

LETTER OF UNDERSTANDING
BETWEEN
AP INDUSTRIES
Merritt, B.C.
AND
INDUSTRIAL, WOOD AND ALLIED WORKERS OF CANADA, LOCAL 1-417
(I.W.A. CANADA, LOCAL 1-417)

PREAMBLE:

The purpose of this agreement is to allow more production hours for the planer. The crew will select one of the following two (2) Flex Shifts in a vote to be conducted on Monday, July 5, 2004 between the hours of 2:30 pm and 3:30 pm.

A) FLEX SHIFT 1:

1. The work schedule shall be four (4) shifts each of ten (10) hours in duration. These shifts shall rotate Monday through Saturday. (Appendix 1)
2. The normal hours of work will be 5:30 am - 4:00 pm and 4:30 pm to 3:00 am. The starting and stopping times may be adjusted to meet Shipping and Community needs.
3. There shall be two paid rest periods, one ten (10) minute and one fifteen (15) minute, per shift in addition to an unpaid lunch break.
4. At the discretion of the company and/or the union, if the selected shift proves unsatisfactory two (2) further options will be presented to the crew for voting (which will not include the rejected shift(s).) The vote will occur within 28 days.

FLEX SHIFT 2:

1. The work schedule shall include a modified Graveyard Shift which includes an extended Sunday shift amounting to 12 hours at straight time. The total hours worked for the shift is 38 hours per week for 38 hours pay. (Appendix 2)
2. The normal hours of work will be Dayshift 7:00 am - 3:30 pm, Afternoon Shift - 3:30 pm to 12:00 pm, Graveyard 12:00 pm - 6:30 am, Tuesday to Friday, and 6:30 pm - 7:00 am on Sunday.

3. The eight (8) hour shift shall have two paid rest periods, of 10 minutes. The twelve hour shift shall have two (2) fifteen (15) minute breaks in addition to an unpaid lunch break.
4. At the discretion of the company and/or the union, if the selected shift proves unsatisfactory two (2) further options will be presented to the crew for voting (which will not include the rejected shift(s).) The vote will occur within 28 days.

B) SHIFT DIFFERENTIAL:

This will be as per the Collective Agreement.

C) OVERTIME:

Flex Shift 1:

1. Rate and one half shall be paid after ten (10) hours worked and double time after eleven (11) hours worked per day.
2. Employees working on a rest day will be paid time and one half for the first eleven (11) hours and double time thereafter.
3. Straight time hourly rates apply if a change in rest day results from the application of seniority or has been agreed between the employee and the company.
4. There shall be no premium paid to any employee whose rest days are changed as a result of shift rotation, implementation or discontinuance of an alternate shift schedule.

Flex Shift 2:

1. The twelve (12) hour Sunday graveyard shift shall be paid at straight time rates.
2. All overtime hours to be paid as per the Collective Agreement

D) BEREAVEMENT LEAVE:

Bereavement Leave will be paid as per Article XI Leave of Absence, Section 6: Bereavement Leave, of the Southern Interior Master Agreement.

E) JURY OR WITNESS DUTY:

Income lost from the regular schedule of hours of work in the alternate shift schedule.

**PLANER
FLEX SHIFT SCHEDULE
SHIFT 1**

*THIS SCHEDULE
PASSED - JULY 05, 2004*

(Appendix I)

Comprised of three(3) crews. Crews "A", "B" & "C" swinging every two(2) weeks. Each crew works ten(10) hour shifts, four(4) days per week, Monday thru Saturday.

WEEK 1 & 2	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
5:30 am - 4:00 pm	A	A	A	A	C	C	OFF
4:30 pm - 3:00 am	C	C	B	B	B	B	OFF
WEEK 3 & 4	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
5:30 am - 4:00 pm	C	C	C	C	B	B	OFF
4:30 pm - 3:00 am	B	B	A	A	A	A	OFF
WEEK 5 & 6	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
5:30 am - 4:00 pm	B	B	B	B	A	A	OFF
4:30 pm - 3:00 am	A	A	C	C	C	C	OFF
WEEK 7 & 8	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
5:30 am - 4:00 pm	A	A	A	A	C	C	OFF
4:30 pm - 3:00 am	C	C	B	B	B	B	OFF
WEEK 9 & 10	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
REPEAT							

Summary:

	<u>Crew</u>	<u>Shift</u>	<u>Days Worked</u>	<u>Hrs. Worked</u>	<u>Days Off</u>	<u>#Hrs. Off</u>	<u>#Days Off</u>
Week 1&2	A	Day	Mon, Tues, Wed, Thurs	40	Fri, Sat, Sun	72	3
	B	Afternoon	Wed, Thurs, Fri, Sat	40	Sun, Mon, Tues	72	3
	C	Day	Fri, Sat	20	Sun	24	1
		Afternoon	Mon, Tues	20	Wed, Thurs	48	2
Week 3&4	A	Afternoon	Wed, Thurs, Fri, Sat	40	Fri, Sat, Sun, Mon, Tues	120	5
	B	Day	Fri, Sat	20	Sun	24	1
		Afternoon	Mon, Tues	20	Wed, Thurs	48	2
	C	Day	Mon, Tues, Wed, Thurs	40	Fri, Sat, Sun	72	3
Week 5&6	A	Day	Fri, Sat	20	Sun	24	1
		Afternoon	Mon, Tues	20	Wed, Thurs	48	2
	B	Day	Mon, Tues, Wed, Thurs	40	Fri, Sat, Sun	72	3
	C	Afternoon	Wed, Thurs, Fri, Sat	40	Fri, Sat, Sun, Mon, Tues	120	5
Week 7&8	A	Day	Mon, Tues, Wed, Thurs	40	Fri, Sat, Sun	72	3
	B	Afternoon	Wed, Thurs, Fri, Sat	40	Fri, Sat, Sun, Mon, Tues	120	5
	C	Day	Fri, Sat	20	Sun	24	1
		Afternoon	Mon, Tuesday	20	Wed, Thurs,	48	2