

**LETTER OF UNDERSTANDING
BETWEEN
TOLKO INDUSTRIES LTD., HEFFLEY CREEK DIVISION
AND
UNITED STEELWORKERS, LOCAL 1-417
TRADESMAN ALTERNATE SHIFT SCHEDULE**

PREAMBLE:

The purpose of this agreement is to provide a consistent shifting schedule for tradesmen who are not scheduled to alternate production shifts, which meets maintenance needs and alternate shift production requirements. Tradesmen will be scheduled within a specific block of four (4) days, ten (10) hours or three (3) days, twelve (12) hours.

Except in cases of emergency or circumstances beyond the Company's control, the Company will provide 28 days notice if a shift schedule change is going to be implemented for a specific crew.

1. Hours of Work

- a) The established days of work will be four (4) consecutive days of ten (10) hours shifts each on any of the following shifts:

Monday to Thursday	6:00 am – 4:30 pm
Tuesday to Friday	6:00 am – 4:30 pm
Wednesday to Saturday	6:00 am – 4:30 pm
Thursday to Sunday	6:00 am – 4:30 pm

- b) The established days of work will be three (3) consecutive days of twelve (12) hour shifts on any of the following shifts:

Friday to Sunday Shift

Friday	6:00 am – 6:30 pm
Saturday	6:00 am – 6:30 pm
Sunday	6:00 am – 6:30 pm / 7:00 am – 7:30 pm

Saturday to Monday Shift

Saturday	6:00 am – 6:30 pm
Sunday	6:00 am – 6:30 pm / 7:00 am – 7:30 pm
Monday	6:00 am – 6:30 pm

The Company may require tradesmen to change scheduled days to facilitate vacation and absence coverage.

2. Lunch and Rest Breaks

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

3. Rate of Pay

Rate of pay for the Monday to Saturday ten (10) hour and twelve (12) hour shifts will be at straight-time rate and the Sunday shift will be at rate and one-half.

4. Overtime

Hours worked in excess of the above scheduled hours will be paid at rate and one-half after the completion of the ten (10) hour shift and double straight time rates for all hours worked in excess of eleven (11) hours except for the twelve (12) hour shifts. For twelve (12) hour shifts, all hours worked in excess of the regular shift will be paid at double straight time rates.

5. Day Shift

All hours worked under the above schedules are considered day shift hours.

6. Vacations

- a) Ten (10) hour shifts:

One (1) week booked off, four (4) shifts, equals one (1) week vacation. Vacations must be booked in full week blocks.

- b) Twelve (12) hour shifts:

One (1) week booked off, three (3) shifts, equals one (1) week vacation. Vacations must be booked in full week blocks.

7. Statutory Holidays

As per the Southern Interior Master Agreement, **SUPPLEMENT NO. 8, ALTERNATE SHIFT SCHEDULING F. SHIFT PRINCIPLES:**

2. Statutory and Floating Holidays

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

8. General Shift Details

Floating holidays, bereavement leave, jury or witness duty, shift differential, probationary period and job postings for Employees on the Tradesman Alternate Shift Schedule will be administered as outlined in the Southern Interior Master Agreement, **SUPPLEMENT NO. 8, ALTERNATE SHIFT SCHEDULING E. GENERAL PRINCIPLES** and F. SHIFT PRINCIPLES.

9. Termination of Agreement

The Company will provide fourteen (14) days written notice to discontinue the Tradesman Alternate Shift Schedule, except in special circumstances. Employees will revert back to their previous shift schedule.

The Local Union and the Company commit to working co-operatively to implement this shifting agreement in an effort to maintain productivity and job security.

Effective Date: October 29

Signed this 04 Day of October, 2007.

Signed on behalf of
Tolko Industries, Ltd.
Heffley Creek Division

Brenda Roberts

Signed on behalf of
United Steelworkers, Local 1-417

Steven Sandback

ADDENDUM TO THE
LETTER OF UNDERSTANDING
BETWEEN
TOLKO INDUSTRIES LTD., HEFFLEY CREEK DIVISION
AND
UNITED STEELWORKERS, LOCAL 1-417
REGARDING
TRADESMAN ALTERNATE SHIFT SCHEDULE

1. This purpose of this addendum to the agreement is to provide for asset protection, maintenance assistance and first aid coverage for weekend maintenance shifts.
 - a. Except as noted below, all provisions of the Tradesman Alternate Shift Schedule (signed October 4, 2007) will remain in effect.
2. The employees attached to the weekend maintenance crews will provide assistance for maintenance personnel, perform sparkwatch and/or watchman duties, and provide first aid coverage as required.
3. It is not the intent of the Company to use employees covered by this agreement on production on Saturday, Sunday or Statutory Holidays
 - a. On either Friday or Monday, provided it is not the recognized statutory holiday, Employees covered under this agreement can be assigned to Production duties if Sparkwatch, Cleanup or watchman duties are not available.
 - b. Employees will be not be assigned to Production positions on Saturday, Sunday or on a day that is recognized as a Statutory holiday. Any Production positions required on these days will be filled through the Overtime Policy.
 - c. If required production positions are not filled through the Overtime policy and employees are required to fill Productions positions on Saturday, Sunday or on a day recognized as a Statutory holiday the applicable overtime rate will apply.
4. Shifting and Rotation

The shifts will be Friday through Sunday, 12 hours in duration, rotating days and nights on a 2-week rotation.

Shift 1:	6:00 a.m. to 6:00 p.m. Friday, Saturday, Sunday
Shift 2:	6:00 p.m. to 6:00 a.m. Friday, Saturday, Sunday
5. Rate of Pay
 - a) Rate of pay for the Friday to Saturday shifts will be at straight-time rate, and the Sunday shift will be at rate and one-half.
 - b) Rate of Pay will be determined through Plywood Job Evaluation process
 - c) The day the shift starts is considered to be the shift day. As an example the shift starting at 6 p.m. on Saturday and continuing to 6 a.m. on Sundays is considered to be a Saturday shift.

6. Day Shift

The hours worked from 6:00 a.m. to 6:00 p.m. are considered day shift hours.

4. Job Posting

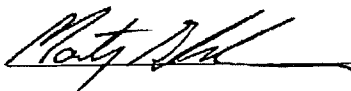
- a) The Positions covered by this amendment will be posted and filled through the Job Posting Procedure.
- b) If First aid Certification is required, Employees who do not possess the required certification will be given the opportunity to attain certification within 90 days of securing the bid based on the other selection criteria. If certification is not achieved in that time frame, the company will move onto the next candidate in line. Employees will be required to take the first aid training on their own time and cost.


5. Cancellation

- a. Either Party may cancel this Addendum 30 days after providing written intent to cancel to the other party

The parties AGREE to the above changes as of the 11 day of March, 2012.

Signed on Behalf of the Union





Signed on behalf of the Company

