

April 21, 2011

MEMORANDUM OF AGREEMENT

BETWEEN: INTERIOR FOREST LABOUR RELATIONS ASSOCIATION
(Herein known as the "Company")
OF THE FIRST PART

AND: UNITED STEELWORKERS Local 1-405, 1-417 and 1-423
(Herein known as the "Union")
OF THE SECOND PART

It is agreed that acceptance of the terms of this Memorandum will be recommended by both parties to their respective principals for final settlement of the 2009-2013 British Columbia Southern Interior Master Agreement.

Subject to the foregoing the parties hereby agree that a Collective Agreement is entered into (hereinafter called the "2009 – 2013 Southern Interior Master Agreement") in the terms of the Collective Agreement described as the "2003 – 2009 Southern Interior Master Agreement" (including Supplements), save for the amendments herein set out, and shall be effective from and after the 1st day of July, 2009 to midnight the 30th day of June, 2013.

1. ARTICLE III - UNION SECURITY

Section 2: Union Shop

Replace the existing language with the following:

All Employees shall, at the time of hiring and as a condition of hiring or continued employment, become a member of the Union, and maintain membership therein.

Section 9: Working Foremen

Employees outside of the bargaining unit will not perform work that is normally done by employees in the bargaining unit. However nothing in this agreement shall be construed as prohibiting foremen from doing work for purposes of instruction, provided in doing so a layoff of bargaining unit employees does not result, or in the case of an emergency when regular employees are not available, provided that every reasonable effort is made to find a replacement.

Memorandum of agreement only:

The following is a clarifying statement for Section 9: Working Foremen:

For the purpose of identifying the parties underlying intent and to clarify the working foremen language, the Parties agree that Foremen may on an incidental basis, assist, provide temporary relief, or test equipment, provided these activities will not be for the purposes of additional production.

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2. ARTICLE V- WAGES

Section 1: Rates

- (a) The Parties hereby agree that effective July 1st, 2011, the wages of all hourly rated Employees will be increased by two percent (2%) and effective July 1st, 2012, the wages of all hourly rated Employees will be increased by two percent (2%).
- (b) The basic rate for common labour shall be:
- | | | |
|--------------|---|----------------|
| July 1, 2009 | - | \$ 24.435/hr . |
| July 1, 2011 | - | 24.925/hr. |
| July 1, 2012 | - | 25.425/hr. |

ROCE (Return on Capital Employed Payments)

A Return on Capital Employed payment will be triggered for each eligible Employee* based on the following ROCE payment table. The ROCE payment is based on the previous calendar year from Southern Interior forest industry information compiled by PricewaterhouseCoopers, using the same accounting and calculation principles as were used in the 2003-2009 Master Agreement. The ROCE % will be based on the following IFLRA member companies Southern Interior Master Agreement Operations; Tolko, Weyerhaeuser, Tembec and West Fraser.

PWC will review the Southern Interior Information for which the ROCE calculations are based and will provide to the USW and the IFLRA, which triggers have been met, on an annual basis.

*An eligible Employee is defined as a regular full-time Employee, a Casual Employee or Designated Part-time Employee. Designated Part-time Employees are identified as those receiving Designated Part-time Health and Welfare benefits. This provision does not apply to Probationary Employees.

Return On Capital Employed Payment Table

Calculated June 30, 2012 and June 30, 2013	
ROCE	Annual Profit Pay
5%	\$150.00
6%	\$190.00
7%	\$230.00
8%	\$270.00
9%	\$310.00
10%	\$350.00
11%	\$390.00
12%	\$430.00
13%	\$470.00
14%	\$510.00
15%	\$550.00

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16%	\$590.00
17%	\$630.00
18%	\$670.00
19%	\$710.00
20%	\$750.00

Eligible Employees who work the following hours in the calendar year will have applicable ROCE pro-rated for their hours worked, as per the following table:

<u>Worked Hours in the Calendar Year</u>	<u>Percent of ROCE</u>
0 to 149	0%
150 to 299	10.0%
300 to 449	20.0%
450 to 599	30.0%
600 to 749	40.0%
750 to 899	50.0%
900 to 1,049	60.0%
1,050 to 1,199	70.0%
1,200 to 1,349	80.0%
1,350 to 1,499	90.0%
1,500 and over	100.0%

(d) Trades Adjustment

Effective September 13, 2010, an across the board wage rate adjustment of one dollar (\$1.00) per hour for all certified journeyman trades, and corresponding pro-rated rate adjustment for all non-certified journeyman trades categories and apprentice categories. Existing grandfathered non-certified tradesmen, paid as certified, will receive the wage rate adjustment. This wage adjustment will apply to Power Engineers with the designation of 4th Class or higher.

(e) Effective September 13, 2010, positions requiring the utilization of a 5th Class Power Engineer Certificate, shall receive a fifty cents (\$.50) per hour increase.

The following shall be the recognized classifications of “Welder” in the collective agreement as per the criteria established by the British Columbia Industry Training Authority’s (ITA).

1. **Welder Level C** - means a person who has a “Welder C” qualification granted from the ITA
2. **Welder Level B** - means a person who has a “Welder B” qualification granted from the ITA
3. **Welder Level A** - means a person who has a “Welder A” qualification granted from the ITA

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Trades – Manufacturing	July 1/08
Welder Level C	\$31.095/hr
Welder Level B	\$31.595/hr
Welder Level A	\$31.835/hr

Article VII: HOURS OF WORK

Section 2: Alternate Shift Scheduling

b) Any variation(s) to Section 1 above shall be implemented only upon completion of the following steps:

- (i) Negotiated agreement between the Local Union and Company and where the Local Union and the Company agree on a shift, the affected crew will have the right to vote.
- (ii) Failing agreement or ratification in (i) above, the matter will be referred to Supplement No. 8, Section D. Alternate Shift Schedule Section.

c) 2, new (iii):

- (iii) For those employees that work the alternative weekend shift, the second overtime shift worked in a given week outside the shift schedule will be paid at double-time for hours worked.

3. ARTICLE XI – LEAVE OF ABSENCE

Section 3: Union Business (amend):

The company will grant leave of absence to employees for any Union Business applied for by the union in order that they may carry out their duties on behalf of the Union. The Company shall not be required to grant such leave when the number of Employees on leave, or to be on leave, at any one time under this section, exceeds five (5) in number or where there are less than 50 employees, three (3) in number; provided that the employer will grant leave to more than above specified limits where, in its opinion, it will not have the effect of interfering with the normal flow of production.

Section 9: Pregnancy and Parental Leave

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Add the following section:

Pregnancy and Parental Leave

- a) Female employees shall be entitled to unpaid pregnancy leave of up to seventeen (17) weeks.
- b) A female employee is entitled to up to 6 additional consecutive weeks of unpaid leave if, for reasons related to the birth or the termination of the pregnancy, she is unable to return to work when her leave ends under sub-section (a).
- c) On the advice of her doctor, if a pregnant employee requests a transfer due to workplace conditions, she will be provided alternate work, if available.
- d) Employees shall be entitled to unpaid parental leave related to the birth or adoption of a child of up to thirty-seven (37) weeks.
- e) If the child has a physical, psychological or emotional condition requiring an additional period of parental care, the employee is entitled to up to an additional 5 consecutive weeks of unpaid leave, beginning immediately after the end of the leave taken under sub-section (d).
- f) An employee's combined entitlement to leave under sub-section (a) and (d) is limited to 52 weeks, plus any additional leave the employee is entitled to under sub-section (b) or (e).

Section 11: Family & Compassionate Care Leave

Family Leave

An employee is entitled to up to 5 days of unpaid Family Leave during each employment year to meet responsibilities related to:

1. the care, health or education of a child in the employee's care, or
- (b) the care or health of any other member of the employee's immediate family.

Compassionate Care Leave

- (a) In the following sub-sections "family member" means a member of the employee's immediate family and includes the spouse, child, parent, guardian, sibling, grandchild, grandparent or any person who lives with an employee as a member of the employee's family. It includes common-law spouses, step-parents and step-children and same-sex partners and their children as long as they live with the employee as a member of the employee's family.
- (b) An employee who requests Compassionate Care Leave under this section is entitled to up to eight (8) weeks of unpaid leave to provide care or support to a family member if a medical practitioner issues a certificate stating that the family member has a serious medical condition with a significant risk of death within twenty-six (26) weeks, or such other period as may be prescribed after:

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- (i) the date the certificate is issued, or
 - (ii) if the leave began before the date the certificate is issued, the date the leave began
- (c) The employee must give the employer a copy of the certificate as soon as practicable.
- (d) An employee may begin a leave under this section no earlier than the first day of the week in which the period under subsection (b) begins.
- (e) A leave under this subsection ends on the last day of the week in which the earlier of the following occurs:
- (i) the family member dies;
 - (ii) the expiration of 26 weeks or other prescribed period from the date the leave began.
- (f) A leave taken under this subsection must be taken in units of one or more weeks.
- (g) If an employee takes a leave under this section and the family member to whom the subsection applies does not die within the period referred to in that subsection, the employee may take a further leave after obtaining a new certificate in accordance with this subsection.

4. ARTICLE XIV - SAFETY AND HEALTH

Section 4: Safety and Health Research Program

Amend to provide that for the term of the agreement, a premium holiday when the fund is in excess of \$300,000.00.

Section 5 (new): Right to Refuse Unsafe Work

The Company and the Union agree to cooperate in developing and maintaining a strong sense of safety awareness among employees and supervisors. It is, therefore, recognized that every employee has the right to refuse work if he has reasonable cause to believe that to perform the work would create undue hazard to the health or safety of any person. For the purpose of this section, all rules, procedures and outcomes will be as outlined in Section 3.12 of WorkSafe BC Occupational Health and Safety Regulation which are as follows:

1. A person must not carry out or cause to be carried out any work process or operate or cause to be operated any tool, appliance or equipment if that person has reasonable cause to believe that to do so would create an undue hazard to the health and safety of any person.
2. A worker who refuses to carry out a work process or operate a tool, appliance or equipment pursuant to subsection (1) must immediately report the circumstances of the unsafe condition to his or her supervisor or employer.

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3. A supervisor or employer receiving a report made under subsection (2) must immediately investigate the matter and
 - (a) ensure that any unsafe condition is remedied without delay, or
 - (b) if in his or her opinion the report is not valid, must so inform the person who made the report.
4. If the procedure under subsection (3) does not resolve the matter and the worker continues to refuse to carry out the work process or operate the tool, appliance or equipment, the supervisor or employer must investigate the matter in the presence of the worker who made the report and in the presence of
 - (a) a worker member of the joint committee,
 - (b) a worker who is selected by a trade union representing the worker, or
 - (c) if there is no joint committee or the worker is not represented by a trade union, any other reasonably available worker selected by the worker.
5. If the investigation under subsection (4) does not resolve the matter and the worker continues to refuse to carry out the work process or operate the tool, appliance or equipment, both the supervisor, or the employer, and the worker must immediately notify an officer, who must investigate the matter without undue delay and issue whatever orders are deemed necessary.

No discriminatory action:

- (1) A worker must not be subject to discriminatory action as defined in section 150 of Part 3 of the Workers Compensation Act because the worker has acted in compliance with section 3.12 or with an order made by an officer.
- (2) Temporary assignment to alternative work at no loss in pay to the worker until the matter in section 3.12 is resolved is deemed not to constitute discriminatory action.

Note: The prohibition against discriminatory action is established in the Workers Compensation Act Part 3, Division 6, sections 150 through 153.

Section 6: Inspections

A Union Member of the Health and Safety Committee or their designate shall accompany a WorkSafe BC inspector during workplace visits.

Section 7: Serious Incidents and Fatalities

Investigations under this section must be carried out by persons knowledgeable about the type of work involved and, with the participation of the employer or a representative of the employer, and a worker representative selected by the local union. In addition, the company will notify the local union office and a representative of the Union shall have access to the incident site.

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5. ARTICLE XVIII - HEALTH AND WELFARE (amend)

Section 3: Insurance Coverage

The following insurance will be provided:

- (a) Group Life Insurance in the amount of:

\$110,000.00 effective July 1, 2010

\$120,000.00 effective July 1, 2012

2. Accidental Death and Dismemberment Insurance in the amount of:

\$110,000.00 effective July 1, 2010

\$120,000.00 effective July 1, 2012

(f) (vi) effective January 1, 2010, amend the medical travel allowance to provide for Two thousand dollars (\$2000.00) over the four (4) year Term of the Agreement with the maximum of One thousand (\$1000.00) in any one year.

Section 4: General Principles

- (e) Amend plan text to clarify that each party will pay for their own legal costs in the dispute resolution process and the plan will pay for the costs of the arbitrator.

- (f) The Health & Welfare Trustees are instructed as follows:

(i) The Pharmacare pilot process that has been in place for the last 3.5 years, will be incorporated in the plan text with an increase in a cap to \$2,000, as the process for administering non-PharmaCare drug reimbursement.

(ii) To instruct the benefits provider to put in place a process where the employee who has been prescribed a non-PharmaCare drug will be processed the same as a PharmaCare drug on a first time basis, while the Special Authorization Request (SAR) is in progress.

(iii) For those who exhaust the SAR process and come up for appeal, when approved by the trustees, will be reimbursed based on the prescribed drug costs.

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Section 5: Employee and Family Assistance Program

The Company will provide for an Employee and Family Assistance Program.

6. ARTICLE XIX - LONG TERM DISABILITY

Add as follows:

Effective on the first of the month following date of ratification, contributions from both the Company and the Employee will total one dollar and twenty cents (\$1.20) per hour, per employee per hour worked, of which the Company will contribute sixty cents (\$0.60) per hour, and the Employees will contribute sixty cents (\$0.60) per hour.

7. NEW ARTICLE - PERMANENT PARTIAL PLANT CLOSURE

The Company shall notify the shop committee and the Union not less than sixty (60) days in advance of intent to institute permanent partial plant closure.

A permanent partial plant closure is defined as the permanent cessation of:

- 1) Plywood Manufacturing: Greenend, Dryend, Finishing end, or Co-Generation
- 2) Lumber Manufacturing: Planermill, Sawmill, Kilns, or Co-Generation

Following the application of seniority, employees who are not able to obtain an alternative position in the operation and are therefore laid off are entitled to severance pay of ten (10) days pay (eight (8) hours per day) for each year of service with the Company. Acceptance of severance pay results in termination of employment.

If the Greenend, Dryend, Finishing end, Co-Generation, Planermill, Sawmill or Kilns is indefinitely closed, and is subsequently permanently closed, those regular fulltime employees who were initially laid off in accordance with the preceding paragraph, and have not obtained an alternative position during the period of indefinite closure, will be entitled to severance pay as provided in the preceding paragraph based on their seniority at the time of their layoff. Acceptance of severance pay results in termination of employment.

The application of this section becomes effective upon ratification of the 2009 to 2013 collective agreement. There is no retroactivity of application of this section to events which occurred prior to ratification.

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8. ARTICLE XXVIII – SEVERANCE PAY FOR PERMANENT PLANT CLOSURE
(amend)

1. Employees terminated by the Employer because of permanent closure of a Manufacturing Plant shall be entitled to severance pay equal to ten days' pay (a day is defined as 8 hours straight time pay) for each year of continuous service and thereafter for partial years in increments of completed months of service with the Company.
2. Where a Plant is relocated and the Employees involved are not required to relocate their place of residence and are not terminated by the Employer as a result of the Plant relocation, they shall not be entitled to severance pay under this Article.
3. If a plant is indefinitely closed and is subsequently permanently closed, those regular fulltime employees laid off at the time of the indefinite closure or subsequently laid off will be entitled to the severance provisions provided for in 1, above based on their seniority at the time of their layoff.

9. ARTICLE XXXIII: EDUCATION TRUST FUND

Effective July 1, 2012, the contributions will be increased to five cents (\$0.05) per hour worked per employee. The Company shall remit the contributions to the Local Union not less often than once each month, with a written statement of names of the Employees for whom the contributions were made and the hours worked by the Employee.

Remove: Sections 1, 3, 4, 5 & 7.

10. SUPPLEMENT NO. 3 - APPRENTICESHIP TRAINING PROGRAMS
ARTICLE VI - FARES, LOST TIME PAY AND SCHOOL EXPENSES

Amend to provide:

For implementation of an EI SUB Plan with top-up of wages by the company to 95% of regular wages for each day of training attended. Apprentices will be required to apply for EI benefits while in attendance at school.

For company sponsored apprentices enrolled in the SUB plan, upon presentation of receipts, the company will provide a yearly tool allowance of up to \$400 per year.

Books and Tuition:

While attending training school, apprentices will receive reimbursement for tuition fees and the cost of required text books.

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SUPPLEMENT NO. 8 – ALTERNATE SHIFT SCHEDULING

C. IMPLEMENTATION – Section 1. Paragraph (a)

Amend:

Details of shift. i.e. start and stop times. This is not intended to restrict the Company's ability to modify the details of shifts for legitimate operational reasons.

C. IMPLEMENTATION – Section 1. Paragraph (e)

Add:

Details of averaging system, if applicable.

SUPPLEMENT NO. 8 – ALTERNATE SHIFT SCHEDULING

Remove existing Supplement No.8 Part D, Part E & Part F and replace with the following for all shifts implemented after ratification of this agreement:

D. ALTERNATE SHIFT SELECTION SCHEDULE

1. This implementation and alternate shift schedule selection process will be completed within 28 calendar days.
2. If the parties are unable to come to mutual agreement on the proposed shift schedule, including agreement on the resolution of the issues identified in Section C., the Union will select within 14 days from the following production schedules that match the required operating hours designated by management.
 - (i) 80 hours
2 crews on 4-10s Monday to Thursday
2 crews on 4-10s Tuesday to Friday
 - (ii) 116 hours
2 crews on 4-10s Monday to Thursday; + 1 crew on 3-12s Friday to Sunday
 - (iii) 152 hours
2 crews on 4-10s Monday to Thursday; + 2 crews on 3-12s Friday to Sunday
 - (iv) 168 hours - continuous
4 crews on 4-12s on Monday to Sunday
Rotation = 4 days on and 4 days off
2 crews on 4-12s on Monday to Thursday // 4-12s on Monday to Wednesday
Rotation = 4 days on and 3 days off, then 3 days on and 4 days off
2 crews on 3-12s on Friday to Sunday // 4-12s on Thursday to Sunday

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Rotation = 3 days on and 4 days off, then 4 days on and 3 days off
3 crews on 5-8s on Monday to Friday // 2 crews on 2-12s on Saturday and
Sunday (plywood only)

3. Failing notification from the Union of the selected shift, the Company may implement the proposed shift schedule at the conclusion of 14 days referred to in 2 above.
4. Support Services (e.g. scales, logyard, kilns, shipping)
3 - 12's between Friday – Monday (no splits)
4 - 10's between Monday – Saturday (no splits)
5. Maintenance Schedules
4 - 10's between Monday to Sunday (no splits)
3 - 12's between Monday to Sunday (no splits)
Schedules will be coordinated and assigned to support production
6. If either party requests to amend the alternate shift schedule the same process as set out in 1-5 above shall be utilized.
7. Plywood operations will not be subject to the 4 month trial period referenced in Supplement No. 8 Alternate Shift Scheduling F. Shift Principles 8. General (b).
8. This process will not be engaged more than once for the same or substantially similar proposed shift schedule in any twelve (12) month period.

E. GENERAL PRINCIPLES

When an alternate shift schedule is in effect other provisions of the Master Agreement will be administered on the principle that an Employee will not lose or gain any benefits over his normal five (5) day work schedule.

1. The Company agrees that alternate shift schedules will not be introduced where the intention is to increase the use of Casual Employees in place of Regular Employees.
2. Different parts of an operation may be scheduled on different shifts.
3. This Article shall not change existing alternate shift agreements, unless agreed to by both Parties.
4. Earned vacations will be scheduled on the same basis as days and hours worked under the alternate shift schedule.

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5. Other Articles of the Collective Agreement, which provide benefits after eight (8) hours, are extended by the amount the regular hours of work have been increased beyond the eight (8) hours per day.
6. An Employee's rest days may vary from week to week under an alternate shift schedule. Employees shall not be paid premium pay for changes in their rest days in these circumstances.
7. An Employee whose rest days are changed by the Company under an established alternate shift schedule shall receive rate and one-half for work performed on his rest days unless a change in rest day results from the application of seniority or has been agreed to between the Employee and the Company.
8. There shall be no premium pay paid to any Employee whose rest days are changed because of the implementation or discontinuance of an alternate shift schedule.

F. SHIFT PRINCIPLES

1. Rest Periods

- a. For ten (10) hour shifts, rest periods will be one (1) ten (10) minute break and one (1) fifteen (15) minute break plus a one-half (1/2) hour unpaid meal break.
- b. For twelve (12) hour shifts, rest periods will be one (1) ten (10) minute and one fifteen (15) minute breaks plus a one-half hour (1/2) hour paid meal break.

2. Statutory and Floating Holidays

Statutory and Floating Holidays shall be scheduled and paid as per the Southern Interior Master Agreement ARTICLE XIII-STATUTORY HOLIDAYS AND FLOATING HOLIDAY with the following understanding:

- (a) Statutory & Floating Holidays are paid as per the Employee's regular schedule if it falls on a regularly scheduled workday.
- (b) (i) For existing alternate shifts established before ratification – If the holiday falls on a rest day, the employee will be paid at eight (8) hours straight time pay, in addition to the employee's regular pay for the week.

(ii) For new alternate shifts implemented after ratification - If the holiday falls on a rest day, it will be paid at their regular scheduled hours at straight time pay, in addition to the Employee's regular pay for the week.

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(iii) Effective January 1, 2013, statutory holiday provisions in (ii) above are applicable to all alternate shifts.

(c) Remembrance Day, Christmas Day, Boxing Day and New Year's Day are operational down days.

(d) Notwithstanding above, Co-Gen plants on a continuous shift will continue to operate.

3. Bereavement Leave

Bereavement Leave shall be paid as per ARTICLE XI – LEAVE OF ABSENCE, Section 6: Bereavement Leave of the Southern Interior Master Agreement at the Employee's regular hourly rate of pay for the Employee's regular work schedule for a maximum of three (3) shifts.

4. Jury or Witness Duty

Jury or Witness Duty compensation shall be as per the Southern Interior Master Agreement ARTICLE XI – LEAVE OF ABSENCE, Section 7: Jury or Witness Duty for income lost from the regularly scheduled hours of work in the alternate shift schedule.

5. Shift Differential

Shift Differential, as per ARTICLE V – WAGES, Section 7: Shift Differential, shall be paid only for those hours worked outside the recognized dayshift for those Employees working the Alternate Schedule in effect for that crew working in that part of the operation.

6. Probationary Period

For those Employees working an alternate shift schedule with shifts over eight (8) hours the thirty (30) working days referenced in ARTICLE X – SENIORITY, Section 3: Probationary Period will be changed to two hundred and forty (240) working hours.

7. Job Postings

Postings for job vacancies will be as per the local Job Posting Supplement.

8. General

- (a) When an alternate shift schedule is in effect, hourly-based benefits (LTD, Pension, Education Trust Fund, Safer), under the Collective Agreement will be administered on the basis of hours paid.
- (b) For compressed shifts or shifts averaging thirty-two (32) or more hours pay per week, Pension Plan, LTD contributions, Health and Safety Fund and the Education fund contributions will be made based on a minimum of forty (40) hours per week.
- (c) If a continuous twelve (12) hour schedule is implemented, it will be implemented initially on a four (4) month trial basis after which the crew members on the continuous shift will be allowed to vote on whether to continue the shift. If the shift is discontinued, the Employees will revert to the previous shift schedules unless otherwise mutually agreed.
- (d) The Company will ensure that there is no loss, no gain to Employees when going into and out of an alternate shift.
- (e) Any Employee who works in an alternate shift schedule will be paid as per that schedule in which he works.
- (f) The Company shall provide fourteen (14) days notice to discontinue an alternate shift, except in special circumstances. Employees will revert to the previous shift schedules unless otherwise mutually agreed.
- (g) The Company will not change an employee's work schedule to avoid a statutory holiday.
- (h) All other provisions of the collective agreement will apply except for those that are modified by this section.
- (i) The following existing alternate shifts are considered protected:
 - Tembec Elko – Maintenance Alternate Shift
 - Tolko Armstrong Plywood – Weekend Dryend Alternate Shift
 - Tolko Armstrong Log Scales – Log Scale Alternate Shift
- (j) Atco Wood Products 50-Hour Shift

The Union members employed at the Atco Wood Products veneer plant in Fruitvale will have the opportunity to have a free vote to either accept or reject the 50-Hour Shift in a union-supervised vote for union members only. Neither the Employer or the Union will make recommendations to the Union members. The vote will take place at the earliest possible time.

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Signed this __day_____, 2011.

For:
Interior Forest Labour Relations Association
(IFLRA)

For:
United Steelworkers Wood Council
United Steelworkers Local 1-405,
Local 1-417 and Local 1-423

April 21, 2011

Letter of Understanding

Between

Interior Forest Labour Relations Association

And

United Steelworkers Locals 1-405, 1-417 and 1-423

Seniority Retention

As a result of the unprecedented economic meltdown, all laid off regular employees with seniority retention as of and following July 1, 2009 between the IFLRA and the USW with respect to the 2009-2013 Collective Agreement, shall retain their seniority for the duration of this Collective Agreement. This Letter of Understanding shall be applicable from July 1, 2009 to June 30, 2013.

- In the event of a permanent plant closure, employees on extended layoff during the extended seniority retention period, for the purpose of Permanent Plant Closure – Severance Pay, “continuous service” shall not include the period of extended seniority retention.
- In the event of a permanent plant closure occurring after the employee has been recalled, Permanent Plant Closure – Severance Pay, “continuous service” shall include the period of extended seniority retention.

This Letter of Understanding shall cease on June 30, 2013, and seniority retention will revert to the terms of the Collective Agreement.

DATED this _____ day of _____, 2011.

FOR:

Interior Forest Labour Relations
Association

United Steelworkers Wood Council

April 21, 2011

LETTER OF UNDERSTANDING

Between:

Interior Forest Labour Relations Association
And member company Springer Creek Forest Products

AND:

UNITED STEELWORKERS, LOCAL 1-405, Cranbrook

RE: Memorandum of Agreement IFLRA and the USW, 2009-2013 Collective Agreement
Letter of Understanding, attached as SENIORITY RETENTION

Following notice of ratification from the USW to IFLRA of the 2009-2013 Memorandum of Agreement, the following will be applied at Springer Creek Forest Products:

1. For future hiring requirements, the Company will provide opportunity for former employees who lost seniority retention following July 1, 2009 to be rehired with the Company in order of their former seniority.
2. Individuals rehired under the application of item #1 will have the following applicable:
 - Historical seniority re-established for vacation purposes and future severance purposes.
 - A new seniority date for competitive/bidding purposes will be established coincidental with the date of rehire.
3. There is no entitlement to retroactive compensation for any individual that is rehired under the application of this understanding.
4. This understanding will not apply to former employees who have already been afforded the opportunity to be rehired subsequent to July 1, 2009.
5. Employees contacted for rehire under the application of this letter of understanding who decline the opportunity will continue to be deemed terminated from the employment of the Company.

Signed this day of , 2011.

For:
IFLRA

USW

Greg Wishart, General Manager

Bob Matters (USW Wood Council)

April 21, 2011

April 20, 2011

Bob Matters
Steelworkers National Office

RE: Selection and Indenturing of new Apprentices, and Hiring of Apprentices

Dear Bob:

With regard to the selection and indenturing of new apprentices, it is acknowledged that the practice has been to do so from within the bargaining unit in accordance with the testing, selection and administrative process contained in the collective agreement, agreement in principle and respective letters of understandings.

The hiring of apprentices in the latter stages of an apprenticeship has rarely occurred.

The purpose of this letter is to affirm this traditional practice:

- The selection and indenturing of new apprentices will continue from within the bargaining unit in accordance with applicable testing, selection and administrative process.
- If the Company is in immediate need of a certain skill set, it is understood that prior to the hiring of an outside apprentice in the latter stage of an apprenticeship, the Employer, Local Union, and Plant Committee will meet to discuss the reasons for such hiring. All efforts to fill the position internally must have been exhausted.

Sincerely,

Greg Wishart
General Manager