Collective Agreement
2015 – 2018
Cimco Shop Workers

U. A. Local 787 Refrigeration Workers of Ontario
United Association

Cimco Manufacturing
(Division of Toromont Industries Ltd.)
UA Local 787
UNION OFFICE

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419 Deerhurst Drive,
Brampton, ON L6T 5K3
AGREEMENT

ARTICLE 1: PURPOSE

1:01 It is the intention of this Agreement to maintain a harmonious relationship between the Company, party of the first part, and their employees (shop workers), members of the Union, party of the second part; and to provide an amicable method of settling any differences which may arise between them; and to establish and maintain fair conditions of labour in the industry and to organize those persons qualified therein.

ARTICLE 2: DEFINITION

2:01 (A) The term “Company” is construed to mean the Villiers Street plant operated by the manufacturing division of the CIMCO Division of Toromont Industries LTD.

(B) The term “Union” is construed to mean the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada, Local 787.

ARTICLE 3: STATUS AND LIMITATION OF EMPLOYEES

3:01 Under the terms of this Agreement there shall be a total of eight (8) departments which along with those employees listed under such department will form the bargaining unit.
ARTICLE 4: JOB VACANCY

4:01 A bulletin board will be located in the shop which will contain application forms on which interested employees will indicate desire to be considered for present or future job vacancies. When an application is completed and delivered to the Company, the employee will receive a written acknowledgement. In the event that a vacancy occurs in any classification covered by this Agreement, such vacancy will be posted on the employees’ bulletin board in the plant. Employees who have submitted completed application forms will be given first consideration for these vacancies.

4:02 If, in the opinion of the Company, any or all the applications do not have the required qualifications the employee will be notified accordingly.

(A) If a person designated as a trainee (learning a job he has not previously performed) he will remain at his present level of pay for one month. He will then be allowed to move through the pay levels as outlined in Article 10:03.

(B) Training - (I) Mandatory courses or training provided by the Company taken outside of regular working hours will be on a voluntary basis and will be paid for at the employee’s regular hourly wage level for all hours spent.

(II) Voluntary courses or training provided by the Company, taken outside regular working hours, will be on a voluntary basis, and will not be paid at the employee’s hourly wage rate.

(C) The Company will allow bargaining unit employees to practice welding in the shop outside of normal working hours, including lunch. Welding machines and consumable materials (within reason) will be provided by the Company for this purpose. An employee can request to take the Company 6G Welding test on his own time, and if the employee passes, this
shall be recorded in the employee’s record with a copy given to the employee. Those employees who have passed this test will be given the first opportunity to apply to a welding position requiring a 6G ticket. Employees who apply for the position must at that time again pass the Company 6G test, and the position would then be filled on the basis of seniority amongst the successful applicants. If an employee’s welding skills are not up to date, the employee will be given three days to practice welding on his own time prior to taking the 6G test which determines his eligibility to fill the position.

(D) When the company requires specific welding tickets the company shall post such requirements.

ARTICLE 5: HIRING

5:01 Should the Company relocate the manufacturing departments during the term of this Contract, the Company will provide as much notification as possible to the Union prior to relocation. Furthermore, the Company will offer employment of the manufacturing department employees at the new location.

5:02 The Company recognizes the Union as the sole and exclusive bargaining agent for all employees performing work in all departments covered by this Agreement.

5:03 The Company shall hire new employees from Local 787, the Union.

5:04 If members are not available from the Union, the Company has the privilege of hiring employees with the understanding that employees so hired, including working forepersons, will be required, as a condition of employment, to make application to join the Union within the first week of reporting to work.

5:05 All newly hired employees will report to the Union Steward to complete an application to join the Union. Also at the same time these employees will complete a dues deduction
authorization form. The Company agrees to deduct the dues and submit them to the Union by the 15th of the month following the month dues were deducted.

5:06 Dues will be deducted in the amount of two times the employee’s hourly wage rate and will increase to two times the higher wage rate as the employee moves through their wage adjustments.

5:07 The first three months of dues deducted from new employees will be treated as initiation fees.

5:08 The new employee will become a member of the Union on the first day of the month following receipt of the third month’s dues.

5:09 Employees must maintain their dues when not working, as outlined in the UA Constitution and Union Bylaws. Failure to maintain membership dues may result in no work being assigned to that employee.

5:10 Should it become necessary to change the dues deduction, the Company agrees to deduct and remit such dues changes upon notification from the Union.

5:11 It is understood that all new employees are employed for a probationary period of three months.

5:12 Students (a person enrolled full time in school) will be allowed to work in the shop for a period of two months.

5:13 A list of newly hired employees will be given to the Shop Steward weekly.

5:14 The Company will continue to employ insulation contractors based on the competitiveness, reliability, and the quality of their work. The Company will accept bids by contractors recommended by the Union and will advise the Union which companies have submitted bids on the work.
ARTICLE 6: CLASSIFICATION

6:01 All new employees hired in accordance with Article 5 will be classified for the position for which they were hired by the employer. The Company reserves the right to determine the classification in which an employee is employed, and the level within the classification.

6:02 The Company shall post and maintain a list of all employees showing their name, department and start date which shall be posted in a prominent location in the shop.

This list shall be updated by the Company on a monthly basis and shall be commonly known as a Seniority List and the start date commonly known as the employee’s “Anniversary Date”.

6:03 (A) Foreman – shall be capable of instructing Lead Hands and workers in the actual work from instructions given by the employer. The Foreman generally does not perform hands on work but may when required.

(B) Lead Hand – plans work, gives direction and assists employees directly under his supervision in the department as instructed by the Foreman and or Employer.

ARTICLE 7: HOURS OF EMPLOYMENT

7:01 TWO SHIFT:
   Day Shift:  7:30 a.m. - 4:30 p.m. Mon.-Thurs. (8-1/2 hr/day)
   7:30 a.m. - 1:30 p.m. Fridays (6 hr/day)
   Afternoon Shift:  4:15 p.m. - 2:45 a.m. Mon. - Thurs.
THREE SHIFT
Day Shift: 7:30 a.m. - 4:30 p.m. Mon. - Thurs. (8-1/2 hr/day)
7:30 a.m. - 1:30 p.m. Fridays (6 hr/day)
Afternoon Shift: 4:15 p.m. - 12:45 a.m. Mon. - Fri
Night Shift: 12:15 a.m. - 8:45 a.m. Mon. - Fri.

7:02 (A) In cases where an employee may require to absent themselves from work for personal reasons (ie: doctor, dental appointments, etc) and has, where possible, approval from the Company, that employee shall be permitted to work “Make-up Time” and the Company agrees that such work shall be paid at the employee’s straight hourly rate.

The Company agrees that approval for such absences will not be withheld unless for a valid reason.

Employees who request such time off will not be paid overtime for that shift until their regular shift hours are completed.

Where possible, “Make-up Time” shall be worked immediately prior to or after the established hours of work on the day of the shift.

7:03 (A) Cimco is agreeable to a modification of the standard hours of employment, but only if 100% of the membership agree to the modification and only if the start times of the day and night shifts continue to reflect the same 15 minute overlap that is currently in place.

7:04 Summer Hours of Employment are now the regular hours of employment as noted in Article 7:01.

7:05 Break Period/Lunch -There shall be a ten (10) minute break period each morning at 10:00 a.m. and each afternoon at 2:30 p.m. In addition there will be half hour unpaid lunch period in the middle of each shift. Also there will be a ten (10) minute wash-up period granted at the middle and at the end of each shift.
7:06 Should it become necessary for the Company to introduce shift work, shift work will be as mutually agreed to by the Company and the employee(s) for each department. But in general it will be three (3) weeks on and three (3) weeks off the shift. Also, employees so request to work shift will receive at least two (2) weeks notice before starting a new shift.

7:07 Each employee working an afternoon or night shift shall be paid a shift premium, 5% of basic rate in addition to his hourly wage rate for all hours worked.

7:08 Shift bonus will not be compounded on overtime, but rather will be added to the employee’s overtime hourly rate of pay.

7:09 Show-Up Pay - Any employee showing up for work and no work can be performed for any reason beyond his control, a minimum of four (4) hours will be paid to the employee at the appropriate rate.

7:10 Company will post instructions for hand scan at each station regarding procedure if light and or buzzer does not respond.

**ARTICLE 8: Overtime**

8:01 Any hours worked outside the normal working hours, except as outlined in Article 7:01(A), shall be considered as overtime and shall be paid for at the rate of time and one half for the first four (4) hours of overtime and double time for all hours thereafter in any twenty-four (24) hour period.

8:02 Work performed on Saturdays, Sundays and Statutory holidays or designated holidays (as defined in this Agreement) will be paid for at the rate of double time.
8:03  Employees who are required to work overtime and are given less than twenty-four (24) hours notice will be provided with supper by the Company. Fork lift operators will be provided with supper only if they are requested to work in excess of one and one half (1-1/2) hours beyond normal quitting time, and the twenty-four (24) hour notice provision shall not apply to them. Each employee entitled to receive supper, according to this Article (8:03), shall now receive 1/2 hr. pay in lieu of the company supplying supper.

8:04  Should an employee be requested to work on Saturday, Sunday or Statutory Holiday as defined in this Agreement, he shall be paid for a minimum of four (4) hours at the double time rate or for the hours worked, whichever is greater.

8:05  Where there is extra overtime work, it shall be posted stating the skill set required, the department, the project and the hours available and identifying the employees that qualify for the work – “OT List”. The OT List will be reset after each posting with employees declining and accepting overtime moving to the bottom of the OT List. The new OT List shall be posted on the next occasion requiring overtime. These qualified employees shall, whenever possible, be given twenty four (24) hours’ notice of such overtime or extra work. It is understood that, in case of overtime of an emergency nature and other job specific circumstances, twenty- four (24) hours’ notice and/or the use of OT List cannot be given or used

Overtime is to be based upon employees job function.

Historical overtime results will be publicly posted for all union members to view

**ARTICLE 9: PAY DAY**

9:01  Pay day will be Thursdays of each week and it is understood that wages will be deposited directly to the employee’s bank account.
## ARTICLE 10: WAGE RATES

### 10:01

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### 10:02

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</table>
Lead Hand Rate: Class Rate + 5%
Foreman Rate: Class Rate + 7-1/2%

10:03 (A)“Electrician”

A person hired for this position shall be a holder of a “Certificate of Qualification” for the trade as issued under the Tradesman Qualification Act or have an equivalent to perform the work as a qualified electrician.

The hourly rate of pay shall be the same as the “Basic Rate” for a Journeyman refrigeration mechanic in Zone 1 as shown in the ICI/Non ICI Service and Maintenance Agreement, which Agreement is negotiated between ORAC and the Union.

The Company will be allowed to continue hiring outside contractors to perform work of the electrician, but only if the electrician covered by this Agreement is fully employed.

10:04 New employees will be paid the starting wage rate for the classification he was hired. After the new employee has worked 120 days they will then move to Level I, after a further 240 days, they will move to Level II.

To move to Level III the employee will be eligible for a job review after he has completed a total of 240 days in Level II and as long as the Company is satisfied, such employee has the quality, productivity, knowledge and days worked, the employee will then move to Level III. The decision to move employees to Level III is the sole right of the Company so long as their decision is made in a fair and equitable manner.

Any member of the Union who is receiving better hourly wage rates or more favorable hours of employment shall not be reduced in hourly rates or deprived of these conditions.
10:05 The definition of “Worked Days” is defined as any day or part day, including scheduled holidays to a maximum of 7 days per week, Monday through Sunday. “Worked Days” will commence with the first work day and accrue on an accumulation basis.

10:06 Temporary Work - Should an employee be requested to perform work in another department or classification, or replaces a worker receiving a higher level of pay, such employee will be paid the higher rate of pay immediately.

(A) The Company will continue to temporarily assign bargaining unit employees to non-bargaining unit positions for the purpose of training, workload and minimizing layoffs. Assignments will not exceed 4 weeks duration in one calendar year.

10:07 When a temporary worker returns to his previous department or classification, his wages will return to the same level of pay he would have earned, had the employee not left that position.

10:08 Warranty Work - An employee who is required to perform “Warranty Work” on equipment built in the shop and performs such work outside of the shop shall be paid at his regular wage level for such work.

10:09 All other work not of a warranty nature, performed outside of the shop will be paid at the rate of one and one half times the regular wage level for all such work performed.

10:10 If an employee is transferred by the Company to another department which has a lower wage rate, or to another classification, either in his department or another department, his hourly wage rate shall not be reduced as a result of such transfer.
ARTICLE 11: VACATION

11:01 “Vacation Pay” shall be paid to June 30 during the first week in July as required by the Ontario Vacation with Pay Act, except as follows:

All employees with less than one (1) year’s continuous service shall be paid “Vacation Pay” by the Company at the rate of four percent (4%) of the employee’s total earned wages.

All employees with one (1) year or more of continuous service will be entitled to a vacation of two weeks with “Vacation Pay” of four percent (4%) of total earned wages.

All employees with three (3) or more years of continuous service will be entitled to a vacation of three (3) weeks with “Vacation Pay” of six percent (6%) of total earned wages.

All employees with more ten (10) years of continuous service will be entitled to a vacation of four (4) weeks with “Vacation Pay” of eight percent (8%) of total earned wages.

All employees with twenty (20) or more years of continuous service will be entitled to a vacation of five (5) weeks with “Vacation Pay” of ten percent (10%) of total earned wages.

11:02 Vacations shall be taken during the period from June 1st to September 30th except as qualified below. The Company may schedule individual vacations or require vacations to be taken during a designated shutdown period during which vacations are to be taken. The period of the shutdown will be set no later than April 1st during each year of the Agreement.

11:03 Employees who are eligible for more than two (2) weeks vacation will normally take two (2) weeks of their vacation during the annual shutdown period. The remaining time will be
taken only as mutually agreed upon and only after at least two (2) weeks notice by the employee or by the Company. Requests for extended vacations (ie: three or more weeks of continuous vacation) will not be considered more frequently than once every three (3) years.

11:04 If and when an annual shutdown is to be designated and certain individuals will be required to work during the shutdown period, they will be so advised no later than April 1st of each year of the Agreement.

ARTICLE 12: STATUTORY HOLIDAYS

12:01 Time off for Statutory Holidays will be paid for at the straight time wage rate: Family Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Eve (1/2 day), Christmas Day, Boxing Day, New Year’s Eve (1/2 day), New Year’s Day.

12:02 When Christmas or New Year’s Day falls on a Saturday, Sunday or Monday, the half day holiday will be observed on the Friday before Christmas Day and New Year’s Day. Any “Statutory Holiday” falling on a Saturday or Sunday, except Christmas or New Year’s shall be paid as a holiday but will be observed on the following Monday.

12:03 When a holiday falls during an employee’s vacation, such employee shall receive holiday pay in addition to his vacation pay or be allowed to take the day off or days with pay, to run consecutively with the holidays, as per Article 12:01.

12:04 Probationary employees shall be eligible to receive statutory holiday pay after thirty (30) days of employment.

12:05 To be eligible for holiday pay, the employee must have completed the regular assigned hours of work on the working day immediately prior to and immediately following the celebration of the holiday. However, if any employee has prior permission from his foreman or supervisor to be absent from
work on either of these days preceding or following the holiday, or is absent due to a layoff or sick leave which commenced not more than five (5) working days prior to the holiday, or is absent due to illness as evidenced by a Doctor’s note, the employee shall not forfeit the holiday pay.

12:06 The Company and the Union acknowledge and agree that, in the event of injury or illness, the Company has an obligation under current legislation to return its employee to the workplace as quickly and effectively as is medically possible. The Company and the Union acknowledge and agree that it is in the best interest of the employee to return to work as quickly as is medically possible. Accordingly, the Company and the Union agree that the Company can assign light duties to an employee to accommodate this return to work. The Company agrees that it shall meet with the Union to discuss the assignment of light duties to an employee prior to the employee’s return to work. In the event an agreement cannot be reached between the Company and the Union regarding the assignment of light duties, the parties agree that the employer shall have the right to assign such duties as the Company determines appropriate having regard to the medical limitations, if any, applicable. The decision of “medically possible” shall be determined by the employee’s Doctor. Where there is a dispute between the Company’s Doctor and the employee’s Doctor, then an independent report will be prepared by a mutually agreed upon Doctor. In all cases the employee will be returned to work which has a meaningful basis to the employee’s recovery.

ARTICLE 13: WELFARE PLAN - PENSION

13:01 The Company agrees to pay 100% of a Group Insurance Plan. The plan will include ten thousand dollars ($10,000.00) of Life Insurance and ten thousand dollars ($10,000.00) of Accidental Death and Dismemberment Insurance.

The Company paid Group Insurance Plan includes the difference between ward hospital coverage as provided by
CHIP and semi-private coverage.

The Company paid Group Insurance Plan includes Short Term Disability Insurance with a benefit equal to E.I. Weekly Indemnity payments commencing on the first day of an accident (not covered by Workplace Safety Insurance Board) or the fourth day of sickness; both payable to a maximum of fifteen (15) weeks, and as covered in the Plan.

The Company paid Group Insurance Plan includes the costs of drugs, serums, injectables, insulin purchased on the prescription of a Medical Doctor.

Drug cards are to be made available, member to pay fee charged when used.

The Company paid Group Insurance Plan includes the dental plan currently in effect. The plan will cover eligible expenses as defined in the booklet, “Your Group Benefit Plan-CIMCO Manufacturing Group”. The benefits will be based upon payment of fees as outlined in the Ontario Dental Association’s Fee Guide for General Practitioners as current during the period of this Agreement.

Each member and their dependents are entitled to two hundred dollars ($200.00) every two years towards the cost of prescription eyewear. The Company will pay $90.00 for eye examination every two years with proof of exam.

Dependents are spouses and children up to 21 years of age if said child is in full attendance at school.

13:02 PENSIONS

Employees will become members of the Toromont Industries LTD., Pension Plan on the first day of the month following your date of hire.

Members of the Pension Plan will contribute 5% of earnings. A copy of the Pension Plan will be made available
by the Company upon request to all Employees covered by this Agreement.

ARTICLE 14: EMPLOYEE RETIREMENT AND EXTENDED SERVICE POLICY

14:01 The normal retirement date of each employee shall be the first day of the month in which his sixty-fifth birthday occurs. Retirement on the normal retirement date shall be automatic unless the Company, at its sole election, requests the employee to continue working beyond that date, and having been so requested, the employee is agreeable to continue working. Such continued employment will be referred to herein as “Extended Service”.

If, upon such request, the employee does agree to “Extend Service”, the arrangement will be subject to periodic review at the initiation of either party, but in any event, the continuation thereof will be at the election of the Company.

During the period of extended service, the employee’s allowable vacation will be based on his total years of continuous service with the Company. The period of notice required to terminate extended service by either party, however will be one (1) month.

ARTICLE 15: BEREAVEMENT

15:01 In the event of a death in the employee’s immediate family, ie: father, mother, wife, children, grandparents, brothers, sisters, mother-in-law, or father-in-law, the Company will grant to the employee up to three (3) days leave of absence, with pay, for the purpose of making arrangements for, or attending the funeral or memorial service. Pay shall be at the employee’s straight time rate and shall be paid only for claims which occur on a day or days in which the employee would be regularly scheduled to work.
**ARTICLE 16: GRIEVANCE COMMITTEE**

16:01 The Grievance Committee of Local 787 shall be comprised of an Executive Officer of Local 787 and not more than three (3) members of Local 787 who are shop employees of the Company. The Company agrees it is the right of the Union to appoint or otherwise select this Committee. All grievances submitted to the Committee must be in writing.

**ARTICLE 17: GRIEVANCE COMMITTEE DUTIES**

17:01 A Committee will be formed of three (3) members of each respective party, who shall meet as requested by either party. Such committee shall have the power on behalf of the respective parties hereto to adjust trade disputes or grievances between the parties hereto, to their members, or any or either of them.

**ARTICLE 18: GRIEVANCE PROCEDURES**

18:01 Should any dispute arise between the Company and the Union as to the meaning and applications of the provisions of the Agreement, or should any local trouble arise in the plant or at an outside job, there shall be no suspension of work on account of such dispute, but an earnest effort shall be made by both parties hereto to settle immediately and without delay such dispute or grievance in respect of which the following grievance procedure is set up:

(A) The employee concerned may take the matter directly to his supervisor or foreman. If the matter cannot be resolved, the employee, accompanied by the Steward, will take the matter to his foreman.

(B) If a settlement is not reached within a reasonable time (48
hours) the Steward may either alone or accompanied by a member of the Grievance Committee, or accompanied by the employee with or without a member of the Grievance Committee, take the matter to the Shop Superintendent.

(C) If a settlement is not reached with the Shop Superintendent within a reasonable time (36 hours), the matter may be discussed between the Steward (accompanied, if so desired, by a member of the Grievance Committee) and the management of the Company.

(D) In the case of a dispute or grievance which cannot be adjusted informally by representatives of the parties hereto it will be referred to the Grievance Committee and the Committee, if necessary, shall meet within twenty-four (24) hours.

(E) All settlements of grievances or disputes between either party and the Grievance Committee are final and binding upon the Company and the employee or employees concerned.

In the event that the Grievance Committee is unable to settle the dispute or grievance before any strike or lock-out takes place, it shall appoint an arbitrator. If the Grievance Committee is unable to agree within five (5) days upon an arbitrator, application may be made by either party to the Minister of Labour to appoint an arbitrator, whose decision shall be final and binding on both parties, and whose expenses will be equally borne by both parties.

Specific time and meetings shall be agreed upon by the Grievance Committee and the management of the Company for the consideration of any disputes or other matters to be dealt with under the provisions of this section, provided, however, that matters which cannot reasonably be delayed until the time of such regular meetings shall be considered at an earlier date. Matters to be dealt with under the provisions of this section shall normally be discussed during working hours provided, however, that lengthy negotiations for the settlement of any dispute shall be discussed outside of
working hours.

18:02 During the term of this Agreement the Company agrees that there shall be no lock-out, and the Union agrees there shall be no slowdown, strike or other stoppage of work until all provisions of this Agreement have been exhausted.

Any employee who engages in a strike, slowdown, or other stoppage of work shall be subject to disciplinary measures.

ARTICLE 19: SHOP STEWARDS

19:01 It is mutually agreed that employees shall not be eligible to serve as Shop Stewards or members of any Union Committee dealing with the Company unless they have been members in good standing of Local 787 for a period of at least six (6) months and an employee of the Company for twelve (12) consecutive months.

Access to Cimco email and internet has been provided to the Unions appointed Shop Stewards (shop foremen already have access to both of these platforms).

(A) The Shop Stewards will be deemed (in the event of layoff conditions) to have the highest seniority within his department, regardless of actual chronological seniority.

19:02 The Union acknowledges that Stewards, Officers, or Committee Members, have regular duties to perform on behalf of the Company. Such persons will not leave their regular duties without receiving permission from their immediate supervisor, and such permission shall not be unreasonably withheld, and when resuming their regular duties, they will report to their supervisor with respect to their absence. If this necessitates leaving the premises, the employee will not be paid for the time absent.

19:03 It is clearly understood that Stewards and Committee
Members will not absent themselves from their regular duties unreasonably when dealing with Union business; and that, in accordance with this understanding, the Company will compensate such employees for time spent on such Union business at their regular hourly rate of pay, and that this does not apply to time spent on such matters outside of working hours.

19:04 Foreman and Lead Hands shall not be permitted to stand for the position of Shop Steward.

ARTICLE 20: MANAGEMENT

20:01 The management of the Company, and the direction of the employees, including the right to hire, retire, suspend, discharge and discipline for proper cause and the right to relieve employees from duty because of lack of work or for other legitimate reasons is vested exclusively in the Company.

20:02 Every employee has an obligation to perform and maintain the highest standard of work for which they were hired.

Should an employee fail to maintain a standard acceptable to the Company and/or establish practices, then that employee will become subjected to notification of such after which the employee, with direction from the Company, shall take the necessary steps to improve back to the established practices or standards. Any employee who feels that he has been unjustly disciplined, dismissed, laid off, or suspended, must inform the Company and the Union in writing within forty-eight (48) hours that he questions said disciplinary action, dismissal, suspension, or layoff, and the matter from then on shall be dealt with as a grievance. The rules and policies of the Company will be strictly adhered to. Any deviation will be disciplined at the discretion of the Company.

20:03 The Company also has the right to make and alter, from time to time, rules and regulations to be observed by the
employees, which rules and regulations shall not be inconsistent with the provisions of the agreement.

ARTICLE 21: LAYOFF

21:01 When an employee is to be laid off due to lack of work, the Company must notify the affected worker no less than one (1) full week prior to the date layoff is to take effect. The employee will be responsible to work and the Company is responsible to pay the worker for the notice period.

21:02 New employees with one (1) year or less of seniority will be treated as having equal seniority for layoff and recall rights.

21:03 Severance pay, layoff and termination notice. The Company agrees that in exercising their management rights for terminating or layoff, they shall be bound to the “Employment Standards Act and Regulations” at the time of the layoff or termination and shall abide by all conditions outlined in said document. In doing so, the Company also acknowledges that an employee still has the right to grieve the Company’s decision.

ARTICLE 22: SENIORITY

22:01 Seniority reflects the total length of continuous service with the Company.

(A) In so far as may be practical in the reduction, restoration and advancement, seniority shall govern, provided the employees are skilled to do the work.

(B) Any employee shall cease to have seniority rights, and his employee’s status with the Company will terminate for all purposes if:

   (i) He leaves voluntary,
   (ii) He is discharged.
If an employee is laid off due to lack of work, he will:

(i) Retain his seniority rights if he reports to work within five (5) days after being notified.

(ii) Lose his seniority rights and his employee’s status with the Company will terminate, unless he reports to work within five (5) days after being requested to do so by mail or telephone.

It is the responsibility of the employee to keep the Company and the Union advised as to his current address and telephone number.

(C) New employees and those hired after a break in continuity of service will be regarded as probationary employees for the first three (3) months of their employment. During the probationary period of employment, probationary employees may be laid off or discharged as exclusively determined by the Company. This provision will not be used for the purpose of discrimination because of membership in the Union. Probationary employees continued in service of the Company subsequent to three (3) months from date of original hiring shall receive full continuous service credit from date of earliest hiring unless there has been a break in employment of longer than six (6) months.

ARTICLE 23: MEETING AND POSTING OF NOTICES

23:01 The Union shall have the right to post, on notice boards provided on the property at 65 Villiers Street in Metropolitan Toronto, notices of meetings or such other notices as may be approved by the Company.
ARTICLE 24: SAFETY AND HEALTH

24:01 The Company will continue to comply with the Occupational Health and Safety Act and its regulation and provisions for the safety and health of its employees during the hours of their employment. Such devices as the Company requires to be worn and other equipment, which in the opinion of the Company, is necessary for the safety and protection of the employees shall be provided by the Company.

24:02 Employees shall be required as a condition of employment, to wear protective items, namely: safety shoes/steel toe caps, safety glasses, gloves, aprons, jackets or other protective devices as might be required to achieve safe working conditions in the plant.

24:03 Safety Boots meeting O.H.S.A Standards must be worn by the Employee and shall be provided or reimbursed for as required by the Employee at no cost to the Employee up to a maximum of $175.00 plus applicable taxes per purchase.

24:04 Probationary employees shall pay the full cost of safety shoes. However, when such employees reach the status of regular employees, as defined in the Agreement, a refund of the applicable subsidy shall be made by the Company.

Pay deduction for the purchase of safety shoes shall be made by the Company from the employee’s pay in the pay period following the date of receipt of the invoice by the Company for the shoes purchased by the employee on the Company’s purchase order.

24:05 The Company agrees to supply all safety glasses, including the cost of prescription eyewear for same. Work glasses will be replaced as required for lenses if broken or damaged. Such eyewear will be worn in conjunction with any other eye protection the Company requires to be worn. Safety glasses or other eye protection will be worn at all times in the plant in accordance with the eye protection policy and
Cimco will modify the current safety eyewear policy to allow the Employee to select and pay for additional features and/or options not already covered by the Policy.

24:06 A Safety Committee consisting of the Union Steward and one (1) employee designated by the Union and two (2) members designated by the Company shall be established in accordance with the Occupational Health and Safety Act. The Safety Committee shall be, but not limited to:

(i) Recommend improvements in safety
(ii) Report immediately any hazardous or unsafe conditions
(iii) Assist the Company to enforce safe work practices in the shop.

ARTICLE 25: JURY DUTY

25:01 Shop employees called for jury duty will be reimbursed by the Company with the difference between their jury duty allowance per day and their regular rate of pay eight (8) hours work for the number of days they are on jury duty.

ARTICLE 26: DURATION OF AGREEMENT

26:01 This Agreement shall remain in force from December 1, 2015 to November 30, 2018 and shall remain in force thereafter from year to year unless either party gives notice by writing to other party, not more than ninety (90) days nor less than sixty (60) days prior to the expiration date, of it’s intention to terminate the Agreement or seek amendments of same.

ARTICLE 27: NOTICE

27:01 Any notice required to be sent to the Union hereunder
shall be effectively given when posted to:

419 Deerhurst Drive  
Brampton, Ontario  
L6T 5K3

And any notice requires to be given to the Company shall be effectively given when mailed to:

CIMCO Refrigeration  
Division of Toromont Industries LTD.  
65 Villiers Street  
Toronto, Ontario  
M5A 3S1

In witness whereof the parties have signed this Agreement at the City of Toronto with all the terms and conditions of the Agreement to become effective as of December 1, 2015 and shall remain in effect through November 30, 2018.

Local Union 787  
of the United Association  
(the Union)

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__________________________

R. PYE  
(Business Agent Local 787)

CIMCO Refrigeration  
Div. of Toromont Industries Ltd.  
(the Company)

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# Guide to your Retirement Savings program

## Table of Contents

- Introduction ......................................................................................................................... 1
- Eligibility ............................................................................................................................ 2
- Enrollment ........................................................................................................................... 3
- Employee Contributions ..................................................................................................... 4
- Company Contributions ...................................................................................................... 4
- Investment Options ............................................................................................................. 4
- Investment Changes ............................................................................................................ 5
- When You May Retire ........................................................................................................ 6
- Payment Options at Retirement .......................................................................................... 6
- If You Become Disabled ..................................................................................................... 7
- If You Take Maternity/Parental Leave ............................................................................... 7
- If You Leave the Company Before Retirement .................................................................. 7
- If You Die Before Retirement ............................................................................................. 8
- Other Important Information ............................................................................................... 9
- Government Benefits ........................................................................................................ 11
- Glossary of Terms ............................................................................................................. 13
Introduction

The Toromont Pension Plan provides a good foundation for your personal financial security during retirement. The retirement savings provided through the Plan, along with government pensions and your personal savings, should help you secure the standard of living you want after you retire.

The Toromont Pension Plan is a ‘defined contribution pension plan’ and is funded by both employee and Company contributions to a personal account in your name. You are responsible for making the investment decisions for your account. That responsibility includes making use of the information and tools available to assist you with your investment decisions. Toromont also encourages you to seek advice from a professional financial planner.

As a registered pension plan, the Toromont Pension Plan is registered with the Financial Services Commission of Ontario and Canada Revenue Agency under Registration No. 0364972. The Plan’s assets are held in trust by the Royal Trust Corporation of Canada (Royal Trust) and recordkeeping is provided by Sun Life Financial.

The booklet is designed to help you understand the structure of the Toromont Pension Plan and the valuable benefits it provides. For your convenience, frequently used terms appear in italics throughout and are defined under Glossary of Terms at the back on page 13.

If you have any questions about the Toromont Pension Plan, you may contact your Human Resources Department. Questions about your investment options in the Plan should be directed to Sun Life Financial at 1-866-733-8612.

The Big Picture

In addition to the Toromont Pension Plan, Toromont sponsors a Savings Plan with registered (Group RSP) and non-registered accounts, as well as Employee Stock Purchase Plan. You can find out more about these plans on info.toromont.com.
Eligibility

Full-Time Employees

Membership in the Toromont Pension Plan is mandatory for full-time employees. If you are a full-time employee, you will become a member of the Plan on the first day of the month following your date of hire. For example, if you began employment with Toromont on July 10, Plan membership begins August 1.

Part-Time Employees

Membership is optional for part-time employees, except those employed in Manitoba.

A part-time employee employed in Saskatchewan, Ontario, Nova Scotia or P.E.I. may become a member of the Plan the first day of the month following 24 months of continuous service, provided he/she earned at least 35% of the YMPE or worked at least 700 hours in each of the two consecutive calendar years.

A part-time employee employed in British Columbia, Alberta, New Brunswick or Newfoundland may become a member of the Plan following 24 months of continuous service, provided he/she earned at least 35% of the YMPE in each of the two consecutive calendar years.

A part-time employee employed in Quebec may become a member of the Plan following the date on which he/she worked at least 700 hours in one year.

A part-time employee employed in Manitoba must become a member of the Plan following the date on which he/she obtained 24 months of continuous service, provided he/she earned at least 25% of the YMPE in each of the two consecutive calendar years.
Enrollment

To join the Plan, you must complete a Toromont Pension Plan application form, available from your Human Resources Department or the Toromont Intranet at http://info.toromont.com/corporate/sites/hr/public/forms/forms.htm.

In addition, proof of age (and your spouse’s age, if applicable) may be required. A copy of a birth certificate, baptismal certificate, citizenship card or passport may be provided for this purpose.

Keeping Track of Your Pension Account

You can view your account balance in the Toromont Pension Plan at any time by accessing Sun Life Financial’s password protected Plan Member Services website at www.sunlife.ca/member. Alternatively, if you don’t have Internet access, you can call Sun Life Financial’s Customer Care Centre any business day from 8:00 a.m. to 8:00 p.m. EST. The telephone number is 1-866-733-8612. For security reasons, you'll need your Sun Life Financial Access ID and Password.

Forgot your Access ID?

To obtain your Access ID, call the Access ID support line at 1-877-521-8805. Please have your account number, found on your account statement or the welcome letter you received from Sun Life Financial when you first joined the plan, available when you call.

Forgot your password?

To receive a temporary password, select the Forgot my Password? Link on the Home page at www.sunlife.ca/member. You will be prompted for your Access ID and then follow the instructions provided.

Forgot Both?

Call the Access ID support line at 1-877-521-8805. To ensure the security of your information, Customer Care Centre representatives will not provide both the Access ID and Password on the same call. If you need both of these numbers, you'll be given your Access ID over the phone and either receive an email on how to retrieve your temporary password online or have a temporary password mailed to you.
Employee Contributions

Employee contributions to the Toromont Pension Plan are mandatory. You are required to contribute 5% of your earnings each pay period. Once you start contributing to the Plan, your required contributions must continue until you terminate employment or retire.

Your contributions to the Plan are deducted from your pay period and are tax deductible under the Income Tax Act. This means that your taxable income is automatically reduced and the amount of taxes withheld from your regular pay is reduced accordingly.

Company Contributions

The Company will also contribute an amount equal to 5% of your earnings to the Plan on your behalf. This means that total contributions to the Plan – yours and the Company’s – will amount to 10% of your earnings each pay period.

Investment Options

You direct the investment of your Toromont Pension Plan account. The Plan provides a range of professionally managed investment fund options, including equity funds, a balanced fund, a bond fund and a money market fund. For more information, refer to your Sun Life Financial member kit or visit Sun Life Financial’s Plan Member Services website at www.sunlife.ca/member and access the link to Morningstar Canada under the Accounts drop-down menu in Investment Reports. Morningstar Canada is a leading provider of online investment information and analysis and provides a wide range of reports to help you track fund performance.

The Sun Life Financial member kit and website contain an Investment Risk Questionnaire that can help you determine an appropriate investment mix for your personal circumstances. The Investment Risk Questionnaire can be found on the website under the Resource Centre drop-down menu in Investment Guide.

If You Were Hired Before January 1, 2006

Transitional contribution arrangements are in effect until January 1, 2008 for employees hired before January 1, 2006. Information about transitional contributions is available in a separate insert.
Investment Changes

You may transfer money between investment funds and/or change your investment instructions for future contributions at any time. Sun Life Financial provides three convenient ways to make investment changes:

1. Online, at www.sunlife.ca/member (24 hours a day)

2. By telephone, using Sun Life Financial’s automated touch-tone telephone system (24 hours a day). The telephone number is 1-866-733-8612.

3. Through Sun Life Financial’s Customer Care Centre any business day from 8:00 a.m. to 8:00 p.m. EST. The telephone number is 1-866-733-8612.

For security reasons, you’ll need your personal Access ID and PIN. If you’ve forgotten or haven’t yet obtained your Access ID or PIN, see page 3.

Short Term Trading

Short term trading is the practice whereby an investor makes multiple buying and selling transactions on a regular basis in an attempt to time market trends and boost returns to their account.

Short-term trading affects all investors in the fund and can lead to a negative impact on performance. For this reason, Sun Life Financial takes steps to protect all segregated fund unit holders from the effects of short-term trading. A member may be charged a fee when he or she initiates an interfund transfer into a fund followed by an interfund transfer out of the same fund within a short period of time. The fee will not be charged for transactions involving guaranteed investments, directly held stock and money market funds and does not apply to deposits or withdrawals, only interfund transfers.

Information about Sun Life Financial’s short term policy is available at www.sunlife.ca/member.
When You May Retire

Normal Retirement

Your normal retirement date is the first day of the month immediately following your 65th birthday.

Early Retirement

You may retire prior to age 65 on the first day of any month if you are at least age 55 and are a vested member of the Plan.

Payment Options at Retirement

Upon retirement, you must elect one of the following forms of payment for your Pension Plan account:

- A lump sum transfer to a locked-in retirement savings vehicle such as a locked-in retirement account (LIRA).
- A lump sum transfer to a locked-in retirement income fund (LRIF).
- Purchase of an annuity from an insurance company acceptable under Applicable Pension Laws and Revenue Rules.

If you choose to purchase an annuity with your account balance, you must receive a form of payment acceptable under applicable pension legislation. Acceptable forms of payment depend on whether or not you have a spouse when your annuity payments begin.

If you have a spouse when you retire, provincial pension legislation requires that you receive a joint and survivor annuity that continues at least 60% of your pension for the lifetime of your spouse in the event of your death. If you wish to elect a form of annuity other that the legislated minimum joint and survivor annuity, both you and your spouse are required by law to sign an official waiver form.
If You Become Disabled

If you become disabled and are receiving benefits under a Company-sponsored disability plan, you will remain a member of the Toromont Pension Plan and will not be required to contribute to the Plan during this period. During your period of disability, up until the earlier of your normal retirement date (age 65) or the date you are no longer disabled, the Company will make all required employee and employer pension contributions based on your earnings rate in force immediately prior to the commencement of the disability.

If You Take Maternity/Parental Leave

Where provincial legislation requires, you may stop contributing to the Toromont Pension Plan while you are on an approved maternity or parental leave. If you choose this option, the Company’s contributions will also cease during your leave.

Alternatively, you may elect to continue the contributions that you would have been required to make, up to a maximum of 12 months for any one leave. If you choose this option, Company contributions will also continue on your behalf. You must provide your Human Resources Department with post-dated cheques for your contributions, which will be remitted to Sun Life Financial along with the Company’s contribution on your behalf, and will appear on your T4 slip as pension contributions.

If You Leave the Company Before Retirement

If you terminate employment before retirement and you are vested, you will be entitled to a refund of your contributions and the Company’s contributions to the Plan, plus related investment earnings. You may choose one of the following options for distribution of your pension account:

- A transfer to your new employer’s registered pension plan, provided that plan agrees to accept the transfer on a locked-in basis.
- A transfer to a locked in retirement account, as prescribed by applicable provincial legislation.
- A transfer to an insurance company for the purchase of a life annuity that will commence no earlier than age 55.

If you terminate employment before retirement and you are not vested, you will be entitled to a refund of only your contributions and related investment earnings, less applicable statutory taxes. In lieu of a cash refund, you may elect to transfer the funds to a non locked-in RRSP.
If You Die Before Retirement

Benefits payable from the Toromont Pension Plan in the event of your death before retirement depend on whether or not you were a *vested* member of the Plan at the time.

If You Were Vested

If you were a *vested* member of the Plan, your *spouse* or *beneficiary* (if you don’t have a spouse or if your spouse has waived the right to pre-retirement death benefits) will be entitled to the full value of your pension account.

A *spouse* may choose one of the following options for distribution of your pension account:

- A transfer to an RRSP in his/her name, to another registered pension plan or to any other registered vehicle approved under Applicable Pension Laws and Revenue Rules. If you were employed in British Columbia, Alberta or Manitoba, any such transfer must be made on a *locked-in* basis.

- A lump sum cash payment, less applicable source withholding taxes (not permitted if you were employed in British Columbia, Alberta or Manitoba, where benefits must be *locked-in*).

- Purchase of an *annuity* from an insurance company in a form acceptable under Applicable Pension Laws and Revenue Rules.

If you have a *spouse* and wish to name someone other than your *spouse* as your beneficiary under the Toromont Pension Plan, your *spouse* must waive his/her entitlement to the pre-retirement death benefit by completing the appropriate documentation. Please contact your Human Resources Department for further information on this waiver process.

If you don’t have a spouse or if your spouse has waived the right to pre-retirement death benefits, your *beneficiary* will receive the full value of your pension account as a lump sum cash payment (less applicable source withholding taxes).

If You Were Not Vested

If you die before retirement and were not a *vested* member of the Plan, your *spouse* or *beneficiary* will be entitled to the value of only your own contributions to the Plan and related investment returns, less applicable taxes.
Other Important Information

Administrator

The Company is the designated Administrator of the Toromont Pension Plan. The Administrator is responsible for the overall operation and administration of the Plan, with all powers necessary to perform its duties. The Administrator is required to comply with the provisions of all applicable federal and provincial legislation and regulations.

Beneficiary Designation

You must designate, in writing, a beneficiary to receive benefits upon your death. You may change your beneficiary from time to time, but only before you start to receive your pension. If you have a spouse, your spouse must be your beneficiary unless a waiver of designation is signed. If you do not designate a beneficiary and do not have a spouse, your estate will become the beneficiary upon your death.

Marriage Breakdown

The benefits you have earned under the Plan may be subject to division in accordance with family law legislation in the event of a marriage break-up. No division of your pension benefits under the Plan will be made without a court order or written agreement, subject to applicable legislation.

Pension Adjustments

Under the Income Tax Act (Canada), all companies that sponsor a registered pension plan are required to calculate and report a Pension Adjustment (PA) each year for each plan member. Your PA appears on your annual T4 slip.

Your PA represents the deemed value, for income tax purposes, of the benefit you are earning under the Plan in a calendar year. The amount you can contribute to an RRSP is 18% of your previous year’s “earned income”, to a maximum dollar limit, less the PA reported on your T4 slip for the previous year. This means that the amount you and the Company contribute to the Pension Plan in any year reduces your RRSP contribution limit in the following year. Your personal RRSP contribution limit is reported on the Notice of Assessment you receive each year after you file your income tax return.
Pension Statements

To assist you in your understanding of the Toromont Pension Plan, you will receive a statement from Sun Life twice per year, one for the period January to June and one for the period July to December. These statements show the value of the contributions made to your pension account to date, your total contributions for the period, employer contributions for the period and investment returns. In addition, the name of your spouse or beneficiary will be shown for your review.

Tax Status

The Toromont Pension Plan has been registered with Canada Revenue Agency and your required contributions are tax deductible, up to Income Tax Act limits. When you begin to receive income from the Plan, it is subject to income tax.

Assignment of Benefits

You may not assign the rights to your pension benefit as collateral for a loan.

Protecting Your Privacy

Within the Sun Life Financial group of companies, protecting your privacy is a priority. Sun Life Financial maintains a confidential file in their offices containing personal information about you and your contract(s) with Sun Life Financial. Their files are kept for the purpose of providing you with insurance and investment products or services that will help you meet your lifetime financial objectives.

Access to your personal information is restricted to those employees and representatives who are responsible for the administration and servicing of your contract(s) with Sun Life Financial, or any other person whom you authorize. You are entitled to consult the information contained in Sun Life Financial’s file and, if applicable, to have it corrected by sending a written request to Sun Life Financial.

To find out about Sun Life Financial’s Privacy Policy, visit their website at www.sunlife.ca or call the Customer Care Centre.
Government Benefits

The following government programs provide pension income during your retirement years:

Canada/Quebec Pension Plan (C/QPP)

This plan provides a lifetime pension based on how long you have been contributing to the C/QPP and on your earnings during each year of participation. Both you and the Company are required to contribute during your employment.

Normally the C/QPP pension is payable at age 65. The annual amount payable is generally equal to 25% of the average of your earnings up to the YMPE in the last three years. If you wish, however, you may apply for C/QPP benefits after attaining age 60. If you choose to start receiving benefits before age 65, they will be reduced by one-half of one percent for each month that your payments precede your 65th birthday. To receive your benefits early, you must have wholly or substantially ceased employment (i.e. your annual earnings must be less than the current C/QPP annual retirement pension).

If you continue to work after age 65, receipt of your C/QPP benefits can be delayed until your 70th birthday. In this case, benefits will be increased by one-half of one percent for each month after your attainment of age 65.

Once your C/QPP benefit payments commence, the government adjusts these benefits each January 1 to reflect increases in the Consumer Price Index.

In addition to a retirement pension, benefits may be payable from the C/QPP upon your death or disability. Your C/QPP pension is payable to you anywhere in the world.

Pension estimates and further information can be obtained from Income Security Programs, Client Service Centre. The telephone number is in the government listings of the telephone directory under Health and Welfare Canada, Income Security Programs.
Old Age Security (OAS)

This federal program provides a lifetime income for you and your spouse starting at age 65. The amount payable depends on how long you have been a Canadian resident. A full pension is payable to those who have resided in Canada for at least 40 years after age 18. A full pension is also payable in certain other circumstances. Partial pensions are provided in instances where the requirements for a full pension are not met.

You are not required to contribute for OAS benefits. The plan is funded from general government revenue.

OAS benefits can only begin after you have attained age 65, and are adjusted quarterly to reflect increases in the Consumer Price Index. Depending on your level of income at retirement, all or part of you OAS benefit may be taxed back.

If you have resided in Canada for 20 or more years after age 18, your OAS benefits are payable indefinitely whether or not you reside in Canada after age 65. If you have less than 20 years of residence in Canada after age 18 and reside outside Canada after age 65, OAS benefits are payable only for the month of your departure and the following six months.

Other benefits available from the Old Age Security Program include a Guaranteed Income Supplement and a Spouse’s Allowance/Widowed Spouse’s Allowance. These benefits may be payable depending on your level of income at retirement.

Pension estimates and further information can be obtained from Income Security Programs, Client Service Centre. The telephone number is in the government listings of the telephone directory under Health and Welfare Canada, Income Security Programs.
Glossary of Terms

**Annuity** is a contract with a financial institution (typically an insurance company) guaranteeing you a specified amount of monthly pension for your lifetime. An annuity is purchased with a lump sum payment.

**Beneficiary** is the individual you have designated to receive benefits payable under the Toromont Pension Plan upon your death. Note that if you have a spouse, you must designate your spouse as your beneficiary, unless you and your spouse waive this requirement in writing. If a valid beneficiary designation is not in effect, all benefits payable will be paid to your estate.

**Earnings** refers to the compensation eligible for pension contribution purposes. If you are unsure as to the components of your earnings that qualify, please check with your local Human Resources representatives for details.

**Locked-In** means the funds must be used for retirement income and cannot be taken in cash.

**Locked-In Retirement Income Fund (LRIF)** is a lifetime retirement vehicle that gives you flexibility to set your monthly income between an annual minimum and maximum amount established by legislation. LRIFs are available from financial institutions.

**Locked-In Retirement Account (LIRA)** is a retirement savings vehicle similar to an RRSP, but with special features to ensure compliance with provincial pension legislation (such as requiring the funds to be locked-in and used after retirement to provide pension income).

**Spouse** for purposes of the Toromont Pension Plan, means your legal spouse if you are living together, or a common-law spouse (same or opposite sex) with whom you have been living for at least one year or with whom you have a child.

**Vesting** refers to your ownership and rights to some, or all, of the Pension Plan benefits paid for by the Company. Under the Toromont Pension Plan, you become 100% vested after completing two years of Plan membership. Members employed in Manitoba or Saskatchewan become 100% vested after completing two years of employment. For members employed in Quebec, vesting is immediate. Once you are vested, you are entitled to both your own and the Company’s contributions to the Toromont Pension Plan, plus any related investment earnings.

YMPE is the Year’s Maximum Pensionable Earnings defined under the Canada / Quebec Pension Plan. It is the maximum amount of your annual earnings on which your Canada / Quebec Pension Plan benefits and contributions are based. The Federal and Quebec governments adjust the amount of the YMPE each year, based on increases in the average Canadian wage. Ask your Human Resources Department for the current YMPE.
Guide to your Retirement Savings program

TOROMONT INDUSTRIES LTD.
RETIREMENT SAVINGS PLAN

ENROLLMENT FORM

Employee Name:_____________________ Social Ins. No.:_________________
(please print)

Date of Birth:______________________________ Sex: Male □ Female □
(attach copy of birth certificate)

Date of Employment:________________________ Date of Membership In
Plan:_________________

Division of Employment:___________________________________________
(name of company)

Beneficiary:

(1) Spouse designation (including common-law spouse who has lived
with you for at least 3 years)

______________________________________________ (name - please print)

(2) Beneficiary designation (for employees who do not have a spouse)

______________________________________________ (name - please print)

I hereby apply for membership in the Toromont Industries Ltd. Retirement
Savings Plan. I acknowledge that I have received a booklet describing the Plan
and I understand its provisions. I hereby authorize the Company to deduct from
my pay such amount as is called for by the Plan.

Date: ________________________________ (signature)

Form RSP2-1989