

**LETTER OF UNDERSTANDING**

**BETWEEN**

**TOLKO INDUSTRIES LTD. – NICOLA VALLEY DIVISION**

**AND**

**I.W.A. CANADA, LOCAL 1-417**

**ANNUAL VACATION**

It is agreed the following terms shall apply in respect to the Vacations With Pay Article of the Master Agreement.

**A. Scheduling of Vacation**

1. Employees who make application for their vacation by April 30<sup>th</sup> each year will be dealt with based on their seniority, competency considered.
2. Employees who make application for their vacation following April 30<sup>th</sup> each year will be dealt with on a first come first served basis, competency considered.
3. It is understood only a specified number of employees will be allowed on vacation at any particular time, based on the needs of the operation.

**B. In any year the Company declares a "Vacation Shutdown" it shall become "The Annual Vacation".**

1. The first such Annual Vacation will be taken by those employees so qualified at such time as convenient to the Company during July/August immediately following the June 30<sup>th</sup> cutoff date, the Company will give prior notification of the selected vacation period by February 1<sup>st</sup> of each year.
2. The second such Annual Vacation will be taken by those employees so qualified at such time as convenient to the Plant Committee during July/August immediately following the June 30<sup>th</sup> cutoff date, the Company will give prior notification of the selected vacation period by February 1<sup>st</sup> of each year.
3. Each "Vacation Shutdown" thereafter the Company and the Plant Committee will alternately choose and specify the vacation period based on the above pattern.

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- B. In any year the Company declares a 'Vacation Shutdown' it shall become "The Annual Vacation" continued
4. Those employees entitled to more vacation than "The Annual Vacation", and who make application by April 30<sup>th</sup> of each year, shall be dealt with in order of seniority, competency considered. After that date applications will be dealt with on a first come first served basis, competency considered.
  5. Those employees who of necessity must work during "The Annual Vacation" will be allowed to make application for vacation up to April 30<sup>th</sup> of each year and be authorized on a seniority, competency considered basis. After April 30<sup>th</sup> of each year applications will be dealt with on a first come first served basis, competency considered.
  6. Those employees, for whatever reason, who are not entitled to vacations at the time of "The Annual Vacation" shall be offered available work in order of their seniority, competency considered.

This agreement replaces all previous agreements and/or practices regarding these matters.

It is agreed that if either party requests discussion in writing regarding amendments to this Agreement the parties will meet to discuss the requested amendments. This agreement shall be subject to review, amendment or termination upon thirty (30) days written notice. The parties agree to meet within the thirty (30) day notification period to discuss the reasons for cancellation.

Signed this 21 day of <sup>December.</sup> ~~August~~ 2000.

Tolko Industries Ltd.  
Nicola Valley Division

*Mark Martin*  
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I.W.A. Canada  
Local 1-417

*Paul Puga*  
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