

**2.**

**CATEGORY II MEMBERS**

**2.1 Weekly Payroll**

Category II members are required to provide the Association with an irrevocable unconditional bank guarantee or other security satisfactory to the Association equal to one times the amount of their largest weekly payroll paid over the past twelve months to I.L.A. Labour in the Port of Halifax unless otherwise directed by the President due to changing financial circumstances. Such security must be issued for a period of not less than 12 months.

In any week when the actual payroll exceeds the guaranteed amount the company will be required to place the payroll agency in funds for the excess amount prior to the payroll being paid.

**Exceptions to the above, provided they ensure an appropriate security is in place, may be made at the discretion of the President due to extenuating financial considerations which may require adjustments to the amount and duration of the individual guarantees.**