

BENEFIT PLAN ADMINISTRATORS LIMITED

EMPLOYEE HANDBOOK

FEBRUARY, 2002

INTRODUCTION

We all have reason to be proud of our Company. Founded in 1958 by Murray G. Bulger, we have become Canada's largest multi-employer benefit trust fund administrator. Our history reflects the success that comes from total dedication to the requirements of our clients, the ability of our staff to work together towards a common goal, and the belief that people are our most valued corporate asset.

The objective for which we strive is on going, to provide the best possible professional service to our clients. By solving client problems, and growing into new services needed by our clients, we enhance our value and strengthen the reputation we have established over the years.

As an employee of Benefit Plan Administrators Limited, you are a member of a dedicated team. Each of us has a vital role to play in maintaining that team at the peak of perfection, not only to provide beneficial assistance to our clients, but to ensure our individual and corporate growth and development as well.

This edition of the Benefit Plan Administrators Limited Employee Handbook applies to all persons within the employ of Benefit Plan Administrators Limited who are employed on a permanent basis. Some restrictions apply with regard to the Benefit Program. The BPA Employee Handbook has been prepared to acquaint all employees with the business objectives and personnel policies of Benefit Plan Administrators Limited. As the needs of our Company and our clients change so to will our objectives and policies. The Company therefore, reserves the right to alter its objectives and policies at any time it deems necessary.

Employees are advised that wherever required, the Employee Handbook is based on Ontario law. Laws of the province in which they work will govern employees employed in provinces other than Ontario.

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BUSINESS GOALS AND OBJECTIVES

1. OVERVIEW

Benefit Plan Administrators Limited is comprised of consultants, administrators, accountants and claims payers in the field of employee benefit trust funds. Our clients are primarily the Boards of Trustees responsible for providing pension, life and health benefits to various union groups throughout Canada. They rely upon us to assist them, organizationally and administratively, to achieve trouble-free benefit provision to their membership.

We are now expanding into information services and administrative procedures. This will enable us to provide support services to clients who will, on their own, start dealing with the types of problems in which we specialize. We will become an information centre for our clients and provide them with support services related to self-administration, self-provision of benefits, and trust fund financial controls.

Our underlying business objective is to know and understand the customer so well that our services sell themselves. As a result, we will continue with a wide range of solutions to other client concerns. These include cost control, the provision of benefit plans which are consistent with industry standards and which are in compliance with government legislation and regulations, employee relations matters, access to current and accurate information necessary for effective planning, the effect of unemployment and assisting with contract negotiations to provide adequate funding of benefits.

2. FUTURE GROWTH

2.1 MARKET THRUST

To ensure our continued growth and expansion, we intend to:

- i) seek new clients, through aggressive marketing, in the industry of construction, transportation and food, our traditional areas of involvement.
- ii) design and implement new software and administrative support systems to assist client offices with self-administration and to provide immediate access to current information, thereby enabling our employees to provide services from client offices.
- iii) strengthen and increase the expertise of our employees in areas related to the markets and services with which we will be involved through on-going educational programs.

2.2 LEADERSHIP

As Canada's largest, and oldest, administrator of multi-employer benefit trust funds, we intend to expand our business by becoming a leader in providing similar services for single employer trusts.

2.3 AUTOMATION

Benefit Plan Administrators Limited is in the forefront of new technology and a leader in the development of software related to the services we provide. We intend to maintain that leadership. In addition, our internal operations will constantly be reorganized to employ the most advanced technology, both in our own offices and in those of our clients.

To make clients aware of benefits resulting from this automation, we will expand our role as educators and consultants in the field of automation, as we have in the employment benefit field.

2.4 PRODUCTIVITY

It goes without saying that profit represents the ability to fairly compensate ourselves and perpetuate our corporate future. It is essential that we increase our productivity through automation and more effective operation wherever possible. As a service organization, our revenue is directly related to the success of our clients. The demand for our services will only increase if the services we provide are beneficial to them. Accordingly, we must maintain a high standard of service to all our clients, while making sure the service we provide is both reasonable in cost to the customer and profitable to us.

2.5 PEOPLE

In order for a company to grow it must recognize that employees are people with hopes and dreams. Our growth as a corporation is in part measured by our ability to create a corporate environment, which understands and appreciates its employees as people by helping them to achieve personal growth and satisfaction in the performance of tasks, which are necessary to the success of the Company.

We all need to be recognized as responsible, worthy individuals, by developing pride in our work through its quality, its appreciation, and its social value, by having the opportunity for advancement by exercising responsible judgment, by responding to problems with solutions, by participating in future planning and by working in a motivating and pleasant place of business.

Our success as people is the degree to which we can help those around us succeed.

Our Company's future is the combined successes of its people.

3. CLIENT SERVICE GUIDELINES

We have established various standards to reflect the stature of our Company and to guide employees in various work-related situations. There is nothing difficult about them; indeed, most reflect the courtesy and co-operation expected in any organized office environment. Some; however, reflect the specialization involved in our profession and are listed here to provide all employees with a broad understanding of their importance. Communications with trustees require prior authorization from management.

3.1 CLIENT-CUSTOMER SERVICE

Our clients are the organizations, groups or associations we serve, but we are often called upon to deal with individuals, customers if you wish, associated with the client. This service should never be viewed as a nuisance; rather, it is an opportunity to assist the client by satisfying, within the broad demands of client requirements, the individuals associated with them.

Client-customer service will always remain the reason for our existence. By understanding all of their requirements, we can serve everyone fairly, responsibly and expeditiously, regardless of the circumstances involved.

3.2 CLIENT MEETINGS

The professionalism we exhibit when meeting with clients and their other professional advisors is of paramount importance. Accordingly, it is essential that we be fully prepared for every meeting, wherever it is held. Clients should receive preparatory material related to meetings in advance. Company participants must be fully briefed on all aspects of the agenda, to be supplied with all background information and documentation, and be fully capable of answering any questions that may arise. Minutes and follow-up documentation for all those attending meetings (both client and our own staff) must be supplied as promptly as possible.

3.3 PUBLIC RELATIONS

Wherever possible employees should learn clients' names so they can be greeted in a personal manner. All employees should know the job functions of each employee within the organization in order to promptly direct client inquiries to the appropriate person. The client should be made to feel comfortable by projecting a friendly, but not overly familiar; respectful, but not servile; cheerful, but not "breezy" manner at all times.

3.4 TELEPHONE COMMUNICATIONS

A good telephone manner is an essential public relations asset. Speak with a pleasant, well-modulated voice. Be friendly. Transfer misdirected calls quickly and pleasantly. If a client wants information not at your fingertips, offer to call back once the information has been obtained. Get the caller's name and telephone number, estimate the length of time required to get the information requested and ask for a convenient time to return the call. Always respond at the time promised even if only to relay what you have gathered and to request more time to complete your research.

3.5 CORRESPONDENCE

Company correspondence must be well worded, grammatically correct, neatly typed and without error. Your letters reflect the quality of our work and our service. They are direct mail advertisements for our Company. Maintain the good impression a well-prepared letter creates.

3.6 INTERNAL COMMUNICATIONS

Although many individuals within the Company have contact with a client, the Account Manager is directly responsible to the Trustees for all aspects of client service. He or she must, therefore, be given full cooperation at all times and be routinely apprised of all client-related issues. Minutes of meetings with clients and related documentation will be circulated as required. Since they reflect the on-going requirements of each client, they should be read and acted upon without delay by all members of the service team. Accurate Minutes must be maintained so that all business conducted by the trust fund can be easily reviewed if required.

4. LEGAL RESPONSIBILITIES

4.1 EMPLOYEE PRUDENCE

We must always remember the legal responsibility we have, as trustee advisors, to protect the rights of the beneficiaries of the trust funds and to do everything we can to ensure the financial stability of our clients. We must always operate within guidelines that have been established for all aspects of the plan, and maintain consistency in their interpretation to avoid precedent-setting exceptions.

As we perform a professional service to the trustees we can be held liable for any adverse effects if we fail to provide the required guidance, or, if damages to trust funds or their beneficiaries result from administrative procedures which are not performed with the utmost accuracy.

It is therefore imperative that we have a broad scope understanding of the application of trust and benefit law as it pertains to joint and several liability of trustees.

As professional consultants and administrators the measurement of our competence is our ability to:

- i) act honestly and in good faith with a view to the interests of the trust fund as a whole and**
- ii) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.**

Employees are required to comply with all federal and provincial legislation.

While the welfare of many people depends on our role of ensuring the success of the trusts we serve, our continuation as a business depends upon the legal prudence that each and every one of us exercises in personal judgements.

LEGAL RESPONSIBILITIES

4.2 CONFLICT OF INTEREST

An employee shall not, either during the continuance of employment or at any time thereafter, disclose any information relating to the private, confidential affairs of the Company.

An employee is expected to have no relationship, no activities and no personal financial interests that might possibly impair or affect the employee's judgement, or influence any decisions made by the employee concerning Company business. Company employees are expected to be independent in respect of such conflicts with regard to their actions, decisions and judgements respecting all Company business. This would also include relationships of an employee's spouse, children and parents who may have a relationship to an individual who is insured under a Benefit Plan Administrators' client plan.

An employee having a financial, family or personal interest in a customer/client is expected to disclose such interest to the Department Supervisor and also to his/her Department Manager. The employee must also then immediately abstain from handling any claims or file work where that particular conflict has been identified.

5. PERSONNEL POLICIES

5.1 FULL TIME EMPLOYMENT

All regular full-time permanent employees who work at least 30 hours per week are eligible for coverage under the Company sponsored benefit programs.

5.2 HIRING POLICY

Equal access to employment opportunities is provided to all qualified individuals regardless of race, colour, sex, age, national origin, religion or marital status.

Specifically:

- i) Employment opportunities are and shall be open to all applicants, solely on the basis of their training, experience, aptitudes and abilities.
- ii) Advancement is, and shall be, based entirely on an individual's achievement, performance, ability, attitude and potential for promotion.
- iii) Equal opportunity extends to compensation and all other privileges, terms and conditions of employment.

All **NEW** Employees are hired with a minimum probationary period of three (3) months.

The following groups of people are explicitly excluded from full time employment within the company:

- a) Spouse An exception will be made when two people who are already employed with the firm and who do not work in the same physical location get married.
- b) Brother/Sister
- c) Children

Employment may be given to in-laws, cousins, nephews, nieces, aunts, uncles and friends.

The above exclusions do not apply to part time employment.

Internal Search

Whenever possible, the primary candidate for a vacant position will be a current employee.

Job posting is the method by which the Company searches for candidates within the Company. In circumstances where an employee has been trained to assume a vacant position, and is assessed as being able to fulfil the position responsibilities, the employee will be appointed to the vacant position. The opening that occurs as a result of this position change or promotion will be posted.

Employees applying for a job posting must have completed a minimum of one year's employment with the Company.

Jobs are posted for a minimum of 3 working days. Employees should discuss their intention to apply with their current manager and schedule an interview with the hiring manager. The hiring manager will interview all candidates. Once a decision has been made, the hiring manager will notify each employee of the final decision. Successful applicants are required to complete a three (3) month probationary period in their new position. Unsuccessful applicants may review their personal situation with the current manager.

External Search

Management may decide that it is in the interest of the Company to forego an internal search. The hiring manager will be responsible for initiating an external search.

Employee Referral Program

The objectives of the Employee Referral Program are to staff our operation with qualified people and keep the cost of recruitment within reasonable levels.

Any employee who knows someone who would be interested in working for our Company, can arrange for an interview. If the individual is qualified, we will keep the application on file until a suitable job opening becomes available.

Should the applicant be hired, a payment of \$200.00 will be made to the employee who made the referral following the successful completion of the three-month probationary period. It should be noted that reference to the referral **must** be made on the application at time of hire in order for the employee who made the referral to be eligible for the payment. Employees who are in the position of hiring/firing do not qualify under the Employee Referral Program.

5.3 COMPANY ORIENTATION

An orientation program will introduce new employees to the practices of the Company. This includes:

- i) An introduction to the people with whom the new employee will be working;
- ii) A tour of the office;
- iii) A review of the employee benefit programs;
- iv) The selection by the employee of the appropriate benefit plan options and signing of authorization documents;
- v) A review of relevant administrative practices.

5.4 EMPLOYEE PRIVACY

Each employee has the right to privacy with regard to personal information. The following policies have been designed to ensure that these rights are respected.

- i) No person outside the Company will be given the employee's home address or telephone number without the specific prior written, consent from the employee concerned.
- ii) Upon receipt of a request by an outside organization for information concerning an employee, or a former employee, the Company will confirm only the employee's job title, department and dates of employment. An employee's salary information will not be discussed without prior written, authorization from the employee.
- iii) The employee's personnel file is accessible only to the manager immediately responsible, the line supervisors to that position, and any manager who is considering the employee for transfer or promotion.

Each employee is responsible for ensuring that current personal information is on record with the Company.

5.5 HOURS OF WORK

The Company operates a working hour system based on 35 hours per week.

Regular business hours are from 8:30 a.m. to 4:30 p.m. Monday to Friday. Some employees may be required to work on Saturday to provide service to clients with whom we have special arrangements.

Overtime Policy

- i) Overtime does not apply to **Managers, Supervisors, or Professional Staff.**
- ii) Overtime must be approved in advance by the employee's manager or supervisor.
- iii) Work in excess of 37½ hours per week, to 44 hours per week, will be paid at standard time.
- iv) Work in excess of 44 hours per week, will be paid at 1½ times salary for the excess of 44 hours.
- v) At a minimum Provincial Employment Standards will apply.
- vi) Time off in lieu of overtime will only be permitted if approved by the employee's manager or supervisor.
- vii) Overtime will be paid out on the following formula.

Overtime will be paid on an hourly basis derived from the employee's yearly salary as follows:

Number of days in a year	365
Number of non-working (unpaid) days in a year (2 per week x 52 weeks)	<u>104</u>
Number of paid days in a year	261
Number of paid hours in a day	<u>x 7</u>
Number of paid hours in a year	1,827
Hourly Rate = Yearly Salary	÷ 1,827

5.6 METHOD OF PAY

Employees are paid twice monthly by direct deposit into a bank account of their choice. Salary is based on the employee's annual remuneration divided by twenty-four (24), the number of pay periods in the year. The pay is deposited on the 15th and the last day of the month. Should these days fall on other than working days, the pay will be deposited on the working day preceding the pay date. Each employee receives an individual payroll record, which indicates the gross pay and lists applicable deductions for the pay period. In the event of separation from the Company, days worked during the final pay period will be calculated as follows:

*Hourly Rate x 7 = Daily Rate

Daily Rate x Number of Days Worked During the Period

*See 5.5 Hours of Work - Overtime Policy

5.7 EXCUSED ABSENCE

An Employee who requires to be excused from work due to illness or other emergency must notify their manager/supervisor as soon as possible on the first day of absence. Daily contact thereafter is required. A maximum of 10 Excused Absence days with pay is provided each calendar year for items (i) to (v) below. In the first year of employment an employee is allocated one day per month of employment, to a maximum of 10 days. Excused Absence days taken during the probationary period are unpaid. Employees who commence service on or before the 15th of the month will be considered to have commenced employment on the 1st day of that month for the purpose of calculating Excused Absence days. Employees who commence service on or after the 16th of the month will be considered to have commenced employment on the 1st day of the following month. (E.g.: Date of employment: February 5, Allowance= $11/12 \times 10=9.167$ or 9 days. Partial days under .5 are not credited.) An employee is not entitled to more than ten days of Excused Absence during any calendar year. Pay in lieu of Excused Absence days is not permitted. Unused Excused Absence days may not be carried over to the following year. Excused Absence days are paid through regular payroll deposit. The benefits paid are subject to income tax. In accordance with the provisions set out above an employee may be excused from work for one of the following reasons:

- i) **Minor illness (i.e. flu, etc.):** A medical certificate is required for any absence of three or more working days.
- ii) **Personal appointments (doctors, dentists, and other professional appointments):** Every effort should be made to arrange these appointments outside of business hours.
- iii) **Bereavement:** An excused absence of up to three working days may be granted for the death of an employee's child, parent (in-law), spouse, sibling (in-law), or grandparent (in-law). One day for attendance at the funeral, or memorial services, for other relatives will be granted. Flower arrangements will be sent to the funeral home or a donation in lieu of the former will be made for the following members of the immediate family: Spouse, Child, Brother, Sister, Mother, Father. (See Item 6.3, Vacations, for details regarding granting leave to an employee, should an immediate family member die during an employee's scheduled vacation.) A copy of the Death Certificate or Notice of Death from the newspaper must be provided to substantiate the employee's leave, otherwise the time taken will be considered as an unpaid leave of absence.
- iv) **Family illness and household emergencies.**
- v) **Moving day:** Employees will be granted one day providing such request is made at least 5 working days in advance of the requested day off.
- vi) **Jury duty:** Employees called to Jury Duty, or required to attend other judicial proceedings, will be granted paid leave provided that the Company is reimbursed with any remuneration received from such attendance. The employee must provide satisfactory Proof of Attendance.

5.8 CODE OF CONDUCT

The Company expects that each individual will conduct himself/herself in a mature and responsible manner while engaged in Company business on or off Company premises. In line with this expectation, the Company has defined a "Code of Conduct" for employees and incorporated it into our conditions of employment.

Specifically, the Company expects that each person will:

- i) devote a full measure of his or her time, effort, talent and experience to the fulfillment of job responsibilities.
- ii) respect the **confidentiality** of client and Company business. Such information to be provided only by the department supervisor or manager.
- iii) maintain a professional appearance in terms of neatness of dress, personal grooming, professional attitude, **and a tidy work area.**
- iv) treat all other employees, and those doing business with the Company, with respect and dignity; respecting the rights, opinions and freedom of expression of others.
- v) adhere to all Company policies and procedures.
- vi) employees are guaranteed the right to work in an environment free of sexual harassment. Employees should report any such remarks, gestures or other forms of sexual harassment to their Manager, the Personnel Director, Vice-President, Chief Financial Officer, or President.

5.9 RETIREMENT

Employees are required to retire the first of the month following attainment of their 65th birthday.

5.10 BUSINESS CASUAL DRESS POLICY

The following is intended to serve as a guide to help define appropriate casual business wear for the office. Our objective is to have employees project a professional image while at the same time dress in a relaxed and comfortable manner. Casual dress offers an alternative to the suit and tie concept of dress.

This dress policy would apply to all technical staff from Monday to Friday, all year round. The casual business dress policy does not apply to the mailroom and delivery staff. Any staff member who is required to meet with non-BPA employees should dress appropriately for that meeting. The following are not acceptable as casual business wear.

- ❖ Beach and athletic clothing and shoes
- ❖ Clothing that is too tight, or too revealing.

At all times clothing should be clean, neatly pressed, without holes or frayed edges.

Listed below is a general overview of acceptable casual wear. It is not possible to cover all current and future fashion trends; however the following may be used as a guide. If you are in doubt as to the appropriateness of an article, you should refrain from wearing it.

Slacks

Slacks should be loose fitting and neatly pressed. Examples of inappropriate items are pants made of denim or spandex, rigger/jogging pants, sweatpants, and overalls. Shorts are not appropriate.

Shirts

Casual shirts that have collars and turtlenecks are suitable business casual wear. Avoid wearing T-shirts, sweatshirts, halter or tank tops. Men's shirts should always be worn tucked into slacks. Ladies sleeveless shirts should have collars and collarless shirts should have sleeves, or be covered by a jacket.

Dresses or Skirts

Mini-skirts or skirts with deep slits are not suitable. Skirts and culottes should be long enough to allow ease of movement when bending over filing drawers. Dresses should have sleeves, or be covered by a jacket.

Footwear

Leather shoes, boots, winter boots and dress sandals are appropriate. Footwear, which is not appropriate, is athletic or running shoes, slippers, beach sandals or thongs. Footwear must always be worn in the office.

BENEFITS

6. 6.1 HOLIDAY PROVISIONS

The following nine paid holidays are provided to all regular, full time employees. Some exceptions apply.

New Year's Day
Good Friday
Victoria Day
Canada Day
***Civic Day/Natal Day**
Labour Day
Thanksgiving Day
Christmas Day
Boxing Day

or any other statutory holidays proclaimed by legislation of the Federal or Provincial Governments. Two floaters will be designated at the discretion of management each January. Whenever possible, the floater holidays are linked with specific statutory holidays. The above does not apply to an employee who:

- i) fails, without reasonable cause, to work all of their regularly scheduled day of work preceding or following a public holiday. Employees who are absent due to scheduled holidays are considered to have worked their regular scheduled day of work; or,
- ii) fails, without reasonable cause, to work their entire shift on the public holiday if they agreed to or were required to work that day, or,
- iii) is on a mutually agreed to Leave of Absence.

NOTE: *Civic Day is not a statutory holiday, therefore employees, under (i) and (ii) above, will be paid for the Civic Day holiday

6.2 SUMMER HOURS

Summer hours are in effect for the twelve weeks ending on the Labour Day weekend. During that time, an employee's working day is shortened by 1½ hours each Friday. Departure times will vary depending on an employee's start time. In addition, employees are permitted to forego their lunch break, thereby allowing them to combine their lunch break with the early closing of 1½ hours, increasing the departure time to a maximum of 2½ hours. Employees are required to work a minimum of 5½ hours on these days. As all departments must maintain a skeleton staff during the hours of 8:30 a.m. to 2:00 p.m., the department supervisor or manager must approve departure times. Summer hours only apply to permanent, full time employees. The office will close for business at 2:00 p.m. on each Friday during this time period. The Summer Hours policy is the method by which the E.I. Premium Reduction Savings is shared with the employees.

6.3 VACATIONS

All employees must declare their vacation plans to their manager before March 31st of the year in which the vacation is to be taken. Management will determine an appropriate department vacation plan after taking into consideration the staffing requirements of the department and seniority of service of the employees concerned.

To avoid sustained periods of work without a rest employees are encouraged to take more than one vacation break each year. **Pay will not be given in lieu of vacation nor can vacation be accumulated and carried forward to following year.**

An employee's vacation entitlement accrues during all periods of employment, provided there is no break in the employment relationship. Time spent on pregnancy or parental leave, approved leave of absence, lay-off, sick leave, etc. does not interrupt the employment relationship.

Annual vacation with pay is provided to all regular full-time employees, based on their length of service with the Company. Vacation accrues during the Vacation Year period January 1st to December 31st. Vacations must be earned prior to being taken. Vacations taken before being earned are subject to adjustment.

First year employees earn holidays at a rate of one day per month to a maximum of 10 days vacation for that calendar year. A calendar year covers the period January 1st to December 31st. An employee whose service with the Company commenced on the 15th of the month or earlier, will be considered for vacation entitlement purposes to have commenced employment on the 1st day of that month. An employee who commences employment on the 16th of the month or later, will be considered for vacation purposes to have commenced on the 1st day of the following month.

Employees with less than five completed years of service with the Company by December 31st are considered to have 10 working days vacation.

Employees with five completed years of service with the Company by December 31st are considered to have 15 working days vacation.

Employees with ten completed years of service with the Company by December 31st are considered to have 20 working days vacation.

Employees with fifteen or more completed years of service with the Company by December 31st are considered to have 25 working days vacation.

In the event of separation from the Company, vacation pay will be calculated pro-rated based on the employee's full vacation pay entitlement for the year, less any vacation already taken.

Eg. Entitlement	25 days
Departure Date	September 1st
Pro-rated V.P. Entitlement	8/12 x 25 days =17 days V. P.
Vacation Days Taken	-14 days
Remaining V. P. Due	<u>3</u> days

If the actual vacation taken exceeds an employee's pro-rated vacation entitlement, the excess will be deducted from their final pay.

If a statutory holiday falls on a day during a vacation period, the employee is entitled to extend their vacation to include the statutory holiday.

Should an immediate family member die, during an employee's scheduled vacation, consideration will be given to extending the employee's vacation, by a maximum of 3 days. The employee must request the extension from his/her supervisor or manager before the end of their vacation. A copy of the newspaper obituary, in which the employee is named as an immediate family member of the deceased, must be submitted as proof.

The prior business experience of a new employee MAY be given consideration in determining vacation entitlement at the time of hire.

Length of Service Bonus

Effective January 1, 1988 employees will be entitled to a once only bonus of 5 days vacation on completion of 10 years service and on each 10 years thereafter.

A completed year of service means the anniversary date of the employee's date of hire.

6.4 LEAVE OF ABSENCE

There may be occasions when an employee wishes to take time off from the job other than vacation, company paid holidays and sickness/disability leaves. **Management reserves the right to use discretion on all requests for leaves of absence.**

Insured benefits are maintained during a pregnancy leave of absence as defined under maternity leave. If the leave of absence is due to disability refer to Section 6.5 BENEFIT PROGRAMS. If the leave is other than maternity or disability the employee may continue company-sponsored benefits by prepaying the premium costs, subject to individual approval by the insurance carrier.

Vacation Entitlement

Refer to Section 6.3, VACATIONS.

Maternity/Parental Leave

An unpaid leave of absence of up to 17 weeks is granted to regular, full-time female employees who have been employed for a minimum of 13 weeks prior to the due date and who request, in writing, a leave of absence for a medically certified pregnancy. The leave must commence no more than 17 weeks before the due date and end no sooner than 6 weeks after the birth. The employee may stay on the job until circumstances dictate that the maternity leave should start. Two weeks written notice must be submitted by the employee to her manager prior to the commencement of Maternity leave, stating the actual date leave is to commence and the anticipated date of return to work, except in the event the leave commences due to a medical emergency. The birth mother is entitled to 35 weeks of Parental leave starting immediately after Maternity leave ends, unless the child has not yet come into her care, custody and control for the first time. Parental leave may also be taken fully by the child's father. Parental or adoptive leave must begin within 52 weeks following the date on which the child came into the employee's care, custody and control for the first time.

During an approved Maternity/Parental leave of absence, the Company will continue company-sponsored employee pension, life insurance, accidental death, medical and dental benefits, providing the employee maintains their portion of the cost.

An employee on Maternity/Parental Leave should provide at least four weeks written notice of return to work if the duration of leave is more, or less, than the original return date.

6.5 BENEFIT PROGRAMS

All regular full-time employees working at least 30 hours per week become eligible to participate in the following Company-sponsored benefit programs on the **day following the completion of 3 months of continuous employment:** Group Life, Accidental Death and Dismemberment, Extended Health Care, Drugs, Dental, Emergency Out of Province/Country, Excused Absence, Short Term Disability Income, Long Term Disability Income and Employee Assistance Program. Full-time employees are required to join the Company-sponsored Pension Plan on the first day of the month after completing one year of continuous

service with the Company. Part-time employees are required to join the Company-sponsored Pension plan following completion of two years of continuous employment, provided they earned at least 35% of the Year's Maximum Pensionable Earnings under the Canada/Quebec Pension Plan or worked a minimum of 700 hours in each of the two prior calendar years. Once enrolled you must remain in the BPA Pension Plan throughout your employment with the Company.

If you are already covered for comparable coverage under another group plan, you may waive the coverage available under the Company's Extended Health Care, including drugs, and/or Dental benefits. If you choose to do so, you will qualify for "opt out credits", to be deposited in your pension plan account. Credits cannot be accumulated and credited at a future date.

In addition to the Group Life insurance, Optional Life insurance is available to both the employee and his/her spouse. The Optional Life insurance is subject to medical evidence and underwriting by the insurance carrier. The employee is responsible for the full cost of the employee and, if issued, spousal Optional Life insurance.

Upon successful completion of three month's service with the company full-time employees receive benefit booklets or brochures, which outline the coverage provided by each insurance company, with the exception of Pension Plan, which will be provided following one year of continuous service.

Disability Benefits

- i) Employees are not eligible for Disability benefits during the first three months of employment.

- iii) Following the three-month waiting period employees who become totally disabled due to a personal injury or illness, may apply for disability benefits. Disabilities with a duration of 14 days, commencing with the date of disability, or less, will be considered under the Excused Absence Plan. See Section 5.7 for details. Disabilities with a duration of more than 14 days will be considered under the Short Term disability benefit, commencing with the 15th day of absence on a working day, or on the 1st day following the day you see a doctor. To be eligible for disability benefits you must be under the continuous treatment of a qualified and licensed physician and be unable to perform a substantial portion of the duties of your regular

occupation. Medical evidence must be provided on request and renewed regularly. It is your responsibility to obtain and submit the required forms when your disability extends beyond three days. These forms are available from the Personnel Director. Your pay will be suspended, commencing with the date of disability, until the Short Term Disability claim is approved.

- iii) Following the completion of the waiting period, employees employed 5 years and over receive the first two weeks of benefit at 100% of salary, thereafter; benefits are paid at 80% of salary. Employees with less than 5 years of service receive 80% of salary following the completion of the waiting period. Benefits are payable, for a qualifying disability, to the earlier of 24 weeks, or upon commencement of the Long Term Disability benefit. In no event will benefits commence prior to the date you see a doctor.
- iv) Employees who have days remaining from the 10 days provided under Item 5.7 Excused Absence provision may transfer any or all such days towards satisfying the waiting period. However, employees who choose to do so must be aware that any additional Excused Absence leave for the balance of the year will be unpaid.

All benefits, in force at the time your disability commenced, will be continued during an excused absence, due to disability, to a maximum of 365 days, from the date you last reported for work, provided (a) you maintain your portion of the premium due and (b) you are in receipt of Short Term or Long Term Disability benefits under the Company benefit program.

Note: A Conversion Option exists with regard to the Group Life and Optional Life insurance.

7. CANADA SAVINGS BONDS

Saving is an important part of planning for tomorrow and the Payroll Savings Plan is one of the easiest methods available to help with this planning. Getting started is simply a matter of setting a goal and signing the application form. Deductions are handled automatically and are taken regularly each pay to be applied towards the purchase of the C.S.B.

Employees are eligible to purchase bonds through the Payroll Savings Plan method.

Further details are available by contacting the payroll office.

8. EMPLOYEE DEVELOPMENT

8.1 EDUCATIONAL ASSISTANCE PROGRAM

The Educational Assistance Program is designed to encourage employees to obtain education or training in order to improve their performance in their present position and/or assist them in preparation for advancement within the Company.

All regular, full-time employees with a minimum of one year's service are eligible to participate. The employee must maintain full-time employment status with the Company. The course must be sponsored by a recognized school, university, profession or technical group.

Employees who fail to sit for an examination will be required to reimburse the Company for all expenses paid on their behalf (tuition, books, examination fees, etc.) unless the employee:

- i) provides a doctor's certificate verifying an extended disability (3 days or more); or
- ii) has been excused by the Company due to Company business.

Cost paid 100% by the Company

When employees are requested to enroll in a course, seminar or conference of direct interest to the Company, the total cost is borne by the Company. This includes tuition, travel and other essential expenses.

100% Reimbursement

Employees may wish to enroll in certain technical or managerial courses that are designed to improve performance in their current job or for an immediate prospective job within the Company. To be eligible for reimbursement, a course must be pre-approved by your manager as applying to your current position, or to help prepare you for an anticipated project or other position within the Company. A course will only be considered once per employee. If approved, upon enrollment you will

receive full reimbursement for the cost of study materials and 50% of the cost of the course and examination fees. Upon receipt of proof of successful completion of the course you will be reimbursed for the balance of the course and examination fees. A maximum of two attempts to pass will be permitted per course. Should the course require payment in full by the Company at time of enrollment, the employee will be asked to authorize a payroll deduction for their portion of the cost. If you leave the Company within one year of successfully completing the course you will be required to reimburse the Company for the entire cost of the course.

Tax Note: The Company's cost for work-related education expenses is not a taxable benefit to you.

8.2 PAID PROFESSIONAL DUES

Certain annual association and professional dues will be paid by the Company where participation in an association is of direct benefit to the Company, or where the dues are required to maintain the professional designation for the employee.

8.3 IN-HOUSE DEVELOPMENT

A primary motivation of the Company is to develop varying levels of professional expertise in all employees. An effective means of accomplishing this mandate is to request staff with particular areas of technical expertise to provide internal educational forums for employees. While attendance is voluntary, employees should view these forums as a valuable source of knowledge about the industry, the Company's scope of service and the depth of understanding required to progressively service clients.

8.4 PERFORMANCE APPRAISAL

The Company believes the performance appraisal process is fundamental to employee development and should reflect two management principles:

- i) Day-to-day, on the job, coaching based upon the setting and achievement of goals and standards, and/or day-to-day discussions of job requirements and performance expectations. Annual salary reviews are meant to provide an overview of performance and an opportunity to look at the longer term.

- ii) Employees being appraised should, (a) be involved in the appraisal review, (b) understand the standards being used to assess performance and (c) have an opportunity to comment on the appraisal itself.

The performance appraisal process for employees will occur at least once per year. The completed appraisal documentation becomes part of the employee's file maintained by the Company and represents the history of each employee's development. Salary reviews occur at least once per year.

9. NO-SMOKING POLICY

The entire work place of the Company is designated as **NON SMOKING**. This includes but is not limited to private offices, with the door open or closed, lunch room, mail room, storage rooms, meeting room, audit room, interview room, stair wells and washrooms.

10. OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

The Company has established a joint Occupational Health and Safety Committee, consisting of three management and three non-management employees. The Committee meets quarterly to report and discuss any work-related hazards to the Company. All Committee meetings are held during regular office hours.

Health or safety related concerns should be brought to the attention of a Committee member. You may approach any Committee member of your choice.

11. WORK STANDARDS - E-MAIL & INTERNET (Effective January 1, 2001)

PURPOSE:

With the increased capabilities available for electronic forms of communication, Benefit Plan Administrators Limited (the Company) must ensure that employees are knowledgeable in their use of these capabilities and have an understanding of the circumstances in which these forms of communication are appropriate and permitted.

SCOPE:

This policy applies to all employees of the Company, and involves all forms of electronic communication, including, but not limited to: internet, file transfers, and e-mail.

POLICY:

It is the policy of the Company that only those employees who have been properly authorized by their respective manager utilize any form of electronic communications. **Electronic communications and Company equipment and resources are to be used for company business use only.**

GUIDELINES:

Employees may not publicly disclose via the internet, e-mail or any other form of electronic communication, confidential and proprietary information regarding the Company, it's employees or its' clients or their employees. Employees must comply with all policies regarding employee behavior outlined in the Code of Conduct section of the Benefit Plan Administrators Limited Employee Handbook.

Employees are prohibited from being involved in any way in the exchange of inappropriate material such as pirated software, stolen passwords or credit card numbers, and inappropriate written or graphic material (i.e., pornography).