

LETTER OF UNDERSTANDING

#5

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

AND: IWA CANADA - LOCAL 1-417

PLYWOOD DIVISION

SENIORITY & JOB POSTING

PURPOSE

The following application of Seniority and Job Posting is mutually agreed upon between Federated Co-operatives Limited, hereinafter referred to as the Company, and the IWA Canada - Local 1-417, hereinafter referred to as the Union, to expedite the movement of the working force covered by the bargaining unit and the 2003 - 2009 Collective Agreement.

DEFINITION & APPLICATION

- a) In deciding an employee's entitlement for a job, seniority, competency considered, will be applied as hereinafter provided.
- b) Company seniority is the length of an employee's continuous service in those operations of the Company whose employees are represented by Local 1-417 of the Union.
- c) While it is generally agreed that seniority applies for promotional purposes, an employee can use his seniority to bid either laterally across or vertically downward:
 1. To place himself in a position for quicker advancement.
 2. For medical reasons induced by sickness or accident.
 3. For any other reason mutually agreeable to the parties.

JOB POSTING PROCEDURES

1. All job vacancies, above group 1, will be posted for bidding by employees for a period of three (3) working days. In the event of a temporary absence of an employee for thirty (30) calendar days or more, due to illness, occupational injury or approved leave of absence, the vacant position will be posted. If it is known that the vacancy will be in excess of thirty (30) calendar days, the vacancy will be immediately posted for bidding. Application forms will be supplied by the company.

- 2. The successful applicant, if any, will be selected from those applying, and the name of the individual selected will be posted for a further two (2) working days.
- 3. At any time within 30 working days, management will notify the Committee that the applicant is permanently accepted or that he is required to revert to his former position. Each successful applicant will be given instruction and training.

It is understood that management will not confirm acceptance in less than ten (10) working days and that applicants may elect to return to their previously held job at any time up to the day they are confirmed.

- 4. The job posting form will contain the following information:
 - a) Job title.
 - b) Rate of pay.
 - c) Shift worked.
 - d) Date posted.
 - e) Date and hour of closing-off time for applications.
 - f) Person or place application may be filed.
 - g) Space for the name of the employee(s) the Company has selected for the job.
- 5. An employee absent on approved leave of absence, lay-off, illness or accident at the time of job posting will be allowed to make application within two (2) working days of his return, but in no event later than seventeen (17) calendar days of the posting of such new job or vacancy. Such an employee may also prepost for a job, which may become vacant during his absence.

Signed this _____ day of _____ 2003.

On behalf of:

FEDERATED CO-OPERATIVES LIMITED IWA - LOCAL 1-417

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