

MEMORANDUM OF SETTLEMENT

Between

INVISTA (CANADA) COMPANY – KINGSTON, ONTARIO

And

**KINGSTON INDEPENDENT NYLON WORKERS' UNION, KINGSTON,
ONTARIO**

The Parties agree to recommend a renewal of their Collective Agreement for a period to expire on January 27, 2022.

The renewal shall continue the terms of the current Agreement subject to the changes indicated hereunder.

It is understood that the terms of the new Collective Agreement are as set out herein and any matter that either party intends to rely upon is set out and is not based upon the exchanges between the parties in bargaining or past practices not incorporated into the new Collective Agreement.

General Wage Increase

- A. Effective January 28, 2017 (or date of ratification, whichever is later), employees will receive the rate applicable to their classification shown in Schedule A.
- B. Provided the settlement is ratified on or before January 27, 2017, all employees in the bargaining unit will receive a signing bonus of one thousand dollars (\$1000.00) gross. This signing bonus shall be paid within (2) weeks of January 28, 2018.
- C. It is understood that employees on an authorized leave of absence at the time of payment of a signing bonus (B. above), shall receive payment upon return to work or termination of employment, whichever occurs first.

ADMINISTRATIVE ITEMS

After discussions during negotiations, understanding was reached on the administrative items described in Appendices A to M. These are applicable for the duration of this collective agreement, and may be enforced pursuant to the grievance and arbitration provisions.

SCHEDULE "A"

CODE	Classifications	1/28/2017	1/28/2018	1/28/2019	1/28/2020	1/28/2021
06/06T	Polymer Specialist	33.25	33.55	33.85	34.35	35.05
10/10T	Polymer Technician 3	31.10	31.35	31.65	32.10	32.75
11	Polymer Technician 2	27.50	27.75	28.00	28.40	29.00
12	Polymer Technician 1	26.70	26.90	27.15	27.55	28.10
17/17T	Batch Operator	25.85	26.15	26.45	26.90	27.45
18	Batch Operator Trainee	24.85	25.15	25.45	25.90	26.45
38/38T	Fire Systems Specialist	28.35	28.80	29.00	29.50	30.10
64/64T	Fibre Specialist	28.35	28.80	29.00	29.50	30.10
15/15T	Spinning Technician	26.50	26.80	27.10	27.55	28.10
14	Spinning Technician Trainee	25.50	25.80	26.10	26.55	27.10
13	Spinning Operator	24.40	24.80	25.10	25.55	26.05
20	Spinning Operator Trainee	23.40	23.80	24.10	24.55	25.05
19	Textile Machine Operator "A"	22.56	22.15	21.75	21.35	n/a
42/42T	Material Specialist	24.00	24.30	24.60	25.00	25.50
44/44T	Material Technician	22.90	23.15	23.40	23.80	24.25
40	Material Technician Trainee	21.90	22.15	22.40	22.80	23.25
43/43T	Material Operator	20.60	20.80	21.00	21.35	21.75
39	Material Operator Probationary	19.60	19.80	20.00	20.35	20.75
45/45T	Service Operator	18.35	18.50	18.65	18.90	19.25
47	Service Operator Probationary	17.35	17.50	17.65	17.90	18.25
94	Student	Minimum wage + \$2				
31/31T	Laboratory Technician 1st Class	26.99	26.99	26.99	26.99	n/a
37/37T	Laboratory Research Specialist	30.00	30.30	30.60	31.10	31.70
33/33T	Laboratory Specialist	27.70	28.00	28.30	28.80	29.40
34/34T	Laboratory Technician	25.85	26.15	26.45	26.90	27.45
32	Laboratory Technician Trainee	24.85	25.15	25.45	25.90	26.40
35/35T	Laboratory Operator	22.90	23.15	23.40	23.80	24.25
50/50T	Stationary Engineer 2nd Class	41.30	41.75	42.36	43.10	43.95
61	Stationary Engineer 3rd Class	36.95	37.25	37.55	38.05	38.80
74	Stationary Engineer 4th Class	29.20	29.50	29.75	30.20	30.80
81	Stationary Engineer Trainee	27.30	27.55	27.80	28.25	28.80
58	Power Distribution Electrician A	41.30	41.75	42.35	43.10	43.95
57	Power Distribution Electrician B	37.40	37.80	38.30	38.90	39.70
51/51T	Maintenance Technician 1st Class	34.40	34.80	35.30	35.90	36.60
62	Apprentice Maintenance Technician 2nd Class	32.70	33.05	33.55	34.10	34.80
75	Apprentice Maintenance Technician 3rd Class	29.25	29.60	30.00	30.50	31.10
65	Apprentice Maintenance Trainee	25.80	26.10	26.50	26.95	27.50
72/72T	Maintenance Operator	22.90	23.15	23.40	23.80	24.25
71	Maintenance Operator Probationary	21.90	22.15	22.40	22.80	23.25

- Training classifications are nominally three (3) months in duration.
- At its sole discretion, the Company can exempt an employee from the training rate if they are deemed to have the required training.

PREMIUMS

An employee who is appointed to the role of shift engineer shall receive one dollar and thirty cents (\$1.30) per hour more than his/her classification rate during the period of his/her appointment.

An employee who is engaged in the work of a fire captain shall receive one dollar and thirty cents (\$1.30) per hour more than his/her classification rate for the shifts that he/she undertakes this work.

Any employee working shift shall be paid a premium of ninety (\$0.90) cents per hour for work performed between the hours of 3:30 pm and 11:30 pm and one dollar and thirty cents (\$1.30) for work performed between the hours of 11:30 pm and 7:30 am. Any employee working shift, shall be paid, a premium of one dollar (\$1.00) per hour for each hour worked on Sunday between the hours of 7:30 am and 4:00 pm.

These premiums are to be added to the hourly rates after, and not before, calculating overtime.

TEMPORARY EMPLOYMENT

Classifications in Schedule "A" for which such temporary status is applicable are designated with "T" in the Job Code. For the purposes of clarity, during such a period of temporary employment benefits will be statutory only, seniority status is not acquired, the just cause provisions under Article II and the severance provisions under Article IX do not apply.

It is understood a former employee with required skills may return to the bargaining unit for a period of temporary employment at the former classification and rate.

Notwithstanding, temporary employees in Service Operator and Material Operator classifications need not be former employees.

ARTICLE III - CO-OPERATION

- (c) The Company will maintain in place a Short Term Disability (S.T.D.) plan, essentially similar to that in place upon the expiry of the previous Collective Agreement that provides the following benefits:

For up to 26 weeks,

- after a 24 hour unpaid waiting period, the first six (6) weeks – 85% of pay
- the next twenty (20) weeks – 70% pay

The benefit is payable subject to the terms of the plan. The Company may insure the plan in which case its obligation is to pay the premium.

ARTICLE IV - REPRESENTATION

- (a) The Company agrees to recognize thirty (30) stewards, one of whom shall be the Chief Steward. The Union shall notify the Company in writing, or electronically, of the names of the stewards and of the Chief Steward. A steward will be allowed to leave his/her duties for a reasonable length of time to investigate and settle grievances without loss of time or pay provided that he/she obtains prior authorization from his/her foreperson. A member of the Union Bargaining Committee will be allowed to leave his/her duties for a reasonable length of time to prepare for Step 3 of the grievance procedure without loss of time or pay provided that he/she obtains prior authorization from his/her foreperson.

ARTICLE V - HOURS OF WORK

- (d) The Company undertakes to communicate to the Union any change proposed by the Company in work assignments or in the hours of work which affects the majority of employees in such group, before the change becomes effective.
- (e) The Company shall schedule one (1) rest period of twenty (20) minutes' duration in each half of the working day.

ARTICLE VI - OVERTIME AND OTHER ALLOWANCES

- (c) An employee shall, subject to the second paragraph of this clause, be paid an amount equivalent to eight (8) hours pay at his/her straight time hourly rate for the following holidays whether or not he/she works on such holidays: New Year's Day, Family Day, Monday of the School Winter Holidays, Good Friday, Victoria Day, July 1st (Canada Day), Third Friday in July, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and 26th December.

However, employees shall not be entitled to be so paid:

- (i) if they do not work on such holidays when they are required or scheduled to do so. Notwithstanding the foregoing, they shall be entitled to be so paid when a leave of absence has been granted for any reason other than an extended unpaid leave.
- (ii) if they were absent without good cause on the scheduled working day immediately preceding or succeeding such holiday.
- (iii) if they are absent for any reason on both the scheduled working days immediately preceding and succeeding such holidays. Notwithstanding the

foregoing, they shall be entitled to be so paid if such absence is due to their scheduled vacation or when leave of absence has been granted for any reason other than an extended unpaid leave.

(iv) if such holiday occurs while they are on leave of absence, subject to the same exceptions as set out in subsection (iii) above.

- (f) If employees are required by the Company to report to the said Site at other than their regularly scheduled working hours, they shall be paid a minimum amount equivalent to pay for three (3) hours at their applicable overtime rate if their pay for the performance of such work is less than this amount, except when such work forms a continuous period with their regularly scheduled working hours, in which case no minimum shall apply. If they are entitled to the payment provided in clause (c), this minimum amount shall be paid in addition thereto for the performance of such work on a holiday.

If employees are required by the Company to report to the said Site to perform work at other than their regularly scheduled working hours, they shall be paid at the rate of time and one-half for all hours worked at other than their regularly scheduled working hours, provided however, that they shall be paid at the rate of double time instead of at the rate of time and one-half for all hours worked in excess of four (4) hours beyond the normal number of daily hours of work on that day or in any continuous period. In any event, they shall be paid at the straight time rate only, for regularly scheduled hours worked. When an employee is sent home by the Company during his/her regularly scheduled working hours to return later that day, premium rates under this provision shall be calculated as if he/she had completed his/her normal number of daily hours.

ARTICLE VII - WAGES - CLASSIFICATION

- (e) An employee who is successful in posting to a new classification and who is not immediately classified at the top classification in that line of progression, may not engage in further posting activity until such time as he/she worked at the top classification for a period equivalent to the progression period. In the event the posting occurs to a new classification not in a line of progression, the employee may not engage in further posting activity for two (2) years. At its sole discretion, the Company may reduce the two (2) year restriction, if it deems an employee has complimentary training to the new classification.
- (f) An employee having acquired job experience in a posted classification and, on being regressed from that posted job because of lack of work or restructuring, will return to their previously held classification, provided their seniority holds them there. That employee shall hold reserve status in that particular posted job for a period not exceeding three years from date of transfer from the particular posted job classification as long as they continue meeting expectations. If a summer student is placed in the posted classification, such reserve status will begin from the time the student leaves.

ARTICLE VIII – SENIORITY

- (a) An employee shall acquire seniority status after he/she has been in the employ of the Company for a probationary period of one hundred and eighty (180) consecutive

days. For an employee designated as temporary, the probationary period shall commence upon attainment of status as a regular employee. An employee designated as temporary, who has been with the Company for a minimum of six (6) consecutive months and is subsequently hired for regular employment performing the same work, will have their probationary period reduced to ninety (90) consecutive days. For all probationary employees, it is understood that in cases of absence beyond ten (10) consecutive days, the Company may extend the probationary period by the total number of consecutive days absent.

- (b) Seniority shall govern on all occasions when:
- (i) a layoff which the Company expects to remain in effect for more than one (1) week occurs provided employees are sufficiently qualified. Sufficiently qualified shall be deemed to mean that the employee is qualified to perform the normal duties of the job. In the event of a workforce reduction, employees designated as temporary will be laid off or terminated before any regular employee.
- (c) For the purpose of this Agreement, seniority shall be calculated from the date an employee first enters the bargaining unit under this Collective Agreement with the Company or its predecessor. Employees who leave the bargaining unit and transfer to a non-bargaining unit role, shall maintain and continue to accumulate seniority for twelve (12) months of subsequent employment with the Company except that following twelve (12) cumulative months of subsequent employment, only seniority accumulated as a member of the bargaining unit will be maintained. It is understood by the parties that this paragraph applies only to employees who leave the bargaining unit and transfer to a non-bargaining unit role, subsequent to January 28, 2017. It is understood that employees who left the bargaining unit, for any reason, prior to January 28, 2017 shall maintain any and all accumulated seniority. An employee's seniority shall be lost if the employee is laid off for more than eighteen (18) months. This paragraph shall not apply to anyone hired and designated as temporary.

An employee, other than anyone hired and designated as temporary, who is laid off for two (2) weeks or less as the result of a layoff which the Company expects to remain in effect for two (2) weeks or less, will be credited with seniority for such period upon return to work from such layoff.

- (d) When an employee who has been in a classification for twenty-six (26) or more consecutive weeks is regressed to a lower classification due to lack of work, restructuring or performance, he/she will be given either four (4) weeks' notice of such regression or paid at the rate of the higher classification in lieu of such notice. Notice of regression or payment in lieu shall be at the discretion of the Company.

ARTICLE IX - SEVERANCE PAY

- (a) An employee who has one (1) year or more of seniority shall be paid severance pay if his/her employment is terminated due to lack of work or restructuring, except that such pay will not be paid when employment is terminated:
- (i) due to circumstances beyond the direct control of the Company including, without limitation, fire, flood, power failure or hostile acts of foreign governments, or to strike or other labour dispute whether or not the Company is directly involved, transportation difficulties, material

shortages and the like, or regulations or controls established by any governmental authority; or

- (b) It is understood that severance pay will not be paid to an employee when:
 - (i) the termination is for any reason other than lack of work or restructuring;
- (c) The amount of an employee's severance pay, subject to the foregoing provisions of this Article, shall be:
 - (i) one (1) week's pay for each of the first fifteen (15) years of seniority, plus
 - (ii) two weeks' pay for each year of seniority over fifteen (15).
 - (iii) The amount of severance pay payable in case of termination shall be limited to fifty-two (52) weeks' pay. Partial years, after the first full year, shall be computed to the nearest full month, including the month in which the employee is laid off if the employee has accumulated fifteen (15) or more days of seniority in that month, and the rate of one-twelfth (1/12) of one (1) or two (2) weeks' pay as the case may be, shall be applicable for each such month.

For severance pay purposes a week's pay shall be equal to the employee's current straight time hourly rate multiplied by the number of hours, not to exceed forty (40), constituting the employee's normal number of weekly hours of work at the said Site at the time of termination, and shall not include overtime or any other premium pay or allowance.

ARTICLE X - SAFETY AND HEALTH

The subsidy will be the lesser of the cost per pair or \$130.00 for the first pair purchased in each calendar year, and the lesser of the cost per pair or \$75.00 for up to one (1) subsequent pair purchased in each calendar year.

ARTICLE XI - DISCHARGES

The Company agrees to notify the Union of the reason for the discharge of any employee. Such notice shall be given in writing to the President of the Union within seventy-two (72) hours of the discharge. Regardless of the foregoing, at the point of discharge, a regular employee may request the presence of a Union Officer. The Union Officer may delegate the responsibility to a Steward. Any discharge may be discussed as a grievance, provided that the grievance is submitted in writing within seven (7) days after receipt of notification of discharge by the Union. In the event that an employee is discharged and after subsequent investigation is exonerated and reinstated he/she shall be reimbursed for the time lost by reason of such discharge on the basis of his/her normal number of daily hours of work less earnings received from other employers in respect to the period for which he/she is to be reimbursed.

In the event that an employee is discharged and is not exonerated by subsequent investigation, a lesser penalty may be substituted where, in the opinion of an arbitrator, the penalty of discharge is considered to be inappropriate.

ARTICLE XIV - TERMINATION

- (a) This agreement shall become effective as of the 28th day of January, 2017, and shall remain in full force and effect until the 27th day of January, 2022.

ADMINISTRATIVE ITEMS

After discussions during negotiations, understanding was reached on the administrative items described in Appendices A to M. These are applicable for the duration of this collective agreement, and may be enforced pursuant to the grievance and arbitration provisions.

APPENDIX B

The Company agrees to allow employees the opportunity to bank PRH pay, as it is earned, and to be released by the employee at their convenience throughout the year. In all cases, any balance not so released or paid, will be paid out by the last pay period of the calendar year.

Employees may only bank the PRH pay from the Christmas and Boxing Day holidays in years where the payment of such holidays is in the first pay period of the following calendar year.

The administration outlined above is subject to statutory or other regulatory requirements.

APPENDIX F

The deployment of temporary employees shall not restrict any seniority employee from his/her normal line of progression or delay the movement of a successful candidate to a job posting.

The company agrees to discuss the deployment of temporary employees with the union.

The company agrees to limit the total number of employees designated as temporary to a maximum of 10% of its regular hourly employees on Site at any given time, excluding summer students.

APPENDIX G

During the period of grandfathering, employees who post to other classifications and are not successful or are regressed for any reason, may return to their grandfathered classification and rate.

During the period of grandfathering, a grandfathered employee who successfully posts to a line of progression with a higher rated classification (such as Polymer, Maintenance or

Powerhouse), rate maintenance will apply until the new rate exceeds the previously classified rate.

The **Textile Machine Operator “A”** classification is considered grandfathered and will cease to exist as of January 28, 2018. There will be no new incumbents to this classification. The rate for this classification will be as indicated in Schedule A. In the last year of the agreement, any employee remaining in this classification will be reclassified to the same classification and rate of pay as others performing similar work.

As of January 28, 2018, the **Material Technician** classification will cease to apply to employees in material operator roles (spinning) who do not routinely work in Performance Materials. Any such employee will be reclassified to the Material Operator classification and rate of pay at that time.

The **Laboratory Technician 1st Class and Laboratory Technician 2nd Class** classifications are considered grandfathered and will cease to exist as of January 28, 2020. There will be no new incumbents to these classifications. At this time, any employee remaining in these classifications will be reclassified to the same classification and rate of pay as others performing similar work.

Grandfathered Laboratory Technician 1st Class will be offered the next available Laboratory Technician role, in order of seniority, until the role is filled. Any grandfathered employee who accepts the role, will retain the grandfathered rate until January 28, 2020 at which point they will be reclassified to the Laboratory Technician classification and rate.

If the role remains unfilled after all grandfathered employees have had an opportunity, the most junior grandfathered Laboratory Technician 1st Class must decide whether to accept the role or remain in their current role and be reclassified to the Laboratory Operator classification and rate. This process will continue in reverse order of seniority until such time the role is filled.

Any grandfathered Laboratory Technician 1st Class who has not had an opportunity to move to a Laboratory Technician classifications, for any and all reasons, will be reclassified to the to the same classification and rate of pay as others performing similar work as of January 28, 2020.

APPENDIX H

In keeping with the Company’s performance based culture, employees will be evaluated on their performance in each calendar year, and will be rated as “Exceeds”, “Meets”, “Does Not Meet” or “Unable to Evaluate”.

Exceeds

Historically, employees in an Exceed classification received a premium of one dollar (\$1) per hour. Effective January 28, 2018 the exceeds premium will no longer be in effect.

Does Not Meet

Employees who are rated as Does Not Meet will be placed on a Performance Improvement Plan (PIP) within the following three months after receiving their annual performance review.

The PIP will be reviewed with the employee in accordance to the schedule established in the original PIP. Throughout the calendar year, employees on a PIP will be expected to meet and maintain the objectives and milestones established in the PIP.

An employee who fails to meet the established objectives and milestones in the PIP will be reclassified, and receive the corresponding wage rate, as follows:

- (a) They will be reclassified into the classification most recently held prior to their current classification, if suitable work in such classification exists, except in the case of employees classified in the Polymer, Maintenance or Stationary Engineer lines of progression; or
- (b) In the case of employees classified in the Polymer, Maintenance or Stationary Engineer lines of progression, they will be reclassified to the last classification previously held outside the Polymer, Maintenance or Stationary Engineer lines of progression, if suitable work in such classification exists; or
- (c) They will be reclassified according to their qualifications for any suitable and available work; or
- (d) They will be reclassified as Service Operator.

For the purposes of reclassifying “Does Not Meet” employees, it is understood that an employee so rated will not be reclassified to a classification in which the employee was previously rated “Does Not Meet” (or equivalent) at the time of leaving that classification.

Notwithstanding the above, employees who are rated as Does Not Meet for two consecutive years will be reclassified in the manner set out above after January 28th of the next calendar year

Reclassification/Regression/Recall

Under Article VIII (g) of the collective agreement for the purposes of recall, employees qualified for work in a lower rated classification are deemed not to be sufficiently qualified for corresponding work in a higher-rated classification.

For the purposes of Article VIII of the collective agreement, employees who are reclassified due to performance shall be deemed not to be sufficiently qualified for their previously held classification from which they were reclassified

It is understood for the purposes of recall that employees rated as Does Not Meet who have been regressed or reclassified due to performance, are considered less qualified for jobs than Meets and Exceeds employees, regardless of seniority.

General

Employees who are regressed or reclassified due to performance are not entitled to automatically return to their previously held classification once they are rated as “Meets” in their annual performance review but will be eligible to post if they meet the qualifications of the posted job.

For the purpose of clarity, reclassification of an employee who is subject to regression or layoff shall not be made in a bad faith or arbitrary manner.

APPENDIX K

Differentiated Responsibilities Premium

Employees whose overall responsibilities are deemed to be significantly different from those of other employees in the same classification, determined at the sole discretion of the Company, will receive a Differentiated Responsibilities (DR) premium equivalent to 8% of their base rate, applied to every hour worked. Employees must be rated as “Meets” or above in their annual performance review to be eligible for and/or to maintain the premium.

The DR premium ceases to apply when an employee changes roles or the company determines in its sole discretion that the differentiated responsibilities are no longer applicable.

Prior to January 28, 2018, employees identified to receive the DR premium are not eligible for the Exceeds premium.

APPENDIX L

During each benefit enrollment period for the life of this agreement, the company agrees to allow employees to allocate excess flex credits as ancillary pension contributions to their Flex Select account, subject to regulatory approval, if required.

APPENDIX M

Employees classified as Spinning Technician as of the date of this agreement and who are not currently trained in the Performance Materials spinning assets will be reclassified as Spinning Operators but remain at their current pay of \$26.05 until January 28, 2018. At that time, they will be paid at the rate of \$25.55 for the remaining life of the agreement.

For the purpose of clarity, trained in Performance Materials spinning assets is defined as:

- signed off on all training for the Performance Materials spinning assets,
- regularly assigned to Performance Materials spinning assets in the last 6 months, and

- able to hold a current assignment.

Employees who post and are selected to the Spinning Operator Training classification will be paid according to Schedule A.

INVISTA (Canada) Company

Kingston Independent Nylon Workers' Union

Negotiations Team:

Bargaining Committee:

Christine Blais

Larry Garrah

Shelley Deyo

Kris Carrier

Ken Howe

Sean Foley

Shawn Hyndman

Peter D'Amore

Lori Harris

Cory Serson