

## LETTER OF UNDERSTANDING

#8

BETWEEN: FEDERATED CO-OPERATIVES LIMITED (FCL)  
FOREST PRODUCTS DIVISION, CANOE

AND: UNITED STEELWORKERS OF AMERICA - LOCAL 1-417

### **APPRENTICESHIP TRAINING PROGRAM**

The purpose of this program is to improve the knowledge and skills of employees of FCL, Forest Products Division as apprentices in respect to the certified trades required at FCL:

#### **JOINT SUB-COMMITTEE:**

A subcommittee made up of three (3) employee representatives and three (3) employer representatives will be established to develop and supervise the procedure required to carry out the intent of this program. This agreement is a starting point for the joint subcommittee and the committee may recommend any changes as required from time to time.

#### **SELECTION PROCESS:**

FCL and the Employee Representative Committee recognize the importance of a formal selection process. The purpose of this selection process is to select the most suitable candidate to be indentured into a trade. The following criteria will be used on a point system to assess the skills of the employees.

Revisions to the selection process are only to be made through the unanimous vote of the joint sub-committee.

Those applicants who successfully complete A and B with the highest combined scoring will enter interview and appraisal process (C, D, E).

#### **SELECTION CRITERIA:**

- A. 25% Seniority – 1.67 points for each year of service with the Company to a maximum of 15 years to get maximum credits for all Trades except Electrical and Machinist. Electrical and Machinist will be credited with 2.5 points per each year of service with the Company to a maximum of 10 years to get maximum credits.
- B. 25% Pre-apprentice Exam – passing of this exam is mandatory with a minimum of 70%. Successful candidates with between 70% and 100% will be credited with 0.25% additional credits for each 1% above 70% test results (e.g. marks of 85% would result in 21.25% weighting for this criteria).
- C. 30% Employee Appraisal Test – Subcommittee to develop guidelines for employee appraisal testing. Employee Appraisal to include formalized panel interview and review of employee work history.
- D. 10% Education – Post secondary courses related to the industry.
- E. 10% - Psychological/personality/aptitude testing.

**APPRENTICE SELECTION:**

The highest scoring candidate who meets the criteria outlined above will be awarded the apprenticeship. In the event of a tie, it will be awarded to the senior candidate.

**OTHER PROVISIONS:**

- A. All regular full time employees of FCL – Forest Products Division will be eligible for apprenticeship postings. However, the employees presently working in any trade shall not be eligible.
- B. Successful applicants will be assigned as helpers on a probationary period of 90 calendar days. Upon successful completion of the probationary period, the employee start date will be the date the employee started the apprenticeship work.
- C. In the event that the successful candidate voluntarily decides to go back to his/her original job, or is removed from the program less than 180 calendar days after the date of the original posting, the next most qualified applicant will be selected. However, if there are no other qualified applicants, the vacancy may be re-posted.

**TESTS:**

Upon completion of each level of training in the Apprenticeship Program, an apprentice will be required to pass the Apprenticeship Branch Test. In the event of failure to pass such a test, the apprentice will be given a second opportunity. The second opportunity may require reassignment of the apprentice to the same period of training subject to the judgement of the Apprenticeship Branch. In the event of failure to pass on the second opportunity, the employee will be required to withdraw from the program, and will revert back to their previous job posting.

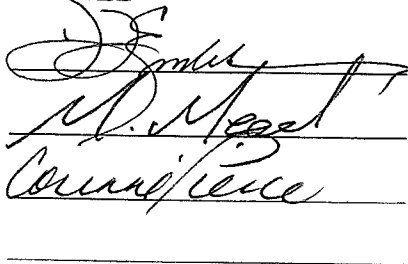
**CANCELLATION:**

This Letter of Understanding may be cancelled upon thirty (30) days written notice by either Party.

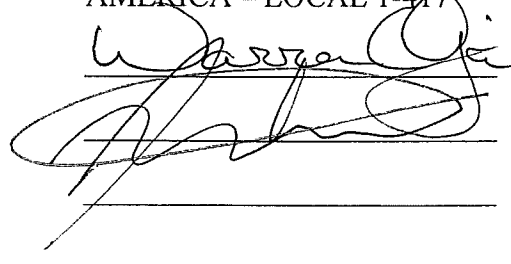
Signed this 5 day of January, <sup>2011</sup> EP 2010.

On behalf of:

FEDERATED CO-OPERATIVES  
LIMITED

  
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UNITED STEELWORKERS OF  
AMERICA – LOCAL 1-417

  
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