

LETTER OF UNDERSTANDING
BETWEEN
UNITED STEELWORKERS, LOCAL 1-417
AND
CANADIAN FOREST PRODUCTS LTO
VAVENBY DIVISION

KILNS ALTERNATE SHIFT AGREEMENT

PREAMBLE:

The purpose of this Agreement is to ensure efficient, cost-effective operation of the kilns.

1. HOURS OF WORK

The established hours of work shall be:

Forklift Operator Weekday Shifts

Monday to Thursday: ten and one-half (10.5) hours with a one-half (1/2) hour unpaid lunch period.

Day Shift: 6:00 a.m. to 4:30 p.m.

Rest breaks:

- Ten (10) minute break at 8:30 a.m.
- Lunch period at 11:00 a.m.
- Fifteen (15) minute break at 2:00 p.m.

Afternoon Shift: 4:30 p.m. to 3:00 a.m.

Rest breaks:

- Ten (10) minute break at 7:00 p.m.
- Lunch period at 9:30 p.m.
- Fifteen (15) minute break at 12:30 a.m.

Day and Afternoon Shifts alternate every two weeks.

Paid forty (40) hours at straight time rates plus shift differential as per the *Master Agreement*.

Forklift Operator Weekend Shift

Friday, Saturday, Sunday: Day Shift- twelve and one-half (12.5) hours 5:00 a.m. to 5:30 p.m. with a one-half (1/2) hour unpaid lunch period.



Rest breaks:

- First ten (10) minute break at 7:25a.m.
- Second ten (10) minute break at 9:50a.m.
- Lunch period at 12:15 p.m.
- Third ten (10) minute break at 3:05p.m.

Friday, Saturday, Sunday: Afternoon Shift- twelve and one-half (12.5) hours
5:00p.m. to 5:30a.m. with a one-half (1/2) hour
unpaid lunch period.

Rest breaks:

- First ten (10) minute break at 7:25 p.m.
- Second ten (10) minute break at 9:50p.m.
- Lunch period at 12:15 a.m.
- Third ten (10) minute break at 3:05a.m.

Paid: Friday- Twelve (12) hours at straight time rates plus shift differential.
Saturday- Twelve (12) hours at straight time rates plus shift
differential.
Sunday- Twelve (12) hours at rate and one-half plus shift differential.

Day and Afternoon Shifts alternate every four (4) weeks.

2. CALL OUTS

Overtime call outs at times other than the established work hours will be directed as follows:

- a. To the Kiln Operator when re-starts, repairs and/or adjustments are required.
- b. To the incumbent Kiln Forklift Operator for all scheduled change-overs and/or moisture checks, according to the following procedure:
 - i. Call outs will be on a rotational basis with all Kiln Forklift Operators.
 - ii. Each week the incumbent Kiln Forklift Operator is determined on the rotational basis and will be entitled to all call outs for the weekend.
 - iii. When a call out is declined, the next person is called. If the weekend incumbent declines a call, his/her entitlement for the next call remains for the weekend.
 - iv. A call out can be declined in advance.



3. VACATIONS WITH PAY

- a. Under the Regular Job Rate method, vacation pay will be based on hours paid rather than hours worked.
- b. An employee who is scheduled to work on one of the above schedules and who is on vacation shall be treated as having taken one week's vacation entitlement.

4. STATUTORY AND FLOATING HOLIDAYS

The provisions of the *Master Agreement* will apply regarding statutory and floating holidays.

5. HEALTH AND WELFARE, DENTAL, MEDICAL, ETC.

An employee who is scheduled to work on a Graveyard schedule shall continue to be classified as a regular full-time employee for the purpose of benefit eligibility.

6. PENSION PLAN AND LONG-TERM DISABILITY PLAN

- a. The Company contribution to the Pension Plan and the Long-Term Disability Plan for any employee who works the established hours on a Graveyard schedule shall be at forty (40) hours per week.
- b. An employee who works the established hours on a Graveyard schedule shall contribute to the Long-Term Disability Plan on the basis of forty (40) hours per week.

7. SCHEDULING REQUIREMENTS

In the event there is a reduction in the number of positions required, the reduction will occur as per the Reduction in Forces Agreement.

Kiln forklift operators working on the Monday through Thursday shift schedule can rotate with kiln forklift operators on the weekend schedule if they mutually agree to do so.

8. TERMINATION


This agreement may be terminated by either Party upon thirty (30) days written notice and the said termination shall be effective upon expiry of the thirty (30) day notice period.

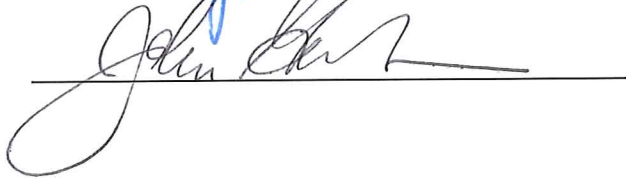


Signed this 4 day of July, 2013.

FOR:

CANADIAN FOREST PRODUCTS LTD.
Vavenby Division





FOR:

UNITED STEELWORKERS
Local 1-417

