

Lakeside Pacific Forest Products

– and –

U.S.W. Local 1-3567

Memorandum of Agreement

The following represents the comprehensive settlement of a new collective agreement and any and all outstanding complaints, disputes or grievances between the parties effective the date of agreement.

THE PARTIES AGREE AS FOLLOWS:

1. All prior agreements, understandings and practices between the parties or their predecessors are of no further force or effect.
2. Any outstanding complaints, disputes or grievances – including any referred to or pending at arbitration or other dispute resolution process – are withdrawn and deemed to be settled effective with the entering into of this agreement.
3. This agreement will come into effect on the date of acceptance. The term of the attached collective agreement will be for three years commencing January 1, 2006 and it will not have any retroactive application.
4. Although the seniority and recall rights of all employees who last worked for the Company prior to June 15, 2003 have expired, and no right to severance payments accrued to those former employees, the Company will pay severance to former employees as follows:
 - (a) Entitlement to severance is limited to former employees who:
 - (i) worked for the Company during 2003;
 - (ii) did not resign from employment in 2003; and
 - (iii) were not dismissed from employment in 2003.
 - (iv) For greater certainty entitled former employees are listed in Attachment A.
 - (v) Former employees listed in Attachment A will be provided with severance as set out in that Attachment on or before January 30, 2006.

5. To the extent that the Company resumes logging operations using its own employees in 2006, it will consider applications received from former employees on or before February 28, 2006 before hiring from other sources.
- (a) Former employees who apply as set out above and who are rehired in 2006 will have their rank order position on Attachment A apply to any future job bidding.
 - (b) Filing an application does not guarantee employment. All hiring decisions will be at the discretion of the Company.
6. Contracting Out
- (a) The Company acknowledges the Union's concerns regarding contracting out and job loss and will not act in bad faith to manipulate the work year or the volumes harvested to the detriment of bargaining unit employees.
 - (b) The Company will notify the Union and engage in good faith discussions before entering into contracting out arrangements beyond the normal arrangements that were in place prior to June 2003.
7. Attachment B shall constitute the new collective agreement between the Company and Local 1-3567.

Signed in the City of Langley in the Province of British Columbia, this 13th day of December, 2005.

Michael Tolmie

M. J. Tolmie

For the Company

Wade Fisher

Wade Fisher

Earl Graham

Earl Graham

For the Union

E&OE

Attachment A

Severance Entitlement

							Total Hours	Total Pay
	Date of Hire	Last Name	Last day of Work	Last day of Seniority	Years	Pay Yrs		
1.	02-Feb-73	Arnell	12-Jun-03	12-Dec-04	30.4	12	480	12,000
2.	06-May-75	Schultz	25-Sep-03	retired	28.4	12	480	12,000
3.	25-July-77	Gillis	6-Jun-03	retired	25.9	12	480	12,000
4.	30-Mar-78	Doddridge	6-Jun-03	6-Dec-04	25.2	12	480	12,000
5.	30-Mar-78	Clouse	12-Feb-03	retired	24.9	12	480	12,000
6.	22-Jul-78	Trotman	12-Jun-03	12-Dec-03	24.9	12	480	12,000
7.	08-Apr-83	May	6-Jun-03	6-Dec-04	20.2	12	480	12,000
8.	12-Jun-85	Hanson	6-Jun-03	6-Dec-04	18.0	12	480	12,000
9.	12-Jun-85	Houston	3-Apr-03	3-Oct-04	17.8	12	480	12,000
10.	02-Jun-87	Paul	4-Jun-03	4-Dec-04	16.0	12	480	12,000
11.	22-Aug-89	Point	9-Jun-03	9-Dec-04	13.8	12	480	12,000
12.	31-Aug-89	Power	6-Jun-03	6-Dec-04	13.8	12	480	12,000
13.	06-Jun-90	Blundell	11-Jun-03	11-Dec-04	13.0	12	480	12,000
14.	15-Aug-91	Smith	12-Jun-03	12-Dec-04	11.8	11.8	472	11,800
15.	28-Feb-94	Atkins	13-Jun-03	13-Dec-04	9.3	9.3	372	9,300
16.	27-May-96	Dunham	30-May-03	30-Nov-04	7.0	7	280	7,000
17.	02-Apr-97	Thorpe	30-May-03	30-Nov-04	6.2	6.2	248	6,200
18.	21-May-00	Poirier	6-Jun-03	6-Dec-04	3.0	3	120	3,000
19.	27-May-00	Severn	30-May-03	30-Nov-04	3.0	3	120	3,000
20.	05-Jun-00	Henderson	10-Jun-03	10-Dec-04	3.0	3	120	3,000
21.	04-Jul-00	Collopy	6-Jun-03	6-Dec-04	2.9	2.9	116	2,900
22.	01-Sep-00	Renaerts	6-Jun-03	6-Dec-04	2.8	2.8	112	2,800
23.	27-Mar-01	Hirschman	10-Jun-03	10-Dec-04	2.2	2.2	88	2,200
24.	29-Oct-01	Vantol	12-Jun-03	12-Dec-04	1.6	1.6	64	1,600
25.	10-Apr-02	Deschambault	17-Apr-03	17-Oct-04	1.0	1	40	1,000

M. J. J. *W. J.* *J. J.*