Ogletree Deakins

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April 18, 2017

Via E-Mail

Lewis Gottheil 17 Castlewood Rd. Toronto, ON, M5N 2L1

RE: Grievance of Unifor and its Locals 127 and 35, dated April 5, 2017

M-const

Dear Mr. Gottheil:

We are the solicitors for Navistar Canada Inc. ("Navistar") in the above-captioned matter. We have had the opportunity to review your client's grievance of April 5, 2017, received April 6, 2017, and are instructed to advise as follows.

Navistar objects to the arbitrability of this grievance. The Closure Agreement, dated April 1, 2016, constitutes a full settlement of all matters between the parties upon the issuance of a final award by the arbitrator, which was completed on February 27, 2017. Navistar further objects to the timeliness of the grievance on the basis of Paragraph 5 of the Post-Closure Dispute Resolution Procedure. Navistar takes the position that the Union, acting reasonably, became aware, or ought to have become aware, of the facts giving rise to this grievance at a significantly earlier date than 21 calendar days prior to the filing of this grievance.

Without prejudice to the objections raised above, Navistar denies the grievance on basis that the individuals identified in the grievance as "TPT" employees are not eligible for statutory severance pay. Navistar further denies that Carlyn Crawford and Larry Pinsonneault are entitled to an adjustment of statutory severance pay.

For these reasons, the grievance is denied.

Sincerely.

John Illingworth

JI: