LETTER OF UNDERSTANDING

BETWEEN:

INTERNATIONAL FOREST PRODUCTS LIMITED
CASTLEGAR DIVISION

AND:

UNITED STEELWORKERS LOCAL 1-405

Application of Seniority and Job Posting

PREAMBLE: With the purpose to establish an equitable and orderly manner in which to implement Article X, Section 2 (a) Job Posting and the Application of Seniority, of the Master Agreement in force between International Forest Products, (the Company), and United Steelworkers Local 1-405, (the Union).

PRINCIPLE OF SENIORITY APPLIED

The principle of seniority, i.e., the sum total of continuous years, months and days of an employee's service, shall be the main determinant, competency considered, in deciding job entitlement both for retention and promotion through posting.

Seniority is defined as the length of continuous service with the Company and shall be the governing factor, competency considered in determining those employees who will be entitled to retain jobs during layoffs or a reduction of the working forces, and shall be the governing factor, competency considered in determining entitlement for promotion.

In the case of a reduction of the working forces, seniority shall be applied in line with Article X, Section 5 of the Collective Agreement.

JOB POSTING

1. All jobs, upon becoming vacant or when created, (other than jobs in Grades 1,2,3,4,5 and 6), will be posted on a division wide basis.

2. Bulletin boards for the Job postings will be supplied by the Company and placed at mutually satisfactory locations.

3. All Job postings will be displayed for three (3) consecutive working days, during which time employees may bid on the job.

4. All bids shall be in writing and on a form provided by the company and the bid shall be signed by the bidding employee. One copy of the form goes to the company, one copy to the Union (Plant Committee).

5. The name of the successful employee will be posted within two (2) working days of the closing off time of the job posting.

6. The job posting form will contain the following information:

    a. The job title and description
    b. The hourly rate of pay
    c. Shift or shifts worked
    d. Whether the job is permanent or relief
    e. The date and time (hour) that the job was posted
    f. The date and time (hour) that bidding closes
    g. A space to provide the name of the successful bidder/applicant

7. Successful applicants for the posting shall be entitled to a training period, which may vary in length up to a maximum of twenty (20) working days, or until confirmed competent by management. In special cases, this period may be extended for a fixed period of time agreed upon between the Company and Union.

8. If the employee is unable to qualify for the position during this training period, he/she will be returned to his/her previously held job and the position will be offered to the next senior bidder for the posting.

9. The employee may, within five (5) working days of commencing his/her training in the position, decline the posting and return to his/her previously held job, at which time the position will be offered to the next senior bidder for the posting. If the employee declines 3 postings in a six (6) month period after training has commenced then the employee will not be eligible to bid on a posting for the next 6 months.

10. The employee will be confirmed in the job during or upon completion of the trial period, subject always to the provisions of subsection (10) below relating to the rights of employees on leave.

11. Employees on approved leaves of absence at the time a permanent job is posted will be allowed to make application within three (3) working days of returning to work, but in no event later than eighteen (18) working days from the date on which a job was posted. An effort should be made to contact an employee if they are going to be off more than eighteen (18) working days from the posting date.

12. While it is generally agreed that seniority applies for promotional reasons, employees may use their seniority to bid either laterally across or vertically downward.

13. An Employee may hold only two "Relief" postings in addition to their regular job (Incumbent position). Relief jobs will be posted as shift specific with the senior posted relief having the option to the relief if available for one (1) week or more.

14. After holding a relief posting for a period of six (6) months, an employee may relinquish (sign off) a relief posting or bid for a different relief posting. However, they must continue to fill the relief position, as needed, until a new relief operator is confirmed. Also, they may have to assist in the training of the new relief operator.

15. Employees going to a relief posting will be paid the higher rate of his posted job or the relief job.

16. An Employee, once "confirmed" to have a relief posting, cannot refuse to go to the relief position, when requested by the Employer.

17. Once an employee gives up a relief job he/she may not post back onto that relief position unless there has been a significant change to that job.

This agreement shall form part of the collective agreement between the parties and may be re-opened for amendments or termination by either party upon 30 days written notice.

Signed this 22 day of April 2014.

Signed on behalf of
USW Local 1-405

Signed on behalf of
International Forest Products Limited