

Letter of Understanding

Between
SNC-Lavalin ATP INC. (the Employer)
And
United Utility Workers' Association (the Union)

Application of Regular time and Overtime Wages for Construction Coordinators, Field Coordinators and IED Technologists

Commencing May 1, 2007 Construction Coordinators, Field Coordinators, and IED Technologist employees will be compensated as per the following:

- Straight time hours will be calculated at the current rate of the T3 and T5 schedules plus an increase of ten percent (10%) to those rates for each affected individual. The Temporary Pay Schedule is attached for reference.
- Overtime hours will be calculated at a rate of time and one half (1.5) the increased straight time rate for each affected employee.
- All other provisions of the Collective Agreement remain in force and in effect including annual incremental increases of five percent (5%). These increases and any other increases to which an employee may be entitled will be based on the new temporary straight time rate.
- Affected employees shall work not more than seven hundred and fifty (750) hours of overtime in one calendar year at this temporary overtime rate. For any overtime worked above 750 hours, the overtime rate shall revert to the rate of two times (2.0) as per Article 9.1 Overtime in the Collective Agreement.
- The provisions of the Collective Agreement regarding the above, specifically the applicable hourly rates in the Pay Schedules and Article 9.1 Overtime shall be temporarily waived until a new Collective Agreement is in place. Bargaining for a new Collective Agreement will be commenced based on the Collective Agreement Pay Schedules and conditions.
- The parties agree to meet and review this Letter of Understanding if there is a decision from the AEUB affecting overtime.

Signed in Calgary, May ____, 2007

On behalf of
SNC-Lavalin ATP Inc.

On behalf of
United Utility Workers Association
