

LETTER OF UNDERSTANDING

BETWEEN

TOLKO INDUSTRIES LTD. – NICOLA VALLEY DIVISION

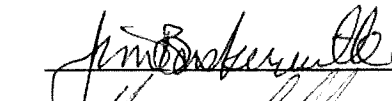
AND

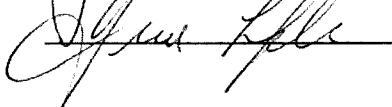
I.W.A. CANADA, LOCAL 1-417

During a reduction of the work force employees shall have the right to bump in line their seniority. For the purpose of this agreement reduction of forces shall mean a continuous reduction of forces for more than five (5) consecutive days. Persons who bump across or down into jobs on which they are not qualified shall be trained in line with normal training program for such job. The intention of this paragraph is to make it unnecessary for senior people to bid on training positions, for jobs they do not intend or desire to do, just to protect their bumping rights in the case of a reduction in forces.

Signed this FOURTEENTH (14th) day of March 2003.

Tolko Industries Ltd.
Nicola Valley Division





I.W.A. Canada
Local 1-417

