

COLLECTIVE AGREEMENT
Between
GENERAL DYNAMICS CANADA
and
THE SALARIED EMPLOYEES' ALLIANCE
Canada

Effective March 1, 2006 to 29 February 2008

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COLLECTIVE AGREEMENT

Between

General Dynamics Canada, at Bells Corners, City of Ottawa , Ontario,

hereinafter called "**THE COMPANY**"

OF THE FIRST PART

and

The Salaried Employees' Alliance Canada, hereinafter called "**SEAC**".

OF THE SECOND PART

Witnesseth that, in consideration of the mutual covenants and agreements hereinafter contained the parties hereto have agreed as follows:

ARTICLE 1 - PURPOSE

1:01 The general purpose of this Agreement is to sustain and promote mutually satisfactory relations between the Company and the employees covered by this Agreement with a view to achieving the efficient operation of the Company toward the goals and the well-being of employees. Specifically, this Agreement sets forth the rates of pay, the hours of work and the conditions of employment to be observed by the parties hereto.

ARTICLE 2 - RECOGNITION

2:01 The Company recognizes the "Salaried Employees' Alliance Canada" as the sole Collective Bargaining Agent for those employees who are based in the National Capital Region, who are covered by job descriptions for the following classifications:

PROFESSIONAL TECHNICAL

Junior Engineer.
Intermediate Engineer*
Engineer'
Senior Engineer'

- -Systems
- Hardware
- Software
- Manufacturing
- Q.A.
- Mechanical
- Specialty

Engineering Specialist
Junior Programmer
Programmer
Programmer Analyst
Systems Analyst
Technical Support Analyst
Technical Support Analyst Senior
Communications Analyst
Business Analyst
Data Base Analyst
Junior ILS Analyst
Intermediate ILS Analyst
ILS Analyst
Senior ILS Analyst

PROFESSIONAL ADMINISTRATIVE

Junior Contract Administrator
Intermediate contract Administrator
Contract Administrator
Senior Contract Administrator
Junior Program Analyst
Intermediate Program Analyst
Program Analyst
Senior Program Analyst
Junior Planning & Scheduling Analyst
Intermediate Planning & Scheduling Analyst
Planning & Scheduling Analyst
Senior Planning & Scheduling Analyst
Junior Estimator
Intermediate Estimator
Estimator
Senior Estimator
Junior Configuration Administrator
Intermediate Configuration Administrator
Configuration Administrator
Senior Configuration Administrator

all employees who are:

- (a) Part Time - defined as employees working not less than 50% of the hours as stated in article 19:03 and less than 80% of the hours as stated in article 19:03 and Appendix C shall apply to part-time employees.

Excluding all employees who are:

- (a) Classified as Field Representatives.
 - (b) Classified in other job classifications not represented by SEAC defined above, except in accordance with 2:04 below.
 - (c) Employees hired specifically for assignment to sites not controlled by the Company.
 - (d) Temporary Employees.
 - (e) Employees from other Company locations that are working in the Ottawa facility for a continuous period of less than six (6) months
- 2:02 Each employee shall be categorized by Job Title and there will be a job description and list of qualifications and other related matter written for each Job Title. Copies of such job descriptions will be provided to SEAC for its use.
- 2:03 The Company shall provide to SEAC a list of all job titles and job classifications in the Company, except for supervisors and above.
- 2:04 Any additions to Company job classifications where the work is covered by Article 2:01, or changes to the list of job classifications in Article 2:01, or the work being performed therein, shall be mutually agreed to by both parties. In the event the parties cannot reach mutual agreement, the dispute will be subject to the grievance and arbitration procedure. Copies of any new job titles or job descriptions, if any, will be provided to SEAC for its use.
- 2:05 The term "Employee" or "Employees" wherever used hereinafter in this Agreement shall mean employees in the collective bargaining unit as defined in 2:01 above unless otherwise provided.

ARTICLE 3 - NON-DISCRIMINATION

- 3:01 The parties recognize that every person has the right to equal treatment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, age, record of offences, marital status, same-sex partnership status, family status or disability. The parties further agree that membership or non-membership in any lawful organization or any other characteristics of persons which are not related to job performance, shall not be a determining factor in the application of this Agreement, or with respect to the terms or conditions of employment.
- 3:02 General Dynamics Canada Ltd. shall commit to provide a working environment in which all employees are treated fairly and with respect and dignity. Every employee has the right to work in an environment free from harassment.

ARTICLE 4 - MANAGEMENT FUNCTIONS

- 4:01 SEAC recognizes that it is the Company's prerogative to operate and manage its business in all respects. Without restricting the generality of the foregoing, the Company shall determine:
- the location of plants, offices and laboratories;
 - the engineering studies to be made;
 - schedules of projects;
 - standards and specifications;
 - products to be manufactured;
 - the schedule of production; and
 - the methods, processes and means of manufacturing.
- However, the Company recognizes that members of the Bargaining Unit have important duties to perform in providing advice and guidance to Management with regard to these functions.
- 4:02 SEAC recognizes the right of the Company to hire, promote and demote, transfer, classify, retire at normal retirement date, suspend or otherwise discipline and discharge any employee subject to the provisions of this Agreement.
- 4:03 The Company has the right, at any time, to issue or modify rules and regulations governing the conduct of employees but these shall not be in conflict with the provisions of the Agreement.

- 4:04 The limitations imposed on management actions by this Agreement are recognized by the parties and the right of the employee to lodge a grievance in the case of an alleged violation is inherent.
- 4:05 The Vice-president of Human Resources and the President of SEAC shall meet upon the request of either one to serve as an advisory resource to members of SEAC who prefer to deal with a work related issue in an informal and confidential manner. The SEAC members need not be present for such meeting but will be advised of the recommendations for resolution.

ARTICLE 5 - COMPANY/SEAC RELATIONSHIPS

- 5:01 The Company shall supply SEAC with a written departmental listing of all employees in the Bargaining Unit together with contract, temporary and student personnel who are performing duties which normally could be performed by SEAC members. Additions, deletions and changes to the list shall be provided bi-weekly.
- 5:02 SEAC will supply the Company with one copy of its Constitution and Bylaws, together with the amendments thereto and with the names of employees who have been either elected or appointed SEAC officers, and others authorized to represent SEAC in dealings with the Company. SEAC agrees to keep this list up to date.
- 5:03 The Company shall supply SEAC with a copy of all general notices and all management directives as may apply to matters affecting employees in the Bargaining Unit. The Company shall also supply copies of organization charts as amended from time to time together with any organization announcements to SEAC.
- 5:04 It is agreed that the Company and SEAC executive will meet from time to time to discuss matters of mutual interest on reasonable notice from either party. It is agreed that items to be included in the agenda of such meetings will be limited to those matters which cannot be expeditiously handled in another manner.
- 5:05 New employees or employees returning to the Bargaining Unit will be introduced by a representative of the Human Resources Department to the relevant Area Representative, or designated executives, within the employee's first week, and shall be permitted to converse privately for a reasonable period of time without loss of pay.
- 5:06 The Company agrees to inform SEAC of any major initiatives which will affect employees in the Bargaining Unit and shall consult with SEAC on these changes when requested by SEAC before such changes are implemented.
- 5:07 The Company agrees to permit the appropriate representative or representatives of SEAC, aggrieved employee and appropriate witnesses, reasonable time off with no loss of pay from their regular duties during normal working hours to administer grievance procedure and to attend other meetings with the Company.
- 5:08 There shall be no solicitation of membership for SEAC or collection of SEAC dues during employees' working hours except as may be authorized in this Agreement.

ARTICLE 6 - USE OF EMPLOYER'S FACILITIES

- 6:01 The Company agrees to provide SEAC with bulletin boards for each building with the understanding that their use shall be restricted to notices of SEAC meetings, elections and appointments. All material for posting will be signed by an authorized representative of SEAC. All other materials for posting shall be approved by the Company. SEAC agrees that no pamphlets, handbills or other publications will be distributed in work areas during work hours without prior approval of the Human Resources Department.

ARTICLE 7 - SAFETY AND HEALTH

- 7:01 The Company shall make all reasonable provisions for the occupational safety and health of employees.

ARTICLE 8 - DEDUCTION OF SEAC DUES

- 8:01 The Company agrees to deduct from all employees in the Bargaining Unit, and to remit to SEAC on or before each pay day, a sum equivalent to the dues levied by SEAC on members.
- it shall be a condition of employment that each employee in the Bargaining Unit shall sign an authority to collect such dues.

ARTICLE 9 - NO STRIKE OR LOCKOUT

- 9:01 The parties agree that there shall be no strike or lock-out during the term of this Agreement.

ARTICLE 10 - PROBATIONARY EMPLOYEES

- 10:01 An employee will be considered on probation until the completion of a period of six months actually worked following the date first hired. During such probationary period the employee may be discharged at the discretion

of the Company without recourse to grievance. Upon the completion of the probationary period, employees will receive written performance appraisals and re-evaluations of their starting salary level and adjust the salary level if appropriate.

ARTICLE 11 - GRIEVANCE PROCEDURE

11:01 Definition of a grievance

A grievance shall be any difference of opinion or dispute between the parties hereto as to the interpretation, administration, application or alleged violation of this Agreement.

11:02 Definition of working days

For the purposes of this article, working days shall not include Saturday, Sunday, paid holidays as provided for in 22:06 or any other period when the Company is shut down including the Company's Christmas shutdown.

11:03 The grievance procedure shall be as follows:

STAGE ONE

Within sixty (60) working days of becoming aware of the event which gave rise to the grievance, a SEAC representative will present the written grievance to the immediate manager of the employee or to Human Resources. Failing satisfactory resolution of the matter within ten (10) working days, the grievance may then proceed to Stage 2.

STAGE TWO:

Failing a satisfactory settlement being reached at Stage 1, the grievance may be submitted to Human Resources within fifteen (15) working days from the receipt of the decision at Stage 1. Human Resources and the employee's manager (where appropriate) shall meet with the grievor and no more than two SEAC representatives. Either party may request that any of the witnesses also attend this meeting.

Human Resources shall give the Company's decision in writing within a period of fifteen (15) working days after the meeting. Failing a satisfactory settlement being reached at Stage 2, the grievance may be referred to arbitration.

11:04 Policy Grievance

Either the Company or SEAC may lodge a policy grievance. The written grievance may be presented by SEAC to Human Resources or by the Company to the Business Manager of SEAC.

The Responding Party will reply to the grievance in writing within twenty (20) working days. Failing satisfactory resolution of the matter within twenty (20) working days, either party shall have the right to refer the matter to arbitration.

11:05 Time Limits

The parties may extend time limits or by-pass steps in the grievance procedure by mutual agreement in writing. When a party asks for an extension of time, the other party must reply within three (3) working days. Any request for an extension will not be unreasonably withheld.

ARTICLE 12 - ARBITRATION

12:01 Both parties agree that any dispute or grievance concerning the interpretation or alleged violation of this agreement, which has been properly carried through all the steps of the grievance procedure and which has not been settled, may be referred to Arbitration, at the written request of either of the parties.

12:02 A single arbitrator may be appointed by mutual agreement between the parties or by application to the Ministry of Labour.

12:03 The parties will jointly bear the expenses of the arbitrator.

12:04 The decision of the arbitrator shall be final and binding on both parties.

12:05 The arbitrator shall not be authorized to make any decision inconsistent with the provisions of the Agreement, nor to alter, modify or amend any part of this Agreement and shall deal only with differences between the parties arising from interpretation, application, administration or alleged violation of this Agreement including any question as to whether the matter is arbitrable.

ARTICLE 13 - DISCIPLINE AND DISCHARGE, AND PERFORMANCE IMPROVEMENT

- 13:01 It is understood that all discipline will be applied progressively, although given the severity of the alleged disciplinable action, parts or all of the progressive discipline process may be bypassed.
- Reasons for discipline shall be given in writing to the employee and to SEAC prior to any action being taken. Discipline will not be effective until a meeting is held between the employee, the Company, and SEAC.
- 13:02 Every SEAC member is entitled to SEAC representation at any meeting that could lead to disciplinary action. The parties agree that if such a meeting is held without a SEAC representative being present (except where the employee declines SEAC representation) any resulting discipline will be null and void until such a time that a meeting between the parties is held.
- 13:03 Letters of discipline will remain on an employee's file for a period of twenty-four (24) months unless there is subsequent discipline. In such case, the original discipline shall remain on file for a period of twenty four (24) months from the date of the subsequent discipline.
- 13:04 Performance Improvement Plan (PIP) -- The Company will maintain a (PIP) policy for addressing ongoing performance issues. Employees will be informed of their right to SEAC representation when a PIP is being administered. In any case, the Company will advise SEAC of the intention to administer a PIP, and will review the reasons for the PIP, including the previous attempts to address the performance issue. While the goal is to work with the employee on corrective actions leading to a positive outcome (in accordance with the PIP policy), It is recognized that there may be occasions where performance issues continue, despite best efforts. While the PIP process is not disciplinary in nature, it may ultimately lead to termination. Where the Company actions a termination after the PIP process, and does not pursue termination for cause, It is understood that a termination package equal to, but not exceeding the provisions in Article 16:03 (Lump Sum Entitlement) shall apply.

ARTICLE 14 - LEAVE OF ABSENCE

- 14:01 Leave of absence may be granted to employees for reasons and periods acceptable to the Company. In most instances such leave will be without pay but exceptions to this may be granted by the department in which the employee works, provided that the Manager, Human Resources concurs in writing. The request for leave of absence in excess of five working days shall be made by the employee in writing and rendered a reasonable period in advance for the Company to have opportunity for due consideration and to make plans to cover off the employee's duties during this period of absence.
- 14:02 An absence from work due to illness, accident, medical or dental appointment for the employee shall be treated as leave of absence and will be allowed with pay up to the limits of sick leave provided that the illness or accident can, upon request, be verified in a manner satisfactory to the Company.
- Reasonable short absences with pay from work for the care of the employee's dependent children due to illness, accident, medical or dental appointments shall be allowed.
- Additionally, reasonable short absences with pay from work for the care of the employee's parents or spouse due to medical emergency, illness or injury shall be allowed.
- Upon request, the father shall be allowed up to 5 (five) days leave of absence (two paid, three unpaid) for the birth of his child.
- 14:03 An employee with at least 13 weeks continuous service, who becomes pregnant will on request be granted unpaid leave of absence of up to seventeen (17) weeks. A further thirty five (35) weeks unpaid parental leave shall be granted immediately after the end of the pregnancy leave if so requested. During such leave, service, vacation and sick leave credits will accumulate. The employee shall make arrangements with the Human Resources Department for the continuation of insured benefits and the method of payment. Medical complications related to pregnancy or illness, which are verifiable by a physician will be covered by the Company's sick leave plan. The natural mother/father will be eligible for Supplemental Employment Benefits (SEB) as outlined in Appendix "B". Upon at least two weeks written notice, a father shall be granted up to thirty seven (37) weeks unpaid parental leave either concurrent with or consecutive to a mother's pregnancy or parental leave. During such leave, service, vacation and sick leave will accumulate. The employee shall make arrangements with the Human Resources Department for the continuation of insured benefits and the method of payment.
- 14:04 Upon request an employee shall be granted unpaid leave of absence of up to thirty seven (37) weeks, immediately following the adoption of a child. During the approved leave, service, vacation and sick leave shall continue to accumulate. Insured benefits and Supplemental Employment Benefits shall be continued in the same manner as 14:03.

14:05 An employee shall be allowed up to three days leave of absence with pay if it is necessary for the employee to be absent because of death in the immediate family.

The term "immediate family" shall mean father, mother, husband, wife, children, brother, sister, father-in-law, mother-in-law, daughter-in-law, son-in-law, grandparent, grandchildren and guardian providing the guardian has acted in place of a parent. Common law spouses shall be eligible for such leave, providing the common law spouse has executed the necessary Company forms establishing such status. Where extensive travel is required to attend the funeral an additional two days may be authorized.

14:06 Where it is necessary for an employee to be away from work to attend the funeral of the employee's, grandparent-in-law, sister-in-law, or brother-in-law, leave with pay up to one day shall be granted. Where extensive travel is required an additional two days may be authorized.

14:07 An employee called for jury duty or summoned to appear as a witness, except when appearing as a witness for personal benefit, will be granted a leave of absence. The employee's pay will continue for the period of absence. However, it is understood that a jury or witness fee paid to the employee will be turned over to the Company as an offset against salary paid.

14:08 An employee elected or appointed by SEAC to perform full-time duties for SEAC shall be granted a leave of absence. Such leave of absence shall be without pay and any other benefits and shall not exceed twenty-four months. Any employee returning from SEAC within the twenty-four month period will be treated as other employees returning to the Bargaining Unit, as provided in Article 14:11.

14:09 Periods of leave of absence as granted by the Company shall be used only for the purpose stated in the request for such leave. In particular, an employee on leave of absence shall not work for gain unless written permission by the Company is granted.

14:10 If the employee is transferred out of the Bargaining Unit at the request of the Company, then the employee shall accumulate continuous service. Upon reinstatement in the Bargaining Unit, the employee's conditions of employment shall be the same as they would be upon returning from a leave of absence.

14:11 On returning from leave of absence, an employee's salary shall be established by taking into consideration the average increases granted to employees in the job classification to which the employee is returning, less any merit increases the employee may have received during the period of absence. Notwithstanding 14:03 and 14:04, returning employees shall also recommence accruing continuous service which shall include service accrued before the leave of absence.

14:12 Duly nominated candidates who are standing for public office shall not have a request for leave of absence without pay unreasonably withheld. For the purposes of this article, public office shall be restricted to municipal, provincial, or federal levels.

14:13 Compassionate leave with pay may be granted to the employee, at the discretion of the employee's manager.

14:14 Family Medical Leave: An employee will on request be granted an unpaid leave of absence of up to eight (8) weeks to care and support a seriously ill family member with a significant risk of death within twenty six (26) weeks. Family member defined as: a spouse or common-law partner, a child, or a child of the individual's spouse or common-law partner, and a parent or spouse of common-law partner of the parent. During such leave, service, vacation and sick leave will accumulate. The employee shall make arrangements with Human Resources Department for the continuation of insured benefits and the method of payment. Employees qualifying for this leave will be eligible for Supplemental Employment Benefits (SEB) as outlined in Appendix "B".

ARTICLE 15 - NOTIFICATION OF VACANCIES

15:01 When the Company is planning to fill vacancies within the Bargaining Unit, or temporary Vacancies where the work is covered by the Bargaining Unit, it is agreed that copies of the relevant job requirements/vacancies will be provided to SEAC. Positions can be posted internally and externally at the same time and will stay up as an internal posting for at least five business days.

15:02 The Company will also post full time vacancies within the Bargaining Unit in all Company locations not covered by this Agreement.

15:03 The Company agrees to give consideration to all employees who respond to job postings, giving a synopsis of their qualifications and experience as they relate to the job requirements. Such applications shall be made in writing to the Human Resources Department.

Qualified internal applicants to job postings will be given priority consideration prior to external applicants. Selection will be based on an applicant's merit relative to the job. It should be recognized, however, that in the case of a transfer an employee's current assignment will be taken into consideration. The transfer shall be

scheduled by mutual agreement giving due consideration to project requirements and the individual's career aspirations.

- 15:04 The parties recognize the desirability of interviewing all employees who respond to a job posting. However, it is also recognized that limitations of time, number of applicants, or degree of experience and qualifications may make this impractical. It is therefore agreed that the Company will consider all applicants, but the number of applicants interviewed may be restricted.

The Company will interview those employees who are considered significant candidates.

All applicants will be informed in writing of the decision of the Company. Those employees who are unsuccessful will be encouraged to take advantage of career counselling under Article 18.

- 15:05 The Company shall provide to SEAC copies of the text for vacancies other than those in the Bargaining Unit for which the Company is advertising. This does not include positions covered by other Bargaining Units but does include positions of a managerial nature.

ARTICLE 16 - REDUCTION IN WORK FORCE

- 16:01 When services of one or more employees are no longer required by the Company because of shortage of work, change in technology or other reason not connected with a misdemeanor or lack of performance of the employee concerned, SEAC recognizes the necessity that the Company must retain an effective work force and that those employees who are retained must be capable of and willing to perform the work which is available. On the other hand, the Company recognizes a degree of obligation to those employees who have served it and will endeavour to find suitable employment within the limits of their capability to perform effectively with reasonable training which will include but not necessarily be limited to on-the-job training.

- 16:02 Where there is insufficient available work to warrant the benefits of 16:01 and where the employee is unwilling to undergo further training, the employee may be considered for termination, however the Company shall not hire contractors, consultants or temporary employees for any work that the employee is qualified to perform and is able and willing to undertake.

- 16:03 Any employee whose service is no longer required as in 16:01 or 16:02 above shall be terminated. The Company will notify SEAC at least twenty-four hours in advance of a termination due to lack of work affecting any employee within the Bargaining Unit. Employees will be provided lump sum entitlement as outlined below which is inclusive of the statutory pay in lieu of notice. The notice portion shall be paid on the last day worked. The severance portion will be paid, at the option of the employee as either:

- (a) Bi-weekly amounts, or
- (b) A lump sum payment to be paid on termination or deferred to the next calendar year at the request of the employee.

YEARS OF SERVICE	Weeks of Pay
Completed less than 1 year	3
Completed 1 year	4
Completed 2 years	6
Completed 3 years	9
Completed 4 years	12
Completed 5 years	15
Completed 6 years	18
Completed 7 years	21
Completed 8 years	24
Completed 9 years	27
Completed 10 years	30
Completed 11 years	33
Completed 12 years	36
Completed 13 years	39
Completed 14 years	42
Completed 15 years	45
Completed 16 years	48
Completed 17 years	51
Completed 18 years	54
Completed 19 years	57

In addition to the table above, all employees shall receive a prorated portion of the weeks of pay increment for completed months in a partially completed year of service.

Employees with 20 years' service or greater will receive an additional two (2) weeks' pay for each additional one (1) complete year's service and 1/8th of a weeks' pay for each completed month of a partial year of service.

Employees over age 50 but with less than 10 years' *service* shall receive an additional one (1) week of pay for each complete year over 50 years of age and 1/12th of a weeks' pay for each full month of a partial year over 50 years of age up to an aggregate of 24 weeks' pay.

- 16:04 Employees who are terminated under the above articles shall, on request, be advised for a period of six months from date of termination of any vacancy for which they are qualified at any Company location. Such advice shall be sent by registered mail to the employees' last address of record and to SEAC. If the former employee is rehired prior to the expiry of the period covered by the severance pay they shall repay to the Company that portion remaining and shall have all service prior to termination restored on their return to work, provided it has not exceeded six months since they were terminated.
- 16:05 Where the Company has sold, including by way of transfer or any other means of disposition, a part (defined as affecting less than 50% of the Company's employees) of its business, or outsourced the provision of services, the following process will apply:
- (a) Affected employees may apply for internal positions.
 - (b) If alternative employment within the Company has not been offered, affected employees will be terminated in accordance with Article 16:03. Such employees will be notified of vacancies as outlined in 16:04
- 16:06 Where an employee has refused a company initiated job offer to Calgary and where there is no other job opportunity within the Company the affected employee will be paid severance in accordance with Article 16:03 and such employees will be notified of any vacancies as per Article 16:04.
- 16:07 The Company and SEAC accept the principle that where ability and qualifications are comparable, then the length of service with the Company will be considered in any reduction of work force. However, the Company reserves the right to protect employees already assigned to an extended task and those with a specialized technical knowledge.
- 16:08 The Company will continue its practice of assisting employees affected by a termination due to lack of work in seeking alternative employment opportunities. Such assistance will include: resume preparation, contacting other employers, etc, and will be commensurate with their occupation.
- 16:09 In the case of an employee who has avoided a reduction in the work force and has been reclassified due to demotion or lateral transfer and fails to successfully pass the six month trial period, the Company will make every effort to find other suitable available work. If a suitable vacancy is not located, the employee may be subject to termination in accordance with 16:01 above.
- 16:10 In the case of an employee reclassified due to promotion within Article 2:01 who fails to pass the six month trial period, the Company shall make every effort to find other suitable available work at the same level held by the employee before the promotion.
- 16:11 Any employee covered by this Agreement who accepts a position in a job classification not covered by Article 2:01 shall be permitted to return to a job classification covered by this Agreement provided that work is available which the employee can perform and such period in the excluded job classification has not exceeded two years. Additionally, if the position is a managerial position, employees may be returned, or elect to return to their previous job classification if their assignment has not exceeded six months regardless of the availability of work.
- 16:12 Within the limits of any previous contractual commitments or stipulation by the customer, the Company will endeavour to have any work being performed by contractors, consultants or temporary employees returned to the department where there is a shortage of work necessitating a reduction in work force provided that those to be affected have the competence to perform such tasks.

ARTICLE 17 - SEAC NEGOTIATING COMMITTEE

- 17:01 For the purpose of providing continuity to SEAC during the process of negotiations for a new Agreement, the Company agrees that a maximum of five members of the SEAC bargaining committee will not be subject to a reduction of work force during the following period:

Ninety days prior to the termination of the Agreement, SEAC will designate and notify the Company of the members of the bargaining committee who will be designated as immune from a reduction in work force from the period ninety days prior to the termination of the Agreement until the date the new Agreement is ratified by the members of SEAC. In the event any designated protected member of the SEAC bargaining committee is unable to serve for the duration of the negotiating period, SEAC may appoint or substitute a member to serve the remainder of such negotiating period.

ARTICLE 18 - CAREER DEVELOPMENT

18:01 The Company and SEAC recognize that it is beneficial to employees and to the Company to encourage participation in relevant seminars and conferences. Expenses of employees attending seminars and technical conferences will be reimbursed in conformity with the Company travel policy.

18:02 The Company recognizes the benefits and needs for on-going training and education and undertakes to actively encourage inputs from all employees. The focus of the on-going inputs will be the Training Co-ordinator who will evaluate education needs as suggested by employees and managers and who shall form small, voluntary, ad hoc committees consisting of both management and non-management members to solve each specific need. Should an employee's training request be denied, the reasons shall be communicated to the employee, if requested, in writing. Any employee who feels they have been unfairly denied training shall have the right to request the Director of Human Resources re-evaluate their request.

Copies of suggestions/recommendations and activities will be sent to the SEAC office.

18:03 The Company shall reimburse permanent full-time employees for all tuition fees, exam fees, text books and laboratory fees associated with approved courses or exam fees towards accreditations which are of benefit to both the employee and to the Company. The course or exam fee need not bear a direct relationship to the employee's current job responsibilities, but must relate to the Company's business sphere. Reimbursement shall be subject to successful completion and documented with receipts for expenditures.

The Company recognizes that professional memberships are important. Professional fees associated with maintaining professional accreditation in the employee's current job or developmental path will be reimbursed. Reimbursement of other professional memberships will be considered on an individual basis and must be determined to be of benefit to the Company.

18:04 It is recognized by the parties that there are occasions when it is beneficial to an employee and to the Company for an employee to request an educational leave of absence. Should such special leave be granted, the Company will set forth special terms and conditions for the employee's consideration. A copy of such terms and conditions shall be sent to SEAC for information purposes, unless the employee requests otherwise.

18:05 The Company, upon request, shall be responsible for providing internal career counselling.

ARTICLE 19 - PROFESSIONAL RIGHTS AND RESPONSIBILITIES

19:01 The Company shall endeavour to acknowledge the technical contribution of its employees in the preparation of technical documentation. Where practical, technical documents will bear the name of the principal author(s) and acknowledgment will be made to the major technical contributors. However, Management reserves the right to use and distribute, at its discretion, such documents with or without acknowledgment of the authors.

19:02 For reasons of professional ethics, employees shall be required to sign only those technical documents produced under their direction or created with their participation, and of which they approve.

ARTICLE 20 - FLEXIBLE HOURS OF WORK

20:01 The Company recognizes the professional nature of the work performed by the employees and as such accepts a reasonable degree of flexibility. This may include on occasion working from home. The above stated flexibility must not interfere with the coordinated work effort in which the employee is engaged. Any flexible work arrangement must have the sole approval of the manager. It is understood that there will be circumstances where flexible work arrangements will not be practicable.

20:02 The normal work day shall be defined as seven and one-half consecutive hours of work, exclusive of an unpaid lunch period. It is understood that employees will establish with their managers the length of the lunch period within the intent of Article 20:01.

20:03 The normal work week shall be defined as thirty-seven and one-half hours, consisting of five consecutive work days.

20:04 Employees will have the option of working a compressed schedule. The compressed schedule will span a normal two-week pay period and be defined as forty-one and one-half hours during week one and thirty-three and one-half hours during week two. Week one will consist of five (5) consecutive workdays, while week two will consist of four (4) consecutive workdays (Monday to Thursday).

Employees may be required to accept an alternative two-week schedule if they are deemed an essential service. Based on demands of the business, employees may be required to forgo working a compressed schedule for a period of time.

The company reserves the right to modify the compressed schedule design based on general employee interest and the needs of the business.

ARTICLE 21 - OVERTIME AND SHIFT PREMIUM

- 21:01 Overtime worked from 37-1/2 hours to 40 hours in any one week will be paid on the basis of straight time, and overtime hours beyond 40 hours will be paid at time and one-half. It is understood that any compensated overtime must be approved in advance by the employee's manager. All work performed on recognized holidays (under Article 22:06) will be paid at time and one-half, in addition to holiday pay as provided in 22:09.
- 21:02 A premium of 10% shall be paid for any shift of at least one week's duration if the majority of the hours fall outside the period from 0800 hours to 1700 hours inclusive. This shift premium shall not be paid if the hours of work are varied to suit the convenience of the employee. It is understood that for payment of shift premium, the variation in hours must be duly authorized in the manner prescribed by the Company.
- 21:03 The Company recognizes that there will be situations where an employee is asked to be on stand-by for consultation or return to work outside of normal working hours. Stand-by shall be defined as a requirement that employees are readily available for telephone or radio consultation for a definite period of time outside of their normal working hours. This will include organizing others to correct abnormal situations. Persons scheduled for stand-by duty, whether or not they carry portable radios or pagers, will receive two hours pay at straight time for any 24 hour period. Four hours at straight time will be paid when the stand-by occurs on a statutory holiday, Saturday or Sunday. It is understood that any compensated stand-by must be approved in advance by the employee's manager.
- 21:04 Employees who are called to return to work outside of the normal workday for an unplanned work assignment, shall be able to claim a minimum of four (4) hours of work. An employee receiving compensation under this Article shall have the manager's prior approval to work in such a manner.
- 21:05 The Company and SEAC recognize the need for some overtime. An employee shall have the right to refuse requests for unreasonable overtime.

ARTICLE 22 - ANNUAL VACATION AND HOLIDAYS

- 22:01 Employees with less than six months on the active payroll shall, with supervisory authorization, be entitled to take their accrued vacation with pay.
- 22:02 Employees on the active payroll will accrue vacation on a monthly basis at rates proportional to their years of continuous service as follows:
- Completed:
- | | |
|------------------------------|----------------------|
| Less than 5 years of service | 9.375 hours monthly |
| 5 years but less than 6 | 10.00 hours monthly |
| 6 years but less than 7 | 10.625 hours monthly |
| 7 years but less than 8 | 11.25 hours monthly |
| 8 years but less than 9 | 11.875 hours monthly |
| 9 years but less than 19 | 12.500 hours monthly |
| 19 years or more | 15.625 hours monthly |
- 22:03 Vacation pay will be calculated on the employee's regular basic rate in effect at the time vacation is used.
- 22:04 The manufacturing plant may shut down for vacation for a two week period during the months of July and/or August. Employees supporting the manufacturing process and operation may be required to take their vacation entitlement at that time.
- 22:05 The parties recognize the desirability of employees taking vacation each year. Employees must take a minimum of two weeks each year.
- 22:06
- (a) The following statutory holidays shall be observed:
- | | |
|---------------|-------------------------|
| New Years Day | Labour Day |
| Good Friday | Thanksgiving Day |
| Victoria Day | Christmas Day |
| Canada Day | Boxing Day |
| Civic Holiday | Three Floating Holidays |
- (b) An additional holiday will be fixed at the Christmas period when it is required to accommodate the Company's Christmas shutdown.

- (c) Floating holidays, except paragraph 22:06 (b), are to be used as personal choice holidays. The Personal Choice holidays are to be scheduled 30 days prior to the intended date and are to be taken within each calendar year.

- 22:07 In the event that any of the said holidays fall on a Saturday or Sunday, the holidays shall be on the Friday before or Monday succeeding the holiday In question.
- 22:08 To be eligible for statutory holiday pay, employees must have worked their regular shift before and after each such holiday. Exceptions to this include an absence due to death in the immediate family, illness, jury duty, vacation with pay, or vacation without pay approved in connection with the statutory holiday.
- 22:09 All employees eligible for statutory holiday pay will be paid at their basic rates plus shift premium where applicable.
- 22:10 Employees will be entitled with reasonable notice to take unpaid vacation up to a maximum of three (3) weeks per annum.

ARTICLE 23 - NATIONAL SECURITY

- 23:01 SEAC recognizes that the Company may now have, or may incur in the future, obligations with respect to security of information and materials under contract with the Government of Canada and its allies. SEAC agrees that nothing contained in this Agreement shall place the Company in violation of security agreements between the Company and the Government of Canada or its allies.
- 23:02 For the purpose of Implementing such measures and in order to abide by any such directives in the course of its business activities, the Company may transfer certain employees from such work, or refuse access to such work by employees.
- 23:03 When any such employee is transferred out of such work or denied access to it arising out of such security measures, the employee will retain all rights accruing within this Agreement, except that of use of the Grievance Procedure to nullify compliance with security measures or instructions.
- 23:04 An employee who is denied access to such work shall be placed under the provision of Article 16.

ARTICLE 24 - LEGISLATION

- 24:01 Should any provision of the Agreement be found to be in conflict with any applicable legislation, the parties shall meet and arrive at a satisfactory settlement of the provision in conformity with the legislation; the remaining provisions shall continue to be operative and binding on both parties. If the parties fail to reach a mutual agreement the matter shall be presented to a single arbitrator for a binding decision.

ARTICLE 25- BENEFIT PLANS AND SICK LEAVE (also see Human Resources Benefit Web Page for details)

- 25:01 The Company will continue to maintain its present practice with regards to health insurance, life insurance, sick leave, long term disability, and pension plan with the exception of the following;
Effective 1 April 1996.
- 25:02 The dental plan fee coverage will be at the current applicable Dental Association Schedule of Fees of the Province or Territory In which the services were rendered. Dental check ups are covered every 9 months for adults and every 6 months for children (under 18). Full head X-rays are covered every 5 years for adults and every 2 years for children. Fluoride treatments are covered for children only. Oral hygiene instruction is eliminated for adults and children.
- 25:03 The Company will cover 100% of the dental premium, as outlined in the "standard" coverage in the flexible benefits plan.
- 25:04 The Company shall provide Restorative and Orthodontic dental insurance. This insurance will cover for each insured patient, 50% of all eligible expenses, up to a maximum of \$2,000 annually for Restorative treatment and \$2,000 per lifetime for Orthodontic treatment.
- 25:05 Employees will receive a Drug Card and the annual deductible on drugs has been eliminated. Eligible prescription drugs are reimbursed 80% by insurance, the employee pays 20%.
- 25:06 The Company shall provide basic employee life insurance equal to 1 times salary. Employees may purchase additional life insurance to a maximum of 4 times salary, with the premiums paid by the employee.
- 25:07 The Company will maintain the dependent life insurance at \$10,000 for employee's spouse and \$5,000 for each dependent child.

- 25:08 The Company will make available optional spousal group life insurance to a limit of \$200,000 per employee, with premiums to be paid by the employee.
- 25:09 Effective March 1, 2006, employees through the Major Medical Plan, will be reimbursed 80% of the cost of eye examinations, eye glasses or contact lenses, to a maximum of \$250.00 every 24 months*. Glasses or contact lenses for dependent children up to the age of eighteen will be reimbursed at 80% of the cost to a maximum of \$125.00 every 12 months**.
- 25:10 Employees will be covered for 80% of the cost difference between a Semi-Private Hospital room and a standard ward to the first \$1,000/year. 100% will be paid after this amount.
- 25:11 Employees on Long Term Disability (LTD) will be paid 70% of their pre-disability salary (reduced by other disability income such as CPP). The insurance premium is paid by the Company. The disability benefit when paid out to the employee is taxable. Employees currently on LTD continue under the old system. Current employees may choose to stay on the old system.
- 25:12 EARLY RETIREMENT GROUP BENEFITS (also see Human Resources Benefit Web Page for details)
- An employee upon retirement who has reached the age of 55 and has at least ten years of service, will be eligible for continuing group benefits as follows:
- \$10,000 Basic Employee Life Insurance up to age 65 at no cost to the retired employee.
 - Continued Supplementary Health Care up to age 65 based on single/family coverage in effect at the date of early retirement, at no cost to the retired employee.
 - Choice of continued Dental Care to age 65, based on single/family coverage in effect at the date of early retirement, premium paid by the retired employee.
 - The above benefits will cease if the retired employee is hired into a new position with benefits, at any employer.
- The insurer currently interprets this as every other calendar year.
 - ** The insurer currently interprets this as every calendar year.

- 25:13 Flexible Benefits
- Effective March 1, 2002, the Company will introduce a "flexible benefits" program which is designed to provide some choice for employees in terms of their benefit coverage. However, it is clearly understood that a "standard" level of benefit coverage is guaranteed to all employees at no cost to the employee.
 - "Standard" coverage is defined as the level of coverage provided under the collective agreement on February 28, 2002, immediately prior to the introduction of flexible benefits,
 - Under the flexible benefits program, employees will have the option of choosing benefit coverage as outlined in the flexible benefits plan.
 - Any full time active employee who chooses coverage other than the standard coverage will have the option at least biannually on a prescribed date of re-electing back to standard coverage at no cost.

ARTICLE 26 - TRAVEL TIME

- 26:01 When the Company requires a SEAC member to travel, the SEAC member will be compensated as follows:
- On a normal workday on which he/she is scheduled to work, but travels instead, regular pay for the day.
 - On a normal workday, on which he/she works some portion of his/her regular shift and then travels where the work/travel time totals less than 10 hours, regular pay for the day.
 - On a normal workday, on which he/she works some portion of his/her regular shift and travels where the work/travel time totals more than 10 hours, regular pay for the day, plus 3 additional chargeable hours.
 - On a day where the employee is not scheduled to work but travels, 5 chargeable hours.
 - If an employee chooses to travel on their own time when travel can be accommodated on company time, then point 4 does not apply.
- 26:02 Travel Time – for the purpose of clause 26:01 – is considered to encompass the time that the employee leaves his/her work/home, until he/she arrives at his/her final destination.

ARTICLE 27 - CAREER AND PERFORMANCE EVALUATION

- 27:01** The Company and SEAC agree that the purpose of conducting an annual evaluation of employees' career and performance is to assist the employees to develop their capabilities to the fullest. To facilitate this purpose, it is agreed that this evaluation process will be used in the determination of salaries.
- 27:02** To promote completeness and accuracy, two independent performance evaluations should normally be prepared. It is encouraged that one be prepared by the employee; the other shall be prepared by the employee's manager.
- 27:03** The Company practice is, and will continue to be, to remind managers when reviews are due and if and when they are late. The Company agrees to inform SEAC of any employee whose review is overdue.
- 27:04** Each employee shall be evaluated at least once each year on a date acceptable to both the employee and the employee's manager.
- 27:05** Performance evaluations will be prepared on forms supplied by the Company. When completed, evaluations will be exchanged. The manager will then arrange a time to discuss the evaluations with the employee after each has had adequate time to study the evaluations in private.
- 27:06** At the discussion, either report author may make additions to or deletions from the evaluation. After the discussion, the evaluations shall be sent to Human Resources Department and entered into the employee's personnel file. A copy of each completed evaluation form shall be provided to the employees upon request.

ARTICLE 28 - PERSONNEL FILES

- 28:01** Upon request, the personnel file of an employee shall be made available to that employee, in the presence of a representative of the Human Resources Department. It is understood that employees may not remove their files from the Human Resources Department.
- 28:02** The information in the employee file will be relevant to the employee's terms and conditions of employment and changes thereto, for example, salary, benefits, etc. Any other information, including performance related information, will not be placed on employees' files without their knowledge.
- 28:03** No information, other than that of a confirmatory nature, such as employment status, hire date, salary, will be released without the employee's consent.

ARTICLE 29 - EQUIVALENT YEAR OF GRADUATION

- 29:01** For all employees classified as Engineer, an Equivalent Year of Graduation (EYG) shall be established.
- 29:02** In the case of those who have graduated from a recognized (Canadian, U.S., U.K.) University in a discipline related to the performance of engineering tasks, the EYG shall be the date at which a Bachelor degree was granted unless modified in accordance with **29:03** below.
- 29:03** In instances where an employee has undergone significant work experience prior to obtaining a Bachelor degree or where the employee has been out of active engineering work for some significant period, the EYG will be appropriately advanced or regressed.
- 29:04** Employees who are not university graduates but are granted engineering standing with equivalent status, will have an EYG established using the best judgement of Company and Engineering management.
- 29:05** The final decision on the EYG shall rest with the Company and while this decision shall not be subject to grievance, the Company agrees to discuss its decision with the employee and/or SEAC.
- 29:06** Employees shall be informed of their EYG within one month of starting their employment or transfer into SEAC.
- 29:07** Employees classified as Professional Administrative in Article **2:01** will be informed of the mid point of the applicable rate range at the time of the employee's review.

ARTICLE 30 - EMPLOYEES CONTRACTED OUT ON ASSIGNMENT

- 30:01** Employees whose services are contracted out and/or who are required to work on premises other than the Company's, shall remain within the Bargaining Unit and as such shall be covered by this Agreement. Employees raising a grievance under this Article, who cannot comply with the time limits of the grievance procedure, will notify this Company that a grievance exists. Upon notification, the Company will suspend the time limits provided in the grievance procedure at which time the Company will notify SEAC of the pending grievance. Within ten (10) days of the notification from the employee, the Company and SEAC shall attempt to resolve the grievance or mutually agree to extend the time limits to accommodate the presence of the aggrieved employee.

30:02 Where, due to local practice, conditions are uncontrollable by the Company, they must be set forth in the employee's terms and conditions prior to leaving on assignment. The Company will inform SEAC in advance of any employees being sent out on assignment. A copy of the terms and conditions shall be sent to the SEAC Office by the Company, unless the employee requests otherwise. Any grievance arising from such conditions will not be considered a grievance under the terms of this Agreement.

ARTICLE 31 - FIELD ASSIGNMENTS AND ALLOWANCES

31:01 The Company and SEAC agree that employees may be requested to carry out field assignments where, owing to special conditions, compensatory allowances will be paid to the employee. These special conditions and allowances shall be as defined by Company policies. The Company shall inform the employee of the appropriate policy before the employee undertakes the field assignment. The Company shall provide the SEAC office with a copy of field assignment policies and changes to those policies as they occur.

ARTICLE 32 - PENSION PLAN

32:01 A joint Company/SEAC committee shall meet monthly or as mutually agreed to monitor changes in the Pension plan and to make recommendations for continuing improvements to the Pension plan.

The Company agrees to consult with SEAC at least 10 working days and preferably 30 days prior to making any pension plan design and/or pension plan benefit changes.

ARTICLE 33- SALARIES

33:01 Performance Adjustment Pool

(a) ENGINEERING GROUP

Each employee's salary shall be adjusted so that average salaries within SEAC are increased to reflect increased experience, market relativity and economic conditions while ensuring that an individual's final salary (and not the percentage actually received from the pool) reflects the performance and contribution of that individual employee, relative to his peers. The overall pool is:

Effective
1 March 2006
3.35%

(b) ADMINISTRATIVE GROUP

Each employee's salary shall be adjusted so that average salaries within SEAC are increased to reflect increased experience, market relativity and economic conditions while ensuring that an individual's final salary (and not the percentage actually received from the pool) reflects the performance and contribution of that individual employee, relative to his peers. The overall pool is:

Effective
1 March 2006
3.35 %

33:02 SALARY ADMINISTRATION

(a) The Manager shall advise the employee of salary reviews in writing. A copy of this memo shall be retained in the employees' personnel file.

(b) The salary increase shall be included in the 22 September 2006 paycheque.

33:03 SALARIES - - Second Year

The Company and SEAC shall meet 60 days prior to 1 March 2007, to negotiate salaries for the period 1 March 2007 to 29 February 2008. All other terms and conditions will remain effective for the duration of the contract.

The parties agree to reopen the Collective Agreement for the sole purpose of negotiating an appropriate increase amount for the period covering 1 March 2007 to 28 February 2008. The rights of strike and lockout will be available to the parties subject to the provisions and the procedures prescribed by the Ontario Labour Relations Act.

ARTICLE 34 - DURATION

34:01 This Agreement will begin from 1 March 2006 and will terminate on 29 February 2008.

Appendix “A”

Performance Appraisal Process

The performance appraisal process provides an opportunity for managers to evaluate key results achieved during the year and observable behaviors. The performance appraisal process has two purposes:

- To provide feedback to employees on their performance and areas for development
- To provide employees an Overall performance Assessment (OPA) score, which is a reflection of performance against Company Core Competencies and individual objectives.

Following is a summary of the Company Core Competencies, against which employees are assessed and developed:

- **Supports Company Valuer & Business Objectives**
- **Expertise**
- **Initiative**
- **Innovation**
- **Meets Commitments**
- **Decision Making**
- **Problem Solving**
- **Quality**
- **Service Orientation - Internal and (if relevant) External**
- **Self Development**
- **Communication**
- **Teamwork**

Additionally, senior level employees with leadership positions or aspirations may be assessed and developed against the following set of Core Leadership Competencies, to assist in development for future leadership roles:

- **Personal Effectiveness**
- **Diplomacy**
- **Managing Performance**
- **Empowering Others**
- **Developing Others**
- **Building Teamwork**
- **Influence**
- **Visionary Leadership**
- **Change Management**

GD Canada Compensation Philosophy

- Individual performance
- External competitiveness (Market Based Pay)
- Internal equity
- Consider unique skill sets

Salary Distribution Process

1. Managers provide employees with an Overall Performance Assessment (OPA) as part of the Year End Review in Exceed.
2. Business areas are assigned the percent of payroll budget.
3. Human Resources provides salary spreadsheets to the business areas outlining current salary, performance assessment, salary range for job and level, and a recommended range % increase. The recommended range % increase considers performance and current salary relative to salary range. It is only a guide. Managers must also consider other factors such as unique skill sets.
4. Business area managers recommend individual salary adjustments based on information provided by Human Resources.
5. Salary adjustment recommendations are reviewed and approved by Senior mgt within the business area.
6. These recommendations are reviewed and approved by HR and Executives.
7. Managers communicate individual salary adjustment.

APPENDIX "B"

Upon the effective date approved by E.I., an employee will be eligible for Supplemental Employment Benefits (SEBs).

1. Maternity Leave SEB

- (a) For **qualified** and approved Maternity (Article 14:03) and Adoption Leave (Article 14:04), the SEB payments shall be as follows:
 - (i) Upon proof of qualification for Employment Insurance Benefits, the employee will be entitled to a SEB payment for the two (2) week waiting period equal to no more than 95% of the employee's total regular weekly earnings for a period of two (2) weeks.
 - (ii) Each subsequent week's SEB payment will "top up" the Employment Insurance benefit entitlement to equal 70% of the employee's regular weekly earnings for a period of fifteen (15) weeks (15 weeks maternity leave).

2. Parental Leave SEB

- (a) For qualified and approved Parental Leave for mothers (Article 14:03) who begin Parental Leave immediately following the Maternity leave, the SEB payment will **be** as follows:
 - (i) Upon proof of qualification for Employment Insurance benefits, the employee will be entitled to a SEB "top up" payment equal to 70% of the employee's regular weekly earnings for a period of ten (10) weeks, with the **condition** that the SEB top up payment does not exceed 20% of the employee's regular weekly base wages.
- (b) For qualified and approved Parental Leave for fathers (Article 14:03), the SEB payments will be as follows:
 - (i) Upon proof of **qualification** for Employment Insurance Benefits, the employee will **be** entitled to a SEB payment for the two (2) week waiting period equal to no more than 95% of the employee's total regular weekly earnings for a period of two (2) weeks.
 - (ii) Upon proof of qualification (copy of the stub from the first Employment Insurance payment), the subsequent week's SEB payment will "top up" the Employment Insurance benefit entitlement to equal 95% of the employee's regular weekly earnings for a period of two (2) weeks.
 - (iii) Each subsequent week's SEB payment will "top up" the Employment Insurance benefit entitlement to equal 70% of the employee's regular weekly earnings for a period of six (6) weeks, with the **condition** that the SEB top up payment does not exceed 20% of the employee's regular weekly earnings.

1) Family Medical Leave

- (a) For qualified and approved Family Medical Leave (Compassionate Care Leave) employees, the SEB payments shall be as follows:
 - (i) Upon proof of **qualification** for Employment Insurance Benefits, the employee will be entitled to a SEB payment for the **two** (2) week waiting period equal to no more than 95% of the employees total regular weekly earning for a period of two (2) weeks.
 - (ii) Each subsequent week's SEB payment will "top up" the Employment Insurance **Benefit** entitlement to equal 70% of the employees regular weekly earning for a period of six (6) weeks.

SEE payments shall be based on the employee's established weekly schedule of work hours (excluding overtime), in effect as at the date of leave.

The rate of pay used in such computations shall be the employee's hourly rate in effect at the date of leave.

All payments are subject to the terms and conditions of the approved Supplemental Employment Benefit Plan document, and at no time will the combined weekly level of E.I. benefits, SEB payments and other earnings exceed 95% of the employee's normal weekly earnings.

APPENDIX "C"

1. When a full-time employee within the bargaining unit transfers to part-time, such employee shall have no change to their hire date. Service will then continue to accrue based on hours worked.

When a part-time employee within the bargaining unit transfers to full-time, such employee shall have their part time service converted to equivalent full-time service.

2. All provisions of the Collective Agreement shall apply to part-time employees except as follows:

- a) Part-time employees shall be eligible for benefits after three months of employment.

- b) ARTICLE 16

Weeks of pay will be based on calendar years of employment and earnings will be based on the last thirteen weeks of employment prior to termination.

- c) ARTICLE 20

Flexible hours of work will be as defined by the Supervisor.

- d) ARTICLE 22

- i) Vacation pay of six (6) percent of earnings, calculated on a bi-weekly basis will be added to the employee's pay in lieu of hourly accruals.

- ii) Pay for Statutory Holidays and Floating Holidays will be pro-rated based on normal hours worked.

- e) ARTICLE 25

Basic company paid life insurance coverage is \$20,000. The limit for optional employee paid life insurance is one (1) or two (2) units of \$10,000 each.

Sick Leave is accrued weekly and paid based on equivalent hours normally worked to a maximum of two weeks per year. Sick Leave may be accumulated and carried over in case of extended illness up to two consecutive weeks.

The premium for Supplementary Health Care including vision care coverage is 50% employer paid.

Basic Dental coverage is 50% employer paid for less than ten (10) years of employment and 100% employer paid for more than ten (10) years of employment. Major Restorative and Orthodontic dental insurance is not provided.

Optional Spousal Group Life Insurance coverage is not provided.

Part-Time employees are not eligible for company provided Income Protection plans.


IN WITNESS THEREOF the parties hereto have caused this Agreement to be executed by their proper officers duly authorized in that behalf on this 18 August 2006 (DATE) at Bells Corners, Ontario.

General Dynamics Canada

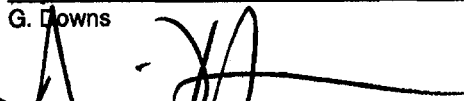
Salaried Employees' Alliance Canada
General Dynamics Canada



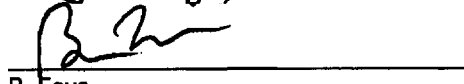
J. DeForest



G. Downs




D. Harris



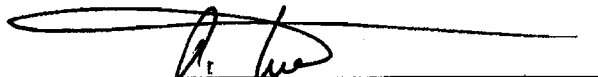
B. Fava



J. Cyr




S. Miglia



P. Cusano




G. Ruscito




H. Jasey



S. Thompson



C. Melowsky



N. Moodie