



Collective Agreement

between

Candu Energy Inc.

and

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

for the period

2017 January 01 to 2022 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 non-managerial 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, technical leads, and quality assurance professionals; excluding all persons at or above the rank of Department Manager; Assistants to Vice-Presidents; Project Directors; persons employed as professional employees in: Business Planning; Finance; and Human Resources are excluded.

The term “Non-managerial” is interpreted in accordance with the Canada Labour Code and related jurisprudence.

1.02 Engineering Tools

Professional employees performing computer engineering and/or computer science work in the Engineering Tools 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 and SPEA considers that the position 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 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.

1.07 Exclusions/Exceptions

Notwithstanding the foregoing, the parties agree to exclude from SPEA's jurisdiction, employees employed in current skill categories SP34 (marketing/business), SP35 (procurement and purchasing) and SP37 (project controls). The parties agree to remove skill categories SP34, SP35, and SP37 from the Skills Inventory System.

Current employees in skill categories SP34, SP35, and SP37 will have the option to remain in their position, in which case they will be red-circled and remain within the bargaining unit. Employees who choose not to remain in their current position will have the option to move to an appropriate skill category within the bargaining unit, mutually agreed upon between the employee and the Company. Any such transfer will not lead to the layoff of a SPEA member in the receiving skill category. The company agrees to provide up to six months training in the new skill category, if necessary.

In the event a red-circled, employee becomes subject to layoff (a determination that would be made by the company without reference to collective agreement layoff provisions), the employee will have three options: First, the employee may choose to move into a SPEA skill category as agreed to between the employee and the Company, based upon the employees skills and the company's resourcing needs the employee will be entitled to up to 6 month training formal and/or informal) in the new skill category. The employee seniority in the new skill category will equal their company seniority. Secondly, if the opportunity exists the employee may choose to move to a different position outside the bargaining unit, within Candu or SLN. In this case, the employee will no longer be red-circled. Thirdly, the employee may choose a collective agreement layoff package pursuant to Article 22.

SPEA acknowledges that significant computer and information technology services have been outsourced to the parent company as a service to the nuclear business unit. SPEA will not challenge the computer and information technology outsourcing which has already occurred including making any claim that the employees performing said work ought to be in a SPEA bargaining unit.

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 a reasonable amount of such time in any week at the regular rate of pay. This will not apply to time spent on 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 SPEA membership meetings or smaller meetings 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-five (25) paid working days leave for the purpose of attending conferences conventions and training of Executives and/or Area Representatives , per Agreement year. SPEA may allocate the twenty-five (25) 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 and are subject to the company's operational requirements.

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 by the Executive of SPEA to the employee's Manager and Human Resources.

At the request of SPEA, the Company will maintain the regular salary (including pension) of SPEA representatives who take leave of absences without pay for the purpose set out in this Article. SPEA will reimburse the Company for the associated "out of pocket" expense. These "out of pocket" expenses include, but are not limited to, the employee's salary, the Company's pension contributions and the Employer Health Tax.

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 activities 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, or 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 the following information:
 - i. Employees on leave (and returning from leave), including type of leave
 - ii. Employees on acting management assignments
 - iii. New hires
 - iv. Terminations (including type of termination)
 - v. Transfers out of the bargaining unit
 - vi. Position changes, promotions, and transfers within the bargaining unit
- (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 four (4) times a year on a quarterly basis, and also upon request. The seniority list shall include:
 - i. Employee Name
 - ii. Employee Number
 - iii. Skill category(ies) and skill category(ies) seniority
 - iv. Discipline (if applicable)
 - v. 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 at least once yearly in the month of June and also upon request. The Bargaining Unit Member Information list shall include:
 - i. Employee number
 - ii. Current PG grade
 - iii. Current salary
 - iv. Date of last promotion

- v. Current skill category (ies)
 - vi. Current job title
 - vii. Current organizational unit
 - viii. Employee classification (full or part time; permanent or term)
 - ix. 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.
- (g) The Company will notify SPEA of the name, position, start date, salary and location of new employees

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, TECHNOLOGICAL CHANGES, HEALTH & SAFETY

8.01 Cooperative Committee

- (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.

8.04 Health & Safety Committee

Consistent with the requirements of the *Canada Labour Code*, the Parties also agree to participate in a Health & Safety Committee. The Committee shall give consideration to matters of safety of mutual interest to the Company and SPEA, including the safeguarding of health and safety of employees and the workplace environment, and the prevention of hazards to life and property. The Committee shall normally meet monthly at a mutually agreed upon time and minutes of the proceedings shall be kept by a Representative of the Company. Minutes shall be reviewed by a SPEA Representative prior to distribution. Conclusions reached by the Committee shall be referred to the Company and SPEA. If required, a SPEA staff representative may attend the Committee meetings, providing reasonable notice.

8.05 Technological Change

The Company will fulfil its obligations under the *Canada Labour Code* in the event of technological changes which will affect terms and conditions of employment as defined in the *Code*.

8.06 Right to Refuse Dangerous Work

An employee shall have the right to refuse work in dangerous situations.

- a) An employee may refuse to do any particular act or series of acts at work which the employee has reasonable grounds to believe are dangerous to the employee's health or safety or the health or safety of any person at the place of employment. The employee shall first report such a situation to Supervision. The Company will follow the process set out in the *Canada Labour Code*. The employee may continue to refuse until sufficient steps have been taken to satisfy the employee, or until the Safety Officer representing Labour Canada has investigated the matter and advised the employee that the matter has been resolved.
- b) No loss of wages or disciplinary action shall be taken against any employee who exercises the right conferred upon the employee in (a) above.

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.

(e) Harassment Complaints/Grievances shall be governed by the Letter of Agreement, "Harassment Complaints/Grievances"

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) Paula Knopf
- v) Kathleen O'Neill
- vi) Owen Shime
- vii) Diane Gee

- viii) Gord Luborsky
- ix) George Surdykowski
- x) Eli Gedalof
- xi) Jim Hayes
- xii) Michael Mitchell

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 where the employer reasonably believes that there are no internally qualified candidates or no internally qualified candidates are available. 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 department unless a position promotion is involved in the transfer or assignment;
 - (ii) Transfers to positions/assignments outside a department 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; and in cases of recall;
 - (viii) Promotions made in accordance with Article 20.04, that is, promotions which relate to a developing role in the same position.

Should other unusual circumstances arise which could make a competition inappropriate, the Company will determine appropriate action with SPEA's agreement, which shall not be unreasonably withheld.

Temporary assignments to project sites with an expected duration of twelve (12) months or longer must be filled by postings, or Expressions of Interest. Expressions of Interest or postings are required for dedicated technical lead roles with an expected duration of greater than nine (9) months.

- (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.

Internal Expressions of Interest will include: approximate duration, grade level, general work description and general qualifications, and, where possible, customer and location.

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.
- (g) The Company will provide SPEA with a weekly report of all internal competitions and Expressions of Interest. The job posting or Expression of Interest will be provided upon request.

11.04 Transfers Involving Change of Domicile

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.

11.07 Transfers

The Parties recognize that there may be situations in which the transfer of an employee would be mutually agreeable to all concerned. In such situations the Parties will discuss the situation as far in advance as practical, consider alternate means of dealing with the situation, and endeavour to minimize any adverse effects.

11.08 Technical Lead Positions

If a PG3 employee works in a technical lead role for a duration longer than three (3) months, an acting premium to the bottom of PG4 or a premium of at least 5% of salary (whichever is greater) will apply for the duration of the assignment.

ARTICLE 12 – GROUP INSURANCE PLANS

Group insurance benefits are provided to employees based on their classification and work schedule. Employees who are Regular Part or Full time are eligible for the myBenefits modular plan; plan eligibility varies based on scheduled hours of work. Employees who are term or short term are eligible for option 1 (Base Plan) for Medical and Dental and other benefits per duration of term assignment.

Group Insurance benefits and payment sharing outlined below are set out in the 2017 MyBenefits Booklet. For clarity, benefit entitlements and cost sharing will not be altered without SPEA's agreement and the group insurance provider may be altered at the Company's sole discretion.

12.01 Medical/Dental

- (a) The Company will provide group Extended Health and Dental Care Plans equivalent to that provided under the myBenefits program with the cost sharing as defined for each of the modules.
- (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. Monthly premiums supporting this Travel coverage will be paid by the Company.
- (d) The Company will provide single out-of-country coverage to employees who do not subscribe to the Extended Health Care Plan.
- (e) Dental Plan coverage is provided under the myBenefits program or equivalent the applicable Dental Association Fee Guides for General Practitioners referenced are the current fee guides effective when proclaimed by the Provincial Dental Association.

12.02 Life Insurances

- (a) Group Life Insurance

Employees will be covered for Basic Life insurance equivalent to one times base salary. 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 one times base salary 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 Company will provide Long Term Disability insurance for all regular employee's equal to 66.67% of base monthly salary. Upon expiration of the Intermediate Term Disability, participating employees will be eligible to apply for and receive long-term disability benefits in accordance with the LTD section of the myBenefits booklet. The Company will pay the cost sharing for this benefit per the myBenefits plan design.

12.04 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/Dentall, Life and Long Term Disability 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 its portion of 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, including LTD, or where the employee is on approved maternity or parental leave; 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.

12.05 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.

ARTICLE 13 – PENSION PLAN

13.01 General

SPEA currently administers a registered Defined Contribution (DC) Pension Plan, the Canadian Energy and Related Industries (CERI) Pension Plan. The CERI Pension Plan is seeking to expand membership to other unions and employers with the goal of expanding the Plan and ultimately, of forming a Target Benefit (TB) Pension Plan.

The employer agrees to reasonably cooperate at an administrative level with respect to the Pension Plan.

The employer may, at its discretion, request to include remaining (non-SPEA) Candu employees in the CERI Pension Plan.

- a) Employees shall be required to contribute six and one-half percent (6.5%) of base salary including on-call and acting pay. Effective January 1, 2018 the employee contribution will increase to 7%. Effective January 1, 2019 the employee contribution will increase to 7.5%. Effective January 1, 2021, the employee contribution will increase to 8%. 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%

- c) Contributions for employees who have prior service with Candu or SLN shall be based on total accumulated service. With respect to AECL prior service entitlement, refer to Article 22.05(v).

For clarity: Employer and employee pension contributions will continue during periods of absence due to sick leave. With respect to the following absences, employee and employer contributions will continue unless the employee chooses to opt out: LTD, maternity/parental leave, Compassionate Care Leave, WSIB leave.

ARTICLE 14 – LEAVE PLANS

VACATION

14.01 Vacation Credits

Vacation credits are administered on a calendar year basis.

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.

14.02 Discontinuous Service Credit

Employees who have prior service with Candu or SLN 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, Candu or SLN, which was eligible for vacation credit. For AECL service, refer to Article 22.05(v).

14.03 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.

14.04 Vacation Scheduling

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 Company at its sole discretion, may pay out said excess vacation in lieu of carrying said excess vacation over. For clarity, vacation credits should not exceed double the employee's annual entitlement.

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 cancelation 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 greater than double their annual entitlements. . Employees are 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 June 1st, 2017. The Managers involved shall make every reasonable 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). In any event, the Company's goal is to eliminate the above referenced excess vacation balances, either by taking vacation or by payment in lieu, by December 31, 2018.

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. Sick leave applies when an employee is unable to work because of illness injury not related to work, and necessary personal medical, dental or eye appointments, as long as the employee has the necessary short term or intermediate sick leave credits.

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 – Sick Leave Credits

New employees 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. Notwithstanding the foregoing, employees will receive a minimum of (4) four days on commencing employment.

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.

14.12 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.

14.13 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.

14.14 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

14.15 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.

14.16 Personal Business Days

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. Commencing January 1, 2018, at no time shall an employee have a credit of more than one (1) Personal Business Days. Any days in excess of one (1) Personal Business Days will be lost. For clarity, this means no payout of unused Personal Business Days (including, but not limited to termination of employment). Notwithstanding the above, should the employee submit a Personal Business Day request within a reasonable time frame and it is denied by management, the Company at its discretion, will either pay the day out, or carry it forward.

In light of the foregoing, employees shall have until December 31, 2017 to schedule and use any Personal Business Days, with the approval of the Managers involved, so as to ensure compliance with the transition the new policy described above. Any unused leave shall be paid to the employees involved via direct bank deposits, less appropriate deductions at 2017 pay rates. The Company shall make any such payments by January 31, 2018.

14.17 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

14.18 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.

Veteran's Examinations

- (f) 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

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

Illness in Family – Emergency or Special Circumstances

- (h) 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).

14.19 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 fourteen (14) 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 four (4) 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 waiting period immediately prior to receiving EI parental benefits, the Supplementary Benefit payment shall consist of the following:

- For each week of the waiting period (maximum of two (2) weeks period), the Company shall pay an amount equal to ninety-three percent (93%) of the employee's normal weekly salary; and
- For the two (2) 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 four (4) 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.

For clarity, the maximum total supplementary benefit for Maternity and Parental Leave is twenty (20) weeks, if applicable.

Note: If the two week waiting period is reduced to one week, the maternity and parental leave provisions will be applied such that the total number of weeks under which the employee receives 93% of salary will remain the same

14.20 Compassionate Care Leave

Eligible employees shall be granted compassionate care leave in accordance with the below.

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.

Note: If the two week waiting period is reduced to one week, the compassionate care leave provisions will be applied such that the total number of weeks under which the employee receives 93% of salary will remain the same

14.21 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.

14.22 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 and management discretion, 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.

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.

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.

The purpose of career development is to provide employees with Initial Training, Continuing Training, Remedial Training and Specialized Training to maintain and improve individual and company performance.

Initial training is to provide employees with the required position specific knowledge and skills

Continuing training is aimed at enhancing the competence of an employee to maintain or learn new qualifications for a given position or for career advancement

Remedial training is to correct employee performance deficiencies that may have been identified from a variety of sources – supervision, instructors, performance appraisals, incident investigations, etc.

Specialized training is designed to address any tasks that are usually specialized in nature, may be performed only infrequently and are normally performed by a few qualified personnel. This training may also be provided to address any special operations or experimental requirements.

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, department monthly safety 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. "Code of Ethics" training is likewise not included.

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 or Requested Training and Development

Where the Company requires or requests 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.

For clarity, the Company may provide opportunities for employees to participate in training and development, while not requesting or requiring that employees participate in the training. In such case, the Company shall not bear the costs of the training, other than any costs associated with making the training available to employees

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 are courses which are available and are taken outside of work hours. 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 PEng or other Professional or Technical Designations

If the Company requires or requests that an employee obtain a PEng designation, or if a PEng designation is job related and approved in advance, costs associated with acquiring the PEng designation will be reimbursed, specifically; Applicable Fee, PPE Examination Fee, Technical Examination Fees (where applicable), Registration Fee.

If the Company requires or requests that an employee obtain other job related qualifications or certifications and approves the costs associated with acquiring the said qualifications/certifications in advance, these costs will be reimbursed.

16.09 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.

16.10 Skills Inventory System

The Parties confirm the Skills Inventory System Agreement dated June 26, 2009.

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.

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 or requests that an employee be a member of a professional, technical or trade association, the Company will pay the associated membership fees. This will include initial and annual P.Eng Licence fees.

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 January 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. Does not Meet Expectations
 - b. Partially Meets Expectations
 - c. Meets Expectations
 - d. Exceeds Expectations
 - e. Outstanding

"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.

"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;

- (e) Assessments of "Does Not Meet Expectations" or "Partially Meets Expectations" 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 (2016) performance appraisal form. SPEA recognizes that competencies may be revised annually and prior to introducing changes to competencies, the company will consult meaningfully with SPEA
- (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 or give an electronic acknowledgement 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. Employees may reasonably decline based on personal/family circumstances. Affected employees will receive the premium set out in Article 19.03 (g) but the remaining provisions in Article 19.03 are not applicable for short durations, i.e. less than or equal to seven (7) calendar days. If the duration is greater than seven (7) calendar days, the shift language set out in Article 19.03 applies. The aforementioned premiums do not apply where an employee starts or finishes their day outside of the normal work hours on an *ad hoc* basis, due to operational requirements, where there is not shift schedule in operation. For example, if an employee comes to work early to participate in a meeting with clients in a different time zone, the shift premiums would not be applicable.
- (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.

The provisions of Article 19.03 (Shiftwork) apply where the shift schedule is greater than seven (7) calendar days.

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 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. For clarity, the shift schedules are the package of work which includes hours of work, days of rest and start and end dates. In addition, Management may alter the shift schedule at any time up to 48 hours prior to the start of the shift schedule.

- (d) Failure to comply with the notice provision as per paragraph (c) above shall require the payment of the applicable rate plus a half-time premium for those scheduled to work on the first two (2) days of the revised shift schedule. This premium pay does not count for the purpose of computing weekly overtime thresholds.
- (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. All scheduled hours of a shift are considered to occur in the calendar day that the shift begins.
- (g) Employees on a schedule of hours commencing between 6:00 a.m. and 2:59 p.m. will receive a shift premium of two dollars (\$2.00) 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 fifty cents (\$2.50) 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.
- (k) Employees working at Sheridan Park will be paid a minimum 37.5 hours per week (or their standard work week if different than 37.5 hours) even if a shift(s) is cancelled. Employees will generally be provided alternate work if a shift is cancelled. They must report to work unless directed by Management not to do so.

- (l) Employees on shift at site will be governed by the following in the event that a schedule shift is changed:
 - i. If less than 48 hours notice is given for the shift change, the affected employee is paid according to their scheduled shift.
 - ii. If greater than 48 hours notice is given no compensation is required provided the affected employee received at least 37.5 hours pay per week (or their standard work week, if different than 37.5 hours)
- (m) When night shift work has been completed (which may occur prior to the end of the posted schedule) employees will receive at least twelve (12) hours rest prior to moving to regular working hours. After the rest period, employees are expected to return to their normal work and complete their standard hours of work. The rest period will be paid (7.5 hours at straight time) if it occurs during the normal work week. The changed shift language at paragraph (l) does not apply in this situation.
- (n) When day shift work has been completed (which may occur prior to the end of the posted schedule) employees are expected to return to their normal work and complete their standard hours of work. The changed shift language at paragraph (l) above does not apply in this situation.
- (o) Vacation used on non-scheduled work days does not count for the purposes of calculating overtime.
- (p) The above provisions apply to shift work at Sheridan Park or at other locations, unless specifically stated otherwise.

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. The Company may also initiate a request to employees to work compressed work week. SPEA will be informed in advance of any such request.

- (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.

19.06 Regular Part Time Status

An employee may request to work part time hours for a minimum of 30 hours per week without affecting their entitlements to benefits (Article 12, 13). Vacation and Sick Leave entitlements will be prorated based on the weekly hours worked. Overtime eligibility remains based on the standard work week. The Company will review any such request, taking into consideration operational requirements. The Company may approve the request at its discretion which shall not be unreasonably withheld. Requests to work fewer than 30 hours per week may be considered at the Company's sole discretion and may result in a reduction in benefit coverage.

19.07 Teleworking

Working from home, or "teleworking" is permissible on occasion, for temporary, short term durations only (typically one day). The decision to allow an employee

to work from home is at the Company's sole discretion, acting reasonably and in good faith.

ARTICLE 20 – SALARIES ¹

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 two percent (2.0%) applied to the minimums and maximums of the ranges in 2017, 2018 and 2019, then two and one-quarter percent (2.25%) in 2020 and 2021.

2016 Scale- SE		
Grade	Minimum	Maximum
PG1	\$70,700	\$79,300
PG2	\$79,400	\$93,900
PG3	\$94,000	\$105,600
PG4	\$105,700	\$131,800
PG5	\$115,800	\$144,600
PG6	\$127,500	\$159,600

2019 Scale- SE		
Grade	Minimum	Maximum
PG1	\$75,000	\$84,200
PG2	\$84,300	\$99,700
PG3	\$99,800	\$112,100
PG4	\$112,200	\$139,800
PG5	\$122,900	\$153,500
PG6	\$135,400	\$169,400

2017 Scale- SE		
Grade	Minimum	Maximum
PG1	\$72,100	\$80,900
PG2	\$81,000	\$95,800
PG3	\$95,900	\$107,700
PG4	\$107,800	\$134,400

2020 Scale- SE		
Grade	Minimum	Maximum
PG1	\$76,700	\$86,100
PG2	\$86,200	\$101,900
PG3	\$102,000	\$114,600
PG4	\$114,700	\$142,900

¹ The parties agreed upon the concepts for this Article, and monetary items. But this language is SPEA's proposed language and has not yet been accepted by the employer

PG5	\$118,100	\$147,500
PG6	\$130,100	\$162,800

PG5	\$125,700	\$157,000
PG6	\$138,400	\$173,200

2018 Scale- SE		
Grade	Minimum	Maximum
PG1	\$73,500	\$82,500
PG2	\$82,600	\$97,700
PG3	\$97,800	\$109,900
PG4	\$110,000	\$137,100
PG5	\$120,500	\$150,500
PG6	\$132,700	\$166,100

2021 Scale- SE		
Grade	Minimum	Maximum
PG1	\$78,400	\$88,000
PG2	\$88,100	\$104,200
PG3	\$104,300	\$117,200
PG4	\$117,300	\$146,100
PG5	\$128,500	\$160,500
PG6	\$141,500	\$177,100

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.

The Company and SPEA have agreed to a joint committee to review and revise the merit grid. The above table will apply to 2017 merit increases but may be revised thereafter by agreement between SPEA and the Company.

- 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) 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;
- h) Employees on approved job-related leave without pay, or recalled after lay-off, shall be credited with scale adjustments, but not merit. Merit pay will be prorated to cover the portion of the year during which the employee worked.
- i) Employees will receive full merit pay on maternity/parental leave regardless of when it falls. If the leave spans a significant portion of the year (or the entire year) such that a performance assessment is not feasible, the merit pay will be based on a rating of "3". If an employee takes a personal leave before or after their maternity/parental leave, merit pay which takes effect on the following January 1st will be prorated. For example, if someone is absent for six months in a year on personal leave, their subsequent January 1st merit increase will be prorated to 50%.

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 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 – PG3 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 – PG3 grades in advance of the natural progression.

Promotions to PG4 are not automatic and depend upon the employee's demonstrated ability to perform at the PG4 level.

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 PG4 - 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 review process. If the promotion application reaches the Promotion Committee review stage, the candidate shall have the opportunity to be interviewed by the Committee. At least one (1) SPEA member shall sit as non-voting members on all Promotions Committees considering promotions to PG5 or PG6. SPEA will make best efforts to ensure that SPEA members are classified at an equal or higher grade than the grade for which the promotions are being considered. Promotions to PG4 do not require the convening of a Promotions Committee.

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.

Promotion cases will be reviewed by the Company within one year of submission by the employee. For clarity, reviewing includes providing written reasons of the decision, if the promotion is not awarded.

Employees promoted to PG4, PG5 and PG6 will receive at least a 2% salary increase, independent of scale and merit increases. This 2% increase does not apply if the promotion increase is greater than 2%. Furthermore, merit increases will generally be based on the salary grade for which the employee was evaluated.

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 or Domestic Commuter 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. Employees will not be eligible for the one-way travel allowance if the distance travelled to the host location is lesser than the distance travelled from the employee's primary residence to their regular work location

Table 21.07 – Travel Allowances

CANDU Station or Other Common Destination	One-Way Travel Allowance
Bruce	\$140
Pickering	\$60
Darlington	\$80
Gentilly	\$265
Point Lepreau	\$160
Chalk River	\$265
Cernavoda	\$850
Embalse	\$850
Qinshan	\$850
Wolsong	\$850
Montreal Office	\$140
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.

In above situation, the travel allowance payable will be prorated by dividing the travel time outside working hours by the total travel time, multiplied by the allowance amounts. For the purpose of this calculation, the working hours will be calculated using a base rate of \$49 per hour. The total travel allowance payable, including the pay during working hours, shall not exceed the amounts in Table 21.07.

Domestic Commuter Assignment Conditions are addressed in Article 26.

21.08 Travel Expenses/Kilometers

When using a personal automobile for business travel, kilometers will be reimbursed by the automobile allowance rates determined by the Canadian Revenue Agency (CRA) The kilometer costs reimbursable are those in excess of the regular travel distance to the employee's normal place of work.

In addition, it is the employee's responsibility to provide a car log to Payroll at the end of each month. Toll charges where preapproved by management and parking fees will be reimbursed

21.09 Classification of Flights

Business Class flights will be provided for approved business travel and Outage Shift Work (Field Services) to Asia, South America and any other location approved in advanced by the Company. For clarity, Business Class flights will not be provided for travel while on short term or long term assignment conditions nor for travel within North America or Europe.

The following principles will apply for all flights:

- Travel arrangements are booked by the Company travel provider.
- The least expensive flight offered by the Travel Department must be booked unless said travel conflicts unavoidably with the employee's professional schedule.
- Duration of a flight is defined as continuous flying time in the air without stops.
- Premium Economy will be offered for flights of duration longer than 12 hours, where available.
- When Premium Economy is not available, the Employee must travel in Economy.

Employees taking a trip whose total travel time (from commencement of initial flight to landing of final flight) is more than ten (10) hours in Economy are entitled to a twelve (12) standard hour rest upon arrival before starting work.

21.10 Travel Meal Allowance

For approved Business Travel, meal expenses must be reasonable for the region in which they are incurred. The following allowances apply for approved Business Travel in North America:

Breakfast – \$15.00 per day

Lunch – \$15.00 per day

Dinner - \$40.00 per day

Incidental - \$10.00 per day, cumulative for the duration of the business trip for incidentals only. Receipts are required to claim reimbursement for incidental expenses. Incidental amount does not apply on day of travel home.

For destinations in the United States, the amounts are in U.S. currency.

For destinations outside North America Meal/Incidental allowances are based on the Canadian currency equivalent of the amounts contained in the Mercer Business Travel Expense summary report excluding hotel, column 1; Low.

No Travel Meal Allowance will be paid for employees on Assignment Conditions.

A breakfast allowance is not claimable when the employee commences the trip from his or her residence after 7:30 am. When a hotel provides a full breakfast with the room rate, the breakfast per diem is not claimable.

A dinner allowance is not claimable when the employee arrives at his or her residence before 6:30pm.

Intent is to compensate when an actual expense is occurred – therefore, if staying in a hotel where suitable breakfast is available & included in the hotel charge, breakfast per diems is excluded, or if managers buys employees dinner, dinner per diem is excluded.

Intent is also not to provide per diems for part-days when traveling and to travel outside of mealtimes where practicable. For example, if traveling mid-day, travel after lunch if possible and claim only dinner portion of per diem.

21.11 Overtime 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 21.11 (a) will apply. For clarity, a second meal allowance and paid meal period will only apply if the employee works nine and one half (9.5) hours on the day of rest or Company holiday.
- (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 21.11 (a) and (b), the employee shall not be eligible for a meal allowance of fifteen dollars (\$15.00).

- (d) Employees on assignment conditions or claiming per diems when traveling are not eligible for this allowance. The above-noted entitlements do not apply to employees who are receiving a meal allowance pursuant to Assignment Conditions.

21.12 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) Commencing January 1, 2017, banked Time should be paid out at the rate in which it is accrued. This does not apply to pre-January 1, 2017 accruals.
- (c) 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.
- (d) With the agreement of their Managers and subject to operational requirements, employees may use banked time to arrange time off in a patterned way.
- (e) Banked time will be paid out to a maximum of seventy-five (75) banked hours.
- (f) The company at its discretion may pay out any banked time in excess of 37.5 hours at the end of every calendar year.

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) The employer may, at its discretion, offer temporary secondment opportunities to employees during a redeployment. These secondment opportunities may exist within Candu or to other parent Company subsidiaries. These secondments will not affect employees' seniority status in a layoff situation. In other words, seconded employees remain part of the layoff determination process and a secondment will not shield an employee from layoff, unless they are “protected”. Redeployment involving a change of domicile will be governed by Article 11.04

- (c) 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.
- (d) 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 in any affected skill category–shall not exceed the number of employees to be laid off in that skill category by more than “X”, as shown in the table below:

Number of employees in skill category	Number of additional protects (“X”)
Ten or less	0
Eleven to twenty	1
Greater than twenty	2

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.

The employer may amend the protect list during this period, including in response to receipt of applications pursuant to the Voluntary Termination Programme or Volunteering for Substitution Lay-off Programme.

(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 22.08.

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 22.08.

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.

Layoff notices will not be issued until the VSP process is completed. The application process will remain open for at least seven (7) working days.

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.

If an employee's VTP or VSP Application is accepted, the most senior employee in the skill category targeted for layoff will be removed from the layoff list.

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 salary continuation which will continue benefit, vacation (vacation is earned for the month if the employee is on salary for 10 days in the month), and pension coverage for the duration of the notice period. In either case, benefits coverage ceases at the end of an employee's notice period.

For clarity, Health and Dental benefit coverage continues until the end of the month following the termination date. For this purpose, "termination date" is one of the following:

- I. The last day of the notice period, if the employee works through their notice period or chooses salary continuation
- II. The date they receive their notice of layoff, if the employee is provided non-working notice and chooses a lump sum payment in lieu of benefits

22.05 Seniority

The principles governing seniority will be as follows:

- (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.
 - (iv) Notwithstanding Article 22.05 (a) (ii), SPEA-TT and SPEA-PD² employees entering the bargaining unit will be credited immediately for their previous service in the SPEA-TT or SPEA-PD bargaining unit.
 - (v) Effective January 1, 2017, new employees will only be credited with AECL-Sheridan Park service (and not service earned at Chalk River or any other AECL locations, while an employee of AECL) for the purpose of seniority or any other service based entitlements including vacation and pension. This restriction will not apply to an employee rehired after January 1, 2017 whose non-Sheridan Park AECL service was previously recognized by Candu.
- (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.

² After ratification, we requested the inclusion of PDs in this article. We do not yet know whether the employer will agree.

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 fails to respond to a recall notice indicating their acceptance within ten (10) working days or fails to return to work within thirty (30) working days of notification of recall.
- (b) Subject to (d) below and Article 22.07, 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, by email, and by such other method of communication reasonably requested by the employee. 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.
- (e) The company may offer additional compensation during the layoff process in exchange for the employee giving up their recall rights. SPEA must be informed in advance and will be involved in the process as a representative of the employee.

22.07 Recalling/Hiring into Term Positions in Skill Categories with Active Recall lists

Recalling into Term Position by Seniority

- (f) Where there is an urgent need for short term employment in a specific skill category and no ongoing need for work in that skill category, such that recall to a permanent position would not be feasible, the following applies:
 - (i) Term employment may be offered, by seniority as outlined above, to employees on the recall list.
 - (ii) An employee may decline an offer of term employment without affecting their position on the recall list. If the most senior person on the recall list declines the positions, the provisions in Article 22.07(g) (Recalling into Term Position Out of Seniority) will apply.
 - (iii) An employee who accepts a term position will return to the recall list at the conclusion of the term. Their position on the recall list (relative to the other laid off employees on the list) will be unaffected by their acceptance of term employment.

- (iv) The maximum length of term employment will be 12 months, beyond which the employee will regain permanent status. Their seniority upon return to permanent status will include the term employment.

Recalling into Term Position Out of Seniority

- (g) Where the circumstances outlined in (f) above apply and additionally: Where recall out of seniority is justified because the more senior employee(s) are unable to perform the urgent work requirements, even with a period of familiarization (where allowing for a period of familiarization would be feasible), the following applies:
 - i. An employee may decline an offer of term employment without affecting their position on the recall list.
 - ii. An employee who accepts a term position will return to the recall list at the conclusion of the term. Their position on the recall list (relative to the other laid off employees on the list) will be unaffected by their acceptance of term employment.
 - iii. The maximum length of term employment will be 12 months.
 - iv. In the event the employee is eventually recalled or rehired to a permanent position, their “out of seniority” term employment will not count towards their seniority.
 - v. The recall period for all employees more senior than the selected employee will be extended to six (6) months beyond the completion of the term of the selected employee.

Hiring Externally into Term Position

- (h) Where the circumstances outlined in (g) above apply and additionally: Where hiring a term employee externally is justified because the employees on the recall list are unable to perform the urgent work requirements, even with a period of familiarization (where allowing for a period of familiarization would be feasible), the following applies:
 - i. The maximum length of the term will be 12 months.
 - ii. The recall period for all employees on the recall list will be extended to the later of:
 - a. Six months beyond the completion of the term of the selected employee;
 - b. Six months beyond the date of the original recall period.

Recalling/Hiring into Term Positions in Skill Categories with Active Recall Lists – General Provisions

- (i) The parties recognize that the hiring/recalling of term employees into skill categories with an active recall list ought to be minimized and utilized only

in the above-described circumstances. Prior to hiring/recalling a term employee in these circumstances, the employer will meet with the union to provide a thorough explanation of why the particular hiring is required. The following limitation applies:

The total number of employees recalled or hired in the above circumstances cannot exceed forty percent (40%) of the number of employees on the recall list in the affected skill category.

- (j) For clarity, the status of a term employee hired/recalled pursuant to Article 22.07(g) (Recalling into Term Position Out of Seniority) or Article 22.07(h) (Hiring Externally into Term Position) cannot be changed to permanent. The purpose of this provision is to ensure that term employees hired/recalled in the aforementioned circumstances are not advantaged relative to others on the recall list. Notwithstanding the above, said term employees are eligible to apply for a permanent position in a different skill category if the position is posted externally in accordance with Article 11.02.
- (k) Employees recalled into term positions maintain their entitlement to notice and termination compensation resulting from their layoff. An employee who chose to receive their notice period in biweekly payments pursuant to Article 22.04 and who has outstanding payments at the time of recall will be treated as follows: Their outstanding payments will cease upon recall and will be paid out at the end of the term. If the employee's status changes from term to permanent before the end of the term employment period, the employee will not receive further payments. The employee's termination compensation date will be adjusted accordingly.

22.08 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. Project Hires may not be covered by Project Assignment Conditions.

(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 resourcing 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) A term employee may be recalled/hired into skills with active recall lists only in the circumstances and under the conditions outlined in Article 22.07.
- (iii) The term of such arrangements shall be related to the scheduled length of the work requirement, but shall not exceed thirty- six (36) months. In calculating the thirty-six (36) month period, employment gaps of less than two months will not reset the clock (nor will the gap be counted towards the thirty-six 36 month period). If the term employment is renewed or extended beyond the maximum of thirty-six (36) months, the term employee will automatically become a permanent employee. Otherwise employment ceases at the end of any term. The provisions set out in Article 22.07 apply with respect to term employees recalled/hired into skills with active recall lists.
- (iv) There shall be at least a six month gap between terms, where the cumulative length of term employment exceeds 36 months. The cumulative length of term employment shall not exceed 60 months. These limits may be waived with SPEA's agreement.
- (v) 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;
- (vi) No permanent employee may be offered term employment.
- (vii) The number of term employees shall be limited as follows:

Term employees in the combined SPEA-SE (scientists and engineers) and SPEA-TT (technicians, technologists and trades) bargaining units cannot exceed 20% of the combined bargaining unit membership or 160 (SPEA-SE and SPEA-TT combined), whichever is less; and

Term employees cannot exceed 25% of the SPEA-SE bargaining unit or 150 SPEA-SE term employees, whichever is less

(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 14.10 – 14.14 (sick leave and intermediate term sick leave) will not apply; should the term subsequently be extended to six (6) months or beyond, coverage will commence. Articles 14.15 (Long Term Disability) and 12.02 (Life Insurances) do not apply to term employees.

The above limitations do not apply to employees who have been recalled to term positions pursuant to Article 22.07. These employees will be entitled to the same benefits as permanent employees and any service based entitlements/credits such as vacation, pension and sick leave will include their prior service/credits.

Term employees are eligible for pension pursuant to Article 13 (Pension Plan).

- (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) Term employees with between six and twelve months' service will be entitled to two weeks' compensation.
- (ii) Term employees with greater than twelve months' service will be entitled to four weeks' compensation.

These amounts are inclusive of notice and termination compensation.

(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. This provision does not apply to term employees who are hired pursuant to Article 22.07(g) (Recalling into Term Positions out of Seniority) or Article 22.07(h) (Hiring Externally into Term Position)

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 permanent staff or term employees.
- (c) Prior to hiring a contractor, where appropriate, the company will endeavour to hire the individual as an employee, pursuant to the Casual Part Time Employment Agreement (2016).
 - (d) The Company undertakes to utilize such contract personnel wherever appropriate to develop the skills and expertise of Bargaining Unit members;
 - (e) 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. The contractor list will include: Contractor, company name, manager, department, contract commencement and expiry date. Upon reasonable request, the Company will provide total hours worked.
 - (f) 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. The Company shall continue to provide the current (2016) Contractor Notification form and will include expected weekly hours of work. The Company will provide mentoring details (where applicable) including: The nature of mentoring, names of mentees, approximate hours to be spent mentoring, and location of mentoring activities. If mentoring is not contemplated, the Company will provide an explanation.
 - (g) The Company and SPEA agree to meet regularly to review the list of contract personnel performing bargaining unit work. This meeting shall be held in conjunction with the Company – SPEA Cooperative Committee Meeting. The Committee will discuss contractors to ensure that the provisions set out in Article 24.02 are being met. Upon reasonable request and within two weeks, a special Cooperative Committee Meeting will be held to discuss contractors.

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).

ARTICLE 25 – EMPLOYEES LOCATED AND WORKING OUTSIDE CANADA³

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 so long as the employee was resident in Canada prior to the international posting.

International Assignment Conditions apply in the following circumstances:

International Field Work (2 weeks to 3 months)

International Short Term (1 month to under 12 months)

International Long Term (equal to or greater than 12 months)

25.02 Applicable Terms and Conditions

- (a) 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) 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.
- (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 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.

³ The parties did not agree to language for Articles 25 and 26. The language here represents SPEA's proposal. If we can't agree to this language, the language in the previous collective agreement will apply.

- (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 expression of interest.
- (f) In the event of a strike date being issued to the Company, the Company and SPEA will meet to discuss arrangements for employees on assignment away from their home site.
- (g) 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.

ARTICLE 26 – EMPLOYEES TEMPORARILY LOCATED AND WORKING AWAY FROM THEIR NORMAL WORKING LOCATION⁴

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. Project Assignment Conditions apply in the following circumstances:

Domestic Commuter Assignment Conditions (DCACs) apply to projects in which an employee is expected to travel (that is, commute daily to a work location which differs from their home location) ten (10) or more consecutive or non-consecutive days over the course of said project. DCACs do not apply to occasional, irregular travel to a location.

Domestic Outage Shift Work applies to assignments of between two (2) weeks and three (3) months.

Domestic Short Term applies to assignments of one (1) month to under twelve (12) months.

Domestic Long Term applies to assignments of twelve (12) months or greater.

⁴ Refer to previous footnote.

26.02 Applicable Terms and Conditions

- (a) 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 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.
- (f) In the event of a strike date being issued to the Company, the Company and SPEA will meet to discuss arrangements for employees on assignment away from their home site.

ARTICLE 27 – DURATION AND AMENDMENT OF AGREEMENT

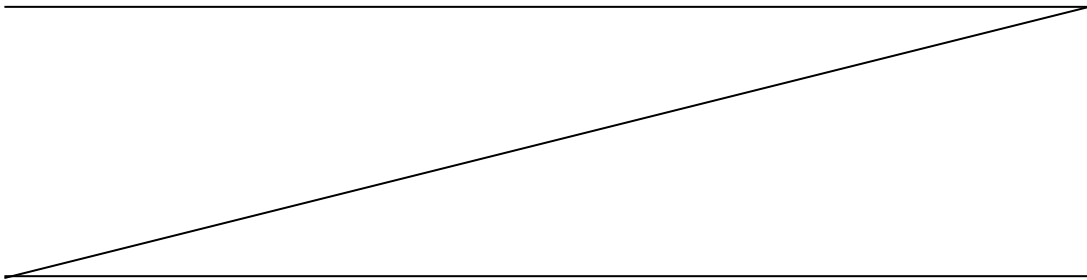
27.01 Duration

This Collective Agreement is effective from January 1, 2017 until December 31, 2021 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 2021 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.

ON BEHALF OF
THE SOCIETY OF PROFESSIONAL
ENGINEERS AND ASSOCIATES

Navid Badie

Mark Chudak

Todd Cook

Denise Coombs

Amanda Costa

Michelle Duncan

John Drossis

Mark Jamieson

Dana Duncan

Peter Visser

Matthew Ross

Peter White

Robert Whalen

Corey Witkowski

Letter of Understanding

Subject: Article 14, Leave Plans – Vacation

Note: This 2012 Letter is renewed in order to document some employee's entitlements to greater than the vacation entitlement set out in Article 14.02

As discussed during collective bargaining (2011-2016), 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)

Letter of Understanding

Subject: Agreed Relocation Policy

Employer to add text

Letter of Understanding

Subject: Level Descriptors

The parties agree to update the language set out in the SE and TT “level descriptors”. Joint Committees will be struck and within two months of the conclusion of collective bargaining. The Committees (SE and TT) will each be comprised of three representatives from the union and three representatives from management. The goal is to complete the update of level descriptors within a six month time period.

Letter of Understanding

Subject: Pre Arbitration

The parties agree to develop a process for the utilization of the Pre-Arbitration Review Hearing set out in Article 10.06 of the Collective Agreements. The process will be finalized within three months of ratification and will include the following elements:

- The parties agree to first utilize all grievance resolutions mechanisms available prior to proceeding to pre-arbitration. This includes, but is not limited to internal grievance resolution processes and may also include mediation services if the parties agree.
- Parties to exchange statements of facts and provide them to the arbitrator in advance of the hearing. Agreed statements of facts to be developed where possible and with an understanding that the Agreed statements of fact may change should the grievance proceed to arbitration.
- Witnesses to attend where factual disputes exist or with parties agreement; arbitrator to play an active role in questioning any witness; representatives of SPEA and employer may also question witnesses.
- Parties to agree to an expedited arbitrator list; if unable to do so, utilize the agreed upon Article 10 list of arbitrators.
- A pre-arbitration hearing can be no sooner than 6 weeks after a final decision or disagreement has been announced on any Grievance properly processed under the Grievance Procedure.

Letter of Understanding

Subject: Technical Lead Positions

The parties agree to discuss technical leads' access to resourcing information and other tools (such as input into time sheet approvals) which may be related to the successful completion of their jobs. These discussions will occur at the Career Development & Training Committee.

Letter of Understanding

Subject: Skills Inventory System

The parties agree to convene a Committee within two months of ratification of this collective agreement to discuss revisions to, and the possible elimination of “Small Skills Protection” in the current (2009) Skills Inventory System Agreement. As part of this discussion the parties also agree to consider revisions to Article 22.02 (number of protects). The parties agree to make best efforts to conclude an agreement within six months.

Letter of Understanding

Subject: SPEA-CANDU CASUAL PART TIME AGREEMENT

1. The purpose of this Agreement is to define the terms for inclusion into the SPEA bargaining unit of casual part time employees (“casual employees”) who are senior level who are not interested in becoming permanent/term employees and who would otherwise likely be hired as contractors. For clarity, a non-senior employee may work as a casual employee, with SPEA’s agreement which will not be unreasonably withheld.
2. A casual employee is a person employed intermittently on an “as needed” or “call in” basis. A casual employee is also a person who is working a regular schedule for periods of six months or less.
3. Casual employees will be hired for terms of two years or less. Such terms may be renewed with SPEA’s agreement.
4. The Collective Agreement between SPEA and Candu applies to casual employees with the exception of the following Articles: 12, 13, 14, 15, 16, 18, 19, 20, 21 and 22. *(Except as specifically set out herein)*.
5. Casual employees will pay dues pursuant to Article 23.03 of the Collective Agreement. However, dues will not be collected or owing for pay periods (biweekly) during which the employee has worked fewer than five hours.
6. SPEA will be provided at least five working days written notice of the Company’s intention to utilize casual personnel. The notice will include the following information:
 - a. Skill Category
 - b. PG level
 - c. Length of assignment
 - d. Previous employment (and contractor) history with Candu
 - e. Detailed rationale for hiring the employee and in particular, why the employee was not hired on term or permanent status recognizing

that term and permanent employees may be hired on a part time basis

- f. Details regarding compensation (compensation may be at a higher rate than provided for in the collective agreement salary scales)
- 7. Casual employees will be assigned to a skill category and PG level. Their numbers will not apply with respect to Article 20.04 (posting positions held by terminating PG5s or PG6s) of the Collective Agreement. Casual employees do not acquire seniority and cannot be “protected” from lay-off pursuant to Article 22.02. In a layoff situation, casual employees will be governed by Articles 22.02(d) and (e), as “contract professional staff”.
- 8. This Agreement in no way limits the employer’s right to hire contractors, or SPEA’s right to challenge the status of contractors.
- 9. SPEA may grieve the hiring of a casual employee and if so, subject to the agreement of both parties, the grievance will proceed directly to Step 2 of the grievance process or an expatiated process.

Letter of Understanding

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.

Letter of Understanding

SLAR Engineering On Call

Employees will receive \$10 per hour while on-call, to provide technical analysis support for SLAR or MODAR outages from head office. When employees receive a call after midnight (or before midnight, if the work involved extends past midnight), they can request four hours of rest on the following day, if the following day is a work-day. Employees can use vacation time, personal business days, or banked time for this purpose.

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 twelve 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 twelve 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 and Parental Leave

Candu will provide a supplement to the EI Maternity and Parental Benefits to those employees who are eligible for maternity/parental leave under the provisions of this procedure and who qualify for EI Maternity/Parental benefits in accordance with Article 14.19 of the Collective Agreement. An employee on approved maternity/parental leave must submit the first EI stub as proof of their eligibility to receive the SB. In order to be eligible to receive and retain the SB to cover the entire maternity leave 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.

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 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.

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 – CERi 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 - 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 any 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>
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.	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.
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.
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.