

COLLECTIVE AGREEMENT

BETWEEN:

**CANADIAN BANK NOTE COMPANY, LIMITED,
145 RICHMOND ROAD, OTTAWA, ONTARIO
HEREINAFTER CALLED THE "COMPANY"**

AND

**COMMUNICATIONS, ENERGY AND PAPERWORKERS
UNION OF CANADA, LOCAL 588-G (LITHOGRAPHERS)
HEREINAFTER CALLED THE "UNION"**

EFFECTIVE:

JANUARY 1, 2012 TO DECEMBER 31, 2017

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ARTICLE 1 – RECOGNITION

- 1.01 The Company recognizes the Union as the exclusive bargaining agent for all persons engaged in the production of lithography, offset (including dry or wet), photo engraving for lithography, letterpress and photogravure presses in respect to wages, hours and other terms and conditions of employment as set forth in this Agreement. This Agreement excludes all persons engaged in litho pre-press.
- 1.02 No individual employment contracts, conflicting with this Agreement, shall be entered into unless with the consent of both parties hereto.

ARTICLE 2 - MANAGEMENT RIGHTS

- 2.01 The Union recognizes the right of the Company to direct the work force, make rules and regulations, operate and manage its business in all respects in accordance with its commitments and responsibilities. The Company shall not exercise these rights in a manner that is inconsistent with the provisions of this Agreement.
- 2.02 All verbal and written reprimands will be removed from the employee's human resources file after nineteen (19) months provided there has been no further discipline placed on the file during that period.

ARTICLE 3 - UNION MEMBERSHIP, PROBATIONARY PERIOD AND WORK OF THE BARGAINING UNIT

3.01

- (a) The Union's Constitution and Bylaws state that members who are laid off due to lack of work, absent due to illness, pregnancy leave, parental leave or any other situation where dues are not taken at source, shall be required to pay special dues directly to the Local in order to maintain their membership in good standing.
- (b) Members who have not paid special dues to maintain their membership in good standing and return to work will be required to pay special dues in arrears to the Local.
- (c) Any employee who fails to become a member of the Union as herein provided or to whom membership is denied because of failure to tender initiation fees, reinstatement fees, dues or assessments, then within ten (10) days after written notice from the Union, the Company shall stop the employee's accrual of seniority in the bargaining unit until such time as the Company is notified from the Union that the member has returned to good standing within the Local.
- (d) The Employer will deduct the Union initiation fee from an employee hired or rehired into the Bargaining Unit after the effective date of this Agreement. The initiation fee shall not exceed the maximum prescribed the Constitution of the national Union at the time of the employee's hire or rehire.
- (e) All employees within the Bargaining Unit shall maintain their membership in good standing in the Union as a condition of employment. To keep his/her membership in the Union in good

standing, an employee must pay the membership dues and assessments required of all members of the Local Union.

3.02 Probationary Period

All new employees covered by this Agreement will be subject to the six (6) month probationary period and will be required to apply for membership at the commencement of employment. The six (6) month probationary period may be extended by mutual agreement, in writing, of the parties to this Agreement. During the probationary period, the employee must be given an opportunity to prove he or she can do the job and therefore will be provided with feedback with respect to their performance and the employer will give a mid-point evaluation, in writing, which will include areas of concern or weakness. A Union Delegate may be present for the mid-point probationary review, if the employee so desires.

Probationary employees do not acquire seniority and do not have access to the grievance process (Article 19) of the Agreement during the six (6) month probationary period, save and except discharge where the discharge is believed to be discriminatory or in bad faith. The Employer will provide one (1) week's notice or payment in lieu of notice in event of discharge without cause. .

Upon completion of the probationary period the employee's seniority shall be retroactive to the start of the six (6) month probationary period.

Union dues are collected from the employees during the probationary period.

3.03 The Company will deduct upon receipt of written authorization and remit monthly regular union dues to and as specified by the Union.

3.04 Individual Rights of Employees

The Employer agrees that it will not discriminate against any employee for any lawful Union activity or for serving on a Union Committee or for reporting the violation of any provision of this Collective Agreement.

3.05 The Employer agrees to inform the Local Union office of its intention to hire into the bargaining unit and the Union agrees to refer applicants to the Company for consideration.

3.06 The Employer will notify the Local of any employees who have been hired, dismissed, promoted, placed on leave, transferred in or out of the bargaining unit for more than fifteen (15) calendar days, retired, resigned or deceased.

ARTICLE 4 - PRESENT PRACTICES

4.01 Present practices in existence at the time of signing this Agreement, shall remain in effect for the term of this Agreement unless due notification is given to the other party of change. Exceptions to this are those policies and practices related to security or safety.

ARTICLE 5 - PRODUCTION

- 5.01 The Union and the Company recognize the importance of maintaining a competitive position in the industry through a high degree of skill in the craft, a high standard of quality and quantity of daily output and regular punctual attendance at work. The Union recognizes the Company's right to require medical information, as necessary, to ensure that the request for sick leave is legitimate.
- 5.02 In furtherance of these objectives, the Union and its members pledge themselves to work cooperatively with Management in advancing the use of new methods, tools, equipment and processes and to require each of its members to produce to the best of their ability and not to restrict the satisfactory and efficient operation of the process in any manner, all of which is to be compatible with accepted standards of safety and health.

ARTICLE 6 - NEW EQUIPMENT OR OPERATING METHODS AND TRAINING OR PROMOTIONAL OPPORTUNITIES

- 6.01 If, during the life of this Agreement, major changes are made to equipment or operating methods or new equipment is installed, which results in a significant increase in the physical effort, required skill or responsibility of the employees covered by this Agreement, either party may propose a rate adjustment.
- 6.02 The Company agrees to give the Union sixty (60) days notice in writing prior to the installation of such new types of machines or equipment and during this period to meet with the Union to consider arrangements relative to the new processes such as but not limited to, training requirements.
- 6.03 The Union and Company recognize that technological developments, if they are to further the continued growth of the graphic art's industry, place a responsibility upon the Company to explore and promote new markets and require the co-operation of the Company and the Union in the development of new skills.

To ensure the orderly and most advantageous introduction of new types of equipment and processes, the parties agree to meet upon request of either party, to consider programs for the retraining or rehabilitation of employees if new skills are required.

- 6.04 If it is determined and agreed upon that new classification and/or wages are required, the new wages, whenever finally adopted, shall be retroactive to the beginning of actual production operation of such machines or equipment or new processes.
- 6.05 If, during the life of this Agreement new equipment is introduced, or there are training or promotional opportunities, the opportunity will be posted and interested bargaining unit members may apply. Qualifications, skills, abilities and experience will be evaluated utilizing written, oral and practical components, at the discretion of the Company. Where the qualifications, skills, abilities and experience are relatively equal, (meaning a difference between the candidates of five percentage points or less), the most senior candidate shall be successful. The Employer shall allow the Union President and Assistant to the President to view the matrix and the scores of bargaining unit employees..

ARTICLE 7 – SHIFTS AND SHIFT PREMIUMS

- 7.01 Should afternoon and/or night shifts become necessary, the hours of work shall be between the quitting time and the starting time of the day shifts. A minimum of two (2) full weeks' notice, will be given each employee required to change shifts except in the case of extenuating circumstances such as press breakdown, to meet production deadlines, delivery date change by customer.
- 7.02 Shift premium for afternoon and night shifts will be based on the regular rate plus 7½% (seven and one-half percent).
- 7.03 A four (4) week shift schedule will be posted by the Department Manager.
- 7.04 From time to time an employee can request an exchange of a full week of shifts with another employee. All requests for shift exchange must be submitted in writing to the Department Manager at least two (2) weeks in advance. The Department Manager will approve the exchange, in writing, subject to operational requirements and provided the person replacing is in the same classification, is fully trained to perform the work required and the exchange does not put either employee in an overtime position or result in any extra cost to the Company.
- 7.05 All bargaining unit members will be required to do shift rotation. For example, Monday, Tuesday, Wednesday rotate to Thursday, Friday, Saturday.
- 7.06 Employees shall be scheduled by seniority within the classification in the bargaining unit.

ARTICLE 8 - HOLIDAYS WITH PAY

- 8.01 The following holidays will be paid for at the applicable hours, and applicable rate being paid at the time of the holiday:

- | | |
|-------------------|---------------------|
| 1. New Year's Day | 7. Civic Holiday |
| 2. Family Day | 8. Labour Day |
| 3. Good Friday | 9. Thanksgiving Day |
| 4. Easter Monday | 10. Christmas Day |
| 5. Victoria Day | 11. Boxing Day |
| 6. Canada Day | |

If the Company gives another paid holiday to another Bargaining Unit it shall also apply to this Bargaining Unit.

- 8.02 To qualify for payment of the holidays in 8.01, an employee must have worked his/her last scheduled shift prior to the holiday or his/her first scheduled shift after the holiday. Exception to this would be absence due to vacation or certified sick leave.

Christmas Day, Boxing Day and New Years' Day will be granted in accordance with the following schedule when working the eight (8) hour shift model:

When Christmas occurs on:	Plant Normally Closed	Paid Holidays	New Year's Day
Sunday	Sat. Sun. Mon. Tues.	Mon. Tues	Mon. (Jan. 2)
Monday	Sat. Sun. Mon. Tues.	Mon. Tues	Mon.
Tuesday	Sat. Sun. Mon. Tues.	Mon. Tues	Mon.
Wednesday	Wed. Thurs.	Wed. Thurs.	Wed.
Thursday	Thurs. Fri. Sat. Sun.	Thurs. Fri.	Thurs.
Friday	Fri. Sat. Sun. Mon.	Fri. Sat.	Friday
Saturday	Fri. Sat. Sun. Mon.	Fri. Sat.	Saturday

- 8.03 When Christmas occurs on a Wednesday or a Thursday, the Plant will close at 3:00 P.M. on the day before Christmas Day.
- 8.04 Should an employee perform work on the day of observance by the Plant of any of the above applicable paid holidays, such work will be considered as overtime hours and paid at the rate of two (2x) times the regular hourly rate.
- 8.05 Paid holidays will not apply during any period when an employee is on a leave of absence without pay.
- 8.06 When work is not required on the workdays, between Christmas and New Year's, employees may apply vacation credits or personal leave of absence without pay for such days. If work is performed on such days, the employee shall be paid at regular rate of pay.
- 8.07 Payment for paid holidays will be made at an employee's regular hourly rate, except if an employee has been working in a higher paid classification than his/her regular position for a majority of the hours worked in the pay period preceding the holiday, in which case the employee shall receive the higher rate.
- 8.08 All holidays with pay as listed in Article 8.01 above, shall be observed on the actual day of the holiday. All employees not scheduled to work on the statutory holiday shall have another shift off with pay as their statutory holiday. Such statutory holiday will be scheduled by the Company within eight (8) days of the actual holiday. For employees working the night shift, the statutory holiday will be observed and the employee will be paid for the shift commencing on the eve of the holiday, unless otherwise agreed to in writing by the parties.

ARTICLE 9 - VACATIONS

9.01 The Company will grant full-time employees annual vacation as follows:

1 year but less than 3 years of service	-	75 hours
3 years but less than 8 years of service	-	112.5 hours
8 years or more years of service	-	150 hours

***Special Note 1:**

As of May 31, 1996, maximum annual vacation credits will be 150 hours. Any employees who have qualified for annual vacation of 179 hours vacation as of May 31, 1996, shall continue to

receive annual credit of this amount. However, further increases in vacation shall not be applicable.

As of May 31, 1996, maximum annual vacation credit will be 150 hours. Any employees who have qualified for annual vacation of 214 hours vacation as of May 31, 1996, shall continue to receive annual credit of this amount.

***Special Note 2:**

Individuals grandfathered at five (5) and six (6) weeks vacation shall be paid thirty-seven and one-half (37.5) hours for any grandfathered week(s).

- 9.02 Eligibility for paid vacations will be based on the length of service as of the employees' anniversary date of employment from the last date of hire. Prior Industry service will be credited for vacation purposes after two (2) years of employment from date of last hire.
- 9.03 Annual vacation shall be recorded for each employee in hours. Each week of vacation shall be 37.5 hours. At the employees option, he/she may by pre-arrangement use accrued vacation credits when absent from work for one hour or more.
- 9.04 Employees annual vacation shall be scheduled within the vacation year that it is earned. Requests for taking vacation must be submitted by March 31st of each year to take advantage of scheduling by seniority within the classification. Such requests will be approved by April 30th each year. Any vacation requests submitted after this date will be granted on a first come, first served basis. It is understood that due to changing requirements employees may be asked to change their initial requests. Carry over of a maximum of two (2) weeks vacation (seventy-five (75) hours) may be carried forward to the next vacation year.

Note: The Company continues to reserve the right to schedule any unused vacation that is not eligible to be carried forward i.e. / that is in excess of the maximum that can be carried forward.

- 9.05 Annual vacation credits shall cease to accrue once the employees Short Term Disability (S.T.D.) of 180 days is exhausted and the employee does not return to work. Vacation accrual shall be reinstated when the employee returns to work full time.
- 9.06 All Employees have to request their vacation with a Vacation Request Form. The approved Request Form shall be returned to the Employee within five (5) working days. If the Company refuses vacation time, the Employee shall be given his or her Vacation Request Form back, with reasons for denial in writing within five (5) working days. For the Christmas period, the Request Forms shall be returned to the Employer no later than November 15th. The Company will inform the Employees of the number of employees in each department who can be granted vacation for the Christmas period.

ARTICLE 10 - OVERTIME AND CALL-IN

- 10.01 The Union, realizing that the nature of the Company's business requires its products to be delivered within rigid time limits, agrees to co-operate in working periods of overtime as required.
- 10.02 Authorized overtime hours will be paid for at the rate of one and one-half (1 ½) times the employees hourly rate.

- 10.03 Should an employee be called back to work after completing the regular hours of work for the day or work week the employee shall be paid for a minimum of four (4) hours at one and one-half times (1 ½) the regular hourly rate.
- 10.04 Overtime shall be assigned first to the employees performing the work to be done. Subsequently, it will be offered by seniority in the classification to the other members in the Department, provided the individuals are qualified, trained and capable to perform the work available.
- 10.05 If scheduled overtime is cancelled the Company shall give 12 hours notice to the Employees except in extenuating circumstances beyond the Company's control such as press breakdown.

ARTICLE 11 - LUNCH PERIOD AND BREAKS

- 11.01 During eight (8) hour shifts, the Company will grant an unpaid lunch period of not less than thirty (30) minutes within the first five (5) hours of any regularly scheduled shift. When there is a twelve (12) hour shift in effect, employees shall receive two (2) paid breaks that are fifteen (15) minutes each and a thirty (30) minute paid lunch break.
- 11.02 The Company will grant two (2) fifteen (15) minutes paid breaks for work days exceeding six (6) hours. One (1) paid fifteen (15) minute break will be granted for work days less than six (6) hours. Breaks shall be scheduled by the Company in accordance with operational requirements.

ARTICLE 12 - BEREAVEMENT AND EMERGENCY LEAVE

- 12.01 An employee who is absent from work because of the death and attendance at the funeral of a member of the employee's immediate family or other specified relatives, shall be entitled to leave with pay not to exceed the following:

IMMEDIATE FAMILY - ONE (1) SCHEDULED WORK WEEK

Spouse: spouse or common-law spouse of the employee or same-sex partner

Child: a child, stepchild or foster child of the employee or of the employee's spouse, common-law spouse or same-sex partner

Parent: a parent, step-parent or foster parent of the employee

IMMEDIATE RELATIVES - THREE (3) WORKING DAYS

Brother/Sister: brother or sister, step-brother/sister or foster brother/sister of the employee

Parent-in-Law: parent of either spouse, common-law spouse or same sex partner of the employee

Grandparent: a grandparent, step-grandparent of the employee

Grandchild: grandchild, step-grandchild or foster grandchild of the employee

Son/Daughter-in-Law: spouse or common-law spouse or same-sex partner of employee's child

RELATIVE - ONE (1) WORKING DAY

Brother/Sister-in-law: brother or sister of either spouse, common-law spouse or same sex partner of the employee

Grandparent-in-Law: the employee's spouse, common-law spouse or same sex partner's grandparent

Grandchild-in-Law: grandchild of spouse, common-law spouse in law or same sex partner of the employee

Should the Company decide to provide additional bereavement leave to any other bargaining unit employee, the additional entitlement shall apply to this bargaining unit

12.02 Spouse is defined as either a legally married spouse or common-law or same sex partner, provided the employee shall have filed with the Company the name of the person to be considered as the employee's spouse for the purpose of the clause, if that person is other than the employee's legally married spouse. Only one (1) spouse may be considered at any one time for the employee to receive benefit under this clause.

12.03 The Company, at its discretion, may grant unpaid leave of absence for the purposes of travel in the event that the employee is required to travel a considerable distance to attend the funeral of an immediate family member or other specified relatives.

12.04 Emergency Leave

The parties acknowledge that the paid leave provisions of this Agreement, including bereavement leave, family/personal leave and sick leave provisions, constitute a greater right or benefit than the ten (10) unpaid Emergency Leave days provided by the *Employment Standards Act of Ontario*. If, for any reason, a bargaining unit member would not be entitled to paid leave in circumstances that would constitute reason for unpaid Emergency Leave under the *Employment Standards Act*, then the bargaining unit member shall be entitled to utilize any remaining Emergency Leave they may have in accordance with the qualifying terms and conditions of the *Act*. Individuals who utilize paid leave for situations that qualify as unpaid Emergency Leave will be deemed to have utilized Emergency Leave.

12.05 Family Medical Leave

Employees will be granted up to eight (8) weeks of unpaid Family Medical Leave in accordance with the qualifying terms and conditions in the *Employment Standards Standards Act of Ontario*, as amended from time to time. Employees who qualify for Family Medical Leave shall be issued a Record of Employment in order to make application for Employment Insurance Benefits. Any Employee who qualifies and takes Family Medical Leave shall be entitled to accumulation of seniority and service during the leave, and shall be reinstated to his/her former position, it exists, or to a comparable position if it does not.

ARTICLE 13 - PREGNANCY AND PARENTAL LEAVE

- 13.01 Pregnancy and/or Parental Leave will be granted in accordance with the criteria and provisions of the *Employment Standards Act of Ontario*.
- 13.02 The Company agrees to consider requests to defer the commencement of the leave.
- 13.03 An employee's service with the Company shall continue to accumulate during any such absence.

ARTICLE 14 - JURY DUTY OR COURT WITNESS

- 14.01 The Company will pay an employee who is required for jury service or as a Witness subpoenaed by the courts, for each day of service, the difference between the regular day shift straight-time hourly rate for the number of hours the employee normally works and the payment received for Jury or Court Witness Service. The employee will present proof of such service and the amount of pay received.
- 14.02 When an employee is excused from Jury Duty or Court Witness Service for one-half (½) day or more the employee must return to the Plant and complete the regular shift.

ARTICLE 15 - GROUP INSURANCE PLANS

- 15.01 The Company agrees to provide all full time employees with one or more years of continuous service, a Short Term Disability Benefit (S.T.D.) plan and to pay the premium cost for the provision of the S.T.D. Plan.

Payment for Short Term Disability shall begin on the third consecutive day of absence. For those employees who have completed ninety (90) days of perfect attendance from the last date of return to work from an absence due to sickness or accident, shall be paid S.T.D. from the first day for the first covered absence following the ninety (90) days of perfect attendance.

- 15.02 The Company agrees to provide the following coverage for its full time employees for the duration of this Agreement.
- (a) The Company agrees to pay the full premium cost of the Group Life Insurance Plan and the Group Medical Plan.
 - (b) All full time employees hired after May 1993 are required to participate in the Long Term Disability Plan, as set out in a Plan between the Company and the Insurance Carrier (required waiting period applies). Employees shall pay the full premium cost and continue their participation in the Plan while employed.
- 15.03 On request, the Company shall provide to the Union, within a reasonable period of time, non-confidential information required by the Union with respect to Company benefits applicable to the employees covered by this Collective Agreement.
- 15.04 Any improvements to the group insured benefits plan for any other unionized employee group in the Company shall apply to employees covered by this Agreement.

ARTICLE 16 - TEMPORARY ASSIGNMENTS

- 16.01 As production levels dictate, the Company can temporarily assign employees both within the bargaining unit and between bargaining units within the Company.
- 16.02 An employee temporarily performing duties in another classification will be paid the rate of the classification (including premium if applicable) provided the employee is performing the assigned duties of the classification.
- 16.03 No employee may be temporarily assigned to the bargaining unit while a qualified employee with recall rights is on layoff provided such employee is available for work and immediate production requirements are maintained. The Company agrees to inform the Shop Delegate of these assignments.
- 16.04 It is not the intention of this Article to circumvent the bargaining unit members' right to recall from lay off or termination. The purpose of this Article is to allow the Company the flexibility to move staff from one (1) Union jurisdiction to another as additional staff in times of increased production requirements.
- 16.05 In all cases of available work, any laid off employee shall have first entitlement to the work.
- 16.06 Employees temporarily assigned to perform work under the jurisdiction of this bargaining unit shall pay dues to the Local 588G until the completion of the temporary assignment.
- 16.07 Employees shall not be temporarily assigned to work in another bargaining unit for more than ninety (90) calendar days without the consent of the Union. The Union and the Company shall discuss temporary transfers prior to the temporary transfer taking effect.
- 16.08 Only employees who have received practical training on the equipment that they are assigned to work will be permitted to transfer into the bargaining unit.
- 16.09 Any transfers into the bargaining unit from another bargaining unit shall be for no more than ninety (90) calendar days, without the consent of the Union.

ARTICLE 17 - SHOP DELEGATES AND UNION REPRESENTATION

- 17.01 The Company will be supplied with a list of Shop Delegates. A Chief Shop Delegate will be identified.
- 17.02 The Company shall be duly notified of any changes.
- 17.03 The Company recognizes the Chief Shop Delegate as the initial contact for official matters pertaining to the administration of this Agreement. At least two Shop representatives including the Chief Delegate shall be in attendance at meetings with Management representatives.
- 17.04 An employee covered by this Agreement shall have the right to require the presence of a Union Representative, when receiving a formal verbal warning or receiving a written disciplinary reprimand, suspension or discharge. The employee shall receive a copy of the written disciplinary action. No employee covered by this Agreement, who has passed the probationary

period, shall be disciplined in any manner, demoted, suspended or discharged, except for just cause.

- 17.05 Representatives of the Union shall be permitted to leave their regular duties for a reasonable length of time during their regular working hours without loss of time or pay for the purpose of performing Union business outside of their Department or after informing their immediate supervisor. For the purpose of performing Union business outside of the Company, leave without pay will be granted. The Company will also allow the Union to meet with all new employees for a period of fifteen (15) minutes, during the regular orientation period, to orient the new employees to the Collective Agreement and Union administrative matters.
- 17.06 The Company agrees that access to designated areas within its premises shall be allowed to any Union Representative for the purpose of business connected with members of the Union.
- 17.07 The Company shall inform the Union of any job postings, new employees it has hired, including the name, classification and date of hire. Copies of all new hire letters shall be provided to the Union.

ARTICLE 18 - TERMINATION/SEVERANCE/RECALL

- 18.01 An employee whose employment is terminated by the Company for reasons other than retirement or just cause will receive notice or pay in lieu of notice and severance pay where applicable in accordance with the terms of the *Employment Standards Act* of Ontario. Notwithstanding the foregoing, employees who have completed twenty-seven (27) years of service shall receive twenty-seven (27) weeks of severance pay; those who have completed twenty-eight (28) years of service shall receive twenty-eight (28) weeks of severance pay; those who have completed twenty-nine (29) years of service shall receive twenty-nine (29) weeks of severance pay; and those who have completed thirty (30) years of service shall receive thirty (30) weeks of severance pay.
- 18.02 An employee who is given notice of layoff and who has passed the probationary period will have a right of recall for two (2) years under this Agreement based on seniority (the senior employee on the recall list shall have first choice of recall). Notice of recall will be made by registered mail to the employee's last address on the records of the Company or the Union. For long term lay-offs greater than thirteen (13) consecutive weeks in duration, the notice of recall will specify that such person must report to work within three (3) weeks from the date of notice of recall and be willing and able to do the work available, otherwise their right of recall will be forfeited and the employee will be severed. Recall provisions as per the *Employment Standards Act* of Ontario will apply. An employee continues to accumulate seniority during the period of recall. It is agreed that employees who have passed their probationary period and are recalled, will not be subject to another probationary period. Probationary employees who are recalled will continue their probationary employment upon recall.
- 18.03 **Layoffs**

In the event of a lay-off because of shortage of work, the principal of seniority shall prevail and the employee last on the seniority shall be laid off first, provided the remaining are able and willing to perform the work available.

18.04 Recall from Layoffs

Recall from lay-off shall be made in reverse seniority order of lay-off provided the remaining employees are able and willing to perform the work available. Employees on short-term lay-off, that is, less than thirteen (13) consecutive weeks, shall be given forty-eight (48) hours to report to work at the time of recall, prior to the required return to work, unless the individual is employed elsewhere and needs to give notice of resignation, in which case, the employee shall advise the Company and report to work seven (7) calendar days from the date of the notice of recall.

If an employee is called back to work for a period of four (4) weeks or less, they have the right to refuse the recall with no loss of seniority or severance pay rights.

If an employee is called back for a period in excess of four (4) weeks and refuses the recall / fails to report for work, they shall be deemed to have quit and shall lose all seniority and any entitlement to severance pay or payment in lieu of notice.

A recall of less than four (4) consecutive weeks will not re-start the recall period. In the case of a recall of four (4) consecutive weeks or more, the recall period will be extended by the length of the recall.

18.05 Bumping

No bargaining unit employee shall be entitled to bump up into a higher paid classification in the event of lay-off or recall from lay-off with the exception of web and small equipment operators who shall be entitled to bump up to the Second Press Operator position in accordance with their seniority.

ARTICLE 19 - GRIEVANCE AND ARBITRATION PROCEDURE

19.01 It is understood that the Union may not file a grievance unless the difference / concern / complaint has been discussed with his / her supervisor, accompanied if the employee so desired by a Shop Delegate. If, after such discussion, the matter is not resolved then a grievance may be filed as follows:

It is mutually agreed that it is the intent of the parties to resolve expeditiously grievances arising from the application of this Agreement.

Step 1 The grievance shall be reduced to writing indicating the section(s) of the Agreement which have been allegedly violated and shall be submitted to the Department Director/Manager or his/her designate within twenty-one (21) calendar days of the circumstances giving rise to the grievance. The parties shall meet to discuss the matter within seven (7) calendar days of receipt of the grievance. The Department Director/Manager shall answer the grievance in writing within fourteen (14) calendar days after the receipt of the written grievance. If the matter is not resolved, then it may proceed to Step 2.

Step 2 Any grievance that is not resolved at Step 1 may be presented to the Sr. VP of Payment Systems Canada and Manufacturing or his/her designate at a meeting within fourteen (14) calendar days of meeting at Step 1. The Company will provide a written response within fourteen (14) calendar days of the meeting at Step 2. If the matter is not resolved at the meeting at Step 2, then the grievance may be submitted to arbitration. Either party may refer the matter to arbitration within twenty-one (21) calendar days of receipt of the Company's response or the date the response should have been provided.

Step 3 Arbitration

Grievances may be submitted for final and binding arbitration by the party having carriage of the grievance by submitting the names of three (3) potential arbitrators to the other party for consideration. The notice must be provided within twenty-one (21) calendar days of the meeting at Step 2 of the Grievance Procedure. The responding party may accept one (1) of the names put forth or suggest three (3) other potential arbitrators. If the parties cannot agree on an arbitrator, then the Ministry of Labour will appoint one (1) to hear the grievance.

Prior to selecting a mutually acceptable arbitrator, the Union and the Company may meet in a further attempt to solve the grievance.

- 19.02 It is mutually agreed that the discussion of grievances shall be deferred until the end of the day's work unless permission is granted to meet during working hours.
- 19.03 By mutual agreement of the parties, extensions to the time limits referred to in the grievance procedure may be granted.
- 19.04 No arbitrator shall have the power to alter or change any of the provisions of the Agreement, or to substitute any new provision for any existing provision, or to provide a decision that is inconsistent with any term of the Agreement.
- 19.05 The parties shall bear equally the expenses of the Arbitrator.
- 19.06 Grievances with respect to suspensions or terminations as well, as group, policy and Company grievances, shall proceed directly to step 2 of the Grievance Procedure.
- 19.07 The parties may, by mutual agreement in writing, agree to the following process to resolve any grievances and the following process will apply:
- a) Hearings will be short and conducted in an informal manner. Decisions will be issued within thirty (30) calendar days of the conclusion of the hearing.
 - b) The parties will agree on an Arbitrator from a list of the three (3) provided to each other. The parties shall bear equally the expense of the Arbitrator.
 - c) The parties will not be represented by lawyers at the hearing.
 - d) There will be full disclosure by the parties of evidence, precedents and documents in advance of the hearing.

- e) The parties will minimize the use of witnesses at the hearing.
- f) The parties will use concise arguments at the hearing.
- g) The Arbitrator will have the power to accept any evidence that they rule is reliable and relevant.
- h) The Arbitrator will have the power to mediate between the parties at any stage of the process, by encouraging a settlement or suggesting possible outcomes.
- i) Any decision of the Arbitrator will be made without prejudice and will not be a precedent for future proceedings unless the parties agree otherwise.
- j) Decisions will be final and binding.

19.08 All agreements reached under the Grievance Procedure between the representatives of the Employer and the representatives of the Union will be final and binding upon the Employer, the Union and the employee(s) involved.

19.09 At any meeting in the formal grievance process, the grievor(s) is/are entitled to be represented by a Union representative.

ARTICLE 20 - UNION MEETINGS - STRIKES - LOCKOUTS

20.01 No Union meetings shall be held during working hours or on Company premises except by permission of the Company.

20.02 There shall be no strikes, lockouts or slow-downs during the life of this Agreement, as defined and in accordance with the *Labour Relations Act* of the Province of Ontario.

ARTICLE 21 - SEVERABILITY

21.01 In the event that any provision in this Contract, or compliance by the Company or Union with any provision in this Contract, shall constitute a violation of any future laws, then, and in such events, such provisions, to the extent only that is so in violation, shall be deemed ineffective and unenforceable and shall be deemed severable from the remaining provisions of the Contract, which remaining provisions shall be binding on the parties.

ARTICLE 22 - OPERATION OF MACHINERY & PERFORMANCE OF WORK

22.01 No employee may, at any time, operate any machinery without someone else present in the area.

22.02 Employees who operate machinery in an unsafe manner or who fail to wear safety equipment are in violation of this Agreement as well as the *Occupational Health and Safety Act* of Ontario.

22.03 No employee will be required to perform any task that is detrimental to the employee's health or safety.

ARTICLE 23 - HEALTH AND SAFETY

- 23.01 The Company shall endeavor to keep the Plant in a clean, well ventilated, sanitary condition and the employees shall co-operate with the Company in this regard. The Company and the Union agree to exert joint efforts to develop and maintain high standards of safety, health and housekeeping in the workplace in order to prevent industrial injury and illness.
- 23.02 The Company agrees to observe the current Provincial Legislation dealing with Health and Safety of employees.
- 23.03 When chemicals are introduced into a department, they shall be introduced in compliance with WHMIS legislation.
- 23.04 There will be a Joint Health and Safety Committee consisting of three (3) representatives from the employees and three (3) representatives from the Company. A representative may be nominated from each respective group covered by this Agreement for election as an employee representative on the Committee.
- 23.05 All work shall be performed and equipment operated according to accepted safety standards, which must conform to the *Occupational Health and Safety Act* of Ontario and to Company rules.
- 23.06 The Company agrees to provide special protective equipment and devices deemed necessary by the Company and Provincial Health and Safety Legislation to prevent industrial injury or illness. The wearing of protective equipment and devices deemed necessary for an employee's protection is mandatory as is adhering to established Health and Safety Rules and Policies. Those employees in violation will be subject to disciplinary action.

ARTICLE 24 - HOURS

- 24.01 The basic work week will normally be thirty-seven and one-half (37.5) hours to be worked normally as four (4) shifts at eight (8) hours and one (1) shift at five and one-half (5.5) hours. In the case of a two (2) shift operation, the same schedule will apply. In the case of a three (3) shift operation, the hours will be five (5) shifts at seven and one-half (7.5) hours each.

The Company may schedule an alternative work week of three (3) twelve (12) hour shifts. Employees required to work shall be given two (2) weeks notice to the commencement of the twelve (12) hours and shall be paid thirty-seven and one-half (37.5) hours while working the thirty-six (36) hours.

Other shift arrangements can be made by mutual agreement.

Except as otherwise indicated, all bargaining unit members shall be scheduled either eight (8) or twelve (12) hour shifts at one time by the Company.

- 24.02 Employees shall work the scheduled working hours of the department to which they are assigned.

ARTICLE 25 - CLASSIFICATIONS, MANNING AND WAGES

- 25.01 During the life of this Agreement, all full-time employees covered by this Agreement shall be paid on an hourly basis per Appendix "A" attached to this Agreement.
- 25.02 Should an employee be absent from work, the employee will be paid only for those hours worked, unless such absent hours are covered by the terms of this Agreement for hours/time paid not worked.

ARTICLE 26 - SENIORITY

26.01 Seniority shall be established by the date of last full-time employment in the bargaining unit and shall be lost and employment shall terminate in the event that:

- a) The employee is discharged for cause and not subsequently reinstated;
- b) The employee quits either verbally, or in writing, and does not revoke the resignation within twenty-four (24) hours;
- c) The employee abandons his/her position for three (3) consecutive shifts, without reasonable explanation and/or without notifying the Company;
- d) The employee has been terminated with notice and severance pay, where applicable; and
- e) The employee's recall rights have been exhausted due to lay-off.

26.02 Seniority and Movement out of Bargaining Unit

All employees who accept a position in the Company outside the Bargaining Unit shall continue to accumulate and maintain bargaining unit seniority for up to three (3) months, providing they continue to pay Special Union Dues. Employees who stay outside the Bargaining Unit three (3) months plus one (1) day, forfeit all bargaining unit seniority and privileges. If the Company wishes to rehire them, they shall be put on the bottom of the Seniority List.

26.03 Seniority List

The Seniority List forming Appendix "B", attached hereto and considered part of this Agreement, may be revised from time to time as occasions arise and shall be provided to the Union in October and April, annually.

ARTICLE 27 - APPRENTICES

27.01 The Company and the Union agree to co-operate and secure competent journeypersons and apprentices when required. The Company shall include two (2) journeypersons on the interview panel who shall be chosen from those who volunteer to participate. Time spent in the interview process during the employees' scheduled shifts is considered time worked. Any time spent in the interview process outside of the employees' scheduled shifts is not considered time worked. The Union shall provide a list of questions to the Director of Human Resources for consideration within five (5) calendar days of the posting.

- 27.02 When it is determined there is a need to indenture an apprentice, selection of a candidate for such an appointment will be made from a list compiled by the Company and the Union and will be fully discussed between the Union and the Company. The apprentice will be informed of the particulars of the apprenticeship at the time of appointment.
- 27.03 The Company and the Union, recognizing the need for well trained, capable journeymen within the Lithographic operation agree that a joint apprentice training committee shall be established to supervise and co-ordinate apprenticeship training during the period an apprentice is

ARTICLE 28 - WORK CLOTHING AND FOOTWEAR

- 28.01 The Company shall provide employees with two (2) sets of work uniforms per calendar year or additionally when warranted, any employee not requiring prescription eyewear shall be provided with four (4) sets of work uniforms per year, subject to approval of the Department Manager. Company supplied uniforms shall be worn during working hours.
- 28.02 The Company shall reimburse employees for the purchase of CSA approved safety footwear as follows. The Company shall bank ten (\$10.00) dollars per month per employee and shall reimburse each employee no more than once in every twelve (12) month period to a maximum of two hundred forty (\$240.00) dollars for a two (2) year period for the purchase of CSA approved safety footwear. Employees shall provide a receipt for CSA approved safety footwear in order to be reimbursed. Subsidized footwear is to be worn while working.
- 28.03 Should the Company determine that safety eye wear must be worn due to the position held, the Company will subsidize full time employees the full cost of one pair of safety approved prescription safety glasses and frames not less than every twenty-four (24) months for those employees who regularly perform duties that require safety eye protection and require prescription glasses. Employees must sign and return the Instructions for Dispensing Prescription Industrial Safety Glasses form and return to the Human Resources department with the receipt and prescription to obtain reimbursement.
- 28.04 The Company shall reimburse employees up to three hundred and fifty dollars (\$350.00) every two (2) years for prescription eyewear for bargaining unit members only. In order to receive reimbursement, employees shall provide the receipt for the expense along with the prescription for the eyewear that is purchased.

ARTICLE 29 - DIVISION OF WORK

- 29.01 In the event of lack of work, the Company will, insofar as the efficient and orderly operation of the plant will permit, share the available work as equally as is practicable among the full time employees covered by this Agreement and/or participate in any government sponsored work sharing program that may be available. The decision to share the available work or proceed directly to a lay-off shall be at sole discretion of the Company.

ARTICLE 30 - LETTERS FOR TERMINATED EMPLOYEES AND REVIEW OF FILES

- 30.01 The Company shall provide terminated employees with a letter stating position(s) held, last rate of pay and length of service with the Company.

30.02 Once annually, outside of the employee's regular working hours and upon written request by an employee, the Company shall allow the employee to review his/her personnel file in the presence of a Human Resources Representative and the employee will be entitled to a copy of any documents therein, as requested.

ARTICLE 31 – TRAINING RECORDS

The Company will maintain training records indicating which employees have been trained on each piece of equipment, as well as a record of individuals who have denied an opportunity to train. Where qualifications, skills and abilities are equal, the most senior candidate shall be successful. The Chief Delegate and Local shall be provided with a copy of all job postings in the Bargaining Unit.

ARTICLE 32 – NEW JOB POSTING

The Company agrees to post all new and vacant positions that the Company intends to fill. Where the qualifications, skills and abilities are equal, the most senior candidate shall be successful. The Chief Delegate and Local shall be provided with a copy of all job postings in the Bargaining Unit.

ARTICLE 33 – JOB SECURITY

The Company will meet with the Union to review any Company plans to outsource work prior to any outsourcing.


ARTICLE 34 - DURATION OF AGREEMENT


31.01 This Agreement shall remain in force from January 1, 2012 up to and including December 31, 2017, and thereafter for periods of one (1) year unless either party gives sixty (60) days notice in writing of its desire to change the terms of the Agreement.


DATED AT OTTAWA THIS 12TH DAY OF NOVEMBER , 2013.

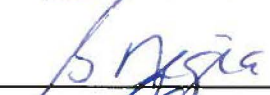
**Communications, Energy and Paperworkers
Union of Canada, Local 588-G (Lithographers)**

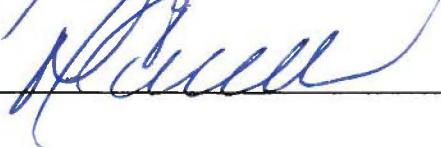
Canadian Bank Note Company, Limited











APPENDIX "A" - CLASSIFICATIONS, MANNING AND WAGES

CLASSIFICATION	JAN. 1 2011	JAN. 1, 2012 2.5%	JAN. 1, 2013 2.5%	JAN. 1, 2014 2.5%	JAN. 1, 2015 2%	JAN.1, 2016 2%	JAN. 1, 2017 2%
JOURNEYMEN 1ST PRESS OPERATORS							
Presses Up To 30"	34.48	35.34	36.22	37.14	37.87	38.63	39.40
6 Colour 40" Presses	40.56	41.57	42.61	43.68	44.55	45.54	46.35
KBA Press and 7 Colour 40" Presses	43.79	44.88	46.00	47.15	48.09	49.05	50.03
Simultan Banknote Press	43.79	44.88	46.00	47.15	48.09	49.05	50.03
Komori 1/1	41.17	42.20	43.26	44.34	45.23	46.13	47.05
JOURNEYMEN 2ND PRESS OPERATORS							
6 Colour 40" Presses	38.35	39.31	40.29	41.30	42.13	42.97	43.83
KBA Press and 7 Colour 40" Presses	41.05	42.08	43.13	44.21	45.09	45.99	46.91
Simultan Banknote Press	41.05	42.08	43.13	44.21	45.09	45.99	46.91
FEEDERS							
40" Presses, Komori & Simultan							
1 st Year Feeder	23.78	24.37	24.98	25.60	26.11	26.63	27.16
2 nd Year Feeder	24.84	25.46	26.10	26.75	27.29	27.84	28.40
<i>Thereafter</i>							
2 Colour	27.12	27.80	28.50	29.21	29.79	20.39	31.00
6 Colour	31.28	32.06	32.86	33.68	34.35	35.04	35.74
KBA and 7 Colour 40" Presses	32.80	33.62	34.46	35.32	36.03	36.75	37.39
Simultan	32.80	33.62	34.46	35.32	36.03	36.75	37.39
Komori 1/1	32.80	33.62	34.46	35.32	36.03	36.75	37.39
PRESS TENDERS							
1 st Six (6) Months	22.62	23.19	23.77	24.36	24.85	25.35	25.86
6 Colour	25.34	25.85	26.50	27.16	27.70	28.25	28.82
KBA Press and 7 Colour 40" Presses	26.15	26.80	27.47	28.16	28.72	29.29	29.88
WEB PRESS							
Press Operator	38.39	39.35	40.33	41.34	42.17	43.22	44.08
WEB PRESS FEEDERS							
1 st Year Feeder	25.05	25.68	26.32	26.98	27.52	28.07	28.63
2 nd Year Feeder	26.41	27.07	27.75	28.44	29.01	29.59	30.18
<i>Thereafter</i>	28.90	29.62	30.36	31.12	31.74	32.37	33.02

APPENDIX "A" - CONTINUED CLASSIFICATIONS, MANNING AND WAGES

Should it become necessary to print sheets wider than 40", appropriate rates shall be negotiated.

Employees working at more than one class of work at any time during any work day, shall be paid the rate being paid to the class is upon which they have worked for the period they work. However, no reduction shall be made to the regular rate paid to any employee who may be employed at any time during any day on any class having a lower rate.

An employee who is operating as a feeder in the Litho Department, will on transfer to the category of Small Press Operator, be paid a basic rate of the feeder. Upon completion of six (6) months of satisfactory service at this rate, his/her basic rate will be increased to that of the Small Press Operator.

APPRENTICES

Should the Company at any time require to indenture apprentices, they may be employed in the ration of one apprentice to every four journeymen of fraction thereof.

Apprentices shall be paid a percentage of the Journeyman's rate as follows:

Start	85% of the Journeyman's rate of the classification of which they are an apprentice
6 months	90% of the Journeyman's rate of the classification of which they are an apprentice
12 months	95% of the Journeyman's rate of the classification of which they are an apprentice
24 months	100% of the Journeyman's rate of the classification of which they are an apprentice

The apprentice shall receive from the Company a written acknowledgment of Journeyman status upon successful completion of the Apprenticeship Training Program.

APPRENTICE TRAINING PROGRAM

During the life of this Collective Agreement, the parties agree to form a committee of up to three (3) employees of the Union, and up to three (3) management employees in order to create the Apprenticeship Training Program.

The Committee shall meet on an as-needed basis. The Committee shall advise on the development of an apprentice program intended to provide the Company with skilled tradespersons. The Committee shall advise with respect to training requirements, testing and other selection criteria as well as any upgrading requirements. The members of the Committee shall not suffer any loss of wages when attending Committee meetings. Committee members shall be selected from Bargaining Unit Employees with a preference given to First Pressmen.

FILL-IN SITUATION

When a Bargaining Unit member fills in for a crewmember, the Bargaining Unit member shall be paid the apprentice start rate (85% of the Journeyman's rate). All time running on the press and make ready shall be recorded towards applicable apprenticeship.

APPENDIX "B" - BARGAINING UNIT SENIORITY

NAME		Seniority Date	Start Date
McKinley	William G.	8/23/1965	6/3/1963
Muldoon	Brian P.	5/11/1970	1/26/1970
Straby	Carl R.	10/31/1977	9/22/1975
Muldoon	Michael G.	10/1/1979	9/3/1974
Foley	Ralph J	8/2/1985	9/22/1980
Estey	David J.	6/20/1988	7/14/1987
Payne	Gerald R.	6/27/1988	6/27/1988
Noel	Michael R.	1/2/1992	7/18/1988
Bentivoglio	Mario	5/31/1993	5/31/1993
Collins	Richard	8/3/1993	8/3/1993
Sommers	William	6/24/1996	6/24/1996
Hebert	Richard	11/11/1996	11/11/1996
Viau	John	5/25/1999	5/25/1999
O'Reilly	David A.J.	5/25/1999	11/16/1993
Pineault	Paul	6/26/2000	6/26/2000
Galloway	Jeffrey	1/29/2001	7/22/1996
Bianconi	Antonio	3/28/2001	3/28/2001
Chartrand	Cyrille G.	4/2/2001	4/2/2001
Straby	Paul	5/2/2001	5/2/2001
Young	Brandon	4/24/2002	10/2/2000
Baizana-Trenholm	Marie D.	6/3/2002	10/31/1977
Corrigan	Michael O.	6/3/2002	3/16/1992
Lariviere	Roch	7/8/2002	7/8/2002
Lacey	Michael	5/20/2003	5/20/2003
Krzyzanowski	Jamie	6/23/2003	6/24/2002
Miles	Taylor	6/23/2003	11/27/2001
Cummings	Ernie	6/22/2005	6/22/2005
Vaillancourt	Marc	5/14/2007	3/15/2002
Charette	Robert	5/15/2007	8/20/2006
Watts	John	5/18/2007	2/12/2007
Lamarche	Geoffroy	5/25/2007	9/3/2002
Hainey	William	6/11/2007	6/11/2007
Goudie	Stephen	6/12/2007	6/12/2007
Ducharme	Roger	9/5/2007	6/11/2007
Moffat	Ryan	9/10/2007	9/10/2007
Czempiel	Matthew	1/7/2010	3/7/2005
Holder	Matthew	1/14/2010	11/4/2003
Quinn	Phillip	1/18/2010	7/23/2007
Mantha	Serge	4/25/2011	7/3/2007
Lavigne	Vincent	4/28/2011	10/5/2009
Basile	John	5/2/2011	11/15/2010
Vokey	Mark	5/5/2011	4/12/2010
Cadieux	Sebastien	12/2/2012	10/29/2007
Doyle	Jordan	12/3/2012	7/5/2011
Lodge	Shane	12/5/2012	5/20/2008
Aldham	J. Richard	1/3/2013	3/27/2012

APPENDIX "C" - LABOUR RELATIONS PHILOSOPHY

Constructive and mutually agreeable terms are the basis of this Collective Agreement. In this regard, the parties agree that during the term of this Agreement any article which causes undue hardship or burden upon either party or employee shall be discussed with a view to reaching acceptable and workable solutions which shall not alter the general principles of the Agreement.

APPENDIX "D" - LETTER OF UNDERSTANDING WITH RESPECT TO ARTICLE 27.03

Whereas the Company and the Union wish to fulfill the commitment set out in Article 27.03 of the Collective Agreement, the Company and the Union have agreed to meet within thirty (30) days of the signing of the Collective Agreement to discuss the establishment of a joint apprenticeship training program committee.

APPENDIX "E" - WORK WEEK AND BREAKS

Further to Article 24 - Hours, any partial shift starting or ending on a Sunday shall be paid at the applicable regular rate.

APPENDIX "F" - MANNING ON MULTI-UNIT PRESSES

- (a) When a multi-unit press operates with eight (8) or more units, the parties agree to operate with four (4) or more persons.
- (b) When a multi-unit press operates with between three (3) to seven (7) units, without splits, the parties agree to operate with three (3) persons, provided it does not put undue hardship on the crew operating the press.
- (c) When a multi-unit press operates between three (3) to seven (7) units, with splits, the parties agree to operate with four (4) persons.
- (d) When a multi-unit press operates with two (2) or less units, the parties agree to operate with two (2) persons.
- (e) A multi-unit press includes the Simultan, the KBA, the Miller 6-colour press and the Miller 7-Colour Press.
- (f) Notwithstanding the foregoing, the parties agree that the Company can "make ready" equipment that normally runs with a crew of four (4) persons, with a crew of three (3) people, in the event of any absence of a crew member, other than for reason of a pre-approved, scheduled vacation for a period of three (3) days from the date of the scheduled crew member.
- (f) Continuous running applies when the multi-unit press operates with a crew of four (4) persons or as otherwise indicated in (f) above.

Running Press Compliments

- | | |
|--|---|
| a) Presses up to thirty (30") inches
One First Pressman
One Feeder | d) Simultan Banknote Press 4/4
One First Pressman
One Second Pressman
One Feeder
One Press Tender |
| b) 6 Colour Presses forty (40") inches
One First Pressman
One Second Pressman
One Feeder
One Press Tender | e) Kimori 1/1
One First Pressman
One Feeder |
| c) KBA 12 Colour and 7 Colour
Forty (40") inches
One First Pressman
One Second Pressman
One Feeder
One Press Tender | f) Web Press
One Pressman
One Feeder |
| | g) KBA Nota Protector Coating Press
One Second Pressman
One Feeder |

APPENDIX "G" - VACATION PAYABLE AT SHIFT RATE

12 HOUR SHIFT BASIS

An employee who works on shift continually will receive annual vacation pay at the shift rate. An employee who works less than the full year at the shift rate, will receive vacation pay on a pro rata basis.

When working the three (3) day week schedule, an employee who works 102 or more days (1224 hours) at shift rate during the vacation year, will be paid full vacation entitlement at the current premium rate in the succeeding year.

When working the three (3) day work week schedule, an employee who works less than 102 days (1224 hours) but more than 15 days (180) hours at shift, will receive vacation pay based on the following:

No. of premium hours
1224 x hours vacation

OTHER THAN 12 HOUR SHIFT BASIS

An employee who works 175 shifts or more, during the preceding vacation year, will be paid vacation entitlement for the current year at the shift rate.

An employee who works 25 but less than 175 shifts during the preceding vacation year, will be paid vacation entitlement for the current vacation year at shift rate on a proportionate basis, as follows:

Number of days vacation entitled times number of shifts worked during preceding year divided by 175, equals number of days vacation to be paid at the shift rate; rounded to nearest number of days (i.e., 0.5 or more adds 1 day).

Note: Vacation days at shift rate will be used before vacation days at regular rate are used.

Vacation Payable at Premium Rate

12 HOUR SHIFT BASIS

An employee who works at a premium rate continually, will receive annual vacation pay at the premium rate. An employee who works less than the full year at the premium rate will receive vacation pay on a pro rata basis.

When working the three (3) day week schedule, an employee who works 102 or more days (1224 hours) at premium rate during the vacation year, will be paid full vacation entitlement at the current premium rate in the succeeding year.

When working the three (3) day work week schedule, an employee who works less than 102 days (1224 hours) but more than 15 days (180) hours at the premium rate, will receive vacation pay based on the following:

No. of premium hours
1224 x hours vacation

OTHER THAN 12 HOUR SHIFT BASIS

An employee who works at a premium rate for 175 shifts or more, during the preceding vacation year will be paid vacation entitlement for the current year at the premium rate.

An employee who works 25 but less than 175 shifts during the preceding vacation year, will be paid vacation entitlement for the current vacation year at the premium rate on a proportionate basis as follows:

Number of days vacation entitled times number of shifts worked during preceding year divided by 175 equals number of days vacation to be paid at the premium rate; rounded to the nearest number of days (i.e. 0.5 or more, add 1 day)

Note: Vacation days at premium rate will be used before vacation days at regular rate are used.

MEDICAL DENTAL APPOINTMENTS

January 1, 2005

Dear Mr. Currier:

Re: Medical and Dental Appointments

It is the policy of the Company that time lost due to medical and dental appointments will not be paid.

However, in the case of an employee who is required to attend a medical appointment due to follow up as a result of a workplace injury or a long-term illness requiring continual treatment or care, the Company will pay for the time lost to attend such appointments.

Sincerely,

Doris Couvieu
Director, Labour Relations
Canadian Bank Note

LETTER OF UNDERSTANDING - TEN PERCENT (10%) OF WORK OF OTHER BARGAINING UNITS

It is not the intent of this clause for other bargaining units to claim jurisdiction or to replace the work of regular permanent employees. Work of the bargaining unit may be performed by employees outside of the bargaining unit without violation of this Agreement, where the work represents no more than ten (10%) of the employee's duties for reasons that are exclusive to:


1. The work is performed in relation to unforeseen or emergency situations; or
2. The work is incidental to one's primary responsibilities, meaning the work is unplanned, unscheduled or minor in relation to the employee's primary duties; or
3. The work is necessary to prevent loss or avoid interruption of production.


Furthermore, to clarify the work "incidental" is the meaning taken from "Funk and Wagnall's Standard College dictionary", which follows:

"incidental: adj. Occurring in the course of or as a result or adjunct of something: an incidental remark. 2. Naturally or usually attending: with to: problems incidental to adolescence. 3. Occurring without design or regularity; casual; also, minor; secondary: incidental expenses. N. 1. An incidental circumstance or event. 2. P1 Minor or casual expenses or items."


Note: the Company shall advise all other bargaining units and supervisors of this letter.

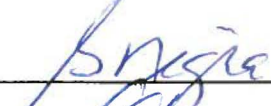
**Communications, Energy and Paperworkers
Union of Canada, Local 588-G (Lithographers)**

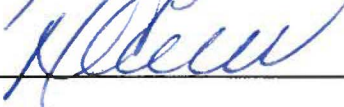




Canadian Bank Note Company, Limited









LETTER OF UNDERSTANDING - WORKPLACE SAFETY AND INSURANCE BOARD CLAIMS


The Company will advance the amount that would be paid as *Workplace Safety and Insurance Act* benefits for the waiting period until such time as the employee is either approved or denied benefits by the Claims Adjudicator. Employees are required to repay the monies advanced upon payment from the Workplace Safety and Insurance Board Plan. Employees who are not eligible for benefits shall repay the monies advanced upon request. Wherever possible, the amount to be repaid shall be deducted from the employee's wages upon return to work. The employee shall sign an Authorization to Deduct from Wages prior to receiving any money from the Company.


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Canadian Bank Note Company, Limited









LETTER OF UNDERSTANDING - ACTING SUPERVISOR IN THE LITHO DEPARTMENT

In order to effectively cover off the Manager of the Litho Department during absences, the following activities are required in order to ensure the Litho Department continues to function effectively under the instruction of a knowledgeable person. The Acting Supervisor would perform the duties listed below:

1. Order/coordinate paper;
2. Order/coordinate ink;
3. Coordinate Litho plates;
4. Coordinate manning of press according to schedule;
5. Ensure time sheets are accurate; and
6. Attend production meetings, and only production meetings.

Any management issues relating to people will be dealt with through Plant Management.

The acting supervisor will be compensated at the Simultan 1st Colour Pressman rate.

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Canadian Bank Note Company, Limited

S. Coates

R. Hillier

[Signature]

[Signature]

[Signature]

LETTER OF UNDERSTANDING - SHORT TERM DISABILITY

Employees must utilize two (2) days unpaid leave before accessing the Company's Short Term Disability sickness benefits, except where Article 15.01 applies.

**Communications, Energy and Paperworkers
Union of Canada, Local 588-G (Lithographers)**

Canadian Bank Note Company, Limited

S. Gaudet

[Signature]

R. H. [Signature]

Angela [Signature]

LETTER OF UNDERSTANDING - ANNUAL VACATION

The Company may allow employees to utilize unscheduled annual vacation at its discretion for occasional absences.

**Communications, Energy and Paperworkers
Union of Canada, Local 588-G (Lithographers)**

Canadian Bank Note Company, Limited

S. Bowden

R. Wilson

[Signature]

[Signature]

LETTER OF UNDERSTANDING - PLACEMENT ON THE SENIORITY GRID

Where two (2) or more bargaining unit members commence work in the bargaining unit on the same date, there shall be a lottery to determine placement on the seniority list as follows:

1. In the presence of a Union representative and a Company representative, the names of individuals who commence work in the bargaining unit on the same date shall be put in a container;
2. A Union representative shall pull a name from the container and that name shall appear on the seniority list before the others;
3. All other names shall be pulled and placed on the seniority list by the order in which their name is pulled;
4. Those employees who are bargaining unit members as of ratification of this Agreement and who share a seniority date shall be entitled to attend the initial lottery;
5. After the initial placement following ratification, any further placement of individuals who started work in the bargaining unit on the same date, will be by a lottery conducted by a Union representative and a Company representative.

**Communications, Energy and Paperworkers
Union of Canada, Local 588-G (Lithographers)**

Canadian Bank Note Company, Limited

S. Condo

R. Hildebrand

[Signature]

[Signature]

[Signature]

LETTER OF UNDERSTANDING - LTD COMMITTEE

There shall be an LTD Committee comprised of five (5) representatives of CEP, Local 588G, (one (1) from each bargaining unit), and a representative of Human Resources. The Committee shall meet as necessary, to discuss the LTD Plan and to receive information regarding the Plan and any rate increases.

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Canadian Bank Note Company, Limited

S. Goudo

R. Walker


[Signature]


S. Nigra
[Signature]

LETTER OF UNDERSTANDING - FINALIZING NEW COLLECTIVE AGREEMENT

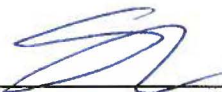
1. The parties agree that all other outstanding matters with respect to this Agreement remain as *status quo*.
2. The parties agree that all terms, except wages, are to take effect upon ratification of the Agreement.


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Canadian Bank Note Company, Limited







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LETTER OF UNDERSTANDING – CREW REPLACEMENT

The Employer shall determine subject to any other terms of this Collective Agreement when a crew requires a replacement. When a bargaining unit member replaces a crew member that is absent, the bargaining unit member shall be paid the apprentice start rate as set out in the chart at Appendix "A". All time running on the press and make ready shall be considered as hours worked towards the applicable apprenticeship.

In those circumstances where the Employer requires a Second Pressman to temporarily replace a First Pressman, the bargaining unit member shall be paid the rate of the First Pressman in accordance with the salary scale at Appendix "A".

**Communications, Energy and Paperworkers
Union of Canada, Local 588-G (Lithographers)**

Canadian Bank Note Company, Limited

S. Gaudin

A. Hebert

Brigitte
Reese

