Negotiating Committee in connection with the administration of this Agreement will be paid for at his regular rate.

The Plant Manager may decline to approve payment for any excessive or unreasonable amount of time taken by any employee in carrying out the terms of this grievance procedure.

Whenever “regular rate” appears for payment of Union activities, it shall mean hourly rate for hourly rated workers and objective rate for piece workers.

4.05 The Unit Chairperson will be retained in the employ of the Company during his term of office notwithstanding his seniority, so long as work is available which he is able and willing to do.

4.06 The Company shall supply the Union with up to date lists of names of all its Foremen, Subforemen, Supervisors, Plant Managers, and other officers of the Company who may be called upon to perform any act in connection with this Agreement, and to set out along with such names, their titles in such manner as to indicate the nature and extent of their authority.
4.07 The Union agrees that no Union activities, or meetings will be conducted by any of its members on Company time excepting those provided for in this Agreement and further, that no Union literature will be posted or distributed on Company premises excepting that provided in this Agreement.

4.08 Any of the members of the Plant Negotiating Committee or Stewards, after obtaining permission from Management, may enter the Plant at any time to check any grievance or for any other good reason relating to the performance or application of any of the provisions of this Agreement.

4.09 A meeting between the Plant Negotiating Committee and the Management of the Company shall be held at the request of either party within five (5) working days' notice at an hour to be mutually agreed upon between the Plant Negotiating Committee and the Management of the Company. At least twenty-four (24) hours notice shall be given either party of a desire to postpone any meeting.

4.10 The Company will pay the Negotiating Committee at their regular rate of pay for actual time spent at contract negotiation meetings. A Committeeperson will not be required to work the afternoon or midnight shift on days he attends contract negotiation meetings which exceed four hours in duration.

4.11 A written statement of all matters proposed to be discussed at meetings between the Plant Negotiating Committee and the Management of the Company shall be delivered by each of the parties to the other no later than
three days prior to the date of the meeting. This will enable considered decisions to be made at the meetings and the business to be more expeditiously and satisfactorily transacted.

4.12 At any meeting between the Management of the Company and the Plant Negotiating Committee, either party shall be entitled to have present with them any duly authorized Representative or Representatives. In the event either party wishes to have present persons other than aforementioned who are not employees of the Company, the request for such meetings will indicate the name, title and reason for the attendance.

ARTICLE V

Grievance Procedure

5.01 The Company and the Union shall endeavour to adjust the complaints of employees as quickly as possible and it is understood that the Foreman shall first be given the opportunity of adjusting complaints with the employee who may be accompanied by his Committeeperson or Steward if the employee so requests.

5.02 If a complaint is not settled by the Foreman within one (1) day, the following steps of the grievance procedure shall be followed. Complaints and grievances shall be investigated and settled during working hours.

5.03 An employee having a grievance shall then present it to his Committeeperson or Steward who will submit it to the Foreman of the employee in writing; the Foreman to render a written decision
to the Committeeperson or Steward within one working day. The employee presenting the grievance may accompany the Committeeperson or Steward in any interview with the Foreman.

5.04 If the decision of the Foreman is not satisfactory, the Committeeperson or Steward shall within three (3) working days of the Foreman’s reply present the grievance in writing to the Plant Manager, on the proper forms, to be agreed upon, stating clearly the grievor’s objection to the Foreman’s reply and the remedy sought. One copy of the grievance will be retained by the Committeeperson or Steward and the other presented to the Plant Manager. The Plant Manager will render his decision in writing within three (3) working days of the written grievance being presented to him.

5.05
(a) At the request of the Committeeperson or Steward, the employee presenting the grievance may accompany the Committeeperson or Steward in any interview with the Plant Manager.

(b) In the event of a group grievance, a representative member of the group must accompany the Committeeperson or Steward in any interview with the Plant Manager.

5.06 If the aforesaid decision of the Plant Manager is not satisfactory, the grievance shall, within three (3) working days of the Plant Manager’s reply, be referred to a meeting of the Plant Negotiating Committee and the Management, to be dealt with at their next meeting, and such meeting shall be held between Management and the Plant Negotiating Committee three (3) working days after
the agenda for such meeting has been submitted by either party. At any conference, either party may have present any person involved in the matter being negotiated.

If the grievance to be discussed was originated by an employee or employees of one plant only, the Committee members representing the other plant will not attend such meeting unless the subject of the grievance is a suspension in excess of five (5) working days or a discharge. However, it is understood and agreed that the Unit Chairperson attends all meetings.

The decision of the Management shall be given in writing to the Committee Chairperson as soon as possible and in any event, no later than six (6) working days after the meeting between the parties as mutually agreed.

5.07 If the grievance is still not resolved in the negotiations between the Management and the Plant Negotiating Committee, the Company or the Union may, within thirty (30) working days of receipt of Management’s decision, request an arbitration in respect of such grievance, and in that event, the parties may agree upon an arbitrator. Failing mutual agreement upon an arbitrator within five (5) working days after the request for an arbitration, the arbitrator shall be named by the Minister of Labour for Ontario and arbitration proceedings shall be held and concluded forthwith. The expense, if any, of the impartial umpire, shall be borne equally between the Company and the Union, and each shall remit its share directly to the umpire.

5.08 If an employee has been unfairly laid off or has been wrongfully discharged,
he shall immediately be reinstated with full seniority and with back pay for all time lost.

5.09 The procedure outlined in Article V shall apply equally to a group or policy grievance which may be signed by the Chairperson or Co-Chairperson of the Plant Negotiating Committee. Policy grievances shall be submitted at the Plant Manager’s level.

5.10 Both parties will attempt to settle grievances under the foregoing procedure as speedily and effectively as possible.

5.11 The Company will be under no obligation to consider or process any grievance which has not been presented within thirty (30) calendar days after the cause of the grievance became known to the employee. Any grievance that is not advanced to the next stage of the grievance procedure within the time limits provided shall be considered settled in the grievor’s favour if the failure to comply is on the part of the Company, and at the last disposition of the grievance if the failure is on the part of the Union or employee.

5.12 Whenever an employee is discharged, he will be given an opportunity of interviewing a committeeperson before he is required to leave the plant, and the employee shall be so advised, provided that should the nature of the offense make it necessary to require the immediate expulsion of the employee from the plant, then a committeeperson will be immediately notified and given an opportunity to interview the discharged employee at some convenient location which, if circumstances permit, will be on company premises.
5.13 A discharged employee may present a grievance in writing through the Plant Negotiating Committee to the Management within two (2) working days of the discharge, and the Management will consider a grievance respecting such discharge and render a written decision thereon to the Committee Chairperson within two (2) working days of such review. If the decision of the Management is unsatisfactory, the grievance may be referred to arbitration as herein provided.

5.14 A grievance shall not be arbitrable unless it involves the interpretation, application, administration, or alleged violation of the Agreement. The arbitrator shall determine on this basis whether or not a grievance is arbitrable. The arbitrator shall not alter, add to, subtract from, modify or amend any part of this Agreement and shall make no finding which is not supported by interpretation of the specific words of this Agreement. With respect to penalties involved, he shall be entitled to modify or set aside such penalties if, in his opinion, it is just and equitable to do so.

5.15 All decisions of the arbitrator arrived at in accordance with the provisions of this Agreement shall be final and binding upon the Company, the Union, and all persons concerned.

5.16
(a) Grievances under Article 12, first shall follow the procedure set forth in 12.05, 12.06 and 12.07. Prior to a step three meeting with Management, the Union shall call in a representative of the National Union who shall carry out a continuous stop-watch study of the job. The Company will have a representative present at the time the time study is being taken.
The following procedure will be followed for the resolution of the disputed standard:

1. If the results of the review are within 5% of the disputed standard, the rate is satisfactory.

2. If the results of the review are within 10% of the disputed standard, the average of the difference will be applied to the standard.

3. If the results of the review are further than 10% apart, the standard can be reviewed again, or the Union may proceed to arbitration.

(b) Should a production standard dispute proceed to arbitration the arbitrator will be a recognized industrial engineer who shall decide the dispute based on all relevant data available to him and whose findings shall not be inconsistent with the provisions of this Agreement. The arbitrator will be empowered, if deemed necessary, to take a continuous stop-watch study of the disputed standard.

ARTICLE VI

Seniority

6.01 Fundamentally, rules respecting seniority are designed to give employees an equitable measure of security based on length of service with the Company. Seniority shall be exercised as follows:

6.02 Employees’ names shall be placed on the seniority list in the order of their respective date of hiring. In the event that more than one
employee is hired on the same date, seniority shall be determined by the time at which the Company completes the Application for Employment form.

6.03 The probation period will be ninety (90) working days in a period of six (6) months. Probationary employee's seniority date shall be ninety (90) working days prior to the date on which his seniority rights are acquired.

6.04 Seniority lists for each department and plant wide shall be posted by Management and shall be available for inspection. The Company will revise the seniority lists every three months. The master copy of the seniority list shall be available for review by the Unit Chairperson or designate, on Company premises on request.

6.05 Copies of all seniority lists and recall lists shall be furnished to the Union.

6.06 (a) The term "Plant" wherever used in this section shall mean:
(1) The Drop Forge Plant, or
(2) The Heavy Forge Plant, but seniority shall not be interchangeable between the two.

(b) For the purposes of vacations and pension benefits, total service in both plants will apply.

6.07 (a) In the event of a relocation of their Plant, or Plants, the Company will reinstate all employees in line with seniority as set out in Article VI, providing the employee moves (if proven necessary) to the area of the new location within a reasonable time. If, subsequently, the Union is certified, or voluntarily recognized
to represent the employees at the new location, the provisions of this contract shall be transferred and apply to the new location.

(b) In the event of the closure of one or more departments of a plant of the Company during the life of this Collective Agreement, the Company will meet with the Bargaining Committee to advise them of such closure and to discuss the procedures to be followed to facilitate the closure and to minimize the effect on the employees. Such a meeting will be arranged as far in advance as possible.

**LAYOFFS**

**Temporary Layoff**

6.08 A temporary layoff is one which is not expected to last more than ten (10) working days:

(a) Seniority shall be exercised as follows:

(1) Layoffs not extending beyond the balance of the shift — no seniority shall be exercised. When laid off for the balance of shift more than once in a pay period, the employee shall have the right to exercise his seniority within his department.

(2) Layoffs of more than the balance of the shift, but not in excess of ten (10) working days, the employee shall have the right to exercise his seniority within his Plant, subject to the provision set out in Clause 6.08(b).

(b) An employee who exercises his seniority as a result of a temporary layoff must have had experience on the job to ensure his being able to perform the job he claims, or take the layoff.
(c) In the event of a temporary layoff, the Company will give the employee to be laid off the maximum possible notice, in writing, with a minimum of one full working day.

Extended Layoff

6.09 An extended layoff is one which is expected to exceed, or which exceeds ten (10) working days.

(a) In the event of an extended layoff, the employee shall have the right to exercise his seniority plant-wide, subject to the provisions set out in Clause 6.09(b).

(b) An employee who exercises his seniority as a result of an extended layoff will be given an opportunity to demonstrate he is capable of doing the work he is assigned in a satisfactory manner.

For job classifications in Appendix "C" (General Classifications) employees, provided they have not previously been excluded from the classification for any reason, shall be given job operating instructions to show he can perform the job. After demonstrating that he can perform the job, he will then be provided with a familiarization period to become proficient. Failing successful demonstration, the employee will take the layoff.

For job classifications with Appendix "B" (Semi-Skilled Trades) employees from outside the classifications may exercise their seniority rights providing they have had previous similar experience in the job classifications and do not require training.
For job classifications within Appendix “A” (Skilled Trades) employees from outside the classifications with proof of journeyperson status may exercise their seniority rights.

(c) In the event of an extended layoff, the Company will give the employee to be laid off the maximum possible notice, in writing, with a minimum of two full working days.

(d) If an employee is given only one working days’ notice of a temporary layoff and such layoff becomes an extended layoff by exceeding ten (10) working days, an additional day’s wage will be paid to such employee.

Voluntary Layoff

6.10 An employee who does not choose to exercise his seniority rights as provided for may take a voluntary layoff. His election to take a voluntary layoff must be made within three (3) hours of receiving such layoff notice. In the case of an extended layoff, such election shall cause him to forfeit his rights to exercise seniority for a period of thirty (30) calendar days. Seniority forfeiture does not apply in the case of a temporary layoff.

Layoff – General

6.11 (a) Written layoff notice will be given to an employee by his Foreman who will upon request notify the employee as soon as possible of jobs where he can exercise his seniority. The employee will inform his Foreman into which job he wishes to exercise seniority.
more than one employee is being laid off at one time, the exercise of seniority under Clause 6.08(b) and 6.09(b) will be in order of seniority.

(b) The Foreman will notify the Shop Steward of all communications to be given to the employee concerning layoffs. When practicable, such notification will be given to the Shop Steward or Committeeperson before it is given to the employee.

(c) If an employee is absent from work as a result of illness or accident, he shall inform the Company three (3) working days in advance of his probable date of return to work, if possible.

(d) Notice of layoff will not be issued to an employee while he is absent from the plant because of sickness, accident or vacation. However, if the return to work of such employee results in there being in the plant another employee having less seniority for whom there is no work available, such other employee may be laid off and Clauses 6.08(c) and 6.09(c) will not apply.

6.12
(a) Employees shall be recalled in the reverse order of their layoffs, except as provided in Clause 7.03. Notice of such recall shall be given by registered letter addressed to the last listed address of the employee and such notice will state if recall is guaranteed to last ten (10) working days or more, or is temporary, (i.e. less than ten (10) days). The employee has twenty-four (24) hours from receipt of notice to advise the Company that he will accept or decline the recall. The employee will be permitted up to five (5) additional working days, if required, to give notice of resignation from temporary employment
outside the Company. Before any new employees are hired, the employees still laid off or transferred to lower paid occupations shall be first offered employment in order of their seniority; if a seniority list is exhausted and additional employees are needed, any probationary employee capable of doing such work whose services are satisfactory shall be recalled and given a reasonable opportunity of learning the operation.

It is always the responsibility of the laid off employee to advise the Company of his current contact address.

(b) Employees so recalled shall be transferred to the jobs that they were originally laid off or transferred from. However, should an employee request that he be given the opportunity to retain the job to which he is transferred and this transfer will not infringe on seniority rights, it may be mutually agreed to allow the necessary transfer.

(c) It is agreed that when a junior employee is kept employed to the exclusion of a senior employee because the senior employee cannot exercise seniority rights in accordance with Article 6.08(b) or Article 6.09(b), such junior employee will be laid off (no longer employed by the Company) when there is no longer any work in his job classification, rather than being given the opportunity to perform work that the senior employee who is on layoff (unemployed) is capable of performing in a manner required by the collective agreement.

If required the junior employee will remain in the employ of the Company performing the work of a more senior employee, until such time as the more senior employee on layoff reports back to work.
Notwithstanding the above, the Company can transfer such junior employee to perform work in a classification other than his own provided he is transferred back to his own classification within the time frame specified in Article 6.15.

**Loss of Seniority**

6.13  Seniority rights shall cease for any of the following reasons:

(a)  If the employee quits.

(b)  If the employee is discharged and the discharge is not reversed through the grievance procedure.

(c)  If the employee is absent from work for more than three (3) consecutive working days without notifying his Foreman, Plant Manager or Personnel Office unless a satisfactory reason is given.

(d)  If an employee fails to advise the Company within twenty-four (24) hours, weekends and holidays excluded, of his acceptance or rejection of the recall offer per paragraph 6.12(a). Failure to report for work within five (5) working days after accepting a recall offer is a voluntary quit. A temporary recall may be declined without loss of seniority. All the above subject to exception in the event that it is satisfactorily established that an employee could not comply for reasons beyond his control. A recall which is guaranteed to last ten (10) working days or more as per 6.12(a) may be declined without loss of seniority. Cumulative declinations to answer such recalls which total thirty (30)
working days in a twelve month period is a voluntary quit, i.e. three (3) recalls of ten (10) or more working days in a twelve (12) month period.

(e) If the employee:
   (1) who has less than two years seniority is on layoff for a continuous period of more than one year.
   (2) who has more than two but less than three years seniority is on layoff for a continuous period of more than two years.
   (3) who has more than three (3) years seniority is on layoff for a continuous period of more than his accrued seniority at the date of layoff.

(f) If an employee fails to report for work the first working day following the expiry date of a leave of absence unless a reason is given which is satisfactory to the Company.

6.14 In the event of an employee suffering a major disability or illness or becoming infected by a occupational disease, accepted as such by the Workers' Compensation Board during the course of his employment, exception may be made to the Seniority provisions of this Agreement between the Plant Negotiating Committee and the Management, in line with seniority for the purpose of layoff and recall.

Transfers, Promotions and Job Posting

6.15 An employee may not be transferred to perform work in a classification other than his own for more than ten (10) working days if such transfer would contravene the job posting and
recall provisions of this Agreement. In the event that such transfer is for more than one day, a copy of the “Status Change” report covering the transfer will be given to the Union Steward by the Foreman.

6.16 If an employee is assigned or transferred to perform work in a classification other than his own, he will be paid the higher of the two rates for the entire shift, other than transfers to Drop Forge crews where the above only applies if the transfer lasts three (3) hours or more. Where the transfer to the Drop Forge crew is less than three (3) hours the employee will be paid on the basis of actual work performed.

For the purpose of this clause, the rate for an employee in a classification which is paid piece work rates will be deemed to be his average earned rate in the preceding pay period.

Employees classified as Production Machinist Single Purpose operating the vertical boring mills are excluded from the provisions of this clause.

6.17 (a) Whenever promotions, new jobs or vacancies occur within the Bargaining Unit, notices of such promotions, new jobs or vacancies shall be posted in the plant on bulletin boards for a period of five (5) working days.

Any employee wishing to apply shall do so on forms to be supplied by the Company within the said five (5) regular working days and the decision to fill such promotions, new jobs or vacancies shall be made in favour of the applicant having the greatest seniority who is able and willing to perform the work required. Application forms shall be in duplicate and a copy shall be sent to
the Union. Selected applicants’ names shall be posted on bulletin boards within ten (10) working days after the posting period unless extended by mutual agreement. When no selection is made within the period specified above, the posting will be canceled and must be re-posted before being filled. An employee who is selected shall have a trial period of a reasonable length of time for the type of job which in any case shall not be less than five (5) working days.

If the employee does not successfully complete the trial period as determined by the Company, he will revert to his prior job held as well as other employees affected.

If the employee requests to be removed from the posted job, he will be assigned to the labour pool.

(b) Posted jobs must be filled by the selected applicant within two weeks of the posting of such job.

(c) Job vacancies will not be posted in the following cases:

1. Vacancies which are temporary and estimated to be less than thirty (30) days. When it becomes apparent that the job is going to, or does exceed thirty (30) days, it will be posted.

2. Vacancies occurring when the incumbent is absent due to sickness or injury unless the absence lasts more than two months in which case a temporary job will be posted. If at anytime during the two (2) month period, it becomes apparent that the vacancy will last at least three (3) months, the Company will post the job. When the
incumbent returns to work all affected employees revert to their original jobs.

(d) The scheduling of temporary vacancies will not be used to avoid job posting.

(e) If an employee is selected for a posted job, he shall not be eligible to apply for another job for three (3) months, unless such job is in a classification which has been created since his last selection under the posting procedure.

If an employee is selected for a temporary job that does not last three (3) months the employee will be eligible to apply for another job posting.

(f) The Company will notify the Union of new jobs required before such jobs are posted. Such notification will normally be given at a regular monthly meeting.

6.18 An employee transferred to a position (outside of the recognized Bargaining Unit) with the Company may accumulate his seniority for a period of the first three (3) months during which time he must decide whether to stay with the Company or return to the Bargaining Unit. If however, the employee remains outside the Bargaining Unit, his seniority shall cease for any of the following reasons:

(a) who has less than two (2) years' seniority in the Bargaining Unit before transfer, is out of the Bargaining Unit for a continuous period of more than one (1) year.

(b) who has more than two (2) years' but less than three (3) years' seniority in the Bargaining Unit, is out of the Bargaining Unit for
a continuous period of more than two (2) years.

(c) who has more than three (3) years' seniority in the Bargaining Unit, is out of the Bargaining Unit for a continuous period of more than his accrued seniority at the date of transfer.

(d) if the employee quits.

(e) if the employee fails to report for work in the Bargaining Unit within five (5) consecutive working days following his notice of reduction from the supervisory position unless a satisfactory reason is given. The Union will be notified of such reduction at the same time as the employee.

In the application of the above sections, the employee returning to the Bargaining Unit from a supervisory position shall replace the junior employee in the plant whose work he is capable of performing or fill a job opening in accordance with the provisions of this Agreement.

6.19 In the event that any employee with seniority in the general or skilled trades classifications is affected by automation of technological changes, the Company agrees to give as much advance notice as possible and provide sufficient training for the affected employees to become qualified in the new skills. Training may be conducted off site but will be conducted in plant during regular hours wherever practical and obviously will only apply where work is available. It is understood that the training period will vary according to the skills required and normally last up to a maximum of ten (10) days unless a longer period is deemed necessary by the Company.
ARTICLE VII

Leaves of Absence

7.01
(a) Any employee will be granted leave of absence for the period of any activity exclusively for local (CanForge) Union matters and shall be re-employed at his own or similar work with accumulated seniority.

(b) The Company agrees to grant, when requested by the Union, leave of absence without pay or loss of seniority to not more than one (1) employee at any one time for Union business. Such leaves of absence shall not exceed thirty (30) working days per contract year. The Union agrees to make such request as early as possible in writing. Such leave of absence can be withheld by the Company if the absence of the employee will unduly interfere with production requirements.

7.02 The Company agrees to grant, when requested in writing by the Union to do so, leave of absence without pay or benefits to one employee of the Company to serve the Union as Business Agent or other full time worker. Such leave of absence is not to exceed one year at a time and shall be renewed upon written request.

7.03 An employee who is unable to work because of accident or sickness, requiring a doctor's care shall be entitled on application to leave of absence, provided, however, that in order to obtain such leave of absence, a physician must certify in writing that such employee is unable to work by reason of illness or accident, and in order to keep such leave of absence in effect, a physician's certificate must
be renewed at thirty (30) days intervals if required by the Company. All employees returning from such leave of absence must be approved in writing by a doctor, satisfactory to the Company and the Union before they may again go to work. An employee who has been granted leave of absence because of illness or injury and returns to work will be reinstated in his former position if available. If his former position is not available, he will be placed in a position in line with his seniority and ability. If he is unable to carry out his regular duties, the Company will endeavour to provide suitable work for him within the plant.

7.04 The Company may grant leave of absence without pay to an employee who makes written application for such leave for personal reasons acceptable to the Company. A leave of absence will not normally exceed thirty (30) days. The person on leave must return at the expiration of the leave and will be placed on his own or similar work with accumulated seniority. Such leave shall not be unreasonably withheld.

ARTICLE VIII

Hours of Work and Overtime

8.01 The regular work week for the Heavy Forge Plant and the Drop Forge Plant shall be five (5) eight hour shifts for a total of forty (40) hours, Monday through Friday, inclusive.
8.02

(a) Shift hours shall be consecutive and shall occur as follows:

**Heavy Forge**
- 1st shift: 11:00 p.m. to 7:00 a.m.
- 2nd shift: 7:00 a.m. to 3:00 p.m.
- 3rd shift: 3:00 p.m. to 11:00 p.m.

**Drop Forge**
- 1st shift: 11:30 p.m. to 7:30 a.m.
- 2nd shift: 7:30 a.m. to 3:30 p.m.
- 3rd shift: 3:30 p.m. to 11:30 p.m.

(b) Multi-Shift Operations - Forging Crew

1. The shift hours outlined in paragraph 8.02(a) above will be adjusted as follows for both forging crews in instances where one forging crew relieves another crew at the end of a shift:

**Heavy Forge**
- 1st shift: 10:30 p.m. to 6:15 a.m.
- 2nd shift: 7:00 a.m. to 2:45 p.m.
- 3rd shift: 2:45 p.m. to 10:30 p.m.

**Drop Forge**
- 1st shift: 11:00 p.m. to 6:45 a.m.
- 2nd shift: 7:30 a.m. to 3:15 p.m.
- 3rd shift: 3:15 p.m. to 11:00 p.m.

2. Each crew member will leave his work station at the end of his shift or as soon as his counterpart in the incoming crew relieves him and may leave the company premises at the times shown in paragraph 8.02(b) 1 without loss of pay. That is to say, he may waive his rights to wash-up time as provided for in paragraph 8.06 without loss of pay.
3. Work performed by a crew member after the shift hours set out in paragraph 8.02(b) 1 above will be deemed to be overtime and will qualify for overtime premium pay.

4. The first shift only of the week will maintain normal shift hours beginning 11:00 p.m. Sunday and ending 7:00 a.m. Monday. Thereafter the shift hours will be as shown in 8:02(b).

5. Rotation between shifts within a department or classification on a two shift basis will be between day and afternoon shift.

(c) The Company shall allow a twenty (20) minute paid work interruption for lunch period on the plant premises to the employees, other than forge crews as shown on the table below. Forge crew lunch schedules will vary due to their production requirements but will always be taken within one half hour of the stated times.

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<thead>
<tr>
<th></th>
<th>Heavy Forge</th>
<th>Drop Forge</th>
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<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>3:20 a.m. to 3:40 p.m.</td>
<td>3:30 a.m. to 3:50 a.m.</td>
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<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>11:40 a.m. to 12:00 p.m.</td>
<td>12:00 p.m. to 12:20 p.m.</td>
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<tr>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>7:20 p.m. to 7:40 p.m.</td>
<td>7:30 p.m. to 7:50 p.m.</td>
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</table>

(d) One (1) millwright will commence his shift at 6:30 a.m. and will finish at 2:30 p.m.
8.03  (a) Any change in regular shift hours shall be made only by mutual agreement of both parties, except in the case of an emergency, in which case the Company shall not be prevented from overcoming the emergency. Shifts are set at the beginning of each week and any change in shift shall be made only after discussion with the Union representative.

(b) Four Crew Schedule – This clause applies to non-apprenticeable skilled trade employees and general classification employees (i.e. Craneman, Labourer and Saw Operator) scheduled to work in the Heavy Forge Machine Shop only.

An employee who as part of his regularly scheduled work week is required to work Saturday or Sunday as defined by Clause 8.07 shall be paid time and one-half for all hours worked on those days. Hours worked in excess of eight (8) hours per day or on the sixth or seventh consecutive day will be compensated for in accordance with Clause 8.07.

8.04 A work day will consist of twenty-four (24) hours beginning at the starting time of the shift to which the employee is assigned.

8.05 Any employee who works more than half his shift hours in one of the shifts will be paid the shift premium for that shift for all hours worked commencing as follows:

(a) 1st shift - $0.50
(b) 2nd shift - No premium
(c) 3rd shift - $0.40

No other premium pay will be pyramided on shift premium pay.
8.06 At the end of each shift a ten (10) minute wash up period will be allowed for all employees with the exception of Forge Hammer Crews and Maintenance Men who will be allowed fifteen (15) minutes wash up period at this time.

8.07 Time and one-half will be paid for all hours worked outside of the employee's regular assigned shift hours in any one day, and for all hours worked on Saturday. Double time will be paid for all work performed on Sunday and holidays.

For the purpose of this Agreement, Saturday work will be considered work performed between 11:00 p.m. or 11:30 p.m. on Friday and 11:00 p.m. or 11:30 p.m. on Saturday. Sunday work will be considered work performed between 11:00 p.m. or 11:30 p.m. on Saturday and 11:00 p.m. or 11:30 p.m. on Sunday.

8.08 All employees are entitled to two (2) coffee breaks each of a maximum duration of ten (10) minutes and are to be scheduled by Management at mutually agreed to times to ensure normal operations are not disrupted.

8.09 (a) Overtime shall be distributed equally on a monthly year-to-date basis among employees who normally perform the work in their respective classification. The Union and employees will cooperate with the Company in the performance of such work. The Union agrees that there shall be no organized embargo on overtime by the employees. Reasonable excuses for not working overtime will be accepted by the Company but it is understood that employees who refuse to work overtime will not be disciplined. An employee who declines overtime hours offered will be
considered as having work for the purpose of this article. During the absence of an employee from the plant, he will be deemed to have worked the average number of overtime hours worked by the other employees in his group during such absence. Overtime hours worked or offered will be kept on a monthly year-to-date basis and posted no later than the eighth day of the following month. Provided the employee is capable of performing the work scheduled for overtime, whenever practicable the low man in a classification will be given the opportunity to work such overtime. Where possible twenty-four (24) hours advance notification will be given for overtime work on Saturday and Sunday.

(b) For other than the scheduled work week an employee on temporary transfer to another overtime sharing group or classification shall not participate in that overtime unless the requirements are expected to last four (4) hours or less. This transferred employee shall be entitled to overtime in the classification or group from which he was temporarily transferred.

8.10 An hourly rated employee shall receive overtime pay at the rate of time and one-half or double time, whichever is applicable, his regular hourly rate of pay.

8.11 A piece worker shall receive overtime pay at the rate of one-half times or one times his earned rate, whichever is applicable.

8.12 An employee who is requested to and does work two (2) hours or more overtime at the end of his shift and was not notified of such overtime the day before, will receive $10.00 for lunch. Should his overtime hours extend into the
coffee break and lunch period of the following shift, the employee will be entitled to same.

8.13 Where there is shift work in a classification it shall be on a rotation basis of every week. Employees may agree between themselves to remain on one particular shift but the Agreement must be acceptable to all employees involved. Where a job is on a one shift basis the employees involved will not be required to work on other than the one day shift.
### ARTICLE IX

**Plant Holidays**

9.01 The following shall be recognized as holidays and paid for by the Company.

<table>
<thead>
<tr>
<th>Date</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<td>Victoria Day</td>
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<td>Canada Day</td>
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<td>Labour Day</td>
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<td>Thanksgiving</td>
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9.02 An employee will receive, without working, holiday pay based upon his standard scheduled shift, at the rate of his average hourly earnings for the preceding pay period excluding off shift premium for holidays so designated. Incentive workers' Christmas holiday pay will be based on the first full pay period in December.

9.03 Any employee working on any of the holidays designated will be paid double time for all hours worked, as provided in Clause 8.12 and 8.13, plus holiday pay.
9.04 Any employee eligible to receive the paid plant holidays:

(a) Must be a seniority employee in accordance with the terms of Article 6.03.

(b) Must have completed his regular shift on his last scheduled work day prior to and on his first scheduled work day following the holiday.

9.05 Exceptions:

(a) Where an employee is on layoff due to lack of work for not more than 10 calendar days prior to or following the holiday, OR where an employee is absent through proven illness or accident, including Compensation cases of not more than 30 calendar days prior to or following the paid holidays. When an employee on Compensation received equivalent benefit from the Workplace Safety and Insurance Board, the employee is not entitled to holiday pay from the Company. When the benefit received is less than the Company benefit for which the employee is eligible, the Company will make up the difference.

(b) Where the employee has been granted leave of absence for the day before or the day after the scheduled holiday, providing such request is made in writing two (2) working days before the holiday.

(c) With respect to multiple consecutive holidays at the Christmas/New Year’s season, an employee will forfeit eligibility for holiday pay for only one such holiday if he fails to complete
his regular shift on his last scheduled work day prior to or his first scheduled work day following the holidays. If he fails to complete his regular shift on both days, he will forfeit his eligibility for holiday pay for only two such holidays.

9.06 An employee scheduled and who agrees to work on a holiday and does not report for work shall forfeit his holiday pay unless a satisfactory reason is given. On the other hand, if such work on a holiday is cancelled by the Company after completion of the employee's last regular shift before the holiday, the employee shall receive four (4) hours pay at double time in addition to holiday pay.

9.07 Should any of the holidays mentioned in this section fall during the vacation period of any employee, then such employee shall receive, in addition to vacation pay to which he may be entitled, one day's pay calculated as in 9.02 and an additional day to his vacation.

**ARTICLE X**

**Vacations with Pay**

10.01
(a) Each employee shall be entitled to a number of weeks of vacation in accordance with the provisions of Article 10.02.

(b) Each employee shall be entitled to vacation pay either in accordance with the provisions of Article 10.02, or in accordance with the provisions of Article 10.03, whichever provides the greater amount.
10.02 Employees shall be entitled to vacations with pay based on gross earnings for the previous calendar year on the following schedule:

(a) An employee with less than one year's seniority as of June 30 shall receive vacation and vacation pay in accordance with the Employment Standard Act of Ontario.

(b) An employee with one (1) year's seniority but less than three (3) years' seniority as of June 30 shall receive two (2) weeks' vacation at four percent (4%) of gross earnings.

(c) An employee with three (3) to five (5) years' seniority as of June 30 shall receive two (2) weeks' vacation at five percent (5%) of gross earnings.

(d) An employee with five (5) years' seniority but less than ten (10) years' seniority as of June 30 shall receive three (3) weeks' vacation at six percent (6%) of gross earnings.

(e) An employee with ten (10) years' seniority, but less than thirteen (13) years' seniority as of June 30 shall receive three (3) weeks' vacation at seven percent (7%) of gross earnings.

(f) An employee with thirteen (13) years' seniority but less than twenty (20) years' seniority as of June 30 shall receive four (4) weeks' vacation at eight percent (8%) of gross earnings.

(g) An employee with twenty (20) years' seniority or more as of June 30 shall receive five (5) weeks' vacation at ten percent (10%) of gross earnings.
10.03 Provided an employee works more than 1200 hours in a vacation year, he shall be entitled to vacation pay at his base rate (including C.O.L.) for the number of weeks set out in Article 10.02, such vacation pay to be in lieu of that provided for in Article 10.02.

10.04
(a) The vacation year for the purpose of this Agreement shall be from July 1st to June 30th. Vacation entitlement in respect of the vacation year must be taken during the calendar year in which the last day of the vacation year falls.

(b) Vacation pay shall be paid at the time vacations are taken.

10.05 For the purpose of calculating vacation pay under Article 10.02, any monies received for temporary compensation payments, sickness or vacation pay shall become part of his gross earnings provided the employee works in that vacation year.

ARTICLE XI

Wages and Classifications

11.01
(a) All wage rates outlined in Appendices A, B and C shall be minimum rates for the duration of this Agreement and shall apply to the classifications listed. Any increases in rates granted by the Company to any one classification shall apply to all employees in such classification.
(b) When a rate has been established by the Company covering a new job classification, such rate will be discussed with the Union. In the event of a dispute between the Company and the Union with respect to such rate, the matter may be treated as a grievance and referred to step three of the grievance procedure.

(c) New Hires – Hourly wage rates for new hired employees applies to all classifications except Skilled Trades and fully qualified Hammersmiths:

<table>
<thead>
<tr>
<th>Start</th>
<th>- 70% of published rate</th>
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<tbody>
<tr>
<td>After 90 days</td>
<td>- 80% of published rate</td>
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<tr>
<td>(probationary period)</td>
<td>- 90% of published rate</td>
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<tr>
<td>After 1 year</td>
<td>- 100% of published rate</td>
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<tr>
<td>After 18 months</td>
<td>- 100% of published rate</td>
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11.02 Heaters on the day and night shift will normally be required to start work one-half hour ahead of shift (loading furnace) and work their regular shift and shall receive time and one-half for the extra half hour worked. These earnings shall not be included in the calculation of average earned rate. This refers to Drop Forge only. When the roll operator forms a part of the crew, the roll operator will always be paid at the single heater rate.

11.03
(a) The regular payday shall be Thursday. Pay cheques will be distributed before noon during working hours on regular pay days for employees on the second shift. Pay cheques for employees on the third shift will be distributed at the end of that shift on Wednesday. Pay cheques for employees on the first shift will be distributed at the commencement of the Thursday shift.
(b) Pay cheque distribution for employees on the first and third shifts will be done on the above basis as regularly as possible. The Company cannot guarantee distribution on the above basis during short work weeks or in the event of computer equipment breakdown.

11.04 Employees shall be notified before their timesheets are changed.

11.05 Employees who are injured at work and are sent home by the Foreman or by a doctor because of such injuries shall be paid at their regular rate for the balance of the shift on which the injury occurred. Employees on piece work will be paid their average hourly earnings for the preceding pay period excluding off shift premium.

Call In Pay

11.06 Any employee who is called in to work outside of his regular working hours shall be paid not less than four (4) hours at his regular hourly rate.

Reporting for Work

11.07 An employee reporting for work on his regular shift but for whom no work is available in his regular occupation, will be paid four (4) hours' time at his regular hourly rate, or will be given four (4) hours' work in another occupation at his regular hourly rate. This provision shall not apply in the event of fire, flood or emergencies beyond the control of the Company.
Cost of Living

11.08 Effective December 7, 2016, $0.86 will be folded into the wage rate and $0.10 will remain as a float (total $0.96). The Cost of Living Allowance will be frozen at $0.10 (The Float) during the first year of the contract term. Thereafter, the allowance will be adjusted up or down in accordance with each fifteen hundredths (0.15) change in Consumer Price Index (CPI) as published by Statistics Canada. The maximum allowance for Year 2 is $0.30 (including Float) and Year 3 is $0.35 (including Float).

11.09 Commencing October, 2017 a CPI base will be established (based upon 1981 = 100) and adjustments from the base will be made; one cent ($0.01) per hour adjustment for every fifteen hundredths (0.15) of a point change in CPI.

11.10 There shall be no adjustment in the Cost of Living Allowance below the Index/Base set at October, 2017.

11.11 Adjustments will be made in the first pay subsequent to the date that Statistics Canada publishes the CPI with the first adjustment to be made during the month and thereafter at three (3) month intervals ending December, 2017.

11.12 The cost of living allowance provided for herein shall be paid to each employee for each hour worked and shall be included in computing vacation pay under Articles 10.02 and 10.03 and call in or reporting pay.

11.13 Effective October 1, 2018 the cost of living allowance then existing will be “folded in” to the base wage rates except ten cents ($0.10) which
will remain. This is on the condition that the cost of living allowance exceeds ten cents ($0.10) on the above noted anniversary dates of this Agreement.

11.14 In the event that Statistics Canada changes the present basis of calculating the Consumers Price Index the foregoing provisions shall be altered by negotiations between the parties to reflect accurately the integration of present formula into any new formula.

ARTICLE XII

Production Standards

12.01 It shall be the Company's responsibility to establish production standards (pieces per hour) that:

(a) are fair and equitable to workers; and

(b) are based on working capacities of a normal worker; and

(c) give due consideration to the quality of workmanship required; and

(d) give due consideration to fatigue, personal time and delays; and

(e) make it possible for an incentive worker to earn more than his objective rate in direct proportion as his actual production exceeds the production standard; and

(f) provide adequate relief personnel for continuous operations. Continuous operations
are defined as those operations which require constant attention throughout the shift.

12.02 A production standard is established by the Company when the operator studied, or if he is not available, when the operator on shift is notified in writing. The standard shall at the same time be recorded in the Standards book.

12.03 Before the Company studies any job in order to establish a production standard, the workers on the job and the Union standards representative shall be notified of the purpose of such study and the method of production to be followed. Where practicable, such notification will be given one day in advance of the study.

12.04  
(a) The Company agrees to set standards based on the capability of normal qualified experienced operator on the job (100 percent represents normal) performing according to the methods, conditions and circumstances that existed at the time the study was made for the purpose of establishing the production standard.

(b) When an operation is being studied, the worker shall perform such operation in accordance with the Company's method and will otherwise cooperate to give a performance which is representative of the actual conditions under which the operation will be performed.

(c) Production standards shall be established to provide an opportunity for a normal qualified experienced operator working at an incentive pace to earn 125 percent of objective rate. There shall be no ceiling on incentive earnings.
12.05 Any established production standard may be protested on the ground that it does not conform to the provisions of 12.01 (a) (b) (c) (d) (e) and (f) above. Before discussing such protest the Union may, if it desires, examine all the data which the Company has pertaining to the production standard to which the protest refers.

12.06 When a production standard has been protested under 12.05, the Union may request a review and the Company shall review the job as soon as possible but in no case later than five (5) days. If production schedules make this impossible, the job shall be reviewed the next time it is being run.

12.07 When a production standard is being investigated or discussed with the Company, the Company agrees to recognize a local Union M.T.M. Representative for the purpose of investigating standards disputes working under the direction of the Unit Chairman or Co-Chairman. Failing settlement under 12.05, 12.06 or 12.07, the matter may be processed as a grievance on the grounds that it does not conform to the provisions of 12.01 (a) (b) (c) (d) (e) and (f) above.

12.08 If the final production standard that is determined is lower than the production standard that was protested, the new standard shall be made retroactive to the date of the origin of the protest and the relevant employees’ wages will be adjusted accordingly.

12.09 An established production standard where no grievance has been filed shall not be changed except for the following reasons and to the following extent:
(a) To correct an arithmetic error, in which case only the arithmetic error shall be corrected.

(b) When the Company makes a change in the job which makes it possible for the workers to do the job in less time or with less effort, the change in the production standard shall reflect no more than the change in the job.

(c) When the Company makes a change in the job which requires the worker to use more time or effort, the change in the production standard shall reflect no more than the change in the job.

(d) Changes in production standards made under Article 12.09 (a), (b) and (c) will be notified to relevant employees and the Union before being applied in production.

(e) It is understood that where an employee increases his earnings through his own skill and effort and is within the quality requirements, it will not be interpreted as being a change in job content as set out in this Article 12.09.

12.10 When a change in method (other than as covered by 12.09(e) above), material, equipment, quality or design changes the production standard by less than 5%, it is recorded in the methods and standards files and noted on the back of the production standard card in the plant office, the Foreman, the Union M.T.M. Representative and operator advised, but the issued standard is not changed. When the cumulative total of two or more of these recorded changes amount to more than 5% of the established production standard, a new standard is issued.
12.11 All incentive workers will be guaranteed their day rate for the number of hours worked on any one day.

12.12 A production standard card will be placed in the production standards book in the plant office and a copy given to the Union M.T.M. Representative. The Union will be supplied with a list of all active production standards quarterly.

12.13 (a) It is mutually understood and agreed that the “objective rate” shall be the rate for purposes of calculating incentive earnings. It is further agreed that the incentive shall be such that each 1 percent increase in production over the production standard shall result in a 1 percent increase in pay using the objective rate as a base.

(b) Earnings from one job shall not be used to build up earnings on another job on which the object rate was not earned.

12.14 Delays not included in production standards will be paid at the day rate. These delays are those on which standards cannot be established or which occur too infrequently to be factored into the production standards.

12.15 (a) Every worker shall be entitled to and shall receive an allowance for personal time which shall be three (3) minutes per hour.

(b) Every worker shall be entitled to and shall receive an allowance for fatigue which shall be three (3) minutes per hour for each hour except for hours containing lunch and wash up periods.
(c) The above personal and fatigue allowances will not apply when the "heat wait" time per standard hour exceeds the above noted six (6) minutes.

(d) Every worker shall be entitled to and shall receive an allowance for miscellaneous delays which shall be three and three-quarter (3-3/4) minutes per hour.

12.16 For experimental work and for new jobs the operator will be paid at his objective rate until a production standard is established. When the production standard is set, any excess earnings will be paid retroactively to the time the job started.

12.17 On jobs containing machine controlled portions of work which limit an operator's ability to earn incentive, an allowance of 25 percent plus allowances will be added to the controlled portion of the cycle.

12.18 Die changes will be paid at objective rate based on the following times:

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<tr>
<td>2,500 Hammer</td>
<td>1.0 hour</td>
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<tr>
<td>Board Hammers</td>
<td>1.0 hour</td>
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</tbody>
</table>

12.19 On continuous crews the base standard is 125% of normal base standard.
ARTICLE XIII

Insurance Plans

Life Insurance Coverage – Employees and Pensioners

13.01

(a) Employees - Death Benefit $38,000
- AD&D $38,000

Pensioners - Death Benefit $3,000

Pensioners who do not qualify for a Canada Pension Plan Death Benefit will be covered for an additional $500.00.

(b) Permanent Total Disability Benefit – an employee must be disabled for a period of one (1) year at which time he will be eligible to convert $35,000 of his $38,000 life insurance to a monthly payment of $1,167.00. This payment will be made for a period of thirty (30) months or to age sixty-five (65) whichever comes first. $3,000 will remain as life insurance. If the employee dies prior to the 30th installment, the Insurance Company will pay out the life benefit amount of $38,000 less the total amount paid out in installments to the beneficiary of record.

(c) Coverage for new employees commences the first day of the month following the completion of three months' continuous service. Coverage for employees laid off ceases at the end of the month following month layoff commences and is reinstated immediately upon return to work. Coverage for laid off employees with ten (10) or more years of service continues for two (2) months following the month layoff commences and is reinstated immediately upon return to work.

(d) Premiums will be paid by the Company.
Non-Occupational Disability Benefit Plan
Employees Only

13.02
(a) Effective October 1, 2016 – minimum benefit $450.00 per week.

(b) Commencement of benefit – 1st day of accident, 1st day of hospitalization, 5th day of illness if no hospitalization.

(c) Duration of benefit – 39 weeks for a single disability. A recurrence of a disability will be treated as a new disability provided the employee has returned to active work on a full time basis for one week.

(d) Coverage is effective for new employees the first day of the month following completion of three months’ continuous service.

(e) Coverage is cancelled effective day of layoff and reinstated effective date of return to work.

(f) Benefits will be paid by the Company on a basis integrated with Employment Insurance Benefits.

(g) Details of the terms and conditions of the plan are outlined in the Supplementary Agreement – Non-Occupational Disability Benefit Plan October 1, 2016 to September 30, 2019.
Medical and Hospital Coverage
Employees and Pensioners Under Age 65

13.03 Ontario Health Insurance Plan
(including Standard Public Ward Hospital Care):

This coverage is available to all Ontario residents through payment of the Employer Health Tax. If the provincial plan is modified during the term of the Agreement, the Company agrees to make contributions to any new health plan.

Hospital – Semi-Private Care
Employees and Pensioners

13.04 Semi-private hospital care at option of employee or pensioner who will pay premiums for his coverage.

Drug Plan –
Employees, Pensioners Under Age 65,
Pensioners' Spouses Under Age 65
and Survivor Spouses Under Age 65

13.05
(a) Coverage – cost of prescription drugs, exclusive of lifestyle drugs, with $2.00 per prescription deductible. Annual limit of $300.00 for survivor spouses.

(b) Commencement of Coverage – 1st day of the month following completion of three months' continuous service.

(c) Cancellation of coverage for laid off employees with less than ten (10) years of service continues to end of month following
month layoff commences and employees with more than ten (10) years of service for two (2) months following the month layoff commences unless employee applies for continuation and pays the premium and is at the time receiving unemployment insurance benefits. Maximum duration one year from date of layoff. Coverage reinstated effective date of return to work.

(d) Premiums will be paid by the Company.

Dental Plan

13.06
(a) Coverage – Blue Cross Dental Care Plan equivalent plus Endodontics, no deductible, no co-insurance. As of –
October 1, 2016 – 2015 ODA Schedule of Fees
January 1, 2017 – 2016 ODA Schedule of Fees
January 1, 2018 – 2017 ODA Schedule of Fees
January 1, 2019 – 2018 ODA Schedule of Fees

(b) Commence of Coverage – 1st day of the month following completion of three months’ continuous service.

(c) Cancellation of coverage for laid off employees with less than ten (10) years of service end of month following month layoff commences and employees with more than ten (10) years of service for two (2) months following the month layoff commences unless employee applies for continuation and pays the premium and is at the time receiving unemployment insurance benefits. Maximum duration one year from date of layoff. Coverage reinstated effective date of return to work.
(d) Premiums will be paid by the Company.

Vision Care

13.07
(a) Coverage – cost of prescription eye glasses for employees and eligible dependents to a maximum of $200.00 within any twenty-four (24) month period.

(b) Commencement of Coverage – first day of the month following completion of three months’ continuous service.

(c) Cancellation of coverage for laid off employees with less than ten (10) years of service end of month following month layoff commences and employees with more than ten (10) years of service for two (2) months following the month layoff commences. Coverage reinstated effective date of return to work.

(d) Premiums will be paid by the Company.

ARTICLE XIV

Pensions

14.01 The Pension Agreement dated October 1, 1965 and revised May 1, 2000 and May 1, 2004 will be continued in force until September 30, 2019 providing the following benefits:

(a) The monthly basic pension per year of credited service (with no maximum on credited service) for eligible employees retiring on or after the date shown hereunder:
The Union and Company agree to meet during the term of the agreement to review the current pension plan in detail and discuss any structural changes that may benefit both parties.

Note: Separate pension plan booklets will not be printed. Bargaining Committee will receive copies of the revised and updated pension plan.

(b) The monthly supplemental pension per year of credited service not in excess of 25 years for each eligible employee retiring on or after the date shown hereunder, reduced by the amount of any unreduced statutory benefit payable to him:

October 1, 2016
$18.00

The supplemental pension ceases at age 65 (see specific reference from Article XI of the plan text).

14.02 Each employee will commit to contributions of 4.5% in year one, 4.5% in year two and 4.25% in year three of his gross straight time earnings on forty (40) hours per week to the Pension fund.

Should the Provincial Government change the solvency deficiency repayment beyond five (5) years, the parties will meet to discuss.

Employee contributions will be recorded in payroll statements and annual income tax statements.
ARTICLE XV
Skilled Trades

15.01 The provisions of this Collective Agreement shall apply to all employees in the Skilled Trades classification, except as set out in the Skilled Trades Supplementary Agreement October 1, 2016 to September 30, 2019 which specifically covers skilled trades matters.

15.02 Appendix “A” covering Classifications and wage rates for Skilled Trades is hereby made a part of this Collective Agreement

ARTICLE XVI
General Clauses

Credit Union Check-Off

16.01 Where authorized by individual employees the Company agrees to a payroll check-off for credit union purposes.

No Discrimination

16.02 The Company agrees that it will not discriminate in the hiring of employees, or in their training, upgrading, promotion, transfer, layoff, discipline, discharge of otherwise because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, family status or handicap.
No Strikes or Lockouts

16.03 The Union agrees that it will not cause nor permit its members to cause nor will any member of the Union take part in any strike, stoppage, slowdown or curtailment of work in any of the Company's operations during the term of this Agreement.

16.04 The Union and the Company shall work jointly in preventing unauthorized strikes, stoppages, slowdowns or curtailment of work. The Union will repudiate any such action by the employees covered by this Agreement in writing to the Company through the National Representative within a period of forty-eight (48) hours after the commencement of such action.

Company Rules

16.05 From time to time the Company shall issue work rules and changes therein to be followed by employees. The Company will discuss and review any changes with the committee prior to implementation.

Warning Notice

16.06 No employee shall be penalized because of a verbal reprimand. All penalties shall be substantiated in writing with a copy to the Union. A warning letter, or demerit slip shall be withdrawn from an employee's file six months after it is issued.
No Moonlighting

16.07 Employees of the Company shall not be permitted to accept full or part time employment with another competitive employer so long as they continue to work on a full time basis for the Company. Any employee found to be holding two jobs in violation of the above provision, will be given an opportunity to terminate his employment with the Company or with his second employer. Failure to reach a decision within five (5) working days shall be regarded as a voluntary quit.

Bulletin Boards

16.08
(a) The Company will supply the Union with three (3) bulletin boards in each plant for the exclusive use of the Union provided notices other than Union meetings, elections and social and recreational activities are approved before they are posted.

(b) The Company will provide two (2) lockable filing cabinets, one in each plant, and will permit the Union to install two (2) telephones for Union business, one in a location near the work area of the Unit Chairman and one in a location near the work area of the Unit Co-Chairman. These telephones to be enclosed and secure.

Supervisory Responsibility

16.09 No employee shall be required to work from a print that has not been certified correct by a Foreman or Supervisor.
Bereavement Pay

16.10 In the event of an employee taking time off because of the death of a member of the family the employee so affected will be allowed the following:

For parent, spouse or child – five (5) days at his regular rate. For brother, sister, father-in-law, mother-in-law or grandparent – three (3) days' pay at his regular rate. For grandchild – two (2) day's pay at his regular rate. For brother-in-law or sister-in-law – one (1) day's pay at his regular rate.

A one (1) day bereavement leave will be granted to an employee who cannot attend the funeral of his parent (father or mother) provided the employee presents proof of death.

If the death of an immediate family member occurs during the employee's vacation period, the paid leave period will be deferred to a later date.

Pay for Jury and Witness Duty

16.11 An employee who is required for jury service or is subpoenaed for witness duty and has notified the Company promptly of his jury or witness call, shall for one case in a twelve month period be paid the difference between his regular straight time rate of pay, exclusive of off shift premium, and the payments he received from jury or witness duty. The employee will present proof of the amount of pay received.
16.12

(a) It is agreed that the Company and the Union will cooperate in a Health and Safety Committee, consisting of two (2) representatives of the Union together with equal representation of Management and the Safety Director. Employee representatives will represent a defined zone in the factory. Regular monthly meetings or inspections will be held and the committee will investigate all lost time accidents and recommend appropriate action to prevent their recurrence.

(b) The Union acknowledges that there exists a joint responsibility for the maintenance of health, safety, cleanliness and sanitary rules. The Company has the responsibility of providing the cleaning and janitor service, proper receptacles, tool racks and other necessary safety and sanitary facilities. The employees have the responsibility of keeping their immediate work area clean of waste, papers and other refuse, and their equipment clean and orderly.

(c) The Company shall make all reasonable provisions for the safety and health of employees during working hours. Approved protective devices, wearing apparel and other equipment necessary to protect employees properly from bodily harm shall be provided by the Company as follows:

The Company will contribute up to $175.00 per contract year per employee upon proof of purchase towards the purchase of safety shoes. Gloves will be provided at cost less 75%.

(d) The Company shall provide adequate sanitary lunchroom, washroom and first aid facilities.
(e) If an employee is medically unfit, as determined by medical examination, to perform his regular job, both the Company and the Union will endeavour to place such employee on a meaningful job he is capable of doing in line with seniority. An employee may waive greater seniority to facilitate such placement on mutual agreement with the Company and the Union. The displaced employee or employees then may exercise seniority in accordance with Article 6.09(b).

(f) If a particular job is considered to be hazardous, a complaint shall be registered with the Department Foreman, who shall take immediate action to correct the condition. If still considered hazardous, the job shall be examined by the Foreman, his Plant Manager and the Union Shop Steward or Committeeman. No employee will be required to work on a job judged to be hazardous.

(g) The company will not schedule an employee to work alone where the operation of a machine is a regular part of his work assignment.

16.13 The Company shall not discontinue any job solely because of an employee retiring on pension or of the death of an employee, but shall fill such job as provided in the job posting procedure. In the event that the Company's decision is to discontinue any job, it will give prior notice to the Union. In the event that it becomes necessary to discontinue any job, the Union will be advised at the Monthly Union/Management meeting, prior to the discontinuance.
Paid Education Leave

16.14 The Company agrees to pay into a Special fund two cents ($0.02) per hour per employee for all hours worked for the purpose of providing Paid Education Leave. Said Paid Education Leave will be for the purpose of upgrading the employee's skills in all aspects of Trade Union functions. Such monies to be paid on a quarterly basis into a Trust Fund established by Unifor Local 199 and sent by the Company to the: Unifor Local 199, 205 Placer Court, North York, Ontario M2H 3H9

The Company further agrees that members of the Bargaining Unit, selected by the Union to attend such courses, will be granted, upon written request, a leave of absence without pay for up to twenty (20) days of class time, plus travel time, where necessary, said leave of absence to be intermittent over a twelve (12) month period from the first day of leave. Employees on Paid Education Leave will continue to accrue seniority and benefits during such leave.

Sub-Contracting

16.15 It is the policy of the Company not to contract out work when it has the people, skills, equipment and facilities to do such work – always provided that the Company can do such work as economically, promptly and efficiently as it can otherwise be done. However, to do this, the Company will require assurances that the required manpower will be available, including overtime, and that continuity of individuals skills will be fully considered. The Union can rest assured that the Company will keep contracting out and sub-contracting
to a minimum and has no policy change in mind to reduce work available to our skilled tradesmen through the use of outside contractors. We will continue to be interested in maximum employment for all our people. When practical, the Union representatives will be notified in advance of sub-contract work.

ARTICLE XVII

Duration of Agreement

17.01 This Agreement shall be effective from the 1st day of October, 2016 to and including the 30th day of September 2019. Either party shall be entitled to give notice in writing to the other party as provided in the Labour Relations Act of its desire to bargain with a view to the renewal of the expiring Collective Agreement at any time within a period of 90 days before the expiry date of the Agreement. Following such notice to bargain the parties shall meet within 15 days of the notice or within such further period as the parties mutually agreed upon.

17.02 In the event of notice of amendment, modification or alteration of this Agreement, it shall remain in full force and effect while negotiations are being carried on for the renewal of this Agreement.
Rights and Privileges

17.03 Any rights and privileges not covered by this Agreement but mutually agreed in writing between the parties and presently in effect shall remain unchanged during the life of this agreement.

17.04 Company to provide amended Agreement, pension and benefit manuals within six months of effective date of agreement.

17.05 Notice shall be in writing and shall be sufficient if sent by registered mail addressed, if to the Union, Unifor Local 199, Welland, Ontario and if to the Company address to the Manager, Canada Forgings Inc., Welland, Ontario
Signed at Welland, Ontario this 5th day of December, 2016

Signed on behalf of the Company
Canada Forgings Inc.

J. S. Naar
P. Olah

Signed on behalf of the
UNIFOR NATIONAL STAFF

Rick Alakas
Matt Root

Signed on behalf of all the Employees of
UNIFOR LOCAL 199

B. Arthur
C. Darin
M. Ganchou
### Skilled Trades Classifications

**Heavy Forge**

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<td>Forgesmith/Blacksmith</td>
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Lead Hands - $0.25 over top group rate  
Group Leaders - $0.35 over top group rate  

Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
APPENDIX "B"

Semi-Skilled Trades Classifications
Heavy Forge

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Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
## APPENDIX “C”

### General Classifications

**Heavy Forge**

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Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
APPENDIX "A"

Skilled Trades Classifications
Drop Forge

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<tr>
<td>Instrument Technician</td>
<td>24.40</td>
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</tr>
<tr>
<td>Machine Repairman</td>
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<td>Machinist</td>
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<td>Millwright</td>
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<tr>
<td>Tool &amp; Die Maker</td>
<td>24.40</td>
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<tr>
<td>Welder</td>
<td>24.29</td>
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</table>

Lead Hands - $0.25 over top group rate
Group Leaders - $0.35 over top group rate

Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
### APPENDIX “B”

**Semi-Skilled Trades Classifications**

**Drop Forge**

<table>
<thead>
<tr>
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<tbody>
<tr>
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<td>Die Repair</td>
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<tr>
<td>Die Repair / Die Storage</td>
<td>22.52</td>
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</tbody>
</table>

Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
APPENDIX “C”

General Classifications
Drop Forge

<table>
<thead>
<tr>
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<tbody>
<tr>
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</tr>
<tr>
<td>Helper</td>
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</tr>
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<td>Hot Inspector</td>
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<tr>
<td>Hot Inspector / Vehicle Operator</td>
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<td>Labourer</td>
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<td>Manipulator Operator</td>
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<td>Press Room Sandblast</td>
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<td></td>
</tr>
<tr>
<td>Saw Operator</td>
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<tr>
<td>Steel Stockkeeper &amp; Saw Operator</td>
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<td>Vehicle Operator</td>
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Lead Hands - $0.25 over top group rate
Group Leaders - $0.35 over top group rate

Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
## Drop Forge Objective Rates

<table>
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<tr>
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<tr>
<td>5,000 – 4,000 Air</td>
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<td>2,500 Air</td>
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<td><strong>Heaters</strong></td>
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<td>10,000 Air</td>
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<tr>
<td>1 Heater</td>
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<td>1 Heater</td>
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<tr>
<td>2,500 Air</td>
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<td><strong>Helpers</strong></td>
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<tr>
<td>2,500 Air</td>
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Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
APPENDIX “C”

Drop Forge – Day Rates

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Drop Forge – Die Changes – Flat Rate

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<td>Spare Hammersmith/Helper</td>
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Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
**APPENDIX “C”**

**Drop Forge – Die Changes – Flat Rate**

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<tr>
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<td>22.79</td>
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<td>2,500 Air</td>
<td>22.57</td>
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**False Shoes**

An allowance of .5 hour will be paid at objective rate in addition to the above rates for each false shoe required.

Wage rates in all classifications will be increased by 1.0% effective October 1, 2017 and 1.0% effective October 1, 2018.
Skilled Trades Supplementary Agreement

This Agreement entered into this 1st day of October, 2016 between Canada Forgings Inc. (hereinafter referred to as the Company)

and

UNIFOR and Its Local 199

1. The purpose of this skilled trades clause shall be for defining classifications, wage rates, seniority provisions, apprenticeship, job procedures, etc., and shall include all apprenticeable trades. Skilled Trades for the purpose of this Agreement shall be as outlined in Appendix “A” of this Collective Agreement.

2. Seniority in the Skilled Trades departments as listed under Appendix “A” shall be non-interchangeable between the Drop and Heavy Forge Plants. Seniority lists shall be by basic trades or classifications as of date of entry into the Trades or Classifications.

3. The term “journeyperson” as used in this Agreement shall mean any person:

   (a) Who presently holds a classification in a skilled trades occupation, or has recall rights.

   (b) A new employee who has served a bonafide apprenticeship of four (4) years – 8,000 hours, and holds a certificate which substantiates his claim of such service, or
(c) Has had eight (8) years practical experience in Journeyperson’s trade in which he claims Journeyperson status and can prove same. A Unifor Journeyperson’s Card will be accepted as proof.

(d) Prior to employment proof of Journeyperson’s status will be examined by the Skilled Trades Committee.

4. Any further employment in the Skilled Trades occupations, in the Heavy and Drop Forge plants after signing of this Agreement shall be limited to Journeyperson and apprentices.

5  
(a) During any period when journeyperson are unavailable it is agreed that non-journeyperson employees whose duties shall be to assist journeyperson may be hired or reclassified on a temporary basis to supplement the work force in a skilled trades classification and shall be known as supplemental employees for present employees and new supplemental employees for new hire. Where it is necessary to supplement a skilled trade, it shall be for a period not to exceed one hundred and twenty (120) days subject to renewals of one hundred and twenty (120) day periods by mutual agreement.

(b) The opportunity to work as a supplemental employee shall be offered:

1st – to any employee listed in Appendix “A” who may be on layoff.
2nd – to seniority employees.
3rd – to any employee laid off with seniority who has the present ability or adaptable skill to do the work. If there is no laid off employee
eligible, new employees may be hired on a temporary basis.

(c) When a journeyperson becomes available either by hire, transfer or graduation of an apprentice in a skilled classification to which a supplemental employee has been assigned, such journeyperson will replace the supplemental employee who shall be returned to his original department.

(d) A supplemental employee shall not accumulate seniority within the skilled trades classification but shall accumulate plant-wide seniority and may exercise such plant-wide seniority to return to his former job.

(e) Supplemental employees shall be paid a rate of five ($0.05) cents per hour below the rate of trade or classification being supplemented.

6. In the event of an increase or decrease in force in any skilled trades group or classification as designated in Appendix "A" the following procedure shall apply:

(a) First supplemental, second probationary journeyperson employees will be laid off from their skilled trades group or classification.

(b) If any further cut backs or layoffs affecting workers whose classification is in Appendix "A" at date of current contract such affected employee may exercise his total trades seniority on a job he can perform or may take layoff subject to recall.

(c) Employees affected by a lay-off or cut-back in manpower as per (a) and (b) above may exercise total plant wide seniority on a job he can perform.
(d) When an employee is affected by layoff under (c) above the Company shall make every effort to return such employee to his skilled trades classification at the earliest possible opportunity if such employee refuses to return to his skilled trades classification he will automatically forfeit any previous seniority within the skilled trades.

(e) Recalls shall be made in reverse order of layoffs.

7. Transfers between classifications may be made providing the transferee does not infringe on the seniority rights of the employee regularly employed within the trade or classification. Permanent transfers may be made upon the request of the Company, or the man involved, but only by mutual agreement and the Shop Committee shall be consulted before any transfer is made.

8. The Company and the Union negotiated apprenticeship training program shall be considered an inseparable part of this Agreement. In regards to the Apprenticeship Program, the Company and the Union agree to follow the Unifor Apprenticeship Standard, wherever possible.

The Joint Apprenticeship Committee will meet on a regular basis to assess the progress and educational requirements for the apprentices. The objective of the apprenticeship training course is in the interest of both parties and therefore decisions that concern apprenticeships will be by mutual agreement of the Joint Committee. In the matter of the Forgesmith classification, which is unique in that there is no set course defined, and it is largely designed to meet the requirements of the employer, the Committee will endeavour to identify the specific requirements of the job.
9. There shall be a jurisdictional committee of three from the Company and three Tradespersons from the Union to decide lines of demarcation within the trades.

10. Promotions or transfers to higher paid or better jobs with equal pay within a skilled trades shall be based on the qualification necessary as a journeyperson for such jobs. When these factors are equal the employee with the greatest seniority shall be given the preference.

11. (a) A lead hand of skilled trades employees shall be defined as one who is a skilled trades employee, who while engaged in his regular skilled trades occupation leads or processes the work of two or more employees, but not greater than four.

(b) Only a journeyperson shall be considered as a lead hand in his respective trade.

(c) When it is necessary for a journeyperson to lead employees other than in his own trade, he shall be known as a "Group Leader".

(d) Lead Hands or Group Leaders shall retain their Leader rates while so classified.

(e) Rates of Lead Hands and Group Leaders are to be as set out in the schedule of wages attached to the Collective Agreement as Appendix "A", "B" and "C".

(f) Lead Hands and Group Leaders have no authority to take any disciplinary action against any employee.
12. (a) Any employee temporarily transferred from a Skilled Trades occupation to another occupation in the plant (other than to a General Classification as defined in the Agreement) shall accumulate seniority in his trade. In the event of demotion from such other occupation, then the employee shall exercise seniority in his trade. This clause is governed by the terms of Clause 6.16.

(b) An employee transferred from a Trade Group to some occupation with the Company (outside of the recognized Bargaining Unit) may accumulate his seniority for a period of the first three months in such other occupation during which time he must decide whether to continue in such occupation or return to his Skilled Trade Classification. However, if at a later date same employee returns to the Trades, he shall do so only with the seniority that he had accumulated with the Trades prior to his transfer, being allowed to retain the three months trial period as seniority.

13. In the event of a relocation of their Plant or Plants, the Company will reinstate all employees in the Skilled Trades in line of seniority as set out in Article 6.07 of the General Agreement.

14. All work performed in the Skilled Trades shall be done by employees who are covered by classification and rate as outlined in this Supplemental Agreement between the Company and the Union.

15. In the case of emergencies requiring Skilled Trades employees to work through rest or lunch periods, these periods will be paid for at overtime rate as specified in the contract, and the employees are to receive the lost rest or lunch period at the earliest possible with pay.
16. Nothing in this Supplemental Agreement shall be construed so as to deprive any employee of Skilled Trades of any rights or privileges – such as Insurance, Pensions, Holiday or Vacation Pay, etc. that are covered in the body of the General Agreement.

17. Wages for Skilled Trades Groups may be revised every three (3) months.

18. In choosing between equally suitable applicants when hiring for a Skilled Trades Classification, the Company will give preference to an applicant who holds a UNIFOR Journeyperson Card.

Skilled Trades Dues Check Off

19. The Company agrees to deduct Canadian Skilled Trades Council dues as may be adopted by the Canadian Skilled Trades Council upon receipt of individual authorization cards signed by the employees at the time of hire.

First deduction to be made from the employees from the first pay received after completion of the probation period. Future deductions to be made in January of succeeding years, or upon completion of one (1) month’s work in that calendar year.

20. The Company will pay the weekly coverall rental for all maintenance trades.
Supplementary Agreement

Non-Occupational Disability Benefit Plan

between

CANADA FORGINGS INC.

and

UNIFOR AND ITS LOCAL 199

October 1, 2016 to September 30, 2019

1. A disability absence is a period of time during all of which an employee is prevented from performing work in the plant solely because of non-occupational injury or non-occupational disease.

2. If a disability absence of an employee commences while the employee is covered by this plan, the Company will, subject to the terms of this agreement, pay a benefit for the period of such disability absence, less days excluded by the terms of the agreement, at the minimum rate of $450.00 per week effective October 1, 2016, but for not more than thirty-nine weeks during any one period of disability whether due to one or more causes and whether involving one or more disability absences.

3. No benefit shall be payable under this section for:

(a) the first four days of a period of disability due to disease, except that if the employee is confined in a hospital for at least twenty-four consecutive hours due to such
disease or undergoes a surgical procedure (excluding cosmetic/elective surgery) defined by the employee’s physician as being medically necessary, at a hospital or clinic, prior to the fifth day of disability, the benefit shall be payable from the first day of hospitalization;

(b) the period of a disability absence following the date of retirement of an employee on pension;

(c) any day for which the employee is not certified to be disabled by a physician or surgeon;

(d) any day on which the employee is performing work of any kind, anywhere, for compensation;

(e) the period of a disability absence for which an employee is eligible to receive an Employment Insurance benefit of $450.00 per week or more. Where his eligible benefit is any amount less than $450.00 per week, he will receive an amount equal to the difference between $450.00 and the amount received.

4. A recurrence of a disability will be treated as a new disability provided the employee has returned to active work on a full time basis for one week.

5. Coverage is effective for a new employee the first day of the month following completion of three month’s continuous service.

6. Coverage is cancelled effective date of layoff and reinstated effective date of return to work.

7. Costs will be borne by the Company.
8. The Company will make an advance of monies to an employee in the estimated net amount of an Employment Insurance Sickness Benefit for which he is eligible. The employee will repay the advance immediately upon receipt of such benefit and will sign a form authorizing the Company to recover any unpaid advances from future wage payments.

An employee shall be eligible for an advance provided such employee files an application with the Employment Insurance as soon as reasonably practicable after commencement of accident or illness.

9. In the event that an employee on layoff is ineligible to receive an Employment Insurance Benefit solely because of using an Employment Insurance credit for a disability benefit, under this Plan, the Company undertakes to reimburse him for such loss of Employment Insurance Benefit.
April 23, 1975

Mr. J. Potrecz
President, Local 275, U.A.W.
Welland, Ontario

Dear Mr. Potrecz:

INVENTORY TAKING

The Company wishes to inform the Union that it has no intention of eroding the rights of Bargaining Unit personnel with respect to inventory work.

Historically, this work has been a combined effort by salaried personnel and Bargaining Unit personnel. There has not been a rigid demarcation as between what specifically has been done by each of the two groups of employees.

As a statement of the Company's underlying policy, we can confirm to you that the following work in connection with inventory taking will continue to be reserved for Bargaining Unit people:

1. Lifting or moving steel bars, billets, blooms and ingots.
2. Lifting, moving, sorting and transferring forgings in process.

The following functions are performed by either of the two groups of employees or jointly:

1. Recording
2. Counting
3. Checking
4. Measuring
5. Calculation of weights
Some of the work required for inventory taking can be done by inexperienced personnel. However, certain functions must be performed by employees with appropriate inventory experience.

Yours truly,
CANADA FORGINGS LIMITED

F. Peacock
Personnel Manager
May 1, 1978

Mr. J. Potrecz
President, Local 275, U.A.W.
Welland, Ontario

Dear Mr. Potrecz:

CLAUSE 8.13
ROTATION OF SHIFTS

During the 1978 negotiations we discussed the above clause. It is the intent of the Company that group leaders and lead hands will rotate on the same basis as other employees unless the nature of their duties requires that they be assigned to specific shifts.

Yours very truly,

CANADA FORGINGS,
A Division of Toromont Industries Ltd.

N. M. McCrae
Personnel Manager
May 1, 1978

Mr. J. Potrecz
President, Local 275, U.A.W.
Welland, Ontario

Dear Mr. Potrecz:

DELAYS FOR THE PURPOSES OF THE PRODUCTION STANDARDS PROGRAM

In our negotiations with you to arrive at the Agreement effective May 1, 1978 the definition of delays included in and excluded from the Production Standards was raised.

The following defines delays for the purposes of application to the Production Standards Program:

Delays included in Standard Allowances
Foreman instructions and Q.C.
Completion of timesheet.
Minor hammer repairs – 5 min.
Re-fitting tongs.
Lift truck moving tote box away and replacing.
Moving dies sideways – 5 min.

Delays excluded from Standard Allowances (If not done during heat wait period – exclusive of personal and fatigue time)
Waiting for steel from Steel Shed
Breakdown
Packing Gland
Moving a die end wise
Die repair
Die stamping
Personnel Manager
N. M. Macrae

A Division of Tornado Industries Ltd.
CANADA FORCINGS

Yours very truly,
May 1, 1978

Mr. J. Potrecz
President, Local 275, U.A.W.
Welland, Ontario

Dear Mr. Potrecz:

DEFINITION OF A SCRAP FORGING FOR THE PURPOSES OF THE PRODUCTION STANDARDS PROGRAM

In our negotiations with you to arrive at the Agreement effective May 1, 1978 the definition of a scrap forging was raised.

The following defines a scrap forging for the purposes of application to the Production Standards Program:

A forging shall be considered scrap for the purposes of the Production Standard program:

1. If it is a chopped (misplaced) forging.

2. If it is a burnt forging (operator's error only).

3. If the forging is underfilled or scaled in excess of 1/16", unless the customers requirements as confirmed by Quality Control permit underfills or scale in excess of 1/16".

4. If it is off die in excess of the off die allowance as shown on the "operating instructions".

5. If the forging is produced contrary to the "operating instructions" and the result is that the forging contains defects. Examples
of such defects are shuts, loss of identification markings, distortion, reversed trim, nicking. In any instances where the Forge Shop Foreman has authorized production containing any of the above noted defects, they shall not be considered as scrap for this purpose.

Any scrap produced for reasons that are beyond the control of the operator shall not be considered as scrap for this purpose. Examples of this would be such factors as seamy steel, incorrect tooling.

The definition of a scrap forging outlined above is for the purpose of clarification. It is not intended to alter the company’s existing definition of scrap.

Yours very truly,

CANADA FORGINGS,
A Division of Toromont Industries Ltd.

N. M. McCrae
Personnel Manager
May 22, 1981

Mr. T. Kelly
Unit Chairman, Local 275, U.A.W.
Welland, Ontario

Dear Mr. Kelly:

The Company will accept applications from employees on extended layoff in one plant and will consider those employees for available work in the other plant on the following basis:

1. The employee must be on an extended layoff.
2. An employee so hired shall accumulate seniority in the other plant as a new employee in accordance with the provisions of Article VI. However, he shall be considered as a voluntary quit at his original plant for any of the following reasons:
   (a) When he is subject to recall from his original plant and refuses that recall.
   (b) When he is accepted as the successful applicant for a posted job.
3. The Company will provide vacation and pension benefits based on the employee's total company service.
4. Insurance plans will be retained or actuated as per the conditions outlined in Article XIII on the basis of a recalled employee.

Yours very truly,

CANADA FORGINGS,
A Division of Toromont Industries Ltd.

N. M. McCrae
Personnel Manager
May 1, 1984

Mr. T. Kelly
Unit Chairman, Local 275, U.A.W.
Welland, Ontario

Dear Mr. Kelly:

SUPPLEMENTAL FORGESMITH/BLACKSMITH

It is agreed that Supplemental Forgesmith/Blacksmiths may supplement the work force and singularly perform the normal duties of a Journeyman Forgesmith/Blacksmith.

Where the requirement is for a period of five days or more, it is agreed that any Journeyman Forgesmith/Blacksmith on layoff will be recalled in accordance with Articles 6.12 and 7.03 prior to implementation of the foregoing supplemental agreement.

Yours very truly,

CANADA FORGINGS
A Division of Toromont Industries Ltd.

C. G. Finlayson
Personnel Manager
May 1, 1990

T. Kelly
Unit Chairman, Local 275, C.A.W.
Welland, Ontario

RE: Coffee Breaks

During our negotiations for a new Collective Agreement, discussions were held concerning the question of coffee breaks.

For clarification, we list below such existing practices:

**Heavy Forge Plant**
1. Forge Shop Personnel:
   Two coffee breaks each a maximum duration of 10 minutes during the shift provided that such breaks fall between heats or do not disrupt normal production.

2. Machine Shop Personnel:
   One person per group of five discontinues his assigned operation for a maximum of 10 minutes twice per shift to bring coffee to the group. All other operations are not discontinued and the coffee is consumed during normal operations.

3. Maintenance Personnel:
   Two coffee breaks each of a maximum duration of 10 minutes.

**Drop Forge Plant**
Two coffee breaks are taken each shift – each of a maximum duration of 10 minutes. Details are as follows:
1. **Forge Shop**
   Employees take coffee while steel is heating between forging operations.

2. **Other Employees**
   These employees take their coffee breaks in their department area or in the lunch room at a fixed time.

Yours very truly,
CANADA FORGINGS INC.

G. Guilbeault
Executive Vice President
May 1, 1990

T. Kelly
Unit Chairman, Local 275, C.A.W.
Welland, Ontario

Dear Mr. Kelly:

RE: Summer Hours – Drop Forge

Due to excessive heat in the summer months, the company has agreed to advance by thirty (30) minutes the beginning of the shifts for the period between Victoria Day and Labour Day weekend.

It is understood that coffee and lunch breaks will remain at their regular scheduled times.

Yours very truly,
CANADA FORGINGS INC.

G. Guilbeault
Executive Vice President
May 7, 1993

Mr. A. McDonald
Unit Chairman, Local 275, C.A.W.
Welland, Ontario

Dear Mr. McDonald:

RE: Employee Address Listing

Once per contract year, upon request by the Union, the Company will give the Union the names, addresses and postal codes of all bargaining unit employees, provided such employees do not object to the giving of this information. Any employee can object to the release of this information by notifying the Personnel Department in writing. If the employee does not give the Personnel Department such a directive, the information shall be released to the Union.

Yours very truly,
CANADA FORGINGS INC.

D. Fraser
Secretary-Treasurer
May 7, 1993

Mr. A. McDonald
Unit Chairman, Local 275, C.A.W.
Welland, Ontario

Dear Mr. McDonald:

RE: Leave of Absence

In the event an employee is granted a leave of absence under Article 7.01 of the collective agreement, the Company will pay such employee on the basis of his regular scheduled hours at his regular hourly rate. The Union agrees to reimburse the Company for all amounts paid to the employee under this provision, plus reimburse the Company for related Unemployment Insurance and Canada Pension premiums and employer health taxes paid by the Company on behalf of the employee during this leave of absence within two weeks of receiving an invoice from the Company.

Yours very truly,
CANADA FORGINGS INC.

D. Fraser
Secretary-Treasurer
May 31, 1994

Mr. Angus McDonald
Unit Chairman
CAW Local 275

Dear Mr. McDonald:

Reference is made to your conversation with Messrs. Don Fraser and Warren Davies during recent labour negotiation meetings.

Canada Forgings wishes to confirm that the general practice currently used for the distribution of overtime outside of the classification will continue as in the past and that Canada Forgings Inc. will continue to ensure the overtime available is shared as equitably as possible within the departments involved provided the employee is qualified to perform the work.

Canada Forgings Inc. will also ensure that both the Unit Chairman and Co-Chairman will continue to receive copies of the monthly overtime list(s) for their respective plants as early in the month as possible.

Yours very truly,
CANADA FORGINGS INC.

N. F. Carpentier
President
May 30, 1997

Mr. A. McDonald
Unit Chairman
CAW Local 275

Dear Mr. McDonald:

**RE: Occupational Health and Safety Act**

The Union and Company agree that the provisions of Section 43 (Part V – Right to refuse or to stop work where health or safety in danger) and Section 50 (Part VI – Reprisals by Employer prohibited) of the Occupational Health and Safety Act in effect on the date this agreement is ratified will be recognized as minimum standards for the duration of this agreement. In the event that the Act is changed and the above mentioned sections are affected, the Union and Company will meet to review the impact of such changes and discuss how best to implement the terms of this Letter of Agreement.

Yours very truly,
CANADA FORGINGS INC.

G. Guilbeault
President
May 1, 2004

Mr. B. Dupuis
Unit Chairperson
CAW, Local 275
Welland, Ontario

Dear Mr. Dupuis:

RE: Shutdown

The Company agrees to provide a letter to the Unit Chair prior to May 1, of each year outlining the dates of the shutdown period.

Yours very truly,
CANADA FORGINGS INC.

S. Naar
Director of Finance & Administration
October 1, 2007

Mr. A. Lafleur
Unit Chairman, Local 275, C.A.W.
Welland, Ontario

Dear Mr. Lafleur:

RE: Hammersmith, Hammersmith/Heater and Hammersmith/Helper

Both parties agree that the loss of Hammersmiths, Spare Hammersmith/Heaters, and Helpers during a down turn in the economic cycle affects the viability of the Company.

It is therefore agreed that Hammersmiths, Spare Hammersmith/Heaters and Spare Hammersmith/Helpers can be retained on their job in their classification regardless of their plant wide seniority (“super seniority”) on the following basis:

1. The above shall not be applied to more than one (1) of the above mentioned classifications per crew in addition to the Hammersmith.

The employee in question shall be properly qualified to perform the work. The determination of the employee’s qualifications in these circumstances, save and except the Hammersmith, shall be by mutual agreement of the parties. If the parties do not reach an agreement, the Spare Hammersmith so questioned will be given the opportunity to demonstrate he is capable of doing the work.
3. Employees in this situation may work outside the classification and still maintain "super seniority" for a period of sixty (60) working days in a twelve (12) month period.

Yours very truly,
CANADA FORGINGS INC.

S. Naar
Vice President