LETTER OF UNDERSTANDING

Between

TOLKO INDUSTRIES LTD., HEFFLEY DIVISION

And

UNITED STEELWORKERS, LOCAL 1-417

SELECTION OF APPRENTICE PROCEDURE

The above Parties agree to amend I.F.L.R.A. Supplement No. 3 – Apprenticeship Training Program, Article IV, Selection of Apprentices by the following:

1. PREAMBLE

It is the intent of the Company to create apprenticeship opportunities.

2. SELF EVALUATION EXAM

All Employees will have made available to them the Self Evaluation Exam in order to prepare themselves for the Apprenticeship Selection Tests.

3. JOB POSTING AGREEMENT

Apprenticeship positions will be posted in accordance with the Company's Job Posting Supplement.

4. CANDIDATE INFORMATION SESSION

A session will be held with all candidates for the apprenticeship to provide them with an overview of the requirements of the Apprenticeship Program and the expectations of the respective Tradesperson position.

5. APPRENTICESHIP SELECTION EXAM

Candidates are required to meet or exceed the passing grades established jointly by Interior Forest Labour Relations Association and United Steelworkers in the Southern Interior.

6. MEDICAL ASSESSMENT

Successful candidates, who passed the Selection Exam criteria, will be interviewed subject to being deemed fit to perform the trade in question as certified by the appropriate medical practitioner.

7. INTERVIEW PROCESS

Up to ten (10) of the senior candidates who have satisfied the exam and medical criteria will participate in an interview with the Apprenticeship Selection Committee. If there is no successful candidate from this first group, the process will be repeated for up to the next ten (10) senior candidates that have satisfied the exam and medical criteria.

8. APPRENTICE SELECTION COMMITTEE

A committee made up of a minimum of two (2) employee representatives appointed by the Union and two (2) employer representatives appointed by the company will be established to administer the procedures contained in this agreement. Both parties will endeavour to use trades people on this committee whenever possible.

9. APPRENTICE SELECTION

The senior candidate, who satisfies the interview criteria, as per Appendix A, will be awarded the apprenticeship posting.

10. TRAINING PLAN

All successful candidates will receive orientation in the Apprenticeship Program. There will be a training plan developed for each indentured apprentice. Competency of each apprentice will be reviewed throughout the program.

11. OTHER PROVISIONS

- (a) Employees presently working in any trade will not be eligible.
- (b) Successful applicants will be assigned as helpers for a probationary period of one hundred and eighty (180) days.
- (c) In the event that the successful candidate voluntarily decides to go back to his/her previously held job, or is removed from the program less than one hundred and eighty (180) calendar days after the date of the original posting, the next most qualified applicant will be selected.
- (d) It is agreed that where an applicant has failed to pass the Selection Exam, he/she will be eligible to bid and be re-tested one (1) additional time on a future apprenticeship posting.

An applicant who fails the Selection Exam twice may be re-tested for any future apprenticeship posting if they complete relevant upgrading.

Test results will be kept on file for three (3) years. Anyone applying for an Apprenticeship Posting within that three (3) year period may have their results applied for purposes of that posting. Employees may request to review his/her testing results by contacting Human Resources.

(e) The Plant Committee will meet as needed to discuss issues as they arise.

12. CANCELLATION

This Agreement is for a twelve (12) month trial period, from the date of the Agreement. Either Party may terminate this Agreement, upon thirty (30) calendar days written notice after the completion of the eleventh month.

Signed this	ath	_day of	March	, 201
For: UNITED STEEL LOCAL 1-417 Jan a	workers,	Fo TC HE	r: OLKO INDUSTRIES L' EFFLEY DIVISION	TD.

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