



Collective Agreement

between

Candu Energy Inc.

and

**The Society of Professional Engineers and
Associates
Scientists & Engineers**

for the period

2011 January 01 to 2016 December 31

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COLLECTIVE AGREEMENT

between

CANDU ENERGY INC. a company incorporated pursuant to the
laws of Canada, hereinafter
called "the Company"

and

**THE SOCIETY OF PROFESSIONAL ENGINEERS
AND ASSOCIATES**

hereinafter called "SPEA"

Both of Whom are Collectively "the Parties"

GENERAL PURPOSE

This Agreement sets forth the terms and conditions of employment and related matters, agreed by the Company and SPEA through collective bargaining, which must be observed by the Company, SPEA and members of the Bargaining Unit.

The Company and SPEA will endeavour:

- To promote a harmonious and mutually beneficial relationship;
- To enhance the morale, productivity and effectiveness of professional employees in the performance of their duties to the end that the clients and other stakeholders of the Company shall be well and effectively served by an efficient and successful enterprise in the global, commercial nuclear reactor market;
- To maintain professional standards; and
- To settle all differences in an amicable, equitable and expeditious manner as herein provided.

ARTICLE 1 – RECOGNITION

1.01 General

The Company recognizes SPEA as the exclusive bargaining agent for a unit comprising all persons employed as professional employees by the Company located or working in Canada who report to or are under the supervision, direction and administration of the Company including professional engineers, scientists, librarians, and public affairs personnel, and excluding: all persons at or above the rank of Branch Manager; Assistants to Vice-Presidents; Project Directors; persons employed as professional employees in: Business Planning; Finance; and Human Resources.

1.02 Computer Services Employees

Professional employees in the Computer Services Department will be included within the Bargaining Unit provided their work is non-confidential in nature.

1.03 Jurisdictional Disputes

- (a) Where the Company has excluded a position from the Bargaining Unit because it considers the position to be at or above the Branch Manager level or confidential in a labour relations sense, and SPEA considers that the position is not confidential or is not at the Branch Manager or above level or should properly be included in the Bargaining Unit, SPEA may challenge the exclusion by filing a grievance in accordance with Article 9.06. Should this not resolve the dispute, SPEA may submit the matter to arbitration before a single arbitrator in accordance with Article 10.
- (b) Should compelling circumstances arise where the Company identifies a need for exclusion of individuals in positions where exclusions were previously limited (e.g. one (1) Engineering Manager per project), the Company will discuss such circumstances with SPEA. This will not preclude SPEA from challenging such additional exclusions under this procedure.

- (c) In the event such a dispute proceeds to arbitration, the arbitrator may have reference to some or all of the following criteria in reaching a decision. It is recognized by the Parties that though such criteria may be helpful to the arbitrator, such criteria are intended as guidelines only, and each situation will depend upon its own facts. Thus the arbitrator is empowered to consider all evidence and law the arbitrator considers relevant to the issue, and is not bound to consider only the following criteria, and the arbitrator may consider such other criteria that the arbitrator feels relevant, or the Parties may submit. The arbitrator shall have all the power of an arbitrator pursuant to the provisions of the Canada Labour Code, Section 60.

In making a determination the arbitrator may consider the following:

- (i) Decisions of Canada Industrial Relations Board in relation to confidential and managerial exclusions:
 - (ii) The authority of the employee in relation to:
 - * Dismissal, promotion, demotion or transfer;
 - * Disciplining, hiring and evaluating employees;
 - * The planning and decision-making of the Company in terms of job priorities and assignment of work;
 - * Committing the Company to expenditure on equipment, person-hours, expense accounts, etc.;
 - * Establishing and administering budgets;
 - (iii) The involvement of the employee in the policy-making process of the Company;
 - (iv) The amount of time, as well as the intensity, in which the employee is alleged to perform managerial functions;
 - (v) The extent to which the employee uses confidential information relating to industrial relations in the performance of the employee's work.
- (d) The following principles are agreed:
- (i) Positions to which agreed exclusions report shall not be subject to jurisdictional dispute;

- (ii) In jurisdictional disputes resolved in SPEA's favour, the Company will be subject to the payment of dues on the employee's behalf from the first full calendar month following SPEA's recorded challenge against the exclusion to the point when the employee becomes liable for dues payment as a result of transfer into the Bargaining Unit.
- (e) Any person included in the Bargaining Unit as the result of a jurisdictional dispute will continue to receive the same salary, taking into account the relative timing of salary adjustments in the respective pay plans, and will be eligible for future salary increases on the same basis as other members of the Bargaining Unit.

Dues deduction will commence in the calendar month after inclusion in the Unit.

1.04 Employees on Attachment Within Canada

- (a) Bargaining Unit members seconded or attached on a temporary basis to other organizations within Canada will be included in the Bargaining Unit so long as they remain employees of the Company.
- (b) Eligible professional employees hired into, and Bargaining Unit members transferred to, another Company business unit, subsidiary, partnership, joint undertaking, or other related organization(s), where such business unit, subsidiary, partnership, undertaking or organizations(s) is involved in the provision of engineering services, or the design, analysis, marketing, licensing, construction, commissioning, decommissioning or operation of nuclear power reactors, or technical support thereto, will be included in the Bargaining Unit so long as they remain employees (under the supervision, direction or administration) of the Company or a subsidiary.

1.05 Temporary Exclusion

Employees temporarily excluded from the Bargaining Unit on managerial or confidential grounds will have their salary reviewed upon leaving from and returning to the Bargaining Unit with a view to ensuring no loss of income, for reasons other than performance, due to the temporary exclusion.

1.06 Definition

For the purpose of this Agreement a professional employee is defined as a person who is, in the course of employment, engaged in the application of specialized knowledge ordinarily acquired by a course of instruction and study resulting in honours graduation from a university of recognized standing, and:

- (a) Is eligible to be a member of a professional organization authorized by statute to establish qualifications for membership in that organization;
- or
- (b) Is an honours (or better) graduate from a university of recognized standing.

The Parties are agreed that this definition will not operate to exclude any existing Bargaining Unit member, other than cases of reduced capacity.

ARTICLE 2 – LEGISLATION

2.01 General

Should any provision of this Agreement be alleged by either Party to be in conflict with any governing legislation, then the Parties shall meet to attempt to arrive at a satisfactory settlement of the provision in conformity with the legislation. Should a satisfactory settlement not be reached, and the Company acts on its interpretation, the dispute may be resolved through the grievance and arbitration procedures of this Agreement. The remaining provisions of the Collective Agreement shall continue to be operative and binding on both Parties.

2.02 No Discrimination

There shall be no discrimination against any employee on the grounds of race, national or ethnic origin, colour, religion, age, sex, marital status, family status, sexual orientation, disability or conviction for which a pardon has been granted.

ARTICLE 3 – MANAGEMENT RIGHTS

3.01 General

SPEA acknowledges that it is the exclusive responsibility of the Company, subject to the provisions of this Agreement, to:

- (a) Administer an effective and efficient organization, and to this end to make and alter from time to time reasonable rules and regulations to be observed by the employees;
- (b) Hire, discharge, transfer, promote, demote, suspend, lay-off or discipline employees provided that a claim of discriminatory promotion, transfer or lay-off, or claim that an employee has been discharged, demoted, suspended or disciplined without just cause, may (subject to 9.01 (c)) be the subject of a grievance and dealt with as hereinafter provided;
- (c) Manage the enterprise in which the Company is engaged, and without restricting the generality of the foregoing, to program and schedule the work to be done, to determine staffing and facilities, and the methods, systems and processes to be used.

3.02 Policies & Procedures

Changes to existing Policies and Procedures which are not referenced in this Agreement but which may affect working conditions, or the introduction of new Policies and Procedures which may affect working conditions, will not be made without prior discussion with SPEA.

ARTICLE 4 - NO STRIKE OR LOCKOUT

4.01 General

During the period of this Agreement there shall be no strikes, walk-outs, lockouts, slow-downs, work stoppages or similar work interruptions.

4.02 Crossing a Picket Line

In the circumstances of a strike by another union the Company shall not expect an employee to cross a picket line if to do so would place the employee's life, limb or personal property in jeopardy.

ARTICLE 5 – EMPLOYMENT EQUITY

5.01 General

The Company shall take positive measures to promote equal opportunity objectives and implement programs to correct any existing inequalities for designated groups within the Company. The designated groups are those defined in the Federal Employment Equity Act.

This shall not, however, act to bar any positive measures intended to achieve equal opportunity or to address existing inequalities.

5.02 Employment Equity Committee

- (a) The Company shall establish an Employment Equity Committee with representation from SPEA and other employee groups, with employee members of the Committee having the following rights:
 - (i) To request, receive, and publish data aggregated on a non-individual basis;
 - (ii) To initiate committee inquiries and investigations into specific issues, subject, where appropriate, to the agreement of the individual concerned;
 - (iii) To propose changes in Company policies and procedures to remedy potential barriers and improve equal employment opportunities.
- (b) The Committee will attempt to facilitate but may not act to limit the exercise of the above rights by representatives of individual employee groups on the Committee.
- (c) A copy of the yearly Federal report shall be made available to SPEA by the Company.

ARTICLE 6 – SPEA ACTIVITY

6.01 General

- (a) The Company acknowledges that from time to time it will be necessary for employees serving on the SPEA Executive or as Area Representatives to leave their work in order to perform functions provided for in this Agreement on behalf of SPEA. Such employees will not leave their duties without the concurrence of their supervisor.
- (b) The Parties recognize and appreciate the dual responsibilities that the SPEA Executive and Area Representatives have to their jobs and to SPEA members. SPEA's Executive members and Area Representatives, and their Managers, should engage in a cooperative approach to managing SPEA-related absences.
- (c) In accordance with the above understanding, the Company will compensate the SPEA Executive and Area Representatives for such time spent to a reasonable amount of time in any week at the regular rate of pay, but this will not apply to time spent on such matters outside of their regular work hours nor to time spent in connection with arbitration, (except as provided in (d) below) or conciliation proceedings.
- (d) The Company will similarly compensate a maximum of two (2) employees per day who attend arbitration as SPEA witnesses.
- (e) Occasional small meetings of SPEA representatives will be permitted on Company premises provided that authorization is obtained in advance from Human Resources and the meetings are so arranged and conducted as to not interfere with the work of the Company.

6.02 Leave for Attending SPEA-Related Conferences and Conventions and Training

The Company will provide SPEA with up to twenty (20) paid working days leave for the purpose of attending related conferences and conventions and training of Executives and/or Area Representatives, subject to operational requirements, per Agreement year. SPEA may allocate the twenty (20) paid days time between its Executive and/or Area Representatives. All requests for such leave must be made by an Executive of SPEA to the employee's Manager; and Human Resources at least two (2) weeks in advance.

6.03 Leave Without Pay for SPEA-Related Business

Leave of absence without pay, to a reasonable extent each year (exclusive of conciliation and arbitration proceedings) and work conditions permitting, shall be

made available to SPEA for the purpose of permitting its representatives to attend to SPEA-related business, other than as provided for herein. Requests for such leave must be made through an Executive of SPEA (normally the Secretary) to the employee's Manager and Human Resources.

6.04 Negotiations and Negotiation Preparations

Leave of absence without pay, to a reasonable extent and work conditions permitting, will be made available to SPEA representatives in advance of negotiations and during negotiations to permit preparations for that purpose.

The Company will pay for time spent in negotiations for each regular workday to a maximum of seven and one-half (7.5) hours per person per day for up to seven (7) SPEA representatives. The maximum number of representatives at the table for the Company and SPEA (per side) shall be eight (8) at any one (1) time. It is understood that the Company will not pay for time spent in negotiations once conciliation has commenced.

6.05 Work-Related Conflicts

The Parties recognize that attending to SPEA activity can result in significant time away from the job for some individuals serving on the SPEA Executive. The employees and their Manager should discuss this in relation to ongoing work requirements. Where either Party perceives a problem the Company and SPEA will meet to resolve it in accordance with the requirements of the workplace and of the Canada Labour Code.

ARTICLE 7 – NOTIFICATIONS

All official notifications to SPEA for any of the following will be an electronic version in appropriate format.

7.01 Additions/Deletions, Organization Charts, Seniority

- (a) Each month, the Company will provide to SPEA's Secretary and designate as specified by SPEA a list of 'All Movements' within the Bargaining Unit normally by the tenth (10th) of the month following. This list will include employees on leave and on acting management assignments.
- (b) The Company shall make available to SPEA members the Company's Organization Charts. In the event that the Organization Charts are not available to SPEA members, the Company will provide the Organization Charts to SPEA twice per year, in the first week of June and the first week of December.
- (c) The Company shall provide SPEA with the current Bargaining Unit seniority list upon request and up to four (4) times a year on a quarterly basis. The seniority list shall include the name, employee number, skill category(ies) and seniority in the Bargaining Unit.
- (d) The Company shall provide an electronic copy of the new Collective Agreement to SPEA.
- (e) The Company shall provide SPEA with the current list of Bargaining Unit Member Information upon request and at least twice yearly in the month of June and in the month of December. This Bargaining Unit Member Information list shall include the name, employee number, current PG Grade, current salary, date of last promotion, current Skill category(ies), current job title, current organizational unit, employee class, current address and telephone number.
- (f) It shall be the responsibility of each employee to provide written notification to the Company of any changes in name, address and telephone number.

7.02 General Notices and Competitions

The Company will make available to SPEA's designate(s) an electronic copy of all competition postings, and Policies, Procedures and Operating Instructions and amendments thereto, at the time they are issued. This will include a copy of all Company notices and Company wide correspondence to employees unless distribution is limited to Managers. In the event that these items are not available

to SPEA members, the Company will provide them to SPEA's Secretary and designate(s) as specified by SPEA.

7.03 Layoff, Demotion, Discipline or Discharge

Where the Company decides to hold a meeting with an employee, to investigate a matter that may result in discipline/discharge or demotion, the Company shall advise the employee in writing (email is sufficient) indicating the nature of the meeting (including the fact that it is an investigatory meeting). This will include notice of the employee's right to request the presence of a SPEA representative at the meeting. SPEA will endeavour to make available a representative within twenty-four (24) hours notice. In all cases the representative will be assigned within forty-eight (48) hours. In serious and urgent circumstances, SPEA will make available a representative on shorter notice than provided for above.

In cases of discipline/discharge, the Company shall notify in writing (email is sufficient) the employee affected, as well as the SPEA President or designate and if unavailable, any Member at Large in that order, and the reason for such action. Such notification shall normally take place within one (1) day of notification to the employee. SPEA representatives will be present at discipline/discharge meetings, unless the employee, having been advised of their right to SPEA representation, specifically declines.

In cases of lay off or demotion, the Company shall notify in writing (email is sufficient) the SPEA President or designate, as well as the employee affected, of the action taken and the reason for such action. Such notification shall take place in advance of the notification to the employee.

7.04 Information to New Employees

The Company will give each new employee (including term employees) a copy of the Collective Agreement and an information package provided by SPEA. The Company reserves the right to approve the contents of the information package, such approval will not be unreasonably withheld.

7.05 Notice Boards

The Company will provide space on its notice boards for the use of SPEA.

7.06 List of SPEA Executive & Area Representatives

SPEA will provide to the Company an up-to-date list of the SPEA Executive and Area Representatives, including designates.

ARTICLE 8 – COMPANY-SPEA COOPERATIVE COMMITTEE

8.01 Particulars

- (a) The Company and SPEA will participate in a Joint Cooperative Committee. SPEA representation shall consist of a maximum of five (5) participants. A Vice-President and the Director, Human Resources will be members of the Committee and will normally attend the meetings.
- (b) The first Monday in the months of February, April, June, August, October, and December are generally to be set aside as preferred dates for such meetings.
- (c) SPEA and the Company will provide agenda items at least one (1) week in advance of each meeting.
- (d) The Company will provide draft minutes of the Joint Cooperative Committee Meeting within two (2) weeks of the meeting. Draft minutes will be issued to the SPEA Secretary and designate. The Company will be responsible for the preparation of minutes, which must be agreed to by both Parties. If comments are not forwarded to the Company by SPEA within two (2) weeks of the draft being provided, the minutes will be deemed to have been accepted. Final minutes will be issued one (1) week after having been accepted.

8.02 Subject Matter

The Committee shall give consideration to matters of mutual interest including, but not limited to:

- New and revised rules, regulations, policies and procedures which affect members of the Bargaining Unit.
- Items affecting working conditions, facilities, and equipment.
- General communications regarding events, and Company and SPEA objectives.
- The implications and effects of any proposed work methods and techniques on Bargaining Unit members.
- General discussion on the workload situation of the Company, which includes reports on various projects.

8.03 Office Space

The Company shall convene a Facility Review Committee on a quarterly basis or as required, which will include a SPEA representative and representatives from other employee groups, with the intention of working together to ensure a comfortable and ergonomically appropriate standard for employee offices and associated equipment/furniture, within the context of operational requirements, industry standards, cost, ergonomics, and efficiency.

ARTICLE 9 – GRIEVANCES

The purpose of this Article is to provide prompt and equitable resolution of disputes that may arise between an employee(s) and the Company, or between SPEA and the Company.

The intent of the Grievance Procedure is to resolve problems, not to attribute blame or fault, either to the employee or the manager concerned.

9.01 Definition of Employee Grievance

An employee grievance is defined as a dispute or controversy between the Company and one (1) or more employees which arises from:

- (a) The interpretation, application, administration or alleged violation of the provisions of this Agreement; or
- (b) Alleged abuse of discretion by management in its treatment of employees with respect to matters provided in this Agreement; or
- (c) Discharge or disciplinary action without just cause excepting:
 - (i) Discharge for reasons of national security;
 - (ii) Discharge of an employee whose performance is not up to expectations and who has not completed one-hundred and twenty (120) working days of service;
 - (iii) Discharge of term employees in accordance with the terms of their contract and the provisions of the Collective Agreement as limited by Article 24.

9.02 General Grievance Regulations

- (a) All Grievance and Arbitration time limits are expressed in "working days".
- (b) Either party may request a more specific statement of a Grievance or of a reply if the statement or reply does not clearly and sufficiently state the problem or the reasons.
- (c) If a Grievance is not resolved at the Complaint or Fact-Finding stage, a written statement of the Grievance will be submitted.

- (d) Notice of a Grievance is provided either by submission of a written request for Fact-Finding (per 9.03 (b)), or the filing of a written statement of Grievance (whichever occurs first).
- (e) A complaint should be discussed or notice of a Grievance submitted as soon as possible. Any Grievance for which notice is not provided within fifteen (15) days after the Grievor knew or ought to have known of the occurrence which is the basis of the grievance, shall be deemed to have been waived and shall not be considered.
- (f) Further to (e), failure by either Party to comply with any time limit shall advance the Grievance to the next stage. Failure to meet the time limit at the final stage or in electing for Arbitration shall result in the Grievance succeeding where the onus is on the Company, or the Grievance being deemed as settled where onus is on SPEA.
- (g) Any time limit applicable to the Grievance Procedure may be extended by mutual written agreement of SPEA and the Company. Such requests shall not be unreasonably denied. This will also apply to Article 10 Arbitration.
- (h) The Company agrees that parties to or witnesses to a Grievance will be granted a reasonable amount of time off with pay to prepare for and attend the Grievance proceedings provided for herein. Requests for time off will be made, in advance, to management and requests will not be unreasonably denied.
- (i) At any stage of the Grievance proceedings, either Party on request shall provide copies of documents or data relevant to both the Grievance and the Grievor specifically requested by the other. Where the document or data is held in an employee's file, the consent of the employee is required before the document or data is made available to SPEA.
- (j) Complaints Potentially Outside the Agreement

A dispute or controversy between the Company and one or more employees or SPEA, which is considered by one Party not to be a valid Grievance as defined in Article 9.01, will be discussed and handled using the procedures prescribed below, leaving the issue of validity to be decided, if necessary, by the Arbitrator.

9.03 Normal Employee Grievance Procedure

Except in cases of claimed wrongful discharge, the Grievance Procedure shall be as follows:

(a) Discussion of Complaint

Every effort should be made to resolve a dispute or controversy without having to proceed on to the more formal steps described below. To this end, employees, with or without the presence of a SPEA representative should attempt to resolve their complaint with their Manager. If the employee does not request the presence of a SPEA representative at the time, and subsequently wishes to proceed with the Grievance, a SPEA representative may discuss the matter with the employee's Manager before proceeding to the next step.

(b) Fact-Finding

- (i) Fact-Finding is initiated by a written notice to the employee's Manager by a SPEA representative specifying the existence of a potential grievance, and requesting a meeting. A brief outline of the problem or dispute will also be provided on the notice.

Alternatively, SPEA may opt at this point to submit a standard grievance form, with a full outline of the complaint and remedy requested (as per (iv) below). In this case, the Company shall have the option of requesting Fact-Finding, or going directly to a Step 1 hearing, as provided for in (c) below.

- (ii) Within four (4) days of notification, a Fact-Finding Hearing shall be held, with participation by the employee(s) concerned, a SPEA Representative and the Manager. The purpose of the Hearing is to allow both sides to ascertain the facts underlying the dispute or controversy and arrive at a mutually acceptable resolution if possible. Representatives from the SPEA Grievance Committee and Human Resources may attend to facilitate the discussion. If requested by the employee, the SPEA Representative will present the employee's side of the dispute.
- (iii) If the dispute has not been satisfactorily resolved within six (6) days of the Fact-Finding Hearing, SPEA may submit the dispute as a formal Grievance at Step 1.

This is done by filing a standard grievance form, or if one has already been submitted, by submitting a written request to proceed to Step 1 to Human Resources.

- (iv) The Grievance Statement should include the date of the events giving rise to the Grievance, the names of any persons involved, the nature of the Grievance, the Article of the Agreement allegedly violated, other relevant facts and remedial action requested. The

grievance forms shall be signed by the employee and the SPEA representative, and then presented to Human Resources.

(c) Step 1

- (i) Within ten (10) days of receipt of a formal Grievance or a request to proceed to Step 1, a Hearing shall be held on the Grievance.
- (ii) After the Step 1 Hearing, the Company representative shall respond in writing with the Company's decision to SPEA within seven (7) days.
- (iii) Within seven (7) days after the SPEA representative has received the Company response, SPEA shall respond in writing to the Company indicating the response was either satisfactory, in which case the Grievance is considered settled, or unsatisfactory, in which case it shall be processed to Step 2.

(d) Step 2

- (i) When a Grievance is processed to Step 2, a Company-SPEA meeting shall be held within ten (10) days. If requested by the Company, SPEA will submit in writing prior to the meeting the reasons why SPEA considers the Company response at Step 1 to be unsatisfactory.
- (ii) SPEA will be represented by its representatives. The aggrieved employee may attend if desired.
- (iii) If mutually agreed, the Parties may have an agreed third party (the "Assessor") attend the Step 2 meeting to hear the cases presented by each side, and render an opinion or recommendation on the matters in dispute. This opinion or recommendation shall be considered by each Party prior to making its response, if time limits permit. The Assessor may ask questions at the meeting, may request and shall receive any information the Assessor considers pertinent to the dispute, and may meet with the Parties separately to resolve the dispute.

An opinion or recommendation shall be rendered by the Assessor within five (5) days of the Hearing.

- (iv) Within ten (10) days of the Step 2 meeting, or ten (10) days of the date by which the Assessor's recommendation was to be rendered, the Company shall provide SPEA with its decision in writing on the dispute.

9.04 Discharge Grievance Procedure

- (a) Where the Company determines that an employee is liable to be discharged for just cause, the employee will have the opportunity to be accompanied by a representative of SPEA, as an observer, at the meeting at which the employee is informed of the Company's intention to discharge. The Company will take reasonable steps to ensure that discharge occurs in a respectful and humane manner. This discussion will take place away from the employee's regular place of work, with non-uniformed security in the vicinity. Subsequent to this meeting, the employee will be provided with an opportunity to consult with a SPEA representative on the premises prior to departure.
- (b) In any case of discharge (except for reasons of national security) the employee shall be advised of the reason. In addition an Executive Officer of SPEA (normally the President), shall be advised of the action taken. The President of SPEA will be advised of the reasons for such action.
- (c) A claim that an employee has been discharged without just cause shall not be entitled to consideration or made the basis of a Grievance unless filed within fifteen (15) days after the employee has received notification (or all reasonable steps have been taken to notify the employee) of the discharge.
- (d) The Grievance Procedure in all cases of claimed wrongful discharge shall be as follows:
 - (i) The alleged Grievance shall be reduced to writing, signed by the employee and submitted to Human Resources or other designated Company representatives;
 - (ii) A hearing shall be called by the Company within five (5) working days. SPEA representatives as necessary and the aggrieved employees may attend; if the employees, due to conditions beyond their control and through no fault of their own, are unable to present the Grievance in person, a SPEA representative may act for them;
 - (iii) The Company representative will submit a written decision to the SPEA President within seven (7) days of the hearing.
- (e) Should an employee be given the option of resigning or being discharged, this will be considered for the purpose of this Article as though it were a discharge.

- (f) Should an employee be discharged for reasons of national security, the Company will notify the SPEA President in writing. It is understood that the Company may not be able to divulge the information on which the discharge was based. In any such case the employee will be advised of the employee's rights of appeal.

The Company will, if possible, transfer the employee to other work if this would avoid the necessity for a discharge, providing the employee is capable of performing the work.

9.05 Company Grievance

- (a) The Company may request a meeting with SPEA for the purpose of presenting any complaint with respect to the conduct of SPEA.
- (b) If such a complaint by the Company is not settled, it may be treated as a Grievance and referred to Arbitration under the provisions of Article 10.

9.06 SPEA Grievance

Any difference, dispute or controversy between SPEA and the Company arising from matters defined in Article 9.01.

- (a) Where an employee is unwilling or unable to submit a Grievance,
- (b) That affects a group of employees, or
- (c) That is a matter between SPEA and the Company which does not directly affect any specific employee, may be submitted by SPEA as a Grievance to Human Resources and thereafter dealt with as prescribed in Article 9.03.

ARTICLE 10 – ARBITRATION

10.01 Arbitrability

Questions not involving the interpretation, application, administration or alleged violation of the Agreement shall not be arbitrable.

10.02 Notice

Within thirty (30) days after a final decision or disagreement has been announced on any Grievance properly processed under the Grievance Procedure, one of the Parties may, subject to 10.01, elect to submit the matter to arbitration. Notice of Arbitration in the case against the Company shall be served by mailing or delivering a copy to Human Resources and in the case against SPEA, by mailing or delivering a copy to the President of SPEA or designate. Email is sufficient.

10.03 Single Arbitrator

(a) The matter will be referred to a Single Arbitrator chosen from a predetermined list acceptable to both Parties. The list of Arbitrators and their order of rotation will be as follows:

- i) Louisa Davie
- ii) Russel Goodfellow
- iii) Bill Kaplan
- iv) Brian Keller
- v) Paula Knopf
- vi) Kathleen O'Neill
- vii) Owen Shime
- viii) Kenneth Swan

The Parties may mutually agree to add or delete from this list at any time.

The Arbitrator is to be selected on a sequential basis, starting at the top of the list and continuing on a rotational basis. It is further understood that as each Arbitrator is selected as sole Arbitrator, his/her name shall be moved to the bottom of the list and the Arbitrators shall thereby be rotated.

The Parties also agree that in the event that the Arbitrator does not have hearing dates available which are acceptable to the Parties within ninety (90) days, the Parties will proceed to the next Arbitrator on the rotation list. The Parties may agree to continue to retain the Arbitrator in these circumstances.

If mutually agreed upon, an Arbitrator may be selected out of sequence. The selection sequence will revert back to the original position for future arbitration cases.

- (b) The decision of the Arbitrator shall be final and binding on all parties concerned.

10.04 Costs

The cost of the services of the Arbitrator, and all other incidental costs shall be borne equally by both Parties.

10.05 Powers of the Arbitrator

The Arbitrator(s) shall have no power to add to, nor to subtract from, nor to modify the terms of this Agreement or any agreement made supplementary hereto, and shall render a decision not inconsistent with the terms of this Agreement.

10.06 Pre-arbitration Review Hearing

Within thirty (30) days after a final decision or disagreement has been announced on any Grievance properly processed under the Grievance Procedure, either Party shall notify the other Party of its intent to submit the matter in dispute to an agreed third party with experience in grievance arbitration. In layoff grievances, the matter in dispute will be submitted to such third party by mutual agreement only. The third party will convene a Hearing at which the Parties will outline the cases to be presented at Arbitration, and will advise the Parties of the decision that the third party will render as an Arbitrator on facts as presented. Either Party may bring additional representatives as required.

This opinion will be non-binding; but if the Party to whom this opinion is adverse elects to continue to Arbitration, that Party shall pay twelve thousand dollars (\$12,000.00) to the other Party, in consideration of the estimated cost for two (2) days of legal expenses, if the Arbitration Decision is also adverse.

This review process shall be in parallel with, and shall not delay, arbitration of the matter. Grievance mediation may not be used subsequent to the Pre-arbitration review hearing.

10.07 Grievance Mediation Process

- (a) Either Party, with the agreement of the other Party, may submit a grievance to Grievance Mediation at any time within thirty (30) days after the Company's decision has been rendered at Step 2.

- (b) The mediation will commence within thirty (30) days of the grievance being submitted to Grievance Mediation, or a longer period as agreed by the Parties.
- (c) The Parties shall agree on a Mediator. The list of Mediators shall be as follows:
 - i) Jules Bloch
 - ii) Gerald Charney
 - iii) Bill Kaplan
 - iv) Randy Levinson

The Mediator is to be selected on a sequential basis, starting at the top of the list and continuing on a rotational basis. If the Mediator does not have mediation dates which are acceptable to the Parties within thirty (30) days, the Parties will proceed to the next Mediator on the list.

- (d) If possible, an agreed statement of facts will be provided to the Mediator two (2) days in advance of the mediation. If not possible, each side will present a separate statement of facts to the Mediator and the other side two (2) days in advance of the mediation.
- (e) If no settlement is reached within ten (10) days following Grievance Mediation, the matter may be referred by either Party to Arbitration in accordance with the provisions of the Collective Agreement. In the event that a grievance which has been mediated subsequently proceeds to arbitration, no person serving as the Mediator may serve as Arbitrator. The Grievance Mediation process is without prejudice or precedent and nothing said or done during the Grievance Mediation, by the Mediator and by the Parties, may be referred to at Arbitration or otherwise in any other proceeding. Pre-arbitration may not be used subsequent to the grievance mediation process.
- (f) SPEA and the Company will share the cost of the Mediator, if any.

ARTICLE 11 – INTERNAL COMPETITIONS

The Company and SPEA value the process of job postings and competitions, particularly as a means for employees to achieve job satisfaction and career development, and as a means for the Company to achieve a matching of its human resources to its work requirements while taking employee preferences into account.

Accordingly, the following general principles will apply regarding assignments, competitions and promotions:

- In general, prospective vacancies will be posted;
- The onus is on the employee to identify interest in a posted position;
- Employees will be given preference over non-Bargaining Unit applicants (e.g., external hiring) for any vacancy.

11.01 Postings

All vacant positions within the Bargaining Unit which the Company wishes to fill shall be posted in order that employees can indicate their interest in the vacant position;

Exceptions to the requirement to post and hold competitions are set out in Article 11.03.

11.02 Preference

An applicant from within the Bargaining Unit will be selected for a vacant Bargaining Unit position provided the applicant is considered to be qualified for and capable of performing the required duties, except as provided for in Article 11.03.

The Company may commence external competitions simultaneously with internal competitions. SPEA will be notified in advance of such simultaneous competitions.

11.03 Competitions

- (a) Competitions will be held for positions within the Bargaining Unit, which the Company wishes to fill, except for the following:

- (i) Transfers to positions/assignments within a Branch unless a position promotion is involved in the transfer or assignment;
- (ii) Transfers to positions/assignments outside a Branch or to a site with an expected duration of less than nine months;
- (iii) Positions to be filled by new graduates;
- (iv) Company employees entering the Bargaining Unit on the basis of newly acquired professional qualifications;
- (v) Company employees returning to the Bargaining Unit following managerial or confidential assignments;
- (vi) Positions to be filled by Bargaining Unit members returning from off-site assignments;
- (vii) In cases where a qualified individual who would otherwise be subject to lay-off is available for redeployment or is redeployed;
- (viii) Positions to be filled by existing bargaining unit term employees within the same branch.

Should other unusual circumstances arise which could make a competition inappropriate, the Company will determine appropriate action following consultation with SPEA. Urgent short-term work assignments and jobs involving specific skills, knowledge or customer preferences are examples of where competitions are likely to be waived.

- (b) Competition notices shall be posted for a minimum of ten (10) working days.
- (c) Qualifications (including education, experience, knowledge, skills and abilities) to perform the required duties shall be fully stated in the Internal Competition Postings and shall govern the selection of successful candidates in all competitions within the Bargaining Unit.

Where qualifications to perform the required duties are reasonably equal, considerations relating to addressing inequalities for minority groups within the Bargaining Unit may determine the selection.

- (d) Upon request, the Company will provide SPEA with a list of employees who applied for a particular position. For each internal competition, the Company will inform all the applicants of the results (email is considered to be acceptable for this purpose).

- (e) Upon request, unsuccessful applicants will be provided with a post-selection interview with the hiring Manager.
- (f) Employees who are successful in filling a competition position will not be accepted for another competition for a one (1) year period unless the new position involves a promotion, or otherwise agreed to by management.

11.04 Transfers

All transfers or reassignments requiring a change of domicile shall be voluntary if the duration is greater than three (3) months. Where an employee refuses such a transfer or reassignment and the employee's current position no longer exists, Article 22 (redeployment or layoff) will apply.

11.05 Acting Positions

Bargaining Unit positions involving a promotion shall not be held in an acting capacity for more than three (3) months without a competition being held unless:

- (a) The expected return of the previous incumbent is within six (6) months; or
- (b) The previous incumbent is on training or secondment with a duration not to exceed one (1) year; or
- (c) In cases of maternity/parental leave; or
- (d) The position will not be filled permanently as a result of a planned wind-down; or
- (e) The Company and SPEA agree in a specific case to extend the term of an acting position for reasons not stated above.

11.06 Temporary Assignments Outside the Bargaining Unit

SPEA will continue to represent employees who have been temporarily removed from their regular positions to perform work outside the Bargaining Unit and the Company will continue to deduct and remit dues on their behalf. Such temporary assignments shall not exceed six (6) months unless SPEA and the Company agree to extend the term. Representation will be limited to the following: Employees will retain protection against discipline/discharge without just cause; and will retain rights to exercise their seniority within the Bargaining Unit in a situation of layoff.

Beyond six months, in the absence of an agreement as outlined above, the employee will be outside the Bargaining Unit. All SPEA representation will cease and dues will no longer be remitted on the employee's behalf.

ARTICLE 12 – GROUP INSURANCE PLANS

12.01 Medical-Hospital

- (a) The Company will provide a group Extended Health Care Plan equivalent to that provided under Manulife Policy 31989 and will pay seventy-five per cent (75%) of the premium necessary to support this Plan.
- (b) The Extended Health Care Plan for employees resident in New Brunswick shall cover treatments covered by OHIP but not covered by the New Brunswick Medicare Plan.
- (c) The Company will provide group Out of Country Travel coverage, through the current Extended Health Care Plan. Monthly premiums supporting this Travel coverage will be paid by the Company.

The Company will provide single out-of-country coverage to employees who do not subscribe to the Manulife Extended Health Care Plan.

12.02 Life Insurances

- (a) Group Life Insurance

Employees will be covered under the terms of the Manulife Policy 31989. The Company will pay one hundred per cent (100%) of the premium cost of this Plan.

- (b) Supplementary Group Life Insurance

The Company will provide Supplementary Life insurance equivalent to that provided under Manulife Policy 31989 and will pay one sixth (1/6) of the premium necessary to support this Plan. Employees may elect to continue their Supplementary Life coverage upon retirement. The coverage will decrease by 10% for each year beyond age 65, reducing to 0 at age 75.

12.03 Long Term Disability

The Long Term Disability Plan will apply to all employees commencing employment on or after August 1, 1979 and those on strength prior to this date who have elected for coverage. Upon expiration of the Intermediate Term Coverage, participating employees will receive long-term disability benefits in accordance with Manulife Policy 31989 LTDI Section. The Company will pay fifty per cent (50%) of the premium cost of this Policy.

12.04 Dental

The Company will pay one hundred per cent (100%) of the premium cost of the Dental Care Plan. Benefits for specified major restorative services will be reimbursed at the rate of seventy-five percent (75%) of the applicable Dental Association Fee Guide for General Practitioners in the employees' province of residence. All other insured benefits will be reimbursed at the rate of eighty (80%) of the applicable Dental Association Fee Guide for General Practitioners in the employees' province of residence.

The applicable Dental Association Fee Guides for General Practitioners referenced above are the current fee guides effective when proclaimed by the Provincial Dental Association.

12.05 Continuation of Group Insurance Plan Coverage During Periods of Absence Without Pay

The following will apply to employees during periods of absence without pay in regard to continuation of Group Insurance Plan Coverage:

- (a) Medical-Hospital, Life, Long Term Disability and Dental will normally be maintained during periods of absence without pay; the employee will be informed in writing of any discontinuance of coverage and the discontinuance will be discussed with the SPEA President;
- (b) The Company will continue to pay the Medical-Hospital allowance and its other contributions to the premium cost of these plans in Company approved absences without pay which do not extend through a full calendar month (from first day to last day, inclusive) and in other cases where the absence without pay is due to illness or injury; in other absences without pay, the employee will normally be required to pay the full cost of these Plans;
- (c) Unless an alternative arrangement is made, the employees will be rebilled monthly for either their share or the total premium costs, as applicable;
- (d) Should these monthly billings not be paid, the monies owing will be recovered either-
 - (i) Via prorated salary deductions on the employee's return to work, or
 - (ii) From termination credits such as vacation pay if employment is terminated, or
 - (iii) Other appropriate sources.

12.06 Benefits Review Committee

It is the intent of the Company to constitute, from time to time as appropriate, a Company-wide Benefits Review Committee at which SPEA will have representation. The Company will consult with employee group representatives in establishing the composition of and terms of reference for such a Committee.

12.07 Changes – Participation and Reference Year

At present, employees in the Bargaining Unit participate in one (1) of the four (4) modules available under said Plan. If, at any time during the life of this Agreement, SPEA determines that said employees should be able to fully participate in said Plan, the Parties shall make the appropriate arrangements in a timely manner.

Depending upon the modules selected by the employees, the coverage and cost-sharing arrangements may change from those currently in place.

Effective January 1, 2014, the Company shall change the reference year for administering said Plan to the calendar year.

ARTICLE 13 – PENSION PLAN

13.01 General

- (a) Employees who transitioned from Atomic Energy of Canada Limited (AECL) to the Company, on October 2, 2011, (“Continuing Employees”) shall continue to be covered by the Public Service Superannuation Act (Parts I and III), the Supplementary Retirement Benefits Act, and the Statute Law (Supplementary Retirement Benefits) Amendment Act of 1973 and subsequent amendments thereto, the terms of which are not subject to collective bargaining, up to and including October 1, 2014.
- (b) Employees hired after October 2, 2011 shall be members of the registered Defined Contribution (DC) Plan established by the Company, the terms of which are outlined in this article.
- (c) The Company and SPEA shall form a joint working group whose mandate is to pursue the goal of a single or multi-employer Target Benefit (TB) Pension Plan. The goal is to have such a Plan in place before the October 2, 2014 divestiture.

13.02 Transitional DC Plan Details

The terms applicable to employees hired after the effective date of this Agreement shall be as follows:

- a) Employees shall be required to contribute six and one-half percent (6.5%) of base salary including on-call and acting pay. Employees shall be permitted to make additional voluntary contributions to the DC Plan, subject to the limits imposed by the Income Tax Act.
- b) The Company contributions to the DC Plan shall be equal to the following percentage of an employee’s base salary, including on-call and acting pay:

Years of Service	Contribution
0-3	6.5%
3-6	8.0%
6+	10.0%

Employees hired between October 2, 2011 and the effective date of this agreement shall be deemed to have six completed years of service for pension purposes only.

Employees hired on or after April 22, 2012 shall be required to join the DC Plan retroactive to their start date with the Company and to make retroactive contributions equivalent to 6.5% of base salary. The Company shall make a

contribution into the DC Plan for these employees equivalent to 10% of their base salary, retroactive to their start date, less any Company pension contribution already made for that period.

Employees hired between October 2, 2011 and April 21, 2012 shall be required to join the DC Plan retroactive to the Plan effective date, April 22, 2012, and to make retroactive contributions equivalent to 6.5% of base salary. The Company shall make a contribution into the DC Plan for these employees equivalent to 10% of their base salary, retroactive to April 22, 2012, less any Company contribution already made for that period. In addition, the Company shall provide the employee with a lump sum payment equivalent to 10% of their base salary for the period from their start date to April 21, 2012, less any lump sum payment previously made for this purpose. Employees may choose to take the lump sum payment in cash, to apply it in whole or in part to any required retroactive employee contribution to the DC Plan, or to have it transferred to a personal RRSP if they have current year contribution room.

13.03 Transition to a Target Benefit Plan

Notwithstanding the fact that the Company and SPEA have agreed to implement a transitional registered DC Plan, both Parties shall continue to diligently pursue the option of a Target Benefit Pension Plan. To this end:

- (a) The Parties agree to establish a Joint Working Group to diligently pursue an Ontario energy sector or other multi-employer TB Pension Plan and other options such as a single-employer TB Plan.
- (b) The Joint Working Group shall include a pension expert appointed by SPEA (at SPEA's cost) and a pension expert appointed by the Company (at the Company's cost), two (2) Company Representatives and two (2) SPEA Representatives. The Group shall commence working within sixty (60) days of ratification of this Collective Agreement.
- (c) In the event that the Parties are unable, despite their best efforts, to establish or join a TB Pension Plan prior to October 2, 2014, SPEA shall have the option to:
 - i. Continue in the registered DC Plan described in Article 13.02 above; or
 - ii. Continue in the registered DC Plan under the terms described in Article 13.02, with a sub-group created in the DC Plan for SPEA-represented employees along with a joint SPEA / Company pension committee for the sub-group; or

- iii. Transfer employees into a separate registered DC Plan under the terms described in Article 13.02, with SPEA acting as the sole trustee of the DC Plan.
- (d) A Target Benefit Pension Plan shall not be considered feasible, and the Company shall not be bound to join such a Plan, unless it meets the following conditions:
 - i. The Company shall not be exposed to a pension funding deficit (i.e. inherit a portion of another participating employer's pension deficit).
 - ii. The Company's contribution shall not exceed nine percent (9%) of the base salary including on-call and acting pay.
 - iii. The plan is treated as a fixed contribution plan, in accordance with International Financial Reporting Standards (IFRS). For clarity, the Company does not bear the actuarial risk nor the investment risk associated with the plan
 - iv. In the case of a multi-employer TB Plan, there must be other credible and financially sound employers participating in the Plan at the time of joining.
- (e) In conducting its work, the Joint Working Group will consider all relevant factors including SPEA's objective of providing benefits in a new pension arrangement that are as close as possible to those provided to former employees of AECL under the Public Service Pension Plan.
- (f) The Parties may agree to extend the October 1, 2014 deadline and continue to pursue a Target Benefit Pension Plan beyond that date.

ARTICLE 14 – LEAVE PLANS

VACATION

14.01 Vacation Reference Year

Effective April 1, 2013, the Company shall change the reference year for administering vacations to the calendar year. As a result, all vacation credits administered herein shall be administered on a pro-rated basis between April 1, 2013 and December 31, 2013. Thereafter, said credits shall be administered on a calendar year basis.

14.02 Vacation Credits

In order to earn the monthly vacation leave credit, employees must receive salary for at least ten (10) days in the calendar month.

New employees shall earn vacation leave at the rate of 9.375 hours per month (one and one quarter (1 and $\frac{1}{4}$) days per month). After six (6) calendar months of service, they shall be credited with vacation leave to the extent of the amount that they shall earn to the end of the vacation reference year.

Employees who have completed six (6) months' or more service with the Company by December 31st each year shall be credited with annual vacation as follows:

Table 14.02 – Vacation Credits
Effective April 1, 2013⁽¹⁾

Service	Vacation Credits
$\frac{1}{2}$ but less than 6 years	112.5 hours (15 days)
6 but less than 7 years	120.0 hours (16 days)
7 but less than 14 years	150.0 hours (20 days)
14 but less than 16 years	157.5 hours (21 days)
16 or more years	187.5 hours (25 days)

Note: No employee shall lose vacation credits as a result of the change to vacation entitlement set out in 14.02 and 14.04.

(1) See Letter of Agreement, Article 14, Leave Plans - Vacation for an explanation of dates listed herein

14.03 Discontinuous Service Credit

Employees who have prior service with AECL shall be credited with annual vacation as provided in Article 14.02 on the basis of their total accumulated service. Total accumulated service shall be the sum of current Company service,

which is eligible for vacation credit, and service in previous periods of employment with AECL, which was eligible for vacation credit.

14.04 Additional Service Credit

Notwithstanding the foregoing, and for vacation purposes only, employees in PG 4 positions and above, together with those later promoted thereto and new employees, who are hired directly into said positions from outside the Company, shall be credited with seven (7) years of service upon the ratification of this Agreement or said promotion or hire as appropriate.

14.05 Vacation Scheduling

Effective January 1, 2013, employees should submit their preferred vacation dates in writing to their Manager by March 31st each year. When requesting vacation dates prior to this timeframe and/or changes thereafter, employees should provide as much written notice as possible. The dates requested should ensure that vacation leave credits earned in one calendar year are used by no later than the end of the subsequent calendar year.

Managers should approve vacation leave so that the Company's operational requirements are met while taking into account employee preferences. The vacation schedule should be posted electronically and accessible to those employees and Managers with a need to know said schedule by April 30th each year. Approved changes thereto should be posted in the same manner.

Should the Company's operational requirements result in a deferral of an employee's preferred vacation dates, the Manager and the employee involved shall endeavour to re-schedule the vacation at a mutually agreeable time.

14.06 Vacation Pay

Employees shall receive their base salary in effect at that time for the number of vacation days taken.

14.07 Vacation Pay Adjustments

At the end of each reference year, the Company shall calculate the monetary difference, if any, between the vacation pay received as per Article 14.06 and the percentage and amount of vacation pay that an employee may receive as per the thresholds established by the Canada Labour Code while using the Code's definition of wages earned during the year.

Where the vacation pay received as per Article 14.06 is less than that provided by the Code, the excess vacation pay thus identified shall be paid to the employee by January 31st of the subsequent reference year.

Where the vacation pay received as per Article 14.06 is equal to or greater than that provided by the Code, no such payment shall be made.

14.08 Displacement of Vacation Leave

If, during vacation leave, an employee is seriously impaired or hospitalized due to illness or accident, the employee may request to defer such lost vacation days to a subsequent date. At the Company's request, the employee shall submit a detailed medical certificate from the treating physician or hospital for the review of the Benefits Administrator and/or the third party assessor retained by Human Resources. Should the employee's request be granted by said Administrator and/or assessor, the employee and Manager involved shall re-schedule said vacation days at a mutually agreeable time.

14.09 Exceptional Circumstances

Provided that the Company's operating requirements are met, Managers and Human Resources may approve advances of vacation leave. The Company shall recover said advances when the employee involved is credited with equivalent vacation leave.

Provided that the Company's operating requirements are met, Managers and Human Resources may approve vacation leave without pay when the employee involved has used all accrued vacation credits.

Should the Company's operational requirements be such that an employee's vacation leave credits earned in one calendar year cannot be used by the end of the subsequent calendar year, the employee and Manager involved shall agree upon a vacation schedule that minimizes the vacation leave carried forward into the second (2nd) subsequent calendar year. If no agreement is possible, the Senior Vice-President, Human Resources, shall become involved and the Company shall come to a resolution which may entail mandatory vacation leave and/or payment in lieu. The Company shall act fairly and reasonably taking into consideration employee preferences and taking into consideration the reason for the excess vacation (for example, employee preferences shall have greater weight where the excess vacation is due to the Company's operational requirements).

Where vacation leave with pay has been granted by the Company, and is subsequently cancelled, the Company shall reimburse the employee for all costs related to the cancellation. The employee shall provide receipts and/or documentation to support said claim. In the unlikely event that an employee's rescheduled vacation must be cancelled, said cancellation shall not take effect without the employee's mutual agreement and any reimbursements shall be managed as described herein.

The Parties recognize that at present, some employees have vacation credits in excess of those described as per Article 14.05. As a result, employees shall have until December 31, 2012 to submit a vacation schedule for the approval of their Managers so as to substantially reduce, if not eliminate, excess vacation credits carried over from previous reference years by December 31, 2015. The Managers involved shall make every effort to grant the employees' preferred vacation dates. If no agreement is possible, the Senior Vice-President, Human Resources, shall become involved and the Company shall come to a resolution which may entail mandatory vacation leave and/or payment in lieu. The Company shall act fairly and reasonably taking into consideration employee preferences and taking into consideration the reason for the excess vacation (for example, employee preferences shall have greater weight where the excess vacation is due to the Company's operational requirements).

SICK LEAVE

14.10 Sick Leave – General

The Company provides its employees with Company-wide short term sick leave, intermediate sick leave and long term disability plans, the terms of which shall not change over the course of this Collective Agreement.

For clarity, the Company may require employees to provide medical certificates after five (5) days of absence, or if the number of hours of sick leave in the current fiscal year unsupported by medical certificates exceeds seventy-five (75) hours or otherwise where reasonable in the circumstances.

14.11 Change – Reference Year

Effective April 1, 2013, the Company shall change the reference year for administering said Plans to the calendar year. As a result, all sick leave credits administered under said Plans shall be administered on a pro-rated basis between April 1, 2013 and December 31, 2013. Thereafter, said credits shall be administered on a calendar year basis.

14.12 Change – Sick Leave Credits

Employees hired on or after June 1, 2012 shall receive a credit of twelve (12) days on commencing employment, pro-rated for the months worked in the current year, and a credit of six (6) days on each subsequent January 1st.

Employees who are absent on the Long Term Disability Plan on January 1st each year shall not receive any sick leave credits until they return to work and furthermore, said credits shall be pro-rated for the months worked in the current year.

14.13 Notification

Any employee who cannot report for work due to a non-occupational illness or injury shall so inform the Manager involved as soon as possible, and no later than the starting time of the missed shift. The employee shall also confirm the anticipated return to work date.

14.14 Intermediate Term Sickness

Upon the expiration of sick leave credits, employees will receive seventy-five per cent (75%) of their basic salary during their sickness or disability absence to a maximum of twenty-six (26) weeks. The seventy-five per cent (75%) is inclusive of benefits received from other sources. This benefit will be re-established after a return to work of ten (10) working days in the case of a recurrence of the disability, or one (1) day in the case of a new disability.

Return to work means a return to normal duties. (Normal duties are when the employee is not on a modified schedule and has assumed the majority of the duties that would have applied prior to the illness/disability). The description of ten (10) working days is considered to be ten (10) consecutive working days consisting of seven-and one half (7.5) hours per day for a total of seventy-five (75) hours. The definition of one day is considered a normal day of seven and one-half (7.5) hours.

Time off work to attend medical appointments, essential to the health and well being of the employee, shall not interrupt nor be counted towards the accumulation of the ten (10) consecutive scheduled work days. (The intent is to allow an employee time to attend necessary appointments without jeopardizing the days that have already been accumulated. For example, an employee who has a medical appointment on the seventh (7th) consecutive work day would then be required to work an extra day to meet the ten (10) consecutive scheduled work days requirement). The Employer may request proof of the medical appointment during the ten (10) working days period.

It is understood that only full days worked will be counted towards the ten (10) consecutive scheduled work days.

14.15 Long Term Disability

The Company provides its employees with Company-wide long term disability coverage, the details of which are provided in Article 12.03.

Leaves of Absence

14.16 Leaves of Absence – General

The Company provides its employees with Company-wide leaves of absence programs, both paid and unpaid, the terms of which shall not change over the course of this Collective Agreement.

14.17 Personal Business Days

Effective January 1, 2012, Personal Business Days shall be administered on a calendar year basis and one (1) day of paid leave per calendar year shall be credited to employees for use in personal or special circumstances. The scheduling of leave shall be subject to the Company's operational requirements and the Company's agreement shall not be unreasonably withheld.

During 2012, 2013, 2014 and until December 29, 2015, at no time shall an employee have a credit of more than ten (10) Personal Business Days. On December 31, 2012, 2013 and 2014, unused leave to a maximum of nine (9) days shall be carried over to the next calendar year.

As of December 30, 2015, at no time shall an employee have a credit of more than five (5) Personal Business Days. On December 31, 2015, unused leave to a maximum of four (4) days shall be carried over to the next calendar year.

In light of the foregoing, employees shall have until December 30, 2015 to schedule Personal Business Days, with the approval of the Managers involved, so as to ensure compliance with the transition to the five (5) day cap and the four (4) day carry over described above. As of December 31, 2015, any unused leave over four (4) days shall be paid to the employees involved via direct bank deposits, less appropriate deductions. The Company shall make any such payments by January 31, 2016.

14.18 Miscellaneous Leave

Details regarding the following leave provisions are set out in Appendix A of the collective agreement.

- i. Court Leave (includes Jury Duty and Witness Duty)
- ii. Military Leave (to a maximum of up to two weeks)
- iii. Education Leave
- iv. Workers' Compensation

14.19 Special Leave

Special leave provides limited leave with pay when it is necessary for an employee to be absent from work under specified circumstances. For purposes of this Clause, the following shall apply:

- (a) "Immediate family" is defined as father, mother, foster parent, grandparent, brother, sister, child, spouse (including common law spouse), grandchild, father or mother of the employee's spouse, and other relatives living in the same household with the employee;
- (b) "Non-immediate family" is defined as the employee's son-in-law, daughter-in-law, brother-in-law and sister-in-law.

Death in the Immediate Family

- (c) In the case of death in the immediate family, an employee will be granted special leave with pay on any of the normal working days that occurs during the three (3) working days immediately following the day of death. Where necessary, up to three (3) days of special leave with pay may also be granted to settle the estate within one (1) year of the death, provided the employee receives no fee or other remuneration for this. In either case, additional special leave with pay, normally not exceeding two (2) days, may be granted if the employee must miss more than three (3) days of work due to the length of the trip required. Statutory entitlements will apply if greater than provided for herein.

Death in the Non-Immediate Family

- (d) In the case of death in the non-immediate family, special leave with pay not exceeding one (1) day will be granted to attend the funeral. Additional special leave with pay, not exceeding one (1) day, may be granted due to the length of the trip required.

Birth or Adoption of Child

- (e) Employees will be granted one (1) day of special leave with pay when their spouse gives birth or to arrange for the adoption of a child.

Marriage Leave

- (f) Five (5) days of special leave with pay will be granted for the marriage of an employee, provided that the employee will be continuing employment after marriage. The leave is intended to be taken at the time of the marriage; however, where extenuating circumstances exists, within thirty (30) calendar days following the marriage.

Effective December 31, 2016, the paid leave in the event of an employee's marriage shall be discontinued from the Company's leaves of absence programs.

Veteran's Examinations

- (g) Up to three (3) days of special leave with pay may be granted to a veteran required to report for Department of Veterans Affairs (DVA) medical or pension examinations.

Canadian Citizenship

- (h) One (1) day of special leave with pay may be granted to obtain Canadian Citizenship.

Illness in Family – Emergency or Special Circumstances

- (i) Special leave may be granted for emergency illness in the family, and in special circumstances relating to illness in the family. (Family, in this case, is defined as parent, foster parent, brother, sister, spouse or child of the employee, or a relative of the employee living in the same household). It will only be granted if the employee has established that absence from work is essential, and that every reasonable effort was made to take care of the situation by other means.

The special circumstances requirement would be met if an employee must be absent from work due to the doctor requiring him/her to be present at the appointment of a family member or at the bedside of a seriously ill family member. The emergency requirement would be met if a family member is suddenly stricken seriously ill or is involved in an accident and arrangements cannot be made for someone else to take care of the person.

Writing Examinations

- (j) Special Leave shall be granted for the purpose of writing examinations in a course of study approved by the Company.

Exceptional Circumstances

- (k) Additional leave requests in respect of special circumstances related to sub-clauses 14.19 (c), (d), (e) will be considered by management. The Director, Human Resources, in consultation with the employee's Manager, will approve requests for special leave for other exceptional circumstances (i.e. a disaster such as a fire in an employee's home).

14.20 Maternity & Parental Leave

Eligible employees shall be granted maternity and parental leave in accordance with the provisions of the guidelines found in Appendix B of this Collective Agreement.

(a) Supplementary Benefit to Maternity Leave

For the two (2) week waiting period under the Employment Insurance (EI) regulations, the Company shall pay an amount equal to ninety-three percent (93%) of the employee's normal weekly salary that was in effect at the time the maternity leave commenced. For the following fifteen (15) weeks that the employee is in receipt of maternity benefits under the EI regulations the Company will augment the EI benefit to ninety-three percent (93%) of the employee's normal weekly earnings that were in effect on the date the maternity leave commenced. The combined weekly level of EI benefits, Supplementary Benefit payments and other earnings will not exceed ninety-five percent (95%) of the employee's normal weekly basic earnings in effect on the date the maternity leave commenced.

(b) Supplementary Benefit to Parental Leave

The Company shall provide a supplement to the EI parental benefit up to a maximum period of three (3) weeks to those employees who are eligible for parental leave under the provisions of the Company's program and who qualify for EI parental benefits. An employee on approved parental leave that was not preceded by a period of maternity leave must submit the first EI stub as proof of eligibility to receive the EI benefit. In order to be eligible to receive and retain the Supplementary Benefit, the employee must return to work for a period of at least six (6) continuous months following the approved leave period. If the employee terminates prior to completing the full six (6) months, the Supplementary Benefit shall be paid back on a pro-rated basis.

For employees who are required to satisfy a two (2) week waiting period immediately prior to receiving EI parental benefits, the Supplementary Benefit payment shall consist of the following:

- For each week of the two week waiting period, the Company shall pay an amount equal to ninety-three percent (93%) of the employee's normal weekly salary; and
- For the one (1) week period following the waiting period, the Company shall pay an amount equal to the difference between the EI weekly parental benefit and ninety-three percent (93%) of the employee's normal weekly salary.

For employees who are not required to satisfy a two (2) week waiting period prior to receiving EI parental benefits, the Supplementary Benefit payment shall be an amount equal to the difference between the EI weekly parental benefit and ninety-three percent (93%) of the employee's normal weekly salary for up to three (3) weeks.

The normal weekly salary is defined as the salary that was in effect on the date the parental leave commenced or in the case of an employee whose parental leave was immediately preceded by maternity leave, the normal weekly salary shall be the salary that was in effect on the date the maternity leave commenced.

14.21 Compassionate Care Leave

Eligible employees shall be granted compassionate care leave in accordance with the provisions of the guidelines found in Appendix C of this Collective Agreement.

Employees who are eligible and qualify for Employment Insurance (EI) Compassionate Care Benefits and Canada Labour Code Compassionate Care Leave are entitled to a Supplementary Benefit to top-up the EI Compassionate Care Benefits during the leave period.

The Supplementary Benefit (SB) consists of the following:

- (a) For employees who are subject to a two (2) week waiting period under EI regulations, the Company will pay the employee an amount equal to the EI weekly Compassionate Care benefit amount; and
- (b) For the period that the employee is in receipt of Compassionate Care benefits under the EI regulations, the Company will augment the EI benefit to ninety-three percent (93%) of the employee's normal weekly earnings up to a maximum period of six (6) weeks. The combined weekly level of EI benefits, SB payments and other earnings will not exceed ninety-five percent (95%) of the employee's normal weekly basic earnings in effect on the date the compassionate care leave commenced.

14.22 Leave Without Pay

The Company recognizes that employees may, from time to time, have a need to request leave without pay on a limited basis to meet special personal circumstances. At the Company's discretion, employees may also be granted more extended leaves of, for example, between six (6) and twelve (12) months. The Company will not unreasonably deny any such requests providing:

- (a) It deems such action is consistent with achieving its work program objectives at the time such leave would apply;

- (b) The employee uses vacation credits which are in excess of the current year's entitlement in advance of such leave; and
- (c) Banked time credits are exhausted in advance.

14.23 Self-Funded Deferred Leave

Self-funded deferred leave allows full time continuing employees to defer up to thirty-three and one-third percent (33 1/3%) of their gross salary or wages in order to fund a period of absence from their work and return to their regular employment at the expiration of the leave. Subject to operational requirements, an employee may be granted self-funded deferred leave for between six (6) and twelve (12) consecutive months in accordance with the guidelines found in Appendix D of the Collective Agreement.

Effective December 31, 2016, personal self-funded deferred leave shall be discontinued from the Company's leaves of absences programs.

ARTICLE 15 – COMPANY HOLIDAYS

15.01 General

There shall be twelve (12) Company holidays per calendar year, to fall on Monday to Friday inclusive as follows:

New Year's Day
Good Friday
Victoria Day
St. Jean Baptiste Day (Quebec Only)
Canada Day
Company Holiday (summertime floater)
Civic Holiday (Except in Quebec)
Labour Day
Thanksgiving Day
Christmas Day
Boxing Day
Two (2) days following Boxing Day.

15.02 Earned Days Off

SPEA agrees to give serious consideration to participation in a Company-wide Earned Days Off Program.

ARTICLE 16 – CAREER AND PROFESSIONAL DEVELOPMENT

16.01 Principles

The following principles govern career and professional development:

- The purpose of career development is to assist employees in improving their professional, technical and supervisory skills and knowledge, in order to enhance their opportunities for internal promotion, to increase the skills credited to them, and to improve their job performance by becoming better qualified;
- The individual employees retain the basic responsibility for planning, initiating and carrying through their own career and professional development;
- The Company accepts responsibility for actively promoting and guiding career and professional development as an enhancement of the Company's human resources capabilities and potential for success in conjunction with its short, medium and long term business plans and operational requirements;
- The Parties recognize the value of identifying currently available skills, as well as those potentially in shortage, through a jointly agreed skills inventory.

16.02 Joint Training, Career and Professional Development Committee

Consistent with the principles in Article 16.01, the Company and SPEA agree to participate in a Joint Committee that will give consideration to matters of mutual interest pertaining to career and skills development. The Committee will meet at least quarterly. Committee members will be limited to three (3) per side. The Committee mandate will include identification of the impact of changing technologies, options for learning and development, and effectiveness of career and skills development programs and initiatives. Said considerations, plus those contained in Article 16.01 above, shall form the basis for administering the allocated training, career and professional development budget.

16.03 Funding of Training, Career and Professional Development

The Company is committed to spending a minimum of two percent (2%) of Bargaining Unit base salary at the start of the fiscal year for employee training, career and professional development. Training, career and professional development funding shall be distributed in an equitable manner. Such

distribution shall take into consideration the principles outlined in Articles 16.01 and 16.02, recognizing that the need for, or interest in, training, career and professional development opportunities will vary between employees. The Company will provide to SPEA a detailed (per employee) breakdown of the distribution of the above-referenced career and professional development spending on a semi-annual basis.

Employee time shall be charged against said investment via training, career and professional development task codes in accordance with this Article 16 and any other training and/or learning activities that expand employees' knowledge, skills and abilities for subsequent application at work, including external technical working groups (50% of employees' time), conferences with educational and/or technical content, non-credit training in the form of formal mentoring and eLearning. For clarity, employee time spent in departmental meetings, Company-wide town hall meetings and other such forums for the purpose of communication and business updates shall not be charged against said investment.

Whenever employee time is charged against said investment, the Company shall utilize the labour rates that are assigned to each grade level by the Company, exclusive of overhead and fringe costs and/or other mark-ups.

16.04 Employee Training Plan

During the normal performance management and review process, and in accordance with this Article, the Manager and the employee shall formulate a training plan to include training, career goals, professional development needs and preferences, and activities planned for the coming year and a review of development achievements of the current year. Individual training plans that are of concern to employees may be raised by SPEA before the Committee defined in Article 16.02. In such circumstances the Committee will meet within ten (10) days to address the employee's concerns. Such concerns may also be processed through the grievance procedure if the Committee cannot resolve the matter.

16.05 Job Rotation

Employees may identify to their Manager a desire to be transferred into other work areas, including positions outside of the Bargaining Unit, for work experience and career development. The Company shall provide favourable consideration to such requests and accommodate them wherever practicable. Job rotation assignments for the purposes of career development will be an exception to Article 11 and will be made with the agreement of both the employee and SPEA. Such job rotation assignments will not normally extend beyond one (1) year.

16.06 Company-Required Training and Development

Where the Company requires an employee's participation in a training program, conference, or seminar, the Company shall bear the full cost of the employee's training, and where the program entails leave of absence, such leave of absence shall be with salary and other benefits excluding overtime or other premium payments.

16.07 Employee-Initiated Training and Development

(a) Course/Conference Requiring Leave of Absence

Where an employee makes application to attend a training program, conference, or seminar which requires leave of absence, the Company may approve such leave of absence, with pay or partial pay or without pay, and/or choose to defray all or a portion of the cost of the employee's training dependent on the nature of the course and the degree to which it is career related. Where the Company undertakes to support the employee with pay or with partial pay, such payment shall be dependent upon the employee's successful completion of the training program, conference or seminar.

(b) Job-Related Courses

Job-related courses are programs of study that relate directly to an employee's present job requirements, or are anticipated to relate to job assignments in the near future or are directed towards a career-related improvement of skills. These courses are taken on an employee's own time. Reimbursement for such courses approved in advance shall be at one hundred per cent (100%) of properly receipted tuition fees, textbooks, registration and examination fees on successful completion. Consistent with the Company's commitment to enhancing knowledge of both official languages, reimbursement of courses in a second official language shall be one hundred per cent (100%) on the same basis as above.

16.08 Termination of Employment

Depending upon the scope and funding associated with extensive training and career development programs, employees may be required to sign various undertakings regarding employment continuity upon completion of said programs and/or reimbursement of funding received in the absence of said continuity. Such undertakings shall not exceed two (2) years. Whenever said undertakings are required by the Company, the Managers and employees involved shall discuss, agree upon and sign said undertakings prior to the start of said funding, training and programs. Employees shall be informed of their right to SPEA representation prior to signing any such undertaking.

16.09 Skills Inventory System

The Parties confirm the Skills Inventory System Agreement dated June 26, 2009. The Parties agree to meet with a view to discussing and updating the system. Until any such revisions are agreed upon, the June 26, 2009 Skills Inventory System Agreement remains in effect.

ARTICLE 17 – PROFESSIONAL ENGINEERING QUALIFICATIONS AND PRACTICE

17.01 Following Accepted Practices

The Company recognizes provincial regulations governing licensed professional engineers and follows accepted practices regarding employment of these employees. Thus the Company requires that certain positions be filled by professional employees holding membership in professional licensing bodies and that such members formally stamp documents prepared by or under the technical supervision of themselves in the manner prescribed by the relevant licensing body. Internal competition postings and external advertisements will state these mandatory requirements. The Company will ensure that such employees are provided with facilities and other support necessary to such professional practice.

17.02 Code of Ethics

With regard to Article 17.01, such professional engineering practice shall be in accordance with the requirements and code of ethics of the relevant professional licensing body.

No employees are required to sign technical documents with which they disagree as a matter of professional ethics.

17.03 Authorship

Recognition of authorship or significant technical contribution by employees is given when documents are published in their entirety or in part by the Company.

17.04 Publications

The Company will facilitate publication of appropriate reports or documents subject to any necessary restrictions of confidentiality.

17.05 Memberships

Where the Company requires that an employee be a member of more than one (1) provincial professional engineering association, the Company will pay one hundred per cent (100%) of the cost of initiation and fees of the second (2nd) and subsequent such membership. The Company will also reimburse one hundred per cent (100%) of the fee for an employee's membership in a technical organization where the Company requires such membership.

ARTICLE 18 - PERFORMANCE MANAGEMENT AND REVIEW

The purpose of this Article is to recognize the importance of and to promote proper performance management and review, thus enabling the employee to continually enhance performance to the benefit of career development, the accomplishments of the organizational unit and ultimately the success of the Company.

18.01 Principles

Performance Review will be governed by the following principles:

- (a) Employees should receive meaningful feedback on their performance on an ongoing basis. In addition, employees will receive an informal six (6) month feedback session/review. Employees will have their performance formally reviewed annually, and discussed with them by their Managers by December 31 each year;
- (b) Employees will normally have their performance reviewed prior to a transfer or change in Managers. Employees may request a formal review at the time of transfer;
- (c) The performance review dialogue should focus on -
 - (i) Establishing a clear understanding and equitable assessment of the employee's contributions and achievements relative to the established goals, expectations and requirements;
 - (ii) Recording, assessing and guiding the development of the employee's skills and capabilities;
 - (iii) Establishing individual employee objectives for the subsequent year, identifying employee career development goals and discussing training or other actions to assist in the attainment of those goals. The employee's readiness for promotion will also be discussed during the performance appraisal process;
- (d) The performance appraisal will include an overall assessment of the employee's performance over the review period. The categories are as follows:
 - a. Needs Development
 - b. Mostly Successful in Meeting Expectations
 - c. Successfully Meets Expectations
 - d. Consistently Exceeds Expectations

e. **Significantly Exceeds Expectations**

“Expectations” are results expected of an employee relative to the employee’s PG grade, their level of experience within the grade, and their level of experience in the areas in which they have been working over the review period.

“Successfully Meets Expectations” performance constitutes the Company's standard measure, i.e., this is a level of performance, which the Company is satisfied to receive, and which reflects honourably upon the employee;

The expected performance distribution is:

Needs Development	2%
Mostly Successful in Meeting Expectations	10%
Successfully Meets Expectations	63%
Consistently Exceeds Expectations	20%
Significantly Exceeds Expectations	5%

The percentage of bargaining unit members in the “Needs Development” and “Mostly Successful in Meeting Expectations” categories are maximum percentages.

- (e) Assessments of “Needs Development” should give rise to a more frequent performance review cycle as part of the effort to achieve enhanced performance. As part of this process, additional training and mentoring will ordinarily be provided.
- (f) The Company will not change, without prior agreement with SPEA, the performance review system, including the current (2006) performance appraisal form;
- (g) An employee’s performance appraisal will not be negatively impacted if objectives are not achieved due to circumstances beyond the employee’s control.

18.02 Employee Entitlements

The following Performance Review entitlements shall accrue to the employee:

- (a) An employee shall have the right to a Performance Review at any time upon request;

- (b) The employee shall have an opportunity to provide meaningful input into their performance appraisal. This includes the option of preparing a “self-appraisal” on the standard performance appraisal form, for submission to the Manager. Employees may also request that the Manager seek input from up to three (3) others (co-workers, suppliers, customers, Managers, etc.) with whom the employee had significant interaction during the review period and incorporate the information received into the appraisal. With respect to customers/suppliers, the Manager will, where appropriate and at the Manager’s discretion, make a reasonable effort to seek the above information;
- (c) Section Heads should have input into the employee’s performance appraisals. Section Heads will normally be present at performance appraisal meetings, unless the employee requests otherwise;
- (d) Overall assessments for employees and their distribution shall not be pre-determined. An employee’s performance appraisal cannot be finalized until after the performance appraisal process has been completed. For clarity: The appraisal process has not been completed until after the employee and Manager have met to discuss the performance appraisal.
- (e) If requested by either the employee or the Manager, the performance review shall be conducted in two stages, as follows:

At the first meeting, the Manager will seek input from the employee and provide input and clarification of the draft review, provide performance feedback and discuss objectives. At the end of the initial meeting the review may be finalized or a second meeting scheduled when they would have the opportunity to further discuss the review and the objectives with the intent of reaching an understanding. Should the employee disagree, then recourse as per Article 18.02 (g) is available.
- (f) Employees will be asked to sign the performance appraisal form as an indication that the contents have been read and understood. The employee’s signature does not necessarily mean that the employee agrees with the assessment. An employee may add written comments to accompany the finalized performance assessment.
- (g) Where an employee disagrees with the performance assessment, the matter should be discussed with the Manager; the employee may also request, within fifteen (15) days after having received the performance appraisal report for signature, that a representative of Human Resources mediate and obtain resolution;
- (h) Employees may have a copy of any of their performance assessments upon request;

18.03 Notations on File

When a disciplinary notation is placed on a personnel file, the employee concerned shall be given an opportunity to sign the notation in question to indicate that its contents have been read, and shall be given a copy. Signing does not necessarily acknowledge agreement with the contents of the report.

Employees may request an offsetting notation twelve (12) months from the date of discipline and this request will be granted provided there has not been an occurrence of a similar nature over this time.

Disciplinary notations and all other documents related to the discipline will be removed from an employee's file after a period of two (2) years provided that no occurrence of a similar nature has taken place over this time. Disciplinary notations removed from an employee's file will be returned to the employee for disposal and will not form the basis for any subsequent disciplinary action.

For clarity, the process outlined above will apply to Letters of Expectation as well, though they are not disciplinary in nature.

18.04 Limitations on Employee Documents

The Company will not introduce as evidence in a Hearing relating to disciplinary action any document of which the employee had not been informed at the time it was placed on file.

The contents of any written statement referring to the employee's performance will be given to the employee in writing.

18.05 Access to Employee File

Employees may view their files in the presence of a Human Resources Office representative. Employees shall, on request, be given a copy of any document on their file.

18.06 Probationary Period

Newly-hired employees will be assessed on or before the completion of sixty (60) working days and will be subject to a probationary period of one-hundred and twenty (120) working days following which they will be placed on the seniority list and credited with seniority from date of hire. In the event an employee's performance during the probationary period is not satisfactory, the Company has the right to discharge the employee.

ARTICLE 19 – HOURS OF WORK

19.01 General

- (a) (i) The normal work week shall be thirty-seven and one-half (37.5) hours, Monday to Friday inclusive. The normal work day shall be seven and one-half (7.5) hours, exclusive of the lunch period, to be worked on a flexible basis within determined time limits.
- (ii) The corresponding hours of work for employees shall be flexible within the following constraints:

Start Time	7:30am - 9:00am
Finish Time	3:30pm - 5:30pm
- (b) From time to time, the Company may fix starting, finishing or lunch times in accordance with specific work requirements.
- (c) In exceptional circumstances, the Company and SPEA recognize that additional flexibility may be required on occasion with respect to start and finish times beyond the aforementioned constraints. The Company will consult with SPEA of such situations where the duration is expected to be longer than ten (10) working days. Employees may reasonably decline based on personal/family circumstances.
- (d) Provided that the Company's operational requirements are met, employees may request to work flexible hours beyond the aforementioned constraints. Such requests shall not be unreasonably denied.

19.02 Lunch Period

The lunch period shall normally be thirty (30) minutes, but a lunch period of up to sixty (60) minutes may be taken by the employee with prior notification to Management.

19.03 Shiftwork

Whenever the Company determines that shift work is required, the Company shall consult meaningfully with SPEA regarding all matters related to the implementation of said shift. Without limiting the generality of the foregoing, said consultation shall include the number of employees involved, the expected duration, the hours of work per shift, the days of work, the days of rest and the need for fixed and/or rotating shifts.

Upon completion of the consultation process, which will involve SPEA and potentially affected employees, the Company shall implement shift work, subject to the following:

- (a) Employees shall confirm their preferred shifts to the Manager involved. The Company shall assign employees to the shifts, taking employee preferences into consideration whenever possible, provided that the Company's operational requirements are met. Without limiting the generality of the foregoing, said requirements include an appropriate mix of skills, PG Grade levels and experience. In the event that employee preferences cannot be accommodated due to operational requirements, the Company shall assign shifts based on seniority in accordance with said operational requirements.
- (b) In determining shift schedules, the Company will also take into consideration and reasonably accommodate the wishes of employees with regard to the extent and schedule of the required shift work taking into consideration employees' personal and family circumstances. The Company will not require an employee to work on shift where other qualified employees are willing and available to do the work, subject to the Company's operational requirements.
- (c) Whenever employees are assigned to shift work, Managers shall provide two (2) weeks' notice to the employees involved and the required shift schedules shall be included therein.
- (d) Failure to comply with the notice provision as per paragraph (c) above shall require the payment of a premium rate of time and one-half (1.5) for the first two (2) shifts worked on a revised schedule.
- (e) The duration of the shifts shall vary between seven and one-half (7.5) hours and twelve and one-half (12.5) hours. Each shift shall be inclusive of one (1) or two (2) thirty (30) minute unpaid meal period(s) depending on the duration of the shift. In the event that the Company requires the employee to remain in the work place during the meal period, the employee shall have the option of having the meal period banked at straight time or paid at straight time. Meal periods do not constitute work for the purposes of calculating overtime.
- (f) The Company shall fix the start time and end time of the morning, afternoon, evening and/or night shifts as required. For clarity, said times for a morning shift may differ from those times specified by Article 19.01 (a). The normal work week and days of rest as per Articles 19 and 21 may not apply while on shift.

- (g) Employees on a schedule of hours commencing between 6:00 a.m. and 2:59 p.m. will receive a shift premium of one dollar and eighty cents (\$1.80) per hour.

Alternatively, employees on a schedule of hours commencing between 3:00 p.m. and 5:59 a.m. will receive a shift premium of two dollars and thirty cents (\$2.30) per hour.

- (h) Employees will not be entitled to daily overtime pursuant to Article 21.02(a) unless they are working outside of the scheduled hours of the shift. All other overtime entitlements will continue to apply.
- (i) Provided that reasonable notice is given to and accepted by the Manager involved, an employee may exchange shifts with another qualified employee or change shifts to utilize a vacant work station.
- (j) A posting or competition will indicate if shift work is a requirement.

19.04 Christmas Shutdown Arrangements

Subject to the Company's determination that its operational requirements can be met, a Christmas shutdown will be implemented each year. The Christmas shutdown refers to the normal working days between the afternoon of Christmas Eve and New Year's Day after the paid holidays as per Article 15, Company Holidays, have been taken into account.

Employees may use available banked time, personal business days or vacation pay to cover the Christmas Shutdown. In the event that an employee does not have the requisite days accrued to cover the Christmas Shutdown, individual make-up time arrangements shall be agreed upon by the employees and Managers involved.

19.05 Compressed Work Week

An employee may request to work a compressed work week and the Company shall consider such request taking into consideration operational requirements. Such a request will not be unreasonably denied.

- (a) Provided that the Company's operating requirements are met, the daily hours specified within Articles 19.01 and 19.03 may be increased to, for example:
 - (i) Nine and one-half (9.5) hours on Monday to Wednesday and nine (9) hours on Thursday.

- (ii) Nine and one-half (9.5) hours on Tuesday to Thursday and nine (9) hours on Friday.
- (iii) Ten (10) hours on Monday to Wednesday, and remain at seven and one-half (7.5) hours on Thursday.
- (iv) Ten (10) hours on Tuesday to Thursday, and remain at seven and one-half (7.5) hours on Friday.

For clarity, such standard hours shall not exceed thirty-seven and one-half (37.5) hours per week.

- (b) Overtime shall only be paid for authorized overtime work in excess of the standard compressed hours of work. For clarity, and using (iii) above as an example, overtime shall be paid at the applicable overtime rate after ten (10) hours on Monday to Wednesday and after seven and one-half (7.5) hours on Thursday.

ARTICLE 20 – SALARIES

20.01 Salary Scales

- a) Employees shall be classified and paid in accordance with the PG salary scales listed below.
- b) Increases shall be applied in the following order:
 - i) Scale
 - ii) Merit

The total salary increase (scale plus merit) shall be rounded to the nearest one hundred dollars (\$100).

- c) The following salary scales shall become effective on January 1 of the years indicated in the tables below. The salary scales below incorporate a salary grade adjustment of one and one-half percent (1.5%) applied to the minimums and maximums of the ranges in 2011 and 2012, then two percent (2%) in 2013-2015 and two and one-half percent (2.5%) in 2016, with the exception of the minimums of PG1-PG3 and the maximums of PG1-PG2 in 2012. Those salary thresholds have a further increase above one and one-half percent (1.5%) which constitutes a market adjustment being applied in that year only.

2011 Scale		
Grade	Minimum	Maximum
PG1	\$52,600	\$63,300
PG2	\$63,400	\$81,400
PG3	\$81,600	\$95,700
PG4	\$95,800	\$119,400
PG5	\$104,900	\$130,900
PG6	\$115,600	\$144,500

2012 Scale		
Grade	Minimum	Maximum
PG1	\$65,000	\$72,900
PG2	\$73,000	\$86,300
PG3	\$86,400	\$97,100
PG4	\$97,200	\$121,200
PG5	\$106,500	\$132,900
PG6	\$117,300	\$146,700

2013 Scale		
Grade	Minimum	Maximum
PG1	\$66,300	\$74,400
PG2	\$74,500	\$88,000
PG3	\$88,100	\$99,000
PG4	\$99,100	\$123,600
PG5	\$108,600	\$135,600
PG6	\$119,600	\$149,600

2014 Scale		
Grade	Minimum	Maximum
PG1	\$67,600	\$75,900
PG2	\$76,000	\$89,800
PG3	\$89,900	\$101,000
PG4	\$101,100	\$126,100
PG5	\$110,800	\$138,300
PG6	\$122,000	\$152,600

2015 Scale			2016 Scale		
Grade	Minimum	Maximum	Grade	Minimum	Maximum
PG1	\$69,000	\$77,400	PG1	\$70,700	\$79,300
PG2	\$77,500	\$91,600	PG2	\$79,400	\$93,900
PG3	\$91,700	\$103,000	PG3	\$94,000	\$105,600
PG4	\$103,100	\$128,600	PG4	\$105,700	\$131,800
PG5	\$113,000	\$141,100	PG5	\$115,800	\$144,600
PG6	\$124,400	\$155,700	PG6	\$127,500	\$159,600

d) Salary Adjustments

- i) To implement the scale changes, employees shall have their base salary increased in each year such that their relative location within each grade is unchanged.
- ii) Employees who receive a "Needs Development" performance rating shall not receive a salary adjustment, unless this would result in the employee dropping below the minimum salary for his or her grade. In this case, the employee's salary shall be set at the minimum of the grade.

20.02 Merit

- a) In each year, an employee's merit pay is based on their performance review and shall be awarded to all employees who achieve a "Successfully Meets Expectations" performance rating or above in their performance review. Merit pay increase shall be based on the table below.

Salary Grade	Performance Rating				
	1	2	3	4	5
PG1	0.00%	0.00%	4.50%	6.75%	11.25%
PG2	0.00%	0.00%	3.00%	4.50%	7.50%
PG3	0.00%	0.00%	2.00%	3.00%	5.00%
PG4	0.00%	0.00%	1.00%	1.50%	2.00%
PG5	0.00%	0.00%	0.80%	1.20%	2.00%
PG6	0.00%	0.00%	0.60%	0.90%	1.50%

This table is intended to provide an overall expenditure on merit increases for the Bargaining Unit as a whole of one and one-half percent (1.5%). In the event that the demographics of the Bargaining Unit, combined with the actual distribution of performance ratings, results in an expenditure that is less than one point three percent (1.3%) or more than one point seven percent (1.7%),

then the table shall be renormalized such that the overall expenditure falls within this range.

- b) The Company shall provide to SPEA a detailed (per employee) breakdown of performance appraisal results immediately upon their completion. The list shall include employee overall assessment ratings, merit pay amounts, PG grade and current salary. SPEA recognizes its legal obligation to maintain the confidentiality of information related to individuals' performance ratings/salaries and as such no identifying information shall be publicized in any way. Furthermore, such information shall only be accessible to SPEA's Officers and staff. Access to such personal information to others shall only be granted with permission of the Company, which shall not be unreasonably withheld.
- c) At its discretion, the Company may reward individual employees with increases and/or bonuses over and above those established under the merit provisions. Where said increase is restricted by the top of a range and promotion is not warranted, the employee's salary shall be increased to the top of the range and the balance paid as a lump sum to the individual. The Company will provide advance notification to SPEA of any exceptional merit increases and/or discretionary bonuses.
- d) The assumed distribution of merit is based on the following distribution guideline:

Needs Development	2%
Mostly meets expectations	10%
Successfully meets expectations	63%
Consistently exceeds expectations	20%
Significantly exceeds expectations	5%

The above guideline is an estimation only and does not presuppose a predetermined performance distribution. The percentage of Bargaining Unit members in the "Needs Development" and "Mostly Meets Expectations" categories are maximum percentages for each specific year.

- e) Salaries shall be administered within each grade on a merit basis. Salaries of employees shall be reviewed once per year and shall be increased, if appropriate, with changes effective as specified herein. Where the increase that would be awarded is restricted by the top of a range and promotion is not warranted, the employee's salary shall be increased to the top of the range and the balance paid as a lump sum to the individual.

- f) Merit increases for employees shall be determined by their position on the merit grid. An employee's position on the grid shall be determined by the following criteria:
- Performance rating as determined by their annual performance review as per Article 18;
 - The PG classification of the employee.
- g) The decision to award an employee a merit increase less than the merit grid as per Article 20.02(a) is at the discretion of the Company but shall be subject to the following:
- i) Merit shall not be withheld because the employees have been assigned work normally done by employees at a lower PG level unless the employees assigned such work have demonstrated inability to perform at the grade level in which they are classified;
 - ii) Employees on approved job-related leave without pay, or recalled after lay-off, shall normally be credited with salary adjustment(s) equal to the grade adjustment.
- h) Maternity/parental leave shall not cause a deterioration in the position of the employee's salary relative to the maximum and minimum of the range for the grade.

20.03 Employee Share Ownership Plan

Employees shall be able to participate in the Employee Share Ownership Plan of the Company's parent company, the terms of which are not subject to collective bargaining or the terms of this Agreement and are subject to change at the sole discretion of the Company's parent company.

20.04 Promotions

The Company's decision to promote meritorious employees shall normally be coincident with a salary review, typically effective January 1 each year. Employees who are promoted shall have their salaries increased to no less than the minimum of the higher range.

Progression through the PG1 – PG4 grades is generally considered normal for employees, subject to typical career development and provided that the employees' performance meets the requirements and expectations of the higher grades. In accordance with Article 3, Management Rights, the Company may select employees for promotion through the PG1 – PG4 grades in advance of the natural progression.

Promotions to PG5 and PG6 positions are limited by the Company based upon its operational requirements, the availability of firm, ongoing work at those levels and the capability of the employees to meet the requirements and expectations of the higher grades.

Candidate employees for promotion to PG5 – PG6 positions shall first complete the relevant portions of the Promotion Application Form for submission to their Managers. The Managers shall complete the final Promotion Application Form taking into consideration the employees' inputs. Candidates for promotion shall be actively involved in the process and shall have the opportunity to be interviewed by the Promotions Committee. At least one (1) SPEA member shall sit as non-voting members on all Promotions Committees considering promotions to PG5 or PG6. The members must be classified at an equal or higher grade than the grade for which the promotions are being considered.

The Company and/or deliberative body shall give written reasons for its decisions and shall supply a copy to candidate employees across all PG grades.

In the event that the position held by a PG 6 or PG 5 employee is terminated for any reason other than layoff, that position shall be posted contingent upon a requirement for continued work at the grade level and shall be filled in accordance with Article 11.

20.05 New Hires

New employees shall receive full scale increases on January 1st following their hire date. New employees shall receive merit pay increases, where applicable, pro-rated to their length of service during the year on January 1st following their hire date. The pro-rating is monthly and shall be based on the employee receiving the employee's salary for at least ten (10) days in the calendar month.

The salaries of all newly hired employees shall be reviewed upon the successful completion of the probationary period. Where warranted relative to their initial work, level of responsibility and performance, the salaries of such new hires shall be adjusted.

ARTICLE 21 – OVERTIME AND PREMIUMS

21.01 Eligibility

Employees shall receive overtime pay when all the following conditions apply:

- (a) The overtime period has been approved in advance by the Manager (where this is not the case, overtime shall not be required); and
- (b) When the employee has actually worked and/or was deemed to be at work in accordance with this article. For clarity, paid leave time shall be considered a normal day of work when computing overtime.

21.02 Terms of Payment

Payment shall be made on the following basis:

- (a) The rate paid will be time and one-half (1.5) for all eligible time worked in excess of seven and one-half (7.5) hours per day or thirty-seven and one-half (37.5) hours per week, measured to the nearest half (0.5) hour;
- (b) The rate paid shall be double time (2.0) for all eligible time worked in excess of ten (10) hours of overtime at the rate of time and one-half (1.5) in a week. Overtime earned at the rate of double time (2.0) on the second day of rest or a Company holiday does not count toward the ten (10) hour threshold.
- (c) The rate of "time" will be determined by dividing the annual salary by one thousand nine hundred and fifty (1950);

21.03 Overtime on Day of Rest or Company Holiday

- (a) Authorized work performed on the first day of rest shall be paid at the rate of time and one-half (1.5).
- (b) Authorized work scheduled for and performed on a second (2nd) or subsequent day of rest, or a Company Holiday, shall be paid at the rate of double time (2.0), under the following circumstances:
 - (i) Where at least seven and one-half (7.5) hours were worked on the previous day of rest; or
 - (ii) Where the employee was specifically required by the Company to work the second (2nd) or subsequent day of rest, or the Company Holiday.

If the employee works on the second (2nd) or subsequent day of rest or Company Holiday to meet the convenience of their own schedule, then such time shall be paid at the rate of time and one half (1.5).

21.04 On-Call

On-call duty requires that the employees make themselves readily available for a specified period of time outside of their normal working hours for telephone consultation or return to work. Any request by the Manager that employees be available for such consultation or return to work shall be considered on-call duty. Any person on on-call duty will receive a premium of four dollars (\$4.00) for each hour on-call. No premium will be paid in respect of any duty period where the employees are found to be not readily available. Employees shall advise their Managers if they cannot be available for on-call duty.

21.05 Call-In

An employee called back to work from home after the normal workday has been completed shall be paid at the rate of time and one-half (1.5) for hours worked, for a minimum of four (4) hours.

21.06 Overtime Requirement

It is recognized that circumstances arise from time to time that necessitate overtime work. No employee will be required to work such overtime when other qualified employees are willing and available to undertake the work. Where an employee is required to work overtime, all reasonable efforts will be made with regard to the extent and schedule of the required overtime to accommodate the wishes of the employee.

21.07 Travel Time

Whenever employees are required to travel on Company business and Project Assignment Conditions do not prevail, employees shall be expected to use the shortest available, most continuous means of travel to the ultimate destination unless otherwise approved, in advance, by their Managers. Managers shall determine whether travel occurs within or outside regular working hours, based on the Company's operational requirements.

Employees traveling outside of regular working hours shall receive a one-way travel allowance, subject to any required deductions, based on the destination as identified in Table 21.07 below.

Table 21.07 – Travel Allowances

CANDU Station or Other Common Destination	One-Way Travel Allowance
Bruce	\$120
Pickering	\$50
Darlington	\$70
Gentilly	\$230
Point Lepreau	\$140
Chalk River	\$230
Cernavoda	\$700
Embalse	\$700
Qinshan	\$700
Wolsong	\$700
Candu Montreal Office	\$120
Other	TBD

Where employees travel, partly during and partly outside of normal working hours, the Managers involved shall determine, in advance and with the employees, the portion of the travel allowance payable for travel time outside of normal working hours. There will be a committee review process for exceptional situations beyond the employee's control.

21.08 Travel Expenses/Kilometers

When using a personal automobile for business travel, kilometers will be reimbursed at the rate of fifty-five and one-half cents (\$0.555) per kilometer or the standard Company mileage rate in effect at any time during the life of the collective agreement if greater.

21.09 Meal Allowance/M Meal Period

- (a) Employees who are required to work two (2) or more hours of authorized overtime immediately following their normal hours of work, are entitled to a thirty (30) minute paid meal period and employees shall be eligible for a meal allowance of fifteen dollars (\$15.00).
- (b) Employees who are required to work three (3) or more hours of authorized overtime on a day of rest or a Company holiday, starting at least one (1) hour before and ending at least one (1) hour after a meal period, shall receive a paid meal period of thirty (30) minutes and the above-referenced meal allowance. If the overtime period extends beyond seven and one-half (7.5) hours, Article 21.09 (a) will apply.

- (c) In the event that the employee accepts a meal provided by the Company during the thirty (30) minute paid meal period referenced in Article 21.09 (a) and (b), the employee shall not be eligible for a meal allowance of fifteen dollars (\$15.00).

21.10 Banked Time – Overtime & Time Balancing

Overtime is earned when the Company requests an employee to work overtime. Banked straight time is earned when an employee requests approval to work additional hours for the purpose of accruing time for time balancing purposes, there is an operational requirement for the work to be done, and the Manager approves the banked straight time in advance.

Employees shall have the choice of having their authorized overtime paid out or accrued as per Articles 21.02 and 21.03 in a renewable time bank, subject to the following conditions:

- (a) Banked overtime hours shall be properly recorded using the Company's time sheet system, in no less than one-half (0.5) hour increments, to a maximum of thirty seven and one-half (37.5) hours at any time.
- (b) Banked straight time shall be properly recorded using the Company's time sheet system, in no less than one-half (0.5) hour increments, to a maximum of thirty seven and one-half (37.5) hours at any time. Authorizations of banked straight time are separate decisions and accumulations of straight time banked time beyond the thirty seven and one-half (37.5) in total will not, by default, be treated as authorized overtime.
- (c) With the agreement of their Managers and subject to operational requirements, employees may use banked time to arrange time off in a patterned way. The pattern shall not be more frequent than a specific day off every third week: the period open to this arrangement shall be June through mid-September.
- (d) Unused banked time will be paid out to a maximum of seventy-five (75) banked hours, upon termination of employment or as required to eliminate an excess balance.

ARTICLE 22 – LAY-OFFS, RECALLS AND VOLUNTARY TERMINATIONS

In the event of lay-off, the parties are agreed on two (2) basic underlying principles:

- The Company has a degree of obligation to employees who have served it for extended periods; and
- SPEA recognizes that the Company must retain an effective workforce capable of and willing to perform the required work.

The provisions below are intended to embody a workable and mutually agreed balance between these two (2) principles, and to provide adequate notice of lay-off, severance compensation and recall rights for those laid off.

22.01 Redeployment

- (a) If an employee's position is eliminated for any reason such as program changes, reorganization, or completion of job, the Company will endeavour, subject to its other commitments and responsibilities and provided the individual is capable of performing the required work by virtue of training, education, experience, knowledge, skills, and abilities, to place the employee:
 - (i) In a vacant position of equal responsibility and scope for advancement; or
 - (ii) If there is no such position available, in a vacant position of lesser responsibility or scope for advancement.

The Company will involve affected employees in the redeployment process and will take into consideration employee preferences. SPEA will be provided notice of all redeployments in accordance with Article 7, Notifications.

SPEA will be provided advance notice and will be kept informed as to the status of a redeployment process involving significant numbers of employees. For clarity, a “significant redeployment” would involve ten (10) employees as part of the same group redeployment initiative.

- (b) If there is no such vacant position in work units of the Company represented by SPEA, the Company will identify to redundant employees vacant positions in other parts of the Company.
- (c) Redeployment involving a change of domicile will be governed by Article 11.04.

- (d) If the employee is not capable of immediately performing the required work the Company will, wherever practicable, provide the necessary familiarization to allow the employee to become capable of performing the work.
- (e) Where a potentially redundant employee cannot be redeployed to a vacant position, a lay-off will occur on the basis of seniority in accordance with Articles 22.02 and 22.03.

22.02 Lay-off

(a) Protects

In a lay-off, the Company may protect from lay-off ten per cent (10%) of the number of bargaining unit employees having specific technical knowledge required by the Company, or whose performance or potential warrants their retention in the workforce. Notwithstanding the above, the number of protects shall not exceed the number of employees to be laid off.

The number of Bargaining Unit employees is determined as of the date of announcement of any lay-off.

The protect list will be finalized, not to be amended once issued, except that if a protected employee terminates for any reason, or leaves the Bargaining Unit, prior to the finalization of the process, the employer may add a replacement protect.

(b) General Approach

With the exception of “protects”, as set out above, lay-offs shall be in order of seniority within the skill categories.

The Company recognizes its enhanced obligation to employees who have served for extended periods. Pursuant to this enhanced obligation, employees with at least twenty (20) years of service with the Company will be entitled to up to six (6) months training (formal and/or informal) to allow them to displace more junior employees whom they would not otherwise be qualified to displace. The training will be provided in the skill category determined by the Company, in consultation with the employee. If an employee chooses not to be trained, they will be subject to lay-off. The Joint Lay-off Committee will review all such cases.

The Parties recognize that employees are deemed proficient in one (the primary skill) and possibly more (secondary skill) skill categories in accordance with the Skills Inventory System. An employee displaced in their primary skill category will displace an employee in their secondary skill category provided they have the requisite secondary skill seniority as per the Skills Inventory System.

(c) Displacing into a Section Head or Other Similar Position

If an employee who holds a Section Head or other similar position is displaced on the basis of seniority, the more senior employee who does the displacing will not necessarily become the Section Head. Similarly, the more senior employee would not receive the salary of the employee displaced.

(d) Steps to Reduce the Extent of Lay-off

In the event of a probable lay-off situation arising, the Company will make every reasonable effort to reduce the extent of the lay-off and, subject to the Company's contractual and operational commitments, and depending on the nature and extent of the reduction in work programs, will take the following steps prior to a lay-off of employees in the Bargaining Unit:

- (i) Terminate all rental or contract professional staff who hold positions which can be filled by existing Bargaining Unit members;
- (ii) Cease hiring into the Bargaining Unit for positions which can be filled by existing Bargaining Unit members;
- (iii) Reduce wherever possible the work done by attached staff or contracted out.

(e) Restrictions During Lay-off

No new employee shall be hired, work contracted out, or contract or rental staff engaged while Bargaining Unit members within the same skill category are under notice or on the recall list.

22.03 Lay-off Procedure

(a) Advance Notice

Where the Company anticipates a lay-off, it shall notify SPEA as far as possible in advance specifying the areas likely to be affected. In the event that the lay-off will affect ten (10) or more employees (within a two (2) month period), such notice shall be provided at least ten (10) working days prior to issuance of the first layoff notice. Where practicable, the Committee described in Article 22.03 (b) below will commence functioning prior to any formal notice of lay-off being provided to employees.

(b) Joint Lay-off Committee

Within one (1) week of the above-mentioned notice, a Committee of at least four (4) individuals will be formed consisting of an equal number of Company and SPEA representatives. The Committee will be provided with a list of names of employees whom the Company intends to lay-off and the list of "protects". The above lists will include relevant information such as PG grade, skill categories, and seniority. The Committee will also be provided with a list of non-employees (including contract personnel). The Company and SPEA will provide to the Committee, any additional relevant information requested by the Committee (or SPEA members thereof) in order to facilitate the Committee's efforts. SPEA may supply the Committee with information in the best interest of the employee.

The Committee will discuss and consider the feasibility of alternatives to lay-off (e.g. worksharing) and will present its potential alternatives to the Company as soon as practicable.

The Committee will assess the Company's lay-off list in light of the principles set out in this Article and will make recommendations to the Company in this regard.

The Committee will attempt in good faith to arrive at mutual conclusions within ten (10) working days from the date of notice of lay-off on issues raised during Committee proceedings. The Parties with mutual agreement may extend the deliberations of the Committee beyond its ten (10) working day mandate.

In the event that the Committee cannot arrive at mutual conclusions on issues raised, SPEA Committee members may present proposals independent of the Company Committee members.

Committee discussions and the proposals/recommendations made by the Committee (or the separate proposals/recommendations of SPEA/Company members thereof) will not be binding and will be without prejudice to either the Company or SPEA for any purpose whatsoever.

(c) Voluntary Termination

In the event of a Group Termination as defined in the Canada Labour Code (or in the event of fewer lay-offs where agreed to by the Parties), or merger with another company or companies or formation of any successor organization, the Company, and SPEA shall negotiate in good faith to develop a voluntary termination program (VTP).

In the case of lay-off, the Parties shall endeavour to come to an agreement with respect to the VTP within no more than ten (10) days of the initiation of VTP negotiations and, where possible, to implement the VTP in advance of the

issuance of lay-off notices. If agreement on the VTP is not reached, the Company shall offer the minimum outlined below.

Under the VTP, an employee may apply to voluntarily terminate their employment. The Company shall have the right to accept or deny the application based on its overall resourcing requirements and will act reasonably and in good faith. Employees whose applications are accepted shall receive, at a minimum, notice (i.e. the monetary equivalent thereof), lay-off compensation, and termination compensation as per Articles 22.04 and 22.07.

Employees accepted for the VTP waive all recall rights and shall not grieve their termination.

(d) Volunteering for Substitution Lay-off

Where notices of lay-off have been issued, and Article 22.03 (c) is not applicable, an employee who is unaffected and working in the same skill category at the same Company location and/or client site as the employee given notice, may apply to volunteer for lay-off and thus receive notice (i.e. the monetary equivalent thereof) lay-off compensation and termination compensation as per Articles 22.04 and 22.07.

The Company shall have the right to accept or deny any or all of the applications based on its overall resourcing requirements and will act reasonably and in good faith. The Company may defer the lay-off for a period of up to twelve (12) months. Where a request to volunteer is accepted by the Company, it may not be reversed by the employee except with the Company's agreement. Such employees waive all recall rights and shall not grieve their termination.

For each volunteer accepted, the senior-most employee in the same skill category at the same Company location and/or client site as the volunteer shall in turn have the lay-off notice rescinded.

22.04 Notice

When an employee becomes subject to lay-off, the Company will give those individuals to be laid off as much notice as possible, and in any event, not less than:

Less than 1 year continuous service	1 month
1 but less than 3 years of continuous service	2 months
3 but less than 10 years of continuous service	14 weeks
10 or more years of continuous service	4 months

If the Company chooses to provide non-working notice, either in whole or in part, the employee may choose to accept a lump sum payment in lieu of bi-weekly

payments, supplemented by fifteen per cent (15%) in lieu of benefits for the non-working portion thereof. Where the notice period spans two taxation years, the employee may request two lump sum payments, one in each of the taxation years. Alternatively, the employee may choose to continue bi-weekly pay and benefit coverage for the duration of the notice period.

22.05 Seniority

The principles governing seniority will be as follows (except as provided in Article 22.08 below):

- (a) Seniority shall be the length of service with the Company and its predecessor company, Atomic Energy of Canada Limited (AECL), continuous and discontinuous, subject to the following:
 - (i) Employees who are newly hired to the Company will not acquire seniority rights until they have attained one-hundred and twenty (120) working days service.
 - (ii) For Company employees entering the Bargaining Unit for the first time, seniority will be limited to the length of service entering the Bargaining Unit, plus:
 - Fifty percent (50%) of other continuous and discontinuous service with the Company and AECL after completion of two (2) years in the Bargaining Unit; and
 - Full credit of all other continuous and discontinuous service with the Company and AECL after three (3) years in the Bargaining Unit.
 - (iii) Company employees who are re-entering the Bargaining Unit after being employed at the Company outside the Bargaining Unit will be credited immediately for their previous service in the Bargaining Unit. Service with the Company, but outside the Bargaining Unit will accumulate as per paragraph (ii) above.
- (b) Seniority in the Bargaining Unit will continue to accumulate during all Company-approved leaves of absence with or without pay, but not while on a recall list following lay-off.

22.06 Recall

- (a) An employee who has been laid off shall be retained on a recall list for a period equal to the amount of seniority to the employee's credit, or two (2) years, whichever is less, except where the employee requests in writing that the employee's name be removed from the recall list, or returns to work with the Company, or fails to return to work within thirty (30) working days of notification of recall.
- (b) Subject to (d) below, recalls to continuing Bargaining Unit work will be made in order of seniority within the employee's skill category.
- (c) Notification of recall shall be sent by registered mail to the laid-off employee's last known address. It shall be the responsibility of each laid-off person on a recall list to advise Human Resources of any change in address.
- (d) Individuals will be recalled by virtue of their skill category seniority (primary skill seniority or secondary skill seniority) at the time of lay-off, into new or vacant positions which arise by skill category.

22.07 Termination Compensation

The following provisions for termination compensation in the event of lay-off will apply:

- (a) In this sub-article, service means continuous service defined as all periods of full-time continuing, regular part-time, term, short term and student employment (including periods of authorized leave without pay), with the Company, its predecessor company (Atomic Energy of Canada Limited), and does not include any period of service for which termination compensation has previously been granted.
- (b)
 - (i) Four (4) weeks' pay for the first year of service; plus
 - (ii) One (1) weeks' pay for each additional completed year of service; plus
 - (iii) One-twelfth (1/12) of a week's pay for each completed month of continuous service in the final year of employment where this service is less than one (1) complete year;
 - (iv) The maximum entitlement under this section is thirty (30) weeks' pay.

- (c) An Overlay provision of:
 - (i) One-half (0.5) day's pay for each month of service to a maximum of twenty-five (25) days' pay; plus
 - (ii) One (1.0) day's pay for each month of service worked after the age of forty-five (45) to a maximum of sixty-five (65) days' pay;
- (d) The termination compensation entitlement shall be disbursed in full at the time of lay-off, unless the period of lay-off is known or reasonably expected to be less than the employee's period of entitlement; in such an instance, it would be disbursed on regular pay days in amounts approximating the normal pay that would otherwise be received on those dates, exclusive of premium payments.
- (e) Payments made to persons on lay-off under (d) above will continue until the termination pay entitlement is exhausted or they are recalled, whichever occurs first. If persons on lay-off are recalled before exhausting their termination pay entitlement, the unused entitlement will remain to their credit.
- (f) Employees who terminate their employment subsequent to receiving written notice of lay-off, and at a mutually agreed date, will receive the balance of the termination compensation specified in 22.07 (b) and 22.07 (c) in full immediately following termination.

22.08 Project Hires and Project Sites

(a) Project Hires

Project Hires will be hired to augment resources supplied to a Project Site from Sheridan Park and/or the Montreal office. The Sheridan Park and/or the Montreal office resources, unlike Project Hires, will be assigned to Project Sites under Project Assignment Conditions. Under Project Assignment Conditions, Sheridan Park and/or the Montreal office resources will maintain and continue to accrue seniority at their home base.

Project Hires, hired specifically for a project, do not accrue seniority, and hence do not have recall rights. Project Hires cannot displace or be displaced by other Project Hires or non-project employees (i.e. those with seniority rights at Sheridan Park or the Montreal office) through the exercise of seniority in a lay-off. Project Hires will receive lay-off notice in accordance with the Collective Agreement and receive one hundred and seventy-five percent (175%) of the termination compensation specified in the Collective Agreement.

(b) **Project Sites**

A Project Site is a work location established by the Company, which may include project offices and/or a construction site. A Project Site is set up to support a project at or near a nuclear site, at which the Company has been contracted to perform project work for that client. For clarity, a “nuclear site” includes: a nuclear power station, a decommissioning or decontamination project site or a project site at a nuclear waste management facility, including in the earliest stages.

For clarity, if the Company’s headquarters is moved, in whole or in part, from Sheridan Park/Montreal to another location, the new location is not considered a “Project Site” for the purposes of Article 22.05 (“Seniority”). The Montreal Office is likewise not a “Project Site”.

ARTICLE 23 – SPEA MEMBERSHIP

23.01 SPEA Conduct

SPEA agrees that there will be no intimidation, interference, or coercion exercised or practised upon personnel employed by the Company by any member or representatives of SPEA.

23.02 Company Conduct

The Company agrees that there will be no discrimination, intimidation, interference, or coercion exercised or practised by the Company, or its representatives, with respect to any employee because of participating in SPEA or the employee exercising of any rights established by the Collective Agreement or the Canada Labour Code.

23.03 Dues Deduction

Except as provided in Article 23.06, the Company will deduct a sum equal to the current regular SPEA dues from the salary payments for each pay period of all employees, provided that such deductions will not start until the first full pay period of employment and to the extent that sufficient unencumbered earnings are payable to the employee.

23.04 Remittance to SPEA

The Company will remit the sum deducted in accordance with Article 23.03, together with a list of the employees from whom deductions have been made, to SPEA at the end of each pay period. The list shall be supplied in appropriate electronic format as well as a hard copy being the copy of record.

23.05 Notification of Dues Changes to Company

SPEA will be responsible for informing the Company of any change in the amount of SPEA dues.

23.06 Religious Exemption

Employees who satisfy the Company to the extent that they declare in an affidavit that they are members of a religious organization whose doctrine prevents them as a matter of conscience from making financial contributions to an employee organization and that they will make contributions to a charitable organization equal to dues shall not be subject to Article 23.03.

23.07 Indemnification of Company

SPEA shall indemnify and hold harmless the Company against any and all liabilities, which may arise from the deductions of SPEA dues.

ARTICLE 24 – TERM EMPLOYEES AND CONTRACT PERSONNEL

24.01 Term Employees

In recognition of the type of services that the Company provides, the Company requires flexibility to resource those needs:

(a) Usage of Term Employment

SPEA recognizes that short-term situations may arise which result in peaking manpower demand, or requirements for special skills and expertise not otherwise available. In such situations, the Company may employ professional employees for specified terms for an identified scope of work, subject to the following:

- (i) The Company undertakes to keep the number of term employees to the minimum necessary to meet its operational commitments;
- (ii) Prior to hiring a term employee, the Company will first rehire employees on the recall list if they are capable of performing the required work. In cases of an assignment to a client, the individual must be accepted by the client, the Company shall contact the client to ascertain whether the employee on the recall list is acceptable to the client. If that employee is not acceptable to the client, the term employee may be hired;
- (iii) The term of such arrangements shall be related to the scheduled length of the work requirement, but shall not exceed twenty-four (24) months. If the term employment is renewed or extended beyond the maximum, the term employee will automatically become a permanent employee. Otherwise employment ceases at the end of any term.
- (iv) On a monthly basis, SPEA will be notified of any term employees hired, specifying their name, length of contract, PG grade, skill category and department;
- (v) No permanent employee may be offered term employment.

(b) Ongoing Requirement

Where it is contemplated that there will be an ongoing requirement for such skills, the Company will ensure that permanent Bargaining Unit members are trained in that skill before the term arrangement expires.

(c) Employee Rights

During their term such employees will be members of the Bargaining Unit and all provisions of the Agreement will apply, subject to the following:

- (i) Articles 22 and 16 will not apply;
- (ii) For employees who are hired for terms of less than six (6) months duration, Articles 12.02 (Life Insurance), 12.03 (Long Term Disability), 14.12, 14.14 (Sick Leave Credits/Intermediate Term Sickness) will not apply; should the term subsequently be extended to six (6) months or beyond, coverage under Articles 12.02 (Life Insurance), 12.03 (Long Term Disability), 14.12, 14.14 (Sick Leave Credits/Intermediate Term Sickness) will be initiated;
- (iii) A probationary period of one-hundred and twenty (120) working days of service will apply;
- (iv) The terms specified in the letter of offer form an extension to, and shall not conflict with, this Collective Agreement.

(d) Premature Termination

In the event of changes in work requirements that affect the identified scope of work for a term employee, the Company may identify an alternative scope of work for which the term employee is suitably qualified and assign the term employee to this work for the remaining duration of the term. Otherwise the Company shall terminate the term arrangement in accordance with the following:

- (i) Reimburse the employee for all reasonable costs attributable to the premature termination:
- (ii) Return the employee and dependents to the point of hire if so wished: and
- (iii) Provide notice of lay-off and severance compensation equal to the larger of:
 - (A) Any notice and severance provided in one's term contract letter of offer;
 - OR
 - (B) The notice and severance equivalent to that set out in Articles 22.04 and 22.07, calculated on the basis of the length of one's term arrangement.

(e) Impending Lay-offs

In case of lay-off, permanent employees may, if they are capable of doing the required work, displace term employees unless the term employee has less than four (4) months left in the employee's contract. A term employee so protected shall not have the term extended or become a permanent employee when the term ends. Term employees may not displace permanent employees.

(f) Competitions

Term employees may at any time apply for a posted permanent position and will be considered on equal terms with other employees. If accepted for a permanent position, the term employee shall become a permanent employee.

24.02 Contract Personnel

Where the Company engages individuals or groups of individuals as contract personnel to perform professional work on the Company's premises (which, for the purposes of this Article 24.02 includes client sites) on a contract basis, it will do so in accordance with the following:

- (a) The involvement of such personnel will be through another company or corporation; such personnel are thus not employees of the Company;
- (b) The Company undertakes to keep the degree of contract personnel to a minimum necessary to meet its overall objectives, goals and commitments; contract personnel will thus be used to meet work schedules, to secure special skills, strategic relationships and expertise with the Canadian nuclear industry. Contract personnel will not be used, except where the work in question cannot reasonably be performed by existing permanent staff or term employees taking into account the availability and skills and expertise of such permanent staff or term employees. Further, the Company undertakes to consider where feasible hiring permanent staff or term employees;
- (c) The Company further undertakes to utilize such contract personnel wherever appropriate to develop the skills and expertise of Bargaining Unit members;
- (d) The Company will provide SPEA with a list of such contracted personnel both in appropriate electronic format and in hard copy, which is the copy of record, four (4) times per year on a quarterly basis.
- (e) The Company shall provide to SPEA as much advance notice as possible (and in any event, a minimum of five (5) working days notice) of its intention to utilize contract personnel. Notification (in writing) shall include

the length of the contract and the Company's rationale for utilizing contract staff.

24.03 Contracting Out

During the course of its business operations, the Company engages in contractual arrangements with different partners, suppliers, customers and other third parties. In the context of any such arrangement the Company will not subcontract work normally performed by the Bargaining Unit to outside third parties if, as a direct result of engaging in the subcontract, existing Bargaining Unit members who perform such work are laid off (including a lay-off triggered by bumping in these circumstances). It is recognized that this restriction only applies when the Company is in the contractual position to choose whether to subcontract the work or not.

ARTICLE 25 – EMPLOYEES LOCATED AND WORKING OUTSIDE CANADA

25.01 General Understanding

Subject to the laws of the country in which one is located and working, an employee who would otherwise be included in the Bargaining Unit except for the fact of being located and working outside Canada, will continue to be covered by the provisions, terms and conditions of the Collective Agreement specified in 25.02 (a), while other provisions, terms and conditions will be modified for the posting. Where the person was a Canadian resident or a Company employee within six (6) months prior to the assignment, Articles 1.01 and 1.04 governing the person's inclusion in the Bargaining Unit apply. Persons who were not Canadian residents or Company employees in the previous six (6) months, engaged locally to work outside of Canada exclusively, will be excluded from the Bargaining Unit.

If the nature of the assignment is not considered regular travel status and requires an employee to work outside Canada (excluding the United States of America), the international project assignment conditions will apply.

Employees traveling for Company business for a period of less than ten (10) calendar days or traveling to attend a conference, seminar or to receive training (which could exceed ten (10) calendar days) will be on regular travel status.

Project assignment conditions will apply to any extension of an assignment that was issued before ratification of this Collective Agreement.

25.02 Applicable Terms and Conditions

- (a) Articles 1.06, 2.02, 3, 4, 5, 6.01, 12, 13, 14, 16, 17, 18,19, 20, 21, 23, 24 and 25 of the Collective Agreement will be included in the project assignment conditions without modification unless otherwise agreed by SPEA. Article 11 will apply except that employees may apply to internal competitions only in the last four (4) months of their assignment.
- (b) SPEA will be consulted and agreement shall be obtained (not to be unreasonably withheld) on any amendments to the project assignment conditions or the creation of any new project assignment conditions as required.
- (c) Any extension to an employee's applicable project assignment during the course of the assignment, must be agreed to by the employee. If the employee does not agree to the extension, the employee will complete the

assignment under the terms of the existing project assignment conditions. Any changes to any existing terms and conditions of the employee's project assignment, except where the change is limited to an extension of the term, must be agreed to by SPEA.

- (d) Foreign assignments are voluntary subject to Article 11.04. No employee shall be required to commence an assignment until a copy of the project assignment conditions is received by the employee.
- (e) Employees located and working outside Canada shall not have their salary, bonuses or premium deducted or reduced in order to adjust for tax benefits accruing to the assignment.
- (f) The Company shall pay for any licences, equipment, or special tools required on the assignment for use or application by the employee, which were not normally used by the employee at the normal work location.
- (g) Details of the applicable project assignment conditions for an assignment will be made available in writing to those responding or wishing to respond to a posting or expression of interest.

ARTICLE 26 – EMPLOYEES TEMPORARILY LOCATED AND WORKING AWAY FROM THEIR NORMAL WORKING LOCATION

26.01 General Understanding

Employees temporarily located and working at a location within Canada away from their normal working location, including at a Company site, will continue to be covered by the provisions, terms and conditions of the Collective Agreement.

If the nature of such assignment is not considered normal travel status, the domestic project assignment conditions will apply.

Employees traveling for Company business for a period of less than ten (10) calendar days or traveling to attend a conference, seminar or to receive training (which could exceed ten (10) calendar days) or commuting daily to and from the assignment location for a period one-hundred and eighty (180) calendar days or less will be on regular travel status.

Project assignment conditions will apply to any extension of an assignment that was issued before ratification of this Collective Agreement.

26.02 Applicable Terms and Conditions

- (a) The project assignment conditions address the terms and conditions applicable to the assignment and may add to, modify or supercede provisions of the Collective Agreement. SPEA will be consulted and agreement shall be obtained (not to be unreasonably withheld) on any amendments to the project assignment conditions or the creation of any new project assignment conditions, as required.
- (b) Domestic assignments are voluntary subject to Article 11.04. If urgency requires the dispatch of an employee prior to the employee signing the applicable project assignment document, the applicable document conditions will be applied retroactively to the assignment upon signature.
- (c) Any extension to an employee's applicable project assignment during the course of the assignment, must be agreed to by the employee. If the employee does not agree to the extension, the employee will complete the assignment under the terms of the existing project assignment conditions. Any changes to any existing terms and conditions of the employee's project assignment, except where the change is limited to an extension of the term, must be agreed to by SPEA.
- (d) The Company shall pay for any licenses, equipment, or special tools required on the assignment for use or application by the employee, which were not normally used by the employee at the normal work location.

- (e) Details of the applicable project assignment conditions for an assignment will be made available in writing to those responding or wishing to respond to a posting or solicitation of interest.

ARTICLE 27 – DURATION AND AMENDMENT OF AGREEMENT

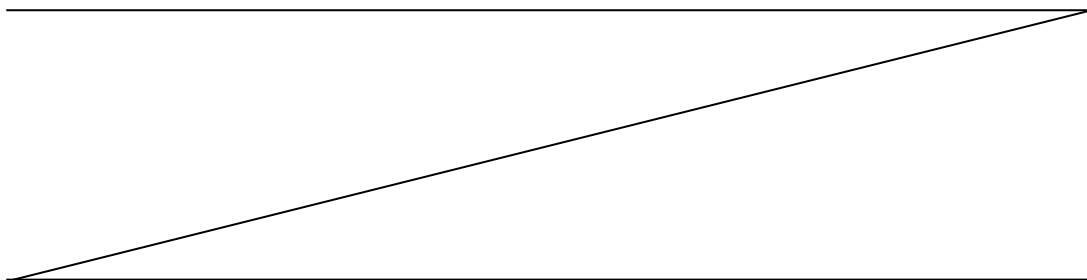
27.01 Duration

This Collective Agreement is effective from the date of signing of the Memorandum of Agreement (September 7, 2012) and shall remain in full force and effect from that date until December 31, 2016 and from year to year thereafter, unless amended in the manner provided under Article 27.02.

27.02 Amendment

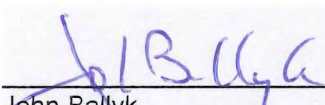
Should either the Company or SPEA desire amendment of this Agreement, the other party must be notified in writing between 2016 September 01 and September 30 inclusive, or between September 01 and September 30 inclusive in any subsequent year.

Whenever such notice of proposal to amend this Agreement is given, the nature of the proposed amendments must be specified, and until a satisfactory conclusion has been reached in the matter of such proposed amendments, the original provisions of this Agreement shall remain in effect.

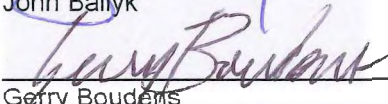


IN WITNESS WHEREOF the parties hereto have thus executed this Agreement by the hands of their proper officers.

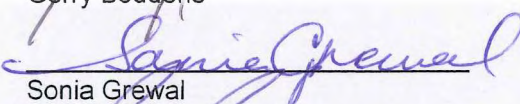
ON BEHALF OF
CANDU ENERGY INC.




John Ballyk




Gerry Boudens



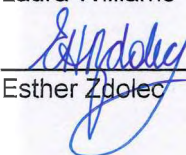
Sonia Grewal



Patrick Reid

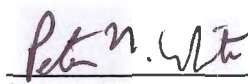


Laura Williams



Esther Zdolet

ON BEHALF OF
THE SOCIETY OF PROFESSIONAL
ENGINEERS AND ASSOCIATES



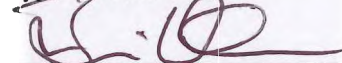
Peter White



Michael Ivanco



Tyy Dearden



Brian Girard



Brian Smith



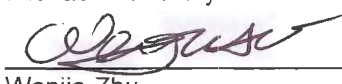
Marius Vartolomei



Asmae Elalami



Michael McCarthy



Wenjie Zhu

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White;


Subject: Article 14, Leave Plans – Vacation Reference Years

As discussed during collective bargaining, the Company shall retain AECL's reference year, i.e. April 1st to March 31st, for the purpose of administering vacation credits until December 31, 2013. As of January 1, 2014, vacation credits shall be administered on a calendar year basis. The changeover shall be administered as follows.

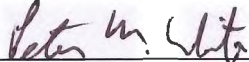
On April 1, 2011 and April 1, 2012, employees received vacation credits in accordance with the Vacation Credit Table as per the 2006-2010 Agreement and no further actions are required.

On April 1, 2013, employees shall receive vacation credits in accordance with either Table 14.02 or the Letter of Understanding, Article 14, Leave Plans – Vacation as per this Agreement however, said credits shall be pro-rated to cover the period between April 1st and December 31, 2013.

On January 1, 2014, employees shall receive vacation credits in accordance with either Table 14.02 or the Letter of Understanding, Article 14, Leave Plans – Vacation as per this Agreement in accordance with their service as of December 31, 2013. Said credits shall cover the 2014 calendar year.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White;

Subject: Article 14, Leave Plans – Vacation

As discussed during collective bargaining, vacation credits shall accumulate in accordance with Table 14.02 – Vacation Credits in the main body of this Agreement and the preceding Letter of Understanding, Article 14, Leave Plans – Vacation Reference Years. The sole exception shall be as follows.

In accordance with the discontinued portion of the vacation credit table listed below as per the 2006-2010 Agreement, employees shall be allowed to accumulate more than 187.5 hours (25 days) of vacation credits until April 1, 2013. Thereafter, said table shall be null and void and of no effect.

On April 1, 2013, the Company shall provide SPEA with written confirmation of the names of those employees with vacation credits that exceed those specified by Table 14.02 as a result of this Letter of Understanding.

Said employees shall be entitled to said credits for the duration of their employment with the Company, subject to the application of the vacation-related articles within Article 14, Leave Plans and the remainder of this Agreement, where applicable.

Service	Vacation Credits
23 but less than 25 years	195.0 hours (26 days)
25 but less than 27 years	202.5 hours (27 days)
27 but less than 29 years	210.0 hours (28 days)
29 but less than 31 years	217.5 hours (29 days)
31 or more years	225.0 hours (30 days)



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White;

Subject: Project Assignment Conditions

As discussed during collective bargaining, the Company and SPEA recognize that updates are required to the "Project Assignment Conditions" which govern terms and conditions of employment for Company employees represented by SPEA working on external sites.

Within sixty (60) days of ratification of a new collective agreement, the Company and SPEA will form a Project Assignment Conditions Committee to review and negotiate new Project Assignment Conditions (currently referred to as "Ts & Cs" and "LOUs") and the documents in which they are captured pertaining to the terms and conditions of employment for employees temporarily located and working on external sites, as listed below. This review will also include revisions to the language contained in applicable Collective Agreement Articles (expired SE Articles 25 and 26; expired TT Article 30), and a consideration of which Collective Agreement articles will apply while on a site assignment. For clarity, all other terms and conditions of employment negotiated and agreed to during collective bargaining for employees not working on project assignments will not be subject to the review or negotiation of the Project Assignment Conditions Committee or within the jurisdiction of the interest arbitrator.

The Company and SPEA further agree that the review will be guided by the following principles:

1. Provide fairness and reasonableness for both the employee and the Company
2. Be consistent with and competitive with project assignment conditions provided by the Company's competitors
3. Ensure a fair compensation model for Company employees working on external sites while maintaining the Company's profitability
4. Control abuse and/or unnecessary costs

If the Company and SPEA are unable to reach an agreement on some or all of the new Project Assignment Conditions within six (6) months of the formation of the Project Assignment Conditions Committee, then the Company and SPEA hereby agree to submit the Project Assignment Conditions to an interest arbitrator to decide. The interest arbitrator's decision will be final and binding on the Parties. The interest arbitrator will be one of the following (or another if mutually agreed):

Robert Herman, Paula Knopf, Louisa Davie, George Adams, or Brian Keller.

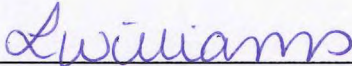
Until the Company and SPEA agree otherwise (or until the interest arbitrator's decision is issued), the attached "interim documents" will be used to determine the Project Assignment Conditions for employees represented by SPEA working on external sites. These interim documents are agreed to on a strictly without prejudice basis and they may not be entered into evidence before an arbitrator or referred to in any way, either directly or indirectly.

For clarity: The above does not preclude the Parties from proposing, in whole or in part, elements from the attached documents and in this capacity entering the contents of these documents into evidence before the arbitrator, so long as they are not identified as having been previously agreed to as part of the "interim documents".

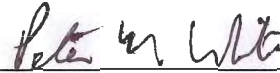
The interim documents refer to the Collective Agreement(s) with respect to "normal working hours", "overtime", "Statutory Holidays" and "Travel Time". In the event that the Parties agree to (or an arbitrator orders) conditions which differ from those set out in the Collective Agreements, such agreement (or order) will not have the effect of altering the Collective Agreements. The impact of any such agreement (or order) will be limited to altering Project Assignment Conditions only.

If the Project Assignment Conditions ultimately agreed upon (or determined by an arbitrator) provide substantially higher (greater than ten percent (10%)), overall remuneration than what an employee received on the basis of the attached documents, the Company agrees to compensate affected employees for the difference retroactive to the date of the ratification of the new Collective Agreement. The consideration will include an overall assessment and comparison of the following quantifiable items only:

Overtime, Shift Premiums, Assignment Premiums, Per Diem, Primary Residence Maintenance Allowance



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Scope of the Project Assignment Conditions:

International Assignments

Assignment Status
Normal Working Hours
Overtime
Assignment Premium
Per Diem
Primary Residence Maintenance Allowance
Accommodations
Transportation to/from Site
Local Transportation at Site
Home Leave / Work Cycle
Statutory Holidays
Sick Leave
Termination of Assignment By Company
Extension of Assignment
Termination of Assignment by Employee
Travel Time
Passport & Passport Renewal
Work permits and visas
Professional license(s)
Pre-assignment medical
Group Insurance Benefits
Income Tax Protection
Vacation and Other Leaves

Domestic Items

Assignment Status
Normal Working Hours
Overtime
Per Diem
Primary Residence Maintenance Allowance
Accommodations
Transportation to/from Site
Local Transportation at Site
Home Leave / Work Cycle
Statutory Holidays
Sick Leave
Termination of Assignment By Company
Extension of Assignment
Termination of Assignment by Employee

Travel Time
Passport & Passport Renewal
Work permits and visas
Professional license(s)
Pre-assignment medical

Letter of Understanding

September 7, 2012

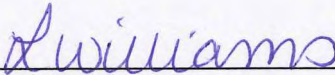
Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White;

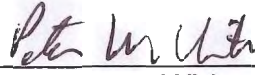
Subject: Discontinuation of the Voluntary Resignation Before Retirement Termination Compensation Program and the Retirement Compensation Termination Program

As agreed during collective bargaining, the said Programs are discontinued.

Employees who transitioned to the Company from its predecessor company, Atomic Energy of Canada Limited, on October 2, 2011, with at least one (1) year of service as of October 2, 2011, shall receive one (1) week's pay per completed year of service as of October 2, 2011 to a maximum of thirty (30) weeks' pay, based upon their base salaries as of July 31, 2012. All such payments shall be made, less required source deductions, as quickly as possible after the effective date of the Memorandum of Agreement.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White;

Subject: Relocation Policy

The Parties agree to apply the Relocation Policy outlined below for all employees represented by SPEA who are eligible for relocation support for the life of the current Collective Agreement.

In the event that the Company introduces a different Relocation Policy for other employees during the life of this Collective Agreement, SPEA may elect for the new Policy to apply to employees represented by SPEA on a go-forward basis only.

Current Employees

Eligibility

- Full-time and part-time regular employees who are required to change permanent work locations by the Company; and
- Whose new work location is more than sixty (60) kilometres further from their home than their previous or current work location.

Relocation Support

- An eligible employee is entitled to a seven thousand dollar (\$7,000) flat relocation allowance.
- An eligible employee who provides satisfactory evidence of sale of primary residence at their previous location within twelve (12) months of the start of the new work assignment is entitled to an additional thirteen thousand dollars (\$13,000), for a total relocation allowance of twenty thousand dollars (\$20,000).
- No additional relocation support shall be paid or reimbursed unless the Company chooses to provide additional support in a specific exceptional circumstance and the additional support is pre-approved by the SVP, Human Resources and the President & General Manager.
- The allowance shall be paid out on proof of initiating relocation activity. Proof of completion of relocation is required.

- Employees are responsible for keeping all receipts required by the Canada Revenue Agency.
- The relocation allowance is repayable to the Company in full if the employee terminates their employment within the first six (6) months of relocating and on a prorated basis if the employee terminates their employment within the first two (2) years of relocating.

Paid Time Off for Relocation

- Employees are entitled to up to five (5) paid days off in total in relation to relocation. Any additional time off is to be charged to vacation, banked time, Personal Business Days, or lieu time if available, or may be unpaid time off.
- Time off for relocation purposes must be pre-approved by the Manager and not impact operational requirements.

Timing of Relocation

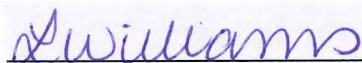
- The date on which an employee is expected to relocate is dependent on operational requirements.

Temporary Accommodation

- If an employee is unable to find permanent accommodation in the new location in time for the start of the new work assignment and therefore must stay in a hotel, he or she shall be reimbursed for meal per diems and hotel accommodation costs for up to thirty (30) days at the new location.

New Hires

New hires may be offered relocation support as outlined above to a maximum of seven thousand dollars (\$7,000).



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

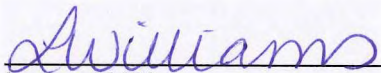
September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

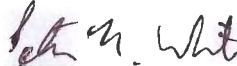
Dear Mr. White;

Subject: Working from Home

Within three (3) months of ratification of this Agreement, the Parties agree to establish a joint working group to review and discuss matters of mutual interest pertaining to employees working from home. Topics to be addressed include: health and safety, workers' compensation, insurance, tax implications, physical security, information technology security and supervision.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

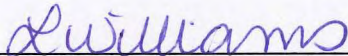
September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

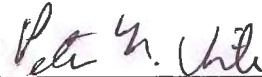
Dear Mr. White;

Subject: Seniority

Notwithstanding the language in Article 22.05 (Seniority), the Parties hereby confirm that employees entering the SPEA-SE bargaining unit will be credited immediately for their previous service in the SPEA-TT bargaining unit, if applicable, for the purpose of seniority.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White;

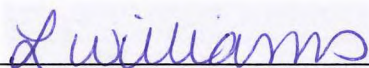
Subject: Skills Inventory System

As discussed during collective bargaining, the Company and SPEA recognize the value of a comprehensive inventory of employee skills to be used for various human resources and business planning purposes.

The Parties further recognize that some updates to the system's functionality, structure and documentation are required.

The Parties shall establish a Joint Cooperative Committee with an equal number of Company and SPEA members to review, discuss and finalize the necessary updates to Skills Inventory System.

The Committee shall establish its schedule of meetings and operating protocols by mutual agreement, with the first meeting taking place by September 30, 2012.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
And Associates

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White,

Subject: Harassment Complaints / Grievances

Employees are encouraged to consult and avail themselves of the Harassment in the Workplace Procedure should they believe that they have been subject to inappropriate behaviour and/or conduct.

The Parties agree that employees may register a complaint under the Harassment in the Workplace Procedure established by the Company or, alternatively file a grievance under Article 9, Grievances, or SPEA may file a grievance on behalf of one or more employees.

The Parties further agree that on receipt of a complaint under the Harassment procedure or a grievance alleging harassment by an employee, a group of employees, or SPEA on behalf of an employee or employees, the Company will ensure a thorough, impartial, and timely investigation is carried out. The Company undertakes to appoint at the Company's expense, an internal or external investigator, as appropriate, to carry out the investigation. SPEA undertakes to cooperate and to encourage employees to cooperate in any such investigation.

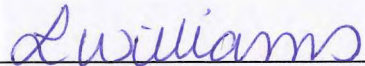
The Parties agree that in the case of a grievance, the grievance will be held in abeyance pending the results of the investigation.

The Company will provide to the employee(s) alleging harassment and to SPEA, in confidence, a copy of the investigator's detailed summary of the report, including findings and recommendations, without any revisions. In certain circumstances, the investigator or the Company may remove parts of the detailed summary of the report to protect privacy rights and in such a case, SPEA will be informed of the general nature of such exclusions.

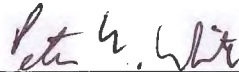
The Company will also provide to the employee(s) and to SPEA, in confidence, written notification of whether the investigator's report and conclusions were accepted by the Company in whole or in part, together with the measure(s) the Company shall take in order to resolve said complaint.

The Parties recognize and agree that harassment allegations are of a sensitive nature and undertake to protect the privacy and confidentiality of all parties.

The Company and SPEA understand and agree that harassment complaints filed as grievances will be investigated through to completion pursuant to the Procedure. Where the complainant (which may be SPEA) is not satisfied with the measures taken by the Company to resolve the complaint, Article 10, Arbitration, shall apply.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

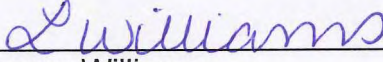
September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

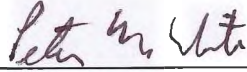
Dear Mr. White,

Subject: No Forced Transfers

For the duration of the Collective Agreement, as an exception to Article 11.04, employees presently working in the Montreal Office, who have been offered a transfer to Sheridan Park, will not be forced to transfer. Should an employee choose not to transfer, the employee will instead be laid off and receive notice and termination compensation as per Article 22.04 and 22.07. In such cases, Article 22.06, recall, shall not be applicable.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Letter of Understanding

September 7, 2012

Mr. Peter White, President
Society of Professional Engineers and Associates
2275 Speakman Drive
Mississauga, Ontario

Dear Mr. White,

Subject: Avian Flu

1) Preamble:

The Company has employees working outside Canada, including China, Romania and elsewhere, and may intend to have additional employees in such overseas assignments, and short term visits on behalf of the Company. Dependants may, on occasion and with pre-approval, accompany these employees on such overseas assignments and visits.

Both Parties recognize the importance of employees and accompanying dependants minimizing their exposure to Avian Flu and having access to necessary and proper health care and treatment, in accordance with Canadian health and medical standards where possible, in the event of illness or exposure.

2) Application of Letter of Understanding:

This Letter of Understanding applies to all employees represented by SPEA working outside of Canada on behalf of the Company. Accompanying "dependants" include spouse, common law spouse, children and step children and must have been pre-approved by the Company to travel with the employee.

"Avian Flu" includes but is not limited to a confirmed diagnosis or suspected diagnosis of Avian Flu, bird flu, bird influenza, influenza strains H5N1, H9N2, H7N7 or mutations as defined by the World Health Organization.

The Parties recognize that compliance with and implementation of the provisions in this Letter of Understanding will be subject to any and all applicable regulations and/ or directives of the governing health authority (local, International or Canadian, as the case may be).

3) Return to Canada in the event of outbreak of illness:

In the event of an outbreak of Avian Flu as recognized by the World Health Organization in any of the overseas assignment Countries which, according to

the governing health authority, places the employee or accompanying dependant at risk of illness, the Company will return employees and accompanying dependants to Canada on a priority basis, if requested to do so by any assigned or visiting employee, to the extent that such action does not pose a health and safety risk to the workplace and/or the general public. In such situations, the Company may impose a mandatory evacuation of employees and accompanying dependants.

In the event that a governing health authority has not yet determined that there is a risk of illness to an employee or accompanying dependant, the Company will nonetheless receive and consider the requests of employees wishing to return to Canada due to personal circumstances, including but not limited to, parental concerns about the risk of exposure to young children; previous or current compounding illnesses or conditions; other relevant family circumstances; mental health concerns; or any other factors that might warrant return to Canada. The Company will consider such requests and, if not granted, provide reasons for not supporting returning to Canada.

4) Emergency Medical Treatment for Assigned Employees and Dependants when Working Outside Canada:

In the event the employee and/or the accompanying dependants are medically suspected or are diagnosed with Avian Flu, then the Company will provide for all treatment for such employees and/or accompanying dependents, including but not limited to hospital care, medication, aids, rehabilitation and physician, nursing and caregiver expenses.

Employees will receive salary continuation and living expenses in accordance with the provisions of the assignment letter of understanding throughout the period of treatment and rehabilitation.

5) Isolation:

In the event medical or other authorities impose an isolation regime in an overseas country, or area of that country, which impacts on an employee, such employee will continue to receive regular salary continuation and living expenses, in accordance with the provisions of the assignment letter of understanding, throughout such period of isolation.

As well, if an employee chooses to voluntarily place him or herself in isolation for a period of time in order to avoid exposure to Avian Flu due to a reasonably held belief, supported by the local governing health authority, that the employee is at risk, the Company will maintain regular salary continuation and living expenses, in accordance with the provisions of the assignment letter of understanding, during such period of isolation. The Company will consider such requests and, if not granted, provide reasons for not supporting the voluntary isolation.

6) Emergency Attendance by Dependants and/or other Family Members:

In the event of a medically suspected or confirmed diagnosis of Avian Flu of an employee who is not accompanied by an adult dependent or of an employee and the employee's adult dependent, the Company agrees, to pay the cost of airfare and return airfare, along with reasonable expenses, for one (1) family member to travel to the overseas country, or alternate location of medical treatment, in order to assist, help with care, and provide advocacy and companionship.

Family member includes adult dependents, parents and siblings of the ill individual.

7) Emergency Evacuation of Employees and/or Accompanying Dependants:

In the event of a medically suspected or confirmed diagnosis of Avian Flu of an employee and/or accompanying dependant(s), the Company agrees, to evacuate the employee and/or dependant(s) on a priority basis.

The Company will arrange for appropriate evacuation, to the extent possible, from the assignment country, including air ambulance or other forms of priority transportation, if necessary due to medical and/or isolation concerns, in order to travel from the assignment country to Canada or alternate location for medical treatment. The Company will provide for all necessary attendant, nursing and medical care during such transportation. Accompanying dependant(s) and/or employee will be able to travel with the ill individual if they so wish and if medical conditions permit, otherwise the Company will arrange and pay for airfare to the home location in Canada on a priority basis.

The Company will arrange and provide all necessary travel and exit documentation.

The Company will pay reasonable expenses for all meals and incidentals during such travel, including hotels, long distance calls and taxis.

The Company will assist in making necessary arrangements for the admittance of the ill individual in an appropriate medical facility nearest the home location in Canada.

The Company will provide salary and living expenses during the period of such illness, isolation and rehabilitation of an ill employee as outlined in Section 4.

8) Living Expenses Upon Emergency Return to Canada:

The Company will pay reasonable and customary temporary living expenses to employees upon their return to Canada if the Canadian primary residence is not available for occupancy for a period not normally to exceed two (2) months.

9) Return of Household Effects to Canada:

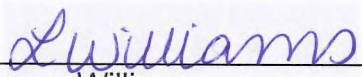
In the event the employee and/or accompanying dependant(s) is medically unable to return to the overseas assignment, the Company will arrange and pay the cost of shipping, insuring and returning of all the employee's and accompanying dependant's household items to Canada in accordance with the assignment letter of understanding.

10) Medical Reports

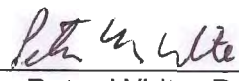
The Company will be responsible for obtaining, paying and translating any medical documentation for employees and/or the accompanying dependants who are medically suspected or are diagnosed with Avian Flu. Delay in requesting, obtaining, receiving or translating such medical documentation shall not constitute reason to delay implementation of any aspect of this Letter of Understanding.

11) Effective Date:

This Letter of Understanding will remain in effect until such time as the Parties agree otherwise. In order to minimize any delays, concerns or disputes about the implementation of any aspect of the implementation of this Letter of Understanding, both Parties will assign a liaison person with full responsibility to deal with any such delays, concerns or disputes on an expedited basis.



Laura Williams
Manager, Labour Relations
Candu Energy Inc.



Agreed: Peter White, President
Society of Professional Engineers
and Associates

Appendix A - Miscellaneous Leave Guidelines

1. MILITARY LEAVE

Employees wishing to take military training may be granted up to two weeks' leave for this purpose. Such leave will not affect other leave credits. Employees who receive military pay for the training period will not be paid by the Company. They may, however, arrange to receive pay for the period at their normal rate from the Company, in place of military pay.

Employees who take military training while on vacation leave are permitted to draw military pay in addition to their regular vacation pay.

2. COURT LEAVE

Leave of absence with pay will be granted to employees for:

a) Jury Duty

Fees, travelling and other expenses paid in connection with jury duty will be retained by the employee.

b) Witness Duty

The employee is not required to refund the witness fee. Leave with pay is not granted if the employee is a litigant in the court action.

A copy of the court summons or subpoena should normally be requested to support any period of court leave.

3. EDUCATIONAL LEAVE WITHOUT PAY

Educational leave without pay or financial assistance may be granted to an employee in some circumstances for a period of up to three years. Normally one (1) year's leave may be granted in the first instance and extensions permitted if satisfactory progress is maintained.

4. LEAVE WITHOUT PAY TO ATTEND PART-TIME COURSES

Employees who are taking part-time courses approved by the Company may require time off to attend such courses when they are scheduled during normal working hours. Permission may be granted for employees to be absent up to half (1/2) a day per week for this purpose, provided their absence does not involve extra costs to the Company.

5. WORKERS' COMPENSATION

Provincial Workers' Compensation Boards will adjudicate employee claims for workers' compensation. Accident leave will be granted to cover any necessary absence when the applicable compensation board accepts an employee's claim and the disability is attributed to employment with the Company. The leave will not be charged to any leave credits and the leave payment will be an amount which will maintain the employee's basic salary.

Appendix B - Maternity/Parental Leave Guidelines

1. SCOPE

This document applies to all continuing full time and regular part time employees. This also applies to employees hired to work full time on a term basis for a period greater than 6 months.

2. DEFINITIONS

Maternity Leave	A period of leave without pay taken by the employee to give birth and subsequent care of her newborn child
Parental Leave	A period of leave without pay taken by either parent or shared by both to take care of their newborn child, or newly adopted child
Nuclear Energy Worker	A person who is identified and designated as a person who, in the course of his or her work, could receive a dose of ionizing radiation greater than the public dose limit
Supplementary Benefits	A benefit payment provided by Candu to supplement the employee's Employment Insurance Maternity benefits. The payment is not considered salary for the purpose of Section 5.2.4 - Accumulation of Leave Credits

3. REQUIREMENTS

3.1 General

A written application for maternity and parental leave should be submitted to management at least four weeks before the employee wishes to take the leave.

The application shall cover the period of leave taken.

Any notice of change in the length of leave taken should be submitted at least four weeks in advance. If a four-week notice cannot be given, a valid reason should be provided.

3.2 Maternity Leave

For maternity leave, a medical certificate certifying that the employee is pregnant and indicating the estimated date of birth shall be included with the application in 3.1 above.

3.3 Parental Leave

For parental leave, if the application is being submitted separately from the maternity leave application, the application should include the child's date of birth. For adoptions, confirming documentation (i.e. a "Letter of Intent" from the Family & Children's Services or private adoption agency licensed by the Provincial government) shall be included with the application in 3.1 above.

4. RESPONSIBILITY

4.1 Managers

Managers (or Supervisors where applicable) are responsible for:

- notifying the Human Resource Office of employees who have applied and become eligible for maternity or parental leave; and
- ensuring that the employee has a position to return to following the completion of the leave period.

4.2 Employee

Employees are responsible for:

- providing required information and sufficient notice to their manager (or supervisor where applicable) to determine eligibility under the provisions of this procedure; and
- informing their manager of any change to the leave period.

4.3 Support Groups

- The Human Resource staff is responsible for assisting employees and managers with leave applications and for providing employees with pension and benefit information.
- Payroll staff is responsible for providing record of employment information; ensuring supplementary payment amount is calculated and paid where applicable, and recovering any outstanding pension and benefit contributions owing by the employee.

5. PROCEDURE

Section 5.1 covers the basic steps that are taken for leave, and the information regarding eligibility, application, and leave period.

Section 5.2 covers pension and benefit coverage and Section 5.3 covers reinstatement of employment.

5.1 Leave

The basic steps are as follows:

Employee	1. Determines eligibility for leave and informs his/her manager of the leave request in writing. The leave application should include: <ul style="list-style-type: none">• the type and the period of leave;• any necessary information (e.g., a medical certificate for maternity leave); and• if they want to be informed of employment, promotional or training opportunities (for which they are qualified) that arise during the leave period.
Manager (or Supervisor)	2. Notifies the HR Services office of the leave application
HR staff	3. Reviews the leave application (e.g., makes sure that all necessary information is provided). 4. Provides employee with information on their pension and benefits options. 5. Provides written notification to the eligible employee of the terms and conditions of receiving the Supplementary Benefit (SB)
Payroll staff	6. Sends the employee a Record of Employment (for EI purposes) within 5 working days following the employee's last day of employment. 7. Calculates the correct Supplementary payment amount and ensures that it is paid to the employee during the 17-week eligibility period.
Employee	8. Takes leave.
HR staff	9. Informs employee of employment, promotional or training opportunities if this was requested and is not being provided through the employee's union.
Employee	10. Returns to work.
Manager	11. Reinstates the employee in the position previously occupied, or ensures that a comparable position is available for the employee.

5.1.1 Eligibility

All continuing full time and regular part time employees who have completed six consecutive months of service with Candu at the time the leave is to commence are eligible for maternity and/or parental leave.

Term employees who have completed six consecutive months of service with Candu at the time the leave is to commence are also eligible for maternity and/or

parental leave. The period of leave will not exceed the length of the employee's term assignment with Candu.

Continuing full time, regular part time and term employees with less than six consecutive months of service are ineligible for maternity or parental leave, but may be granted leave without pay for the same purposes. See Section 5.1.5.

5.1.2 Maternity Leave

Application

Written application for maternity leave is to be submitted to management / supervision at least four weeks before the employee wishes to take her leave, indicating the period of leave to be taken. A medical certificate must be provided certifying that the employee is pregnant and indicating the estimated date of birth. Any notice of change in the length of leave taken is to be submitted at least four weeks in advance, unless there is a valid reason why such notice cannot be given.

Leave Period

The maternity leave provided is a period of up to 17 weeks, plus any time between the estimated and actual dates of birth, if the actual birth occurs after the estimated date.

The leave period shall begin no earlier than eleven weeks prior to the estimated date of birth and end no later than 17 weeks following the actual date of birth. Such leave will also be granted when an employee has not submitted her advance application, provided her absence was due to a medical condition directly attributable to her pregnancy.

5.1.3 Parental Leave

Application

Written application for parental leave is to be submitted to supervision at least four weeks before the leave is to begin or preferably when the maternity leave is requested, indicating the period of leave to be taken. For employees who are applying for parental leave only, documentation confirming the date of the child's birth is required.

For adoption, confirming documentation (i.e. a "Letter of Intent" from the Children's Aid Society or private adoption agency licensed by the Provincial government) must accompany the application for parental leave.

Any notice of change in the length of leave intended to be taken by either parent is to be submitted at least four weeks in advance, unless there is a valid reason why such notice cannot be given.

Leave Period

The parental leave shall consist of a period not exceeding 37 weeks. This leave period commences, as the employee elects:

- on the expiration of the maternity leave taken by the employee or the employee's spouse.
- on the day the child is born, or on the day the child comes into the actual care and custody of the employee.
- on the expiration of leave without pay taken by the employee's spouse (who has less than six months of continuous service) on account of her pregnancy.
- in the case of an adoption, on the day the child comes into the actual care of the employee.

Maternity and parental leave are normally to be taken in one continuous period. However, if the child is kept in the hospital for an extended period following the mother's discharge, the parental leave may commence when the child comes into actual care and custody of the parents.

The total amount of parental leave taken by both parents (if both are under the jurisdiction of the Canada Labour Code) in respect of the same birth shall not exceed 37 weeks.

5.1.4 Aggregate Leave – Maternity & Parental

The aggregate amount of leave that may be taken by one or two employees (if both are under the jurisdiction of the Canada Labour Code) in respect of the same birth shall not exceed 52 weeks except in cases where the actual date of birth is later than the estimated date of birth. In these situations the aggregate amount of leave shall not exceed 52 weeks plus the period of time between the estimated and actual dates of birth.

5.1.5 Leave Without Pay for Pregnant employees with less than Six months of Continuous Employment

Although pregnant employees with less than six months continuous service are not eligible for the maternity and parental leave provisions, they are entitled to a period of leave without pay not to exceed six months.

Application for Leave Without Pay

Written application for leave without pay is to be submitted to supervision at least four weeks before the leave is to begin indicating the period of leave to be taken. A medical certificate must be provided certifying that the employee is pregnant and indicating the estimated date of birth.

Leave Without Pay Period

The leave without pay period shall not exceed six months, beginning no earlier than eleven weeks preceding the estimated date of birth and ending no later than six months following the actual date of birth. Such leave will also be granted when an employee has not submitted her advance application, provided her absence was due to a medical condition directly attributable to her pregnancy.

5.2 Pension and Benefits Coverage

5.2.1 Employment Insurance (EI)

Eligible employees who are granted maternity leave or leave without pay for reasons of pregnancy, may apply for Employment Insurance maternity benefits provided under the Employment Insurance Act. Employees granted parental leave can apply for parental benefits under the Employment Insurance Act for the purpose of caring for the newly born or adopted child. For more detailed information regarding EI Maternity & Parental benefits, employees should contact their local HRDC office.

5.2.2 Supplementary Benefit (SB) to Maternity Leave

Candu will provide a supplement to the EI Maternity Benefit to those employees who are eligible for maternity leave under the provisions of this procedure and who qualify for EI Maternity benefits. An employee on approved maternity leave must submit the first EI stub as proof of her eligibility to receive the SB to maternity leave. In order to be eligible to receive and retain the SB to cover the entire 17-week period, the employee must return to work for a period of at least six continuous months following the approved leave period. If the employee terminates prior to completing the full six months, the SB must be paid back on a pro-rated basis. The SB will be paid in conjunction with the regular pay schedule and will consist of the following:

- a) For the two week waiting period under the EI regulations, the Company will pay the employee an amount equal to the EI weekly maternity benefit amount; and
- b) For the following 15 weeks that the employee is in receipt of maternity benefits under the EI regulations the Company will augment the EI benefit to 93% of the employee's normal weekly earnings that were in effect on

the date the maternity leave commenced. The combined weekly level of EI benefits, SB payments and other earnings will not exceed 95% of the employee's normal weekly basic earnings in effect on the date the maternity leave commenced.

To commence SB payments, a copy of the employee's first EI payment slip must be forwarded to the HR Services office. The SB payments will be deposited directly into the employee's bank account to which her pay is deposited.

For term employees, the SB benefit will only be paid if the length of the employee's term assignment is such that the employee is expected to satisfy the criteria of returning to work for at least six months following the leave period.

5.2.3 Benefits Plans

During maternity and/or parental leave, the Company will continue paying its share of the premiums towards the employee's benefit plans during the leave period.

The employee is required to continue paying his/her share of the premium cost for the benefit plans during the leave period.

The above also applies to employees with less than six months of service who are on leave without pay because of pregnancy.

5.2.4 Accumulation of Leave Credits

Employees on the types of leave indicated in this procedure will earn sick leave credits as if they were not on a leave of absence without pay. Vacation leave credits will only be earned for those calendar months in which the employee receives salary for at least ten working days.

5.2.5 Pension – Public Service Superannuation Plan

During maternity and parental leave, the Company will also pay its share of the pension contributions for the period of leave that the employee is counting as pensionable service.

The employee is required to count the first 3 months of the leave of absence as pensionable. The employee can opt not to count the balance of the leave period beyond the first 3 months as pensionable. The employee can choose to pay pension contributions during the leave of absence period or contributions can be paid upon return to work.

Pension contributions owing for a leave of absence period can be paid in a lump sum amount within 30 days following the date the employee returns to work or by

paying equal installments over a period equal to twice the length of the period of leave being counted as pensionable service.

The above also applies to employees with less than six months of service who are on leave without pay because of pregnancy.

5.2.6 Pension – Candu Defined Contribution Pension Plan

For maternity and parental leaves as set out in employment standards legislation, if the member elects to continue contributions during the leave (with post-dated cheques), Company contributions will be made during the leave (based on the Salary in effect immediately prior to the leave).

5.3 Reinstatement of Employment

An employee who resumes employment on the expiration of maternity and/or parental leave will be reinstated in the position occupied before going on leave, or will be given a comparable position in the same location with at least the same salary/wages and benefits.

A pregnant employee with less than six months of continuous service who is eligible for leave without pay may recommence employment if a suitable position is available at the end of the leave, otherwise her employment will be terminated.

Appendix C - Compassionate Care Leave Guidelines

The following summary is intended to provide employees with a guideline on the provisions and processes related to Compassionate Care Leave. Questions on this summary should be directed to HR.

For the Service Canada provisions regarding leave of absences for compassionate reasons, please reference the Government of Canada's Service Canada - Employment Insurance (EI) website.

History

Changes to the Canada Labour Code introduced a new benefit that gives federally regulated employees eight weeks of unpaid compassionate leave to care for or support a seriously ill family member. Furthermore, the federal Employment Insurance Act was amended to entitle eligible employees to a maximum of six weeks of compassionate care benefits. The effective date of these changes under both the Canada Labour Code and Employment Insurance Act was January 4, 2004.

Eligibility

The Employment Insurance (EI) compassionate care benefits may be paid up to a maximum of six (6) weeks to a person who has to be absent from work to provide care or support to a gravely ill family member at risk of dying within 26 weeks. In addition, a two week waiting period must be served. Therefore, the total leave period would be eight (8) weeks.

"Care or support" to a family member means:

- Providing psychological or emotional support, or
- Arranging for care by a third party, or
- Directly providing or participating in the care.

The definition of "family member" (which was expanded, effective June 11, 2006), is summarized in the chart below:

NOTE: Common-law partner means a person who has been living in a conjugal relationship with that person for at least a year.

You can receive compassionate care benefits to care for your:	Or to care for the following family members of your spouse or common-law partner:
Child	Child
Wife/Husband, or common-law partner	
Father or Mother	Father or Mother, either married or common-law
Father's wife or mother's husband	
The common-law partner of your father or mother	
Brothers or sisters and stepbrothers or stepsisters	Brothers, sisters, stepbrothers, and stepsisters
Grandparents and step grandparents	Grandparents
Grandchildren and their spouse or common-law partner	Grandchildren
Son-in-law and daughter-in-law, either married or common-law	Son-in-law and daughter-in-law, either married or common-law
Father-in-law and mother-in-law, either married or common-law	
Brother-in-law and sister-in-law, either married or common-law	
Uncle and aunt and their spouse or common-law partner	Uncle and aunt
Nephew and niece and their spouse or common-law partner	Nephew and niece
Current or former foster parents	Current or former foster parents
Current or former foster children and their spouse or common-law partner	
Current or former wards*	Current or former wards*
Current or former guardians* or tutors and their spouse or common-law partner	

*For purposes of EI Compassionate Care Benefits, "guardian" is defined as "a person having a legally recognized authority to act on behalf of a minor or disabled adult and includes a mandatory in case of incapacity, tutor and curator." Also, "ward" means "a person for whom a guardian is appointed."

Applying for EI Compassionate Care Benefit

When requesting compassionate care benefits, you must provide a medical certificate as proof that the ill family member needs care or support and is at risk

of dying within 26 weeks. The medical certificate is called the “Medical certificate for Employment Insurance Compassionate Care Benefits”, and can be found on the EI Compassionate Care Benefits website.

To receive compassionate care benefits, you must submit an online or in-person application with EI at your Service Canada Centre. You should apply as soon as you stop working. Where possible, you will receive a Record of Employment (ROE) from the company Pay Office just prior to your leave start date, which you will need to provide to EI as part of the application process.

Supplementary Benefit (SB) for Compassionate Care Leave

The Company will provide a Supplementary Benefit up to a maximum period of eight weeks to those employees who qualify for EI compassionate care benefits. The Supplementary Benefit will be paid in conjunction with the regular pay schedule and will consist of the following:

- For employees who are subject to the two-week waiting period under the EI regulations, the Company will pay the employee an amount equal to the EI weekly compassionate care benefit amount; and
- For the period that the employee is in receipt of compassionate care benefits under the EI regulations, the Company will augment the EI benefit to 93% of the employee’s normal weekly earnings that were in effect on the date the leave commenced up to a maximum period of 6 weeks.

The combined weekly level of EI benefits, SB payments, and other earnings will not exceed 95% or the employee’s normal weekly basic earnings in effect on the date the compassionate care leave commenced.

Applying for Compassionate Care Leave

Employees wishing to apply for compassionate care leave must submit a written request to their manager along with the appropriate medical certification. Managers must forward the approved request to HR who will ensure that the appropriate pay adjustments are processed.

To commence SB payments, a copy of the employee’s first EI payment slip must be forwarded to HR. The SB payments will be deposited directly into the employee’s bank account to which their pay is deposited.

Appendix D - Self-Funded Deferred Leave (SFDL) Guidelines

Definition

For this policy, SFDL means authorized leave without pay of between 6 and 12 consecutive months. The employee must request this leave in advance and at that time arrange to have money deposited in a trust account that will provide income during the leave.

Eligibility

All full-time continuing staff are eligible to apply for SFDL.

Policy

Subject to operational requirements and this policy, the employee's manager may grant employees SFDL for between 6 and 12 consecutive months.

When operational circumstances permit, such leave may be approved on more than one occasion. It is mutually exclusive of other types of leave such as that for family-related needs or education.

While on leave, the employee must not work for a federal institution or be paid a salary from the Consolidated Revenue Fund (any funds from the federal government); nor organizations which are in direct commercial competition with Candu Energy. While on leave, the employee must continue to adhere to the Candu Code of Ethics and Business Conduct which specifies that final determination, if a conflict exists, resides with the Company. With those exceptions, the Company should not normally restrict the employee's activities during the leave.

In accordance with the Income Tax Regulations, the employee must make a commitment to return to his or her regular employment with Candu for not less than the period of leave granted. Thus, SFDL cannot be used for pre-retirement.

All provisions of Acts, Regulations, and collective agreements relating to "leave without pay for other reasons" of between 6 and 12 consecutive months also apply to SFDL.

Application and Approval

Before formally applying for SFDL, employees should consult Human Resources. Detailed information on employee benefits is available from the Human Resources Department.

Completed "Application for Self-Funded Deferred Leave" forms, including salary deduction arrangements, must be received by the employee's manager and forwarded to the Human Resources Department for processing at least four months before the actual salary deferral begins. A copy of the form is to be sent to the financial institution that will administer the trust account. The manager of the employee will review all applications in a timely manner and approve participation, subject to operational requirements. If the application is denied at the first management level, the normal appeal process will be followed, i.e.; through to the Director and Vice-President. The maximum salary deferral period is five years.

Note: Revenue Canada stipulates that the actual period of leave must begin after a period not exceeding six years from the date on which the deferral began. A period of five years is recommended to allow for unforeseen circumstances.

The amount of salary or wages deferred in any year may be any amount of up to and including 33 1/3 per cent of the employee's basic annual salary. The actual amount deferred will remain the same unless the employee requests a change.

The employee may request in writing a change to the amount of salary deferred. Such a request would have to be received by the Human Resources Department at least four months before the date on which the change is requested and not later than six months before the date the leave is due to begin.

Pay Administration and Financial Aspects

When the Human Resources Department receives an approved application form, it will verify that the deferred amount does not exceed the maximum allowed. It then sends the document to an approved financial institution. Once an account number has been issued the Human Resources Department initiates a salary deduction pay action. Candu Payroll Office will deduct funds and transfer them to the trust account established for the employee at the financial institution.

The trust account will generate interest that the financial institution must pay annually to the employee. The employee is then responsible for reporting this interest in his or her annual income tax return.

Withdrawing money other than interest from the trust account before it matures may be allowed only in cases of serious financial or other hardship and with the written authorization of the employee concerned and the Vice-President Human Resources.

When the employee's trust agreement matures, the financial institution is to release the money to an account to which the employee has access, without further Company involvement.

All amounts held for the employee's benefit in the trust account must be paid to the employee no later than the end of the first taxation year that begins after the end of the deferral period.

Income Tax and Other Deductions

During the deferral period, all regular deductions will continue except for income tax and the Canada and Quebec Pension Plans on that part of salary or wages deferred. During the actual leave period, deductions and benefits apply as described in the table below. When the funds are released to the employee, a deduction will be made at source for income tax and other statutory purposes.

Withdrawal

Withdrawal from the plan is not allowed. However, where an employee can demonstrate to their manager that continuing with the plan would cause severe financial or other hardship, or where an employee participating in the plan has been identified as surplus or is laid off as a result of work force adjustment, a request will be made to the financial institution to release the accumulated funds to the employee as soon as possible. The employee can determine the financial and tax-related implications of withdrawal by discussing them with the appropriate district office of Revenue Canada-Taxation.

Should an employee die before the leave begins or while on leave, the funds shall be released to the employee's designated beneficiary or estate as determined by the executors or administrators of the estate.

Postponement/Advancement

Withdrawal from the program may entail a considerable tax burden for the employee. The employee may therefore request that the planned period of leave be advanced or postponed for up to six months if this will prevent him or her from withdrawing from the program. The employee's manager will, based on operational requirements, make every reasonable effort to accommodate the employee's request. Such requests to delay the period of planned leave cannot, however, be accommodated where the request would result in a salary or wage deferral beyond the maximum six-year limit specified in the Income Tax Regulations. If unforeseen and justifiable operational circumstances beyond the manager's control arise and no other feasible option exists, the Vice-President Human Resources may, at the manager's request, postpone the forthcoming leave, except where the employee's salary or wage deferral would exceed the maximum six-year limit.

Changes to Duration of Leave

An employee may, no later than six months before the planned leave date, request in writing a change to the duration of the leave if the leave period requested remains between 6 and 12 months. The employee's manager must approve such requests. The financial institution must also be advised of the change.

Recall or Denial

Because of the financial implications for the employee, denying leave after the maximum six-year deferral period or recalling an employee from leave requires a manager to obtain the prior written authorization of the Candu President. If an employee is recalled to work before the end of an approved period of SFDL, Candu will normally reimburse the employee for all necessary and reasonable expenses incurred as a result of being called back.

Return to Work After the Period of Leave

The actual date of return to work or completion of the mandatory period after returning to work may be delayed for a valid reason such as sickness or maternity.

Where an employee does not fulfill the return to work requirements of this policy Candu must notify Revenue Canada-Taxation.

**Effects of Self-funded Deferred Leave Without Pay
On Employee Benefits and Contributions**

NOTE:

Employees should consult the Human Resources Department for more information about the options available and for instructions to ensure continuing coverage.

Item	Cost	Comment
Income Tax	Tax is reduced during the salary deferral period in proportion to the amount of salary deferred.	<p>Income tax withheld will be adjusted during the deferral period. When annual interest payments are made and when the trust matures, the financial institution will deduct and remit the required statutory deductions for income tax.</p> <p>Note: Should the employee fail to take leave as required under the plan, all amounts held in trust must be reported as income in the first taxation year that begins after the end of the deferral period. This may raise an employee's tax rate and could increase the income tax payable significantly.</p>
Superannuation	Single rate contribution for the first three consecutive months of leave, double rate for the remainder.	<p>Employees are required to pay contributions for the first three months of the LWOP period. However, employees opt NOT TO COUNT the portion of LWOP beyond the first three months as pensionable service for PSSA purposes at any time from prior to the commencement of the leave until three months after return to duty. If this option is chosen, then no contributions are required for the period beyond the first three months. Employees interested in this option should contact their HR Services Department for additional information.</p>

Item	Cost	Comment
PSSA -Past Service Contributions (Elective Service)	On return to duty, the employee will be required to pay the current PSSA contributions plus the above amounts.	<p>On return to duty, contributions are recovered either in a lump sum within 30 days or by salary deductions in equal monthly installments over a period equal to twice the LWOP period.</p> <p>Employees who have elected to purchase past service in monthly installments are required to maintain their monthly payments during the LWOP period. Payments can be made directly to Pay Office via post-dated cheques. Pay Office will in turn remit the monthly payments to the Superannuation Branch. Upon return to work, Pay Office will resume deductions for Past Service Contributions and notify the Superannuation Branch of any default payments that may have occurred during the LWOP period. If a default payment has occurred as a result of the employee not sending in payments, the Superannuation Branch will issue a demand for payment (normally including an interest charge) and providing different payment options.</p>
Canada or Quebec Pension Plans	The financial institution pays the employee's and employer's shares from the proceeds of the trust.	<p>The period of leave counts as pensionable employment. CPP/QPP contributions remitted on behalf of an SFDL participant by Candu and an SFDL custodian, in a given calendar year, constitute a continuance of employment for CPP/QPP purposes.</p> <p>A letter from Candu Payroll office to the custodian or vice versa, indicating the amount of contributions paid year-to-date will be sufficient to give effect to the continuance rule.</p>

Item	Cost	Comment
Employment Insurance	Premium not payable.	<p>The period of leave does not qualify as a period of insurable employment.</p> <p>Consequently, a SFDL leave period may result in an employee having insufficient insured weeks to qualify for EI benefits if he or she were laid off following the leave. For more information on the impact that an SFDL leave period may have on EI benefits, employees should contact their nearest EI Office.</p>
Supplementary Group Life Insurance	The Employee is required to pay the employee's and the employer's share of the premiums.	Coverage continues during the LWOP period. Payment of premiums must be in advance, either monthly, quarterly, semiannually or annually.
Group Life Insurance (Basic Life)	The Employee is required to pay the employee's and the employer's share of the premiums.	Coverage continues during the LWOP period. During the LWOP period, premiums must be paid in advance, either monthly, quarterly, semi-annually or annually.
Long-Term Disability Insurance	The Employee is required to pay the employee's and employer's share.	<p>Coverage continues during the LWOP. Protection resumes only at the date anticipated to return to work after the leave period, i.e. you cannot commence receiving LTD benefits prior to the date that you were scheduled to return to work. During the LWOP period, premiums must be paid in advance, either monthly, quarterly, semi-annually or annually.</p>
Extended Health Care and Deluxe Travel	The employee is required to pay the employee's and the employer's share.	Coverage may be continued by paying premiums in advance, either monthly, quarterly, semi-annually or annually.

Item	Cost	Comment
Dental Care Plan	The employee can maintain coverage by paying the employer's monthly contribution.	Coverage may be continued by paying premiums in advance, either monthly, quarterly, semi-annually or annually.
Salary	SFDL per se shall not cause a deterioration in the position of the employee's salary with respect to his/salary range.	
Union Dues	Not subject to dues during LWOP period (unless collective agreement specifies otherwise agreement)	On return to duty, deductions will resume.
Union benefits	The employee must pay premiums directly to the appropriate union association where applicable.	The employee is responsible for making arrangements with the appropriate union association to continue this insurance where applicable.
Leave		Leave credits do not accrue during SFDL which is defined as authorized leave without pay.

Attachment 1 – Performance Grade Guidelines

The following Performance Grade Guidelines are for the information of employees but are not part of the Agreement or subject to its grievance or arbitration procedures.

Note for all levels: These performance grade guidelines are intended to be applicable as well to non-engineering professionals. Where reference to engineer or engineering are used, it is intended to apply, where appropriate, to the professional equivalent.

PG 1, Assistant Engineer I

Salary grade for employees entering former AECL CANDU who have the minimum education qualifications as outlined below and who have had little or no practical experience.

- initial "on-the-job" training and orientation begins at this level as well as initial work experience.
- assignments, normally performed under close supervision of an engineer in an upper grade, are of low complexity and are frequently designed to develop work knowledge and capabilities in a field of engineering methods and standard Company practices.
- routine tasks include specific instructions and details with respect to expected results and may include elementary technical surveys or inspections, preparation of simple plans, designs or drawings, costing, recording observations, calculations and operation of computer programs.
- work is in accordance with established codes, standards and specifications.
- complex problem solving is not a feature of this level.
- technical decisions involving choice of action within clearly defined guidelines for procedure and practice and there are ample precedents to reference.
- work is checked in progress and upon completion.
- there is no requirement to supervise others; although checking of work of support staff may be required occasionally.
- Minimum qualifications are bachelor graduation in engineering or honours science from a university recognized by the Company and/or eligible for membership in a provincial engineering association. No practical continuing experience is required.

PG 2, Assistant Engineer II

A satisfactory level of learning and development will be a prerequisite for entry into the PG 2 grade from PG 1.

- training and development are continued at this "basic" working level.
- more varied tasks and studies assigned will be of limited scope and complexity and may be portions of broader assignments. Tasks are expected to be completed within assigned budgets and schedules.
- duties require a familiarity with the application of standard techniques, prescribed engineering testing, analysis, design and computation methods, procedures and criteria including knowledge of codes and standards in carrying out engineering tasks or a sequence of tasks.
- normally, detailed oral and/or written instructions are given as to methods and procedures to be followed.
- technical/supervisory guidance is available to resolve more difficult aspects and select the procedures to be applied on non-routine work.
- decisions made are limited within established guidelines.
- results are usually reviewed.
- accuracy and completeness in calculations, clear presentation of results, etc. is expected; errors would usually be detected before any serious consequence results.
- occasionally may be given assignments commensurate with the PG 3, Engineer level for training and development purposes.
- may give technical guidance to one or two other Assistant Engineers I or technical support employees assigned to work on a common project.
- education requirements are as per the Assistant Engineer I plus a minimum of two years practical continuing experience or a Masters degree.

PG 3, Engineer

In this level, the employee is considered to be at the fully qualified working level.

- independently evaluates, selects and applies standard engineering techniques, procedures and criteria using judgement in making minor adaptations and modifications.
- assignments have clear and specified objectives requiring investigation of a limited number of variables.
- assignments normally include system and equipment design and development, design modification, investigation of design difficulties, test of materials, preparation of specifications, process study, cost estimating and preparation of reports, review of vendor's documentation, investigation of manufacturing and installation difficulties.
- may be assigned project engineering responsibilities on a technical or commercial endeavour of moderate scope.
- work is limited in scope and generally related to one field or discipline of engineering, although a knowledge of related fields of engineering and an appreciation of the impact of the work on other areas may be required.
- completed work is generally accepted as technically accurate and in compliance with policies and procedures and is reviewed for soundness of judgement and feasibility.
- work objectives are specific and supervision is usually general; the details of the work are not normally closely supervised but this may vary with the assignment. Technical guidance is available to review work programs and advise on unusual features of the assignment.
- supervision of other engineers is not a continuing responsibility at this level. However, the engineer's capabilities in this area may be tested at this level.
- may give technical guidance to Assistant Engineers I and II or support employees assigned on a common project.
- normally required to plan, schedule and manage own time, including taking into account the plans of others.
- education requirements as per Assistant Engineer I plus three to five years practical experience.
- the PG 3, Engineer grade represents the first career level.

PG 4, Senior Engineer, Project Engineer or Section Head

Promotion to PG 4 depends upon the availability of continuing assignments at this grade level in addition to technical and/or supervisory proficiency. This is the first level of direct and sustained supervision of other professional engineers, OR the start of the specialization process, applying mature engineering knowledge in planning and conducting projects with scope for independent accomplishment and coordination of difficult and responsible assignments. Assignments may include a combination of engineering and supervisory work.

Senior Engineer or Project Engineer

- independently performs assignments with instructions about the general results expected.
- fully competent in the conventional aspects of at least one engineering field or discipline.
- plans and conducts own work requiring initiative and independent judgement.
- develops new concepts or proposes substantial design modifications to meet functional requirements.
- devises new approaches to problems in the engineering speciality.
- develops, plans, schedules, conducts or co-ordinates detailed phases of the engineering work in part of a major project or in a total project of considerable scope.
- work involves conventional engineering practice but may include a variety of complex features such as conflicting design requirements, unsuitable standard materials and difficult co-ordination requirements.
- assesses the feasibility and soundness of proposed engineering methods.
- applies broad knowledge of precedents in the engineering discipline or field and a good knowledge of the principles and practices of related disciplines or fields.
- recommendations are normally accepted as technically accurate and feasible and are reviewed with regard to their overall soundness of judgement.
- as project engineer has prime responsibility to co-ordinate work of considerable technical and commercial complexity or co-ordinates substantial aspects of large-scale projects. Defines work scope, communicates client requirements, monitors and reports progress.

- work is assigned in terms of objectives and relative priorities.
- as Senior Engineer, provides technical guidance and leadership to engineers at lower grade levels and/or other technical employees.
- provides guidance on important technical matters.

Section Head

- PG 4 is the first grade at which the supervision of other engineers is normally assigned as a continuing responsibility. In this context performs part of the Senior Engineer's work, plus some or all of the following:
- plans, co-ordinates, and supervises an engineering section involved in a technical issue or several smaller engineering assignments with complex features requiring application of intensive and diversified knowledge of engineering principles and practices in related fields. Reviews technical documents prepared by employees supervised. Prepares inputs into and monitors budgets, estimates, schedules, work packages. Co-ordinates with other groups as required to establish interfaces.
- may be required to use advanced techniques and/or modify theories, precepts, guides and practices in his/her own field.
- may conduct work having scope for individual achievement and hands on participation in difficult technical work.
- assigned problems may make it necessary to modify established guides, devise new approaches and form conclusions from comparable situations.
- makes independent decisions on engineering problems and methods for persons supervised.
- represents the section in meetings dealing with problem resolution and the planning and co-ordination of work. May be delegated to represent the branch or department on occasion.
- as Section Head, recommendations of section are reviewed for soundness of judgement; modifications to standard designs and decisions are subject to management review.
- supervises, co-ordinates and reviews the work of engineers and support employees; estimates and monitors schedules and assigns work to meet completion dates.
- consistent with the foregoing, provides input or makes recommendations to management with respect to performance appraisal of and leave for employees supervised and may be called upon to provide input or make recommendations concerning selection, training and discipline.

PG 5, Specialist Engineer, Project Specialist Engineer or Senior Section Head

Entry into the PG 5 grade is as a result of a promotion. The criteria for this grade level are based on the degree and importance of continuing in-depth technical work assigned or size and complexity of the supervisory or project co-ordination undertaking, or a combination of hands on and supervisory work; and maintaining the overall high quality of engineering expected in the PG 5 grade.

Specialist Engineer or Project Specialist Engineer

- performs duties of a substantially higher responsibility and greater complexity than those required of PG 4 engineering (reference PG 4 profile) including most of the following additional aspects:
- recognized as an AECL specialist engineer in a particular field of CANDU engineering and maintains liaison with organizations inside or outside the Company.
- may act as an authority in one or more engineering specialties for a type of facility or equipment, or a program function. May be given full responsibility for packages of work including technical content, cost, schedule and delivery.
- may be delegated to represent the Company in the development of engineering standards and/or technical forums in his/her area of responsibility.
- may participate in operational planning process.
- supervision and guidance received is related largely to overall work objectives, critical issues and new concepts. Work is reviewed for consistency with policy and procedures.
- as project specialist, has prime technical and commercial interface with the client and AECL engineering and commercial groups on projects of substantial scale and complexity. Precisely defines work scopes. Clarifies client requirements as regards AECL inputs. Reviews AECL work to ensure client requirements are being met and initiates any necessary corrective action. Reports on technical and financial progress.

Senior Section Head

- Performs duties of a substantially higher responsibility than those required of PG 4 section head (reference PG 4 profile) with increased levels of negotiating responsibility with clients or suppliers.
- normally supervises a larger group involved in a major technical issue or resolving an engineering problem of major proportion and significance to the organization.
- in the PG 5 grade, the complexity of assignments requires demonstrated important achievements (at PG 4 level), a marked capacity for sound independent action or decision-making, and a very specialized understanding of a complex area of engineering.

PG 6, Principal Engineer

Entry into the PG 6 grade is as a result of a promotion. For promotion to PG 6, the individual will have demonstrated a significant impact on the technical direction and commercial success of Company programs. With a proven record of achievement and/or leadership, they will have demonstrated that they are a unique Company resource, recognized as the authority or corporate resource in a core technology area and who operate with a wide degree of latitude in the development and application of a core technology area.

- plans and develops engineering projects concerned with unique and difficult or complex problems which have an important effect on major company programs.
- conceives and develops programs and long-range technical plans, establishing objectives and priorities. Defines technical direction, devising methods of achieving program objectives in the most economical and effective manner.
- explores the subject area, defines the scope and selection of problems for investigation and develops novel concepts and alternatives.
- provides specialized advice of an advanced technological nature. Acts as final technical authority in interpretation and evaluation of data obtained from various engineering investigations. May act as engineering consultant and adviser to the organization.
- contributes to the growth of engineering services and knowledge and keeps conversant with advanced technological trends and developments.
- makes responsible decisions on all matters within his/her jurisdiction, including establishment of technical direction, along with its development and commercialization as required to meet overall Company policy.
- receives administrative direction based on Company policies and objectives. Work is reviewed for adherence to company policy, and coordination with other functions.
- directs, reviews and evaluates technical work; selects schedules and coordinates to maintain program objectives.
- provides recommendations on the recruitment and training of competent specialized staff and input into the selection and appraisal of staff as required.