

LETTER OF UNDERSTANDING
BETWEEN
TOLKO INDUSTRIES LTD. – HEFFLEY CREEK DIVISION
AND
USW LOCAL 1-417
REGARDING
RELIEF JOB TRAINING PROGRAM

PURPOSE:

To provide a system for identifying and qualifying employees for relief positions in production on a temporary basis. This understanding is an adjunct to the Job Posting Procedure. In the application of Seniority and the relief job training procedures covered by this agreement, where the work 'seniority' appears, it means in accordance with Section 1 of the Article X of the Master Agreement, which says in part: The Company will recognize the principle of seniority, competency considered.

PROCEDURE:

- 1) Training positions will be posted, as required, for all group 6 positions and higher as per the Job Posting Procedure. The following posted position will be included:

Green veneer stacker

- 2) Company shall endeavor to forecast its training plans and communicate to the Plant Committee.
- 3) When training is completed, the trainee will return to his/her regular job.
- 4) The Trainee position will be posted for three (3) working days. Employees who wish to bid on the trainee positions shall make an application on the form provided within the posting period set out herein.
- 5) An employee who is absent from the plant on an approved leave of absence, on layoff, ill or injured at the time of the job posting will be allowed to make an application within three (3) working days of his/her return to work; however, in no event later than fourteen (14) working days of the job training posting.

- 6) No employee will be permitted to train for more than one (1) training position at a time and in no event will he/she be trained for more than two (2) training positions within a twelve (12) month period.
- 7) The trainee shall be given a trial period of up to twenty (20) training days to prove he/she can be declared competent.
- 8) There will be a three (3) day familiarization period where the position will be reviewed, after which, the employee must choose to continue training or decline the position. The Employee may decline the position during the familiarization period without penalty. If an employee declines the position after the three (3) day period it will count as one (1) of their training opportunities and they will be deemed ineligible to bid on that training posting for a period of one (1) year.
- 9) In the event the trainee fails to qualify, is removed or vacates from the program the next senior applicant will be selected:
- 10) If after completion of the training period and without a valid medical reason, an employee declines to fill a vacancy two (2) times in any twelve (12) month period they will be removed from the competent list and forfeit their rights to overtime on that job. The employee will not be eligible to accept another training posting in that position for a period of two (2) years from the time they are removed.
- 11) Postings (including non-traditional postings) will be shift and area specific. Once this posting list has been exhausted, area specific will be considered. The following day shift jobs will be assigned as part of the following areas:

Non Traditional Areas for Posting Purposes:

Plywood Area:

Glue Mixer
Shipping
Shipping Forklift

Veneer Area:

Loader Operator DS
Grinderman
Core Shipper
Liebher Operator

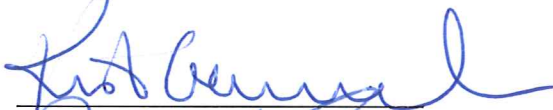

- 12) This understanding provides for posted training/relief but is not intended to limit the training and qualification of other employees on these jobs. Rather, it is intended that training be more broadly based so that relief is readily available within each shift and plant.
- 13) In the event there are no successful applicants to a relief posting, the company will award the training as necessary, seniority considered.

This Letter of Understanding is subject to cancellation by either party by providing fourteen (14) days' notice to discontinue.

Signed this 6 Day of October, 2015.

Signed on behalf of:

TOLKO INDUSTRIES LTD.
Heffley Creek Division

UNITED STEELWORKERS
Local 1-417

