

Letter of Agreement

Between

Teck Coal Limited, Fording River Operations

And

USW Local 7884

The following outlines the Trades Retention Plan agreed to by the parties on this ____th day of January, 2011.

1. Certified Tradespeople and Apprentices will be eligible to receive a grant amount in each year that they work for the Company.
2. Certified Tradespeople and Apprentices on short term disability will be eligible to receive grant amounts.
3. Certified Tradespeople and Apprentices on long term disability will not receive grant amounts during the time they are claiming long term disability benefits. Portions of grant amounts already accrued will be paid out based on the normal maturity date.
4. The date of granting will be January 1 of each year.
5. The grants will mature in equal amounts over a three year period effective January 1 of each year.
6. Terminated trades or apprentices or those quitting prior to the pay out date will lose granted amounts.
7. The estate of those who become deceased during their employment will be eligible to collect the funds maturing at the conclusion of the year in which the employee dies.
8. New Certified Tradespeople or Apprentices who commence work after January 1 will receive a pro-rated grant for that year based on the number of full months worked (i.e. hired May 20 would receive 7/12 of a full grant).
9. The program will take place over a three year period and will cease to grant amounts at the conclusion of this time.
10. Previously granted amounts will continue to be paid as they mature until 2016.
11. The Trades Retention Plan will require renewal through mutual agreement in 2014.
12. Disputes arising from the administration of the Trades Retention Plan will be subject to Article 7 of the collective agreement.

Trades Retention Plan Schedule

2008	2009	2010	2011 Renewed	2012	2013	2014	2015	2016
\$6000 Grant	\$2000	\$2000	\$2000					
	\$6000 Grant	\$2000	\$2000	\$2000				
		\$6000 Grant	\$2000	\$2000	\$2000			
			\$6000 Grant	\$2000	\$2000	\$2000		
				\$6000 Grant	\$2000	\$2000	\$2000	
					\$6000 Grant	\$2000	\$2000	\$2000
Amount Paid	\$2000	\$4000	\$6000	\$6000	\$6000	\$6000	\$4000	\$2000

Agreed to this _____ Day of January, 2011.

Fording River Operations

Local 7884 of USW
