



COLLECTIVE AGREEMENT

BETWEEN

CAMECO CORPORATION

PORT HOPE, ONTARIO

AND

UNITED STEELWORKERS

OF AMERICA

ON BEHALF OF

LOCAL 13173



EFFECTIVE

SEPTEMBER 2004 TO JUNE 30, 2007

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COLLECTIVE BARGAINING AGREEMENT

This Agreement made and entered into this 14th day of September, 2004.

By and between

**Cameco Corporation
Port Hope, Ontario**

(hereinafter called the "Company")

- and -

United Steelworkers of America

(hereinafter called the "Union")

- on behalf of -

Local 13173

WHEREAS it is the intent and purpose of the Company and the Union to further harmonious industrial relations between the Company and its employees, to establish and maintain satisfactory working conditions, hours of work and rates of pay, and to provide for the prompt and equitable disposition of grievances;

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto hereby agree as follows:

Article 1 - SCOPE

1.01 The term "employee" or "employees" wherever used in this Agreement shall mean all employees of the Company at Port Hope, Ontario, except those employed as or falling within the classification of guard, foreman, salaried laboratory technician of the Research and Development Division, sales and office staff and all those employed in a supervisory, professional, administrative, clerical or confidential capacity.

1.02 Where applicable, masculine pronouns used in connection with employees shall refer to female employees as well as male employees.

Article 2 - JURISDICTION

2.01 In accord with the provisions of the Canada Labour Code, the Company comes within the jurisdiction of the Department of Labour of Canada.

Article 3 - CANADIAN NUCLEAR SAFETY COMMISSION

3.01 The Government of Canada through the Canadian Nuclear Safety Commission has made the Company responsible for the maintenance of adequate security measures for the work carried out by it in the field of nuclear energy. It is understood and agreed by the Union that neither the security rules that are established pursuant to the operating licence granted by the Canadian Nuclear Safety Commission nor their administration are matters for collective bargaining or discussions under this Agreement.

3.02 In the event that an employee is discharged for security reasons, the Company agrees to notify the Union, and while it is understood that the Company may not be able to divulge the information on which the discharge is based due to statutory, regulatory or contractual regulations and obligations binding upon the Company (collectively referred to herein as "third party restrictions"), the Company will provide to an employee discharged for security reasons disclosure of all material facts relating to his dismissal to the extent

that such disclosure is not in violation of the third party restrictions.

Article 4 - RECOGNITION

4.01 The above designated Union shall be the sole and exclusive bargaining agent for all employees of the Company hereinbefore referred to, for the purpose of bargaining with respect to rates of pay, hours of work and other conditions of employment.

The Company agrees to prior consultation with the Union on any changes in conditions of employment not covered by this Agreement.

Article 5 - NO DISCRIMINATION

5.01 There shall be no discrimination by the Company or the Union or its members against any employees because of membership or activity or non-membership in any lawful Union.

Article 6 - MANAGEMENT RIGHTS

6.01 The Union recognizes that the Company has the exclusive right:

- (a) To manage the industrial enterprise in which the Company is engaged, and without restricting the generality of this function, to determine the number of employees and the facilities required by the Company at any place from time to time for any and all operations, the kinds and locations of equipment, machines and tools to be used, and to determine the schedules of operations;
- (b) To maintain order and discipline; to make and amend reasonable rules of conduct and procedures for employees; to hire, promote, classify, transfer, demote or lay off employees; to discipline, suspend or discharge employees if these actions are for just cause; provided however that any exercise of these rights in conflict with the provisions of this Agreement shall be subject to the grievance procedure herein.

Article 7 - NO CESSATION OF WORK

7.01 As provided in the Canada Labour Code, there shall be, during the term of this Agreement, no lockout by the Company, and no strike by any employee, nor shall there be any strike of any employee declared or authorized by the Union.

Article 8 - UNION STEWARDS AND COMMITTEES

8.01 The Union may choose twenty-five (25) stewards who must have seniority status to assist in processing grievances as outlined under the grievance procedure. This number may be adjusted by mutual agreement between the Company and the Union.

8.02 There shall be three (3) Union Committees composed of not more than five (5) members each, who must have seniority status.

8.03 The functions of the three (3) Committees shall be as follows:

- (a) to act as the grievance committee referred to in the grievance procedure;
- (b) to meet with representatives of the Company at pre-determined times once a month to discuss matters of mutual interest to the Union and the Company;
- (c) to represent the Union during contract negotiations with the Company.

At any meetings with the Company, the Committees may be accompanied by a full-time representative of the Union.

8.04 The Company shall be notified in writing by the proper officials of the Union the names of the stewards and the committee members, and of any changes in same, before the Company will recognize them.

8.05 It is agreed that during working hours the discussions of grievances between stewards and employees will, as far as is practical, be kept to a minimum.

8.06 If it is necessary for a steward, committee member or other employee to take time off during working hours in connection with Union business, he must obtain permission from his immediate supervisor. Such permission shall not unreasonably be withheld.

One member of the Union Executive shall be designated to conduct joint union management activities. Such individual shall be entitled to time off under this article.

8.07 Stewards and committee members who in accordance with the preceding section have received authorization, will be paid their regular basic hourly rate for time spent attending scheduled meetings.

8.08 Other than specifically permitted in this Article or provided elsewhere in this Agreement, there will be no solicitation of members or other Union activity during working hours.

8.09 Use current Appendix A-1 as appropriate benchmark unless parties mutually agree to deviate in exceptional circumstances or unless Article 22.03 is triggered.

Article 9 -ADJUSTMENT OF GRIEVANCES

9.01 Should any difference arise between the Company and any of the employees concerning the interpretation or alleged violation of the provisions of this Agreement, an earnest effort shall be made to settle such differences without undue delay in the following manner:

Stage One - Within three (3) working days after the grievance has arisen, the employee, accompanied by his steward may take the matter up with his immediate supervisor, or the supervisor involved, at which time a grievance fact sheet will be completed and signed by the grievor, the steward and the supervisor. Failing settlement within two (2) working days, the grievance may proceed to Stage 2.

Stage Two - Within two (2) working days from the date Stage One was completed, the employee, accompanied by the Chief Steward and his area steward, if he so desires,

may take the matter up with his department head or his designate, presenting the grievance in writing on forms agreed upon by the Company and the Union. The decision of the Company at this stage must be given in writing. Failing settlement within three (3) working days of receipt of the written grievance, the grievance may be referred to Stage Three.

Stage Three- Within three (3) working days from the time the Company decision was received at Stage Two, the grievance committee may take the matter up with the Manager, Port Hope Facility, and/or his delegate or delegates presenting the complete written record of the grievance. Either party may, at its discretion, require the employees concerned to be present and to give evidence regarding the dispute. The Company shall provide the Union with its written decision to the grievance within five (5) working days after the stage 3 meeting has concluded. Failing a satisfactory settlement the matter may be referred to arbitration within twenty (20) working days as provided in Section 10.01.

9.02 Any difference arising directly between the Union and the Company concerning the interpretation, administration or alleged violation of this Agreement (other than contract renewal discussions) may be submitted in writing by either party to the other at Stage Three.

9.03 In determining the time within which any step is to be taken under the foregoing provisions of this Article, Saturdays, Sundays, scheduled days off, recognized general holidays, and annual plant shutdowns shall be excluded.

9.04 If advantage of the provisions of this Article is not taken within the time limit specified or as extended by mutual agreement in writing between the Company and the Union, the matter in dispute shall be deemed to have been abandoned and cannot be reopened.

9.05 The nature of the grievance and the remedy sought shall be set out in the written record at Stage Two and may not be subject to change at Stage Three or in the arbitration procedure.

The section or sections of this Agreement the meaning of which is in dispute, or which are alleged to have been

violated, shall be set out in the written record at Stage Three and may not be subject to change in the arbitration procedure.

9.06 At any Stage of the Grievance Procedure, if a Steward, Chief Steward, or Grievance Committee member is unavailable, the senior Union Executive on the property shall delegate a replacement to fulfil the absentee's duties.

9.07 Disciplinary notations below suspensions shall be withdrawn after a period of 24 months from date of issue, provided the employee has not received subsequent discipline in that period.

Article 10 - ARBITRATION

10.01 In case any dispute concerning the interpretation or violation of this Agreement has not been settled after proceeding through the proper stages of the grievance procedure as set forth, and after the exhaustion of such grievance procedure, the same may be referred by either party to Arbitration within twenty (20) days as set forth in Stage Three of the grievance procedure.

The grievance will be heard by a single arbitrator, unless the parties mutually agree to submit the matter to a three person Board of Arbitration. In the event a Board is used, all references herein to Arbitrator, shall be read as referring to a Board of Arbitration.

10.02 In the event that Company and Union are unable to agree upon the selection of an arbitrator, the Minister of Labour of Canada shall be requested to make the appointment.

If arbitration proceedings involve discussion of plant details and processes subject to security rules, it is understood that the arbitrator shall have a security rating acceptable to the Canadian Nuclear Safety Commission.

10.03 Arbitration shall be heard at the Facility or at such other place as the parties agree upon in writing.

10.04 The written record of the grievance presented at Stage Three of the grievance procedure and the decision of the Company thereon or in the case of a difference between the Union and the Company, the written application by the applicant for arbitration and the reply thereto by the other party, shall be presented to the Arbitrator.

10.05 Each party shall pay an equal share of the fee and expenses of the Arbitrator. No costs of arbitration shall be awarded to or against either party.

10.06 The decision shall be made at the earliest opportunity after the close of the hearings and the decision of the Arbitrator in respect to an interpretation or alleged violation of this Agreement shall be final and binding upon the parties, but in no event shall the Arbitrator, have power to alter, modify, or amend this Agreement or substitute provisions for any existing provisions, or to give any decisions inconsistent with the terms and provisions of this Agreement.

10.07 Prior to the arbitration hearing the parties may agree to discuss the grievance in a without prejudice mediation process. The mediator will be jointly selected and each party shall pay an equal share of the Mediator's fees and expenses.

Article 11 - SENIORITY

11.01 Definition - Seniority shall accumulate throughout the total period an employee has been on the Company's payroll except that 1) a newly hired employee shall have no seniority rights during his first 520 actual hours worked and 2) the seniority of a laid-off employee shall continue to accumulate for a maximum of twenty-four (24) months immediately following his date of lay-off.

The Company will post a seniority list monthly in the lobby and provide a copy of such list to Local Union President. Upon request twice per year a copy of the seniority list shall be sent to the Staff Representative, which copy shall include the employees' seniority date, classification, current rate of pay telephone number and address.

11.02 (a) Application - In all cases of job posting, transfer, lay-off, recall from lay-off and shift work scheduling, seniority will govern providing the senior employee possesses the qualifications to perform the work available.

i - Job Postings

The Company may post for a fully qualified applicant for a vacancy. For purposes of job postings, an employee will only be considered fully qualified if he has progressed through the applicable learner periods to the top rate and has permanently occupied the classification at the top rate within the three years preceding the posting.

All postings will signify whether they are for fully qualified candidates, learner candidates or a combination posting, i.e. fully qualified, but if no such person applies, then learner.

Required qualifications will be specified in job vacancy notices which will be given to the Union whenever there is a posting. In the event that the Company has a need to change the qualifications, it will, as soon as possible, discuss such changes with the Union prior to a notice being posted.

Where two or more employees have the same date of employment, seniority will be determined alphabetically by the employees' surname.

If an employee is selected to fill a posting for a learner position, the Company will assign the employee to the appropriate training period on the basis of the employee's previous experience and training in accordance with Appendix "B".

ii - Lay-offs

When it becomes necessary to reduce the number of employees in any classification, the Company shall first lay off the employee(s) in the classification who has not completed one half of the learner training periods for the job, in reverse order of seniority. If further employees are to be displaced from that classification, the Company shall then lay-off the other employee(s) in reverse order of seniority.

Such displaced employee(s) shall be entitled to exercise his seniority to bump the junior employee in another job classification who has completed one half of the learner training periods for that job provided such displaced employee has permanently occupied that classification and is qualified to be placed in the top half of the learner training periods for that job. Failing that, such displaced employee shall be entitled to exercise his seniority to bump the junior employee in that job classification who has not completed one half of the learner training periods provided he is qualified to be a learner for the work.

If a displaced employee has not been able to bump under paragraph 2 herein but has more seniority than an employee(s) in a classification(s) for which he is qualified to be a learner for the work (maintenance trades excluded), he will be permitted to displace such employee with the least seniority in the bargaining unit provided that such displacement will not produce a ratio in that classification of less than four (4) employees who have completed one half of the learner training periods for that job for each employee who has not completed one half of the learner training periods.

11.02 (b) The parties further agree that the company may lay-off employees engaged in production operations without regard to seniority provisions within the collective agreement, where damage caused by fire, wind, lightning or explosion has prevented continuing operations.

Other employees whose jobs may be affected by the emergencies described above may be laid-off and, if so, such lay offs will be on a seniority basis within their own classification.

This provision may be used on two occasions in any calendar year, but on each occasion may not exceed a period of more than five (5) working days.

No outside contractors will perform jobs that could be performed by laid-off employees during this time.

11.02 (c) When a vacancy occurs subsequent to a lay-off, the following procedures shall apply. Any employee who was displaced from his position by the lay-off but is still

actively at work, will have the right to return to his former position if it becomes vacant within twelve (12) months of his displacement. If there is more than one person for a particular vacancy, seniority shall govern. If this procedure is not applicable, or if a vacancy remains after this procedure is exhausted, the job will be posted in accordance with 11.05 and only employees actively at work can bid. If there are no qualified applicants, the job will be offered to the senior laid-off employee with recall rights, providing he has the minimum qualifications for the job. In the event the job offer is refused, the employee will be deemed to have quit.

11.03 Loss of Seniority - An employee shall lose all seniority for any of the following reasons:

- (a) if he voluntarily quits;
- (b) if he is discharged for cause and subsequently not reinstated;
- (c) if he is laid off and fails to return to work within ten (10) calendar days from the receipt of the Company's notice by registered mail to return to work, unless he can substantiate by medical evidence that he was unable to return because of illness or accident, or the Company accepts other good reasons for his failure to return;
- (d) if he is laid off and the time elapsed from his date of lay-off exceeds twenty-four (24) months.

11.04 Probationary Employee - As referred to in Section 11.01, a newly hired employee shall have no seniority rights during his first 520 actual hours worked during which period he shall be on probation and subject to transfer, demotion, lay-off, dismissal or discharge at the sole discretion of the Company, notwithstanding anything in this Agreement to the contrary. With respect to any matters other than those referred to herein, a probationary employee shall have recourse to the grievance procedure. Upon completion of the probationary period he shall be placed on the seniority list effective of his first date of employment.

11.05 (a) Vacancies - Any and all vacancies within a department desired by the Company to be filled will be

posted immediately for six (6) days (excluding Saturdays, Sundays, plant shutdowns and recognized general holidays) on the special Company bulletin boards provided for this purpose, with the exception of temporary transfers of four (4) weeks duration or less.

Any employee sincerely desirous of transferring to the posted classification, and who feels he has the necessary qualifications, may within the period of posting fill out an application form especially provided for this purpose, and deposit it in the box located by the bulletin board.

The Company will provide the Union with a copy of the posted vacancy, and inform the Union of the names of the applicants, and of the decision made as soon as it is finalized.

The successful applicant shall be transferred to the posted job within sixty (60) days following the removal of the posting. If, after sixty (60) days, the employee has not yet been transferred to the posted job, progression under Appendix B shall commence and he will be paid the appropriate rate for the posted job, or his current rate, whichever is higher, until the transfer takes place.

The successful applicant will not apply again for another posted vacancy for a period of four (4) months without the mutual approval of the Company and the Union.

In the event that it is found unnecessary to fill a vacancy the Union will be advised of the reason. The Union may request a meeting for the purpose of discussing such reasons.

11.05 (b) Temporary Postings and Temporary Hires -
This provision does not apply to an absence by the maintenance trades.

If there is a vacancy which has been created by the absence of a regular employee, and which the Company requires to be filled, the Company will, if it chooses to fill the vacancy by other than temporary transfer, post a temporary job posting for three (3) days. Such posting will be handled according to the criteria in 11.02 (a) (1) and will be for either learner candidates or a combination posting.

There will be no subsequent posting to fill any vacancy created by the successful bidder.

The Company may hire a temporary employee to fill that resultant vacancy. The temporary employee will be paid Job Class 1, but no other monetary or seniority provisions of the collective agreement shall apply to such temporary employee. The temporary employees will be required to pay union dues. The temporary employee may not be retained beyond ninety (90) days, unless otherwise agreed.

However, if the original temporary vacancy has been created as a result of a Maternity or Paternity Leave, the temporary employee may be retained beyond ninety (90) days but not exceeding one (1) year. After ninety (90) days, such temporary employee will be paid at the applicable second learner period rate of pay and will progress in accordance with Appendix B thereafter. Further, such employee will be covered by Extended health and Dental benefits effective on the first of the month following the 90 day period. No other monetary or seniority provisions of the collective agreement shall apply to such temporary employee.

Notwithstanding Articles 11.01 and 11.04, if the Company subsequently decides to hire the temporary employee as a regular employee, his service as a temporary shall count 2 for 1 towards completion of his probation period and the attainment of seniority.

Upon the return to work of the absent employee, he will, subject to his being able to perform the work and subject to the Company's return to work policies, be returned to the job he held at the commencement of the absence, provided the job still exists.

The employee who successfully bid on the temporary posting will then be returned to the job he held before the posting.

If circumstances change such that the temporary vacancy exceeds ninety (90) days, the situation will be discussed by the parties to achieve a mutually agreeable solution.

If circumstances change and the absent employee will not be returning to his previous job, the Company, if it requires

the vacancy to be filled, will repost the job as a normal job posting under Article 11.02(a).

This provision does not apply when employees are laid off.

11.06 Definition of Transfer - The word "transfer" shall be interpreted to mean the movement of an employee from one classification to another or from one trade to another.

11.07 Temporary Transfer - An employee who is temporarily transferred to a classification other than his regular classification shall be paid the greater of:

- (a) the standard hourly rate for the new classification;
- (b) the standard hourly rate for the classification from which he was transferred.

When an employee is assigned to work four (4) hours or longer on his shift or work day on a job bearing a higher rate than his regular job, he shall be paid the higher rate for the full shift or work day.

The temporary transfer of an employee from his regular classification will not normally affect his progression for pay purposes.

In the event that an unanticipated change in work loads or in the availability of qualified manpower necessitates the extension beyond four (4) weeks or repetition of a temporary transfer, the situation will be discussed with the Union to achieve a mutually agreeable solution to the problem.

When an employee is absent due to illness or injury, he may be replaced through the temporary transfer provisions. Upon the employee's return to work, the replacement will be transferred back to his former job.

11.08 Preferred Seniority - The following Union officials: President, Vice President, Recording Secretary, Financial Secretary, Treasurer, Chief Steward, shall have top seniority during their term of office provided they have had at least one full year of continuous service with the Company. This preferred seniority will apply in cases of lay-off only.

All such officials shall have one opportunity, at the time of election or appointment, to select to work day shift for the

term of their office, if an 8 hour day shift is available in their job classification. If the union official does not make such selection, he will continue to be subject to the terms of Article 19.06 (n). This option shall be limited to one official per department or trade. (Leavitt grievance settlement no longer applicable).

11.09 Disabled Employees- The Parties may waive the provisions of Articles 11.02 and 11.05 by mutual agreement of the joint Union-Management Committee in order to place a disabled employee into a vacancy when he is unable to perform his regular job because of a permanent physical disability or medical condition.

Article 12 - DISCHARGE OR SUSPENSION

12.01 The Company will notify the Union promptly in writing of the reason for the discharge or suspension of any employee.

12.02 In the event that any employee with seniority status is discharged or suspended for other than security reasons, such discharge or suspension may be made the subject of a grievance provided presentation is made at Stage Three of the grievance procedure within three (3) working days of the discharge or suspension.

12.03 Notwithstanding anything contained in Article 10.06, in the event that a discharge or suspension grievance should go to arbitration, the Arbitrator shall have the power to modify or amend the penalty imposed by management.

12.04 When an employee on site is suspended or discharged, he will, if he so requests, be given a reasonable opportunity to confer with a plant Union Representative before leaving the premises.

Article 13 - HOURS OF WORK

13.01 This Article provides the basis for the calculation of any payment for overtime and premiums, and shall not be construed as a guarantee of hours of work per day or week or a guarantee of days of work per week.

13.02 The Company reserves the right to operate any and all of its plants and facilities on a continuous basis; however, construction and maintenance day workers will be scheduled to work Mondays through Fridays.

13.03 Eight (8) hours of work per day and forty (40) hours of work per week shall be regarded as the normal complement of hours, unless otherwise provided in this Agreement.

For pay purposes, the normal work day is defined as the twenty-four (24) hour period from 12:00 A.M. to 11:59 P.M.

13.04 (a) All employees will receive a twenty (20) minute lunch period during any work day of eight hours. Two lunch periods will be established during the day shift in order to permit the staggering of the assigned day shift lunch periods.

(b) All employees will receive two (2) ten minute coffee breaks during any work day of eight hours.

(c) All employees required by the Company to change clothes and take showers will be allowed without pay deduction fifteen (15) minutes prior to the end of their regular shifts or work days.

(d) Maintenance tradesmen operating out of the Central or Area Shops, and assigned to work elsewhere in the plant (this does not include those tradesmen working in the Central Shop or Area Shops), will be allowed ten (10) minutes at the end of their work day to return to the shop, and clean and store their tools.

13.05 Day Workers

(a) All Day shift workers (excluding Maintenance, Stockroom and Janitors) will normally work 8:00 A.M. to 4:00 P.M., Monday through Friday.

(b) All Maintenance and Stockroom day shift workers will normally work 7:45 A.M. to 3:45 P.M., Monday through Friday.

(c) All day shift Janitors will normally work 7:00 A.M. to 3:00 P.M., Monday through Friday.

13.06 Shift Workers

An employee who is normally scheduled according to posted shift schedules to work eight (8) consecutive hours from 8:00 a.m., 4:00 p.m. or 12 midnight, or twelve (12) consecutive hours from 8:00 a.m. or 8:00 p.m., with a 20 minute paid lunch period, will be considered a shift worker. A shift worker required to report twenty (20) minutes early to relieve another employee on the job shall be paid an additional twenty (20) minutes at straight time rate.

Changes in shift workers schedules shall be posted in each Department as early as possible. Revisions of departmental shift schedules will be discussed with the Union as early as possible.

Article 14 - OVERTIME AND OTHER PREMIUMS

14.01 All employees recognize and agree that within reason they are obligated to work overtime hours when requested to do so. There is also an obligation on the part of the Company to give the employee as much notice as possible.

14.02 Overtime payment will be made on the following basis:

(a) Time and one-half:

- (i) for all work performed in excess of regularly scheduled daily hours,
- (ii) for all work performed up to eight (8) hours during an employee's scheduled day off,
- (iii) for all work performed up to eight (8) hours on a recognized general holiday;

(b) Double Time

- (i) for all work performed in excess of twelve (12) hours in any twenty-four (24) hour period reckoned from the beginning of an employee's regularly scheduled shift,

- (ii) for all work performed in excess of eight (8) hours during an employee's scheduled day off,
- (iii) for all work performed in excess of eight (8) hours on a recognized general holiday,
- (iv) for all work performed up to eight (8) hours on a Sunday if Sunday is the employee's scheduled day off,
- (v) for all work performed in excess of eight (8) and up to twelve (12) hours on a Sunday, when Sunday is a scheduled work day.

(c) Double Time and one-half

- (i) for all work performed in excess of eight (8) hours on a Sunday, if Sunday is the employee's scheduled day off,
- (ii) for all work performed in excess of twelve (12) hours on a Sunday, when Sunday is a scheduled work day.

14.03 An employee called in to work after the start of his vacation shall be paid in the same manner as an employee performing work on his scheduled day off.

14.04 An employee required to work more than two (2) hours overtime immediately prior to or following his regular shift shall, without pay deduction, be allowed, at his option, thirty (30) minutes off in order to go home for a meal, or twenty (20) minutes at the plant to eat a meal provided at the Company's expense.

14.05 Change in Shift Schedule- Whenever an employee's regularly scheduled working hours are changed by the Company, that is both starting and finishing time, he shall be paid for all regular hours worked by him during the first shift under his changed schedule,

- (a) at his straight time hourly rate if he has been given minimum notice of forty-eight (48) hours prior to the commencement of his changed shift schedule; or

(b) at the rate of time and one-half or the applicable overtime rate, whichever is greater, if he has not been given notice of forty-eight (48) hours.

When it is necessary for an employee to work two consecutive shifts, overtime rates will apply regardless of prior notice.

The Company will make every effort to eliminate short shift changes which would require a man to work sixteen (16) hours in a day.

The Company agrees to notify employees as soon as possible of any change in shift schedules.

14.06 Where a change in shift schedule is made for the convenience of an employee or where, with the consent of the Company, an employee arranges for personal convenience to cover another employee's shift, such hours worked shall not be subject to overtime pay.

14.07 Shift Differential - The following premium will be paid to all shift workers for regularly scheduled work performed:

From 4:00 P.M. to 12:00 midnight 37¢ per hour

14.08 Sunday Premium - Shift workers regularly scheduled to work on Sunday shall be paid at the rate of time and one-half for all hours worked.

14.09 Call-Out - Without Prior Notice - If an employee, after he has left the plant upon conclusion of his regular shift or work day, is requested by the Company to return to work prior to the beginning of his next scheduled shift or work day, he shall be paid for the work so performed a minimum of four (4) hours at his straight time hourly rate or the pay to which he would otherwise be entitled under this Agreement, whichever is the greater.

In the event that an employee, as the result of a call-out without prior notice, reports for work, any hours worked between midnight and 6:00 A.M. will be paid at double time rates. A minimum payment for the call-out work shall be equal to four (4) hours at straight time rate.

Call-Out - With Prior Notice - If an employee, during his regular working hours is requested by the Company to return to work at a specific time other than one hour immediately preceding his regular working hours, he shall be paid for the work so performed a minimum of three (3) hours at his regular straight time hourly rate or the pay to which he would otherwise be entitled under this Agreement, whichever amount is the greater.

This section will not apply to overtime work scheduled for the convenience of an employee.

14.10 Overtime pay shall not be paid more than once for the same hours worked.

Article 15 - GENERAL HOLIDAYS

15.01 In accord with the Canada Labour Code, the following shall be observed as general holidays: New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

15.02 When New Year's Day, Canada Day, Christmas Day or Boxing Day falls on a Sunday or a Saturday, the immediately preceding Friday or the next Monday shall be considered as the holiday.

15.03 Pay for each of the above mentioned holidays shall be computed such that employees receive their straight time regular hourly rate of wages for their normal hours of work in the week in which the holiday falls.

15.04 An employee will be entitled to pay for any of such holidays, provided he is in receipt of wages (vacation pay and pay under this Article to be deemed to be wages) for at least fifteen (15) days during the thirty (30) calendar days immediately preceding the holiday; or, if the holiday falls during an absence not exceeding two weeks; or, if the holiday falls during an absence due to non-compensable illness or accident not exceeding three weeks; or, if he works his regularly scheduled shift or work day before and his regularly scheduled shift or work day after the holiday.

15.05 If a general holiday falls on an employee's regularly scheduled day off, the employee, if entitled to the general holiday with pay under 15.04, shall be given a day off with pay at some other time convenient to him and the Company. Such lieu days may be consecutive if the employee wishes.

15.06 If a general holiday falls within the period of an employee's annual vacation, the employee shall be entitled to an additional day off at some time convenient to him and the Company. Further, if entitled under 15.04, the employee shall receive pay for the general holiday on the basis of his normal scheduled daily hours of work in the week preceding his vacation.

15.07 Notwithstanding Section 15.04, an employee scheduled to work on a day of observance of a general holiday but failing to work because of being absent without authorized leave will not be paid for the holiday.

Article 16 - VACATION WITH PAY

16.01 Employees will be entitled to vacation with pay as follows:

<u>Continuous Service After</u>	<u>Vacation Period</u>	<u>Vacation Pay (Percentage of Earnings*)</u>
1 year	2 weeks	4%
5 years	3 weeks	6%
8 years	4 weeks	8%
20 years	5 weeks	10%

* Earnings to include maternity and parental EI benefits, Weekly Indemnity and Worker's Compensation benefits.

16.02 This Article shall be administered in accordance with the Canada Labour Code, except that the cut-off date for the calculation of vacation pay shall be the last day of the third full pay period in the month of June. Service will be recognized during the calendar year in which the anniversary date occurs.

16.03 In the event that the Company decides to shut down the Facility for an annual vacation period the Company shall advise the employees of the dates of the shut down by March 15th of the year involved. This shut down will take place within the period that coincides with the school summer vacation period. (i.e. from the beginning of the last week in June to Labour Day). Operations within the plant may schedule shut down at varying periods. If by March 15th such notice has not been issued, employees may submit their preferred vacation periods by April 15th and seniority will govern. Vacation periods may be requested covering the twelve month period up to April 30th of the following year. The vacation schedule will be posted by April 30th. Employees applying for vacation after April 15th will be scheduled on a first come first serve basis.

All employees will take their annual vacation during the shut-down period, unless required by the Company to do maintenance or other essential work.

16.04 (a) If an employee is disabled due to injury or illness prior to vacation time, he will be entitled to take his vacation at a later date when he has recuperated.

(b) If the Company and the Union agree, the employee's vacation may be waived and the employee will receive his vacation pay.

16.05 Service Vacations- In addition to his annual vacation, each employee who completes continuous service of twenty-five years shall be entitled to a service vacation of three weeks with pay. Pay will be calculated at the employee's basic rate in effect on the day of his entitlement.

Each employee shall be similarly entitled to such service vacation upon completion of each five-year period of continuous service subsequent to date of his first entitlement.

Each employee who under this Article has become entitled to a service vacation shall take this vacation at a time approved by the Company during the year of entitlement or the three year period immediately following the year of entitlement. This vacation may be taken in one-week blocks.

An employee who is entitled to service vacation may waive taking any week of service vacation by signing an irrevocable waiver and presenting it to the Company. When such employee retires, he will be paid a lump sum amount equal to forty (40) hours pay for each week which was waived at his basic rate in effect on the date of his retirement.

Article 17 - LEAVE OF ABSENCE

17.01 Marriage or Death in Family

- (a) The Company will grant special leave of three (3) days with pay at straight time hourly rate to employees with not less than six months service on the occasion of their marriage.
- (b) The Company will grant special leave of three (3) days at straight time hourly rate to an employee experiencing a death in his immediate family. For this purpose immediate family is defined as father, mother, foster parent, grandparent, brother, brother-in-law, sister, sister-in-law, spouse or child of the employee; father or mother of the employee's spouse; grandchild; or any other relative residing permanently with the employee.

17.02 Union Business - The Company agrees to grant reasonable leave of absence without pay to a maximum of five (5) employees for the transaction of business for the Union. Application for such leave shall be made by the Union to the Manager, Port Hope Facility, well in advance. Such employees who would not receive pay under some other article of the Collective Agreement will receive their normal pay and benefits while on such Union leave and the Company will bill the Union for payment on a monthly basis.

17.03 Special leave with pay at straight time hourly rate will be granted on the day before Christmas Day, the day before New Years day and **the** day after New Years day at the employee's normal complement of hours to all employees except shift workers engaged in operations continuing throughout Christmas and New Years.

Shift workers engaged in operations continuing through

Christmas and New Year's will have three (3) days added to their vacation in lieu of the special leave noted above.

17.04 Jury Duty - The Company will pay to an employee required to serve on a jury, or subpoenaed as a Crown witness, the difference between his pay at basic rate for the regular working hours missed and the fee received for such service.

17.05 Apart from annual vacations, and leaves either with or without pay as set out in this Article, absences from work due to personal illness or accident or other reasons specifically approved by the Company will be regarded as authorized leaves.

17.06 On request of the Company an employee absent because of illness or accident must furnish proper medical evidence as proof that his absence was due to a legitimate illness or injury.

17.07 An employee scheduled to work and prevented from reporting to work must notify the Supervisor on duty or, in his absence, the Security Guard or Switchboard Operator, the reason for his absence as soon as possible prior to the beginning of the employee's shift, except in the case of a definite emergency or proven inability to give notification promptly. If the Company receives notice of absence less than two (2) hours before the beginning of the employee's shift, it may secure a replacement in its sole discretion without regard to the normal procedures.

Article 18 - SAFETY AND HEALTH

18.01 Since it is the objective of both the Company and the Union to establish and maintain high standards of Health and Safety in the Facility, the parties hereby agree to cooperate in the elimination of safety and health hazards in order to prevent industrial injury or illness.

To accomplish this objective a Joint Health and Safety Committee will function as described in this Article.

18.02 Joint Union-Management Safety and Health Committee

- 1) The committee shall be composed of ten (ten) members: five (5) of whom are appointed by the Union from Local 13173, one (1) member from Local 8562, two (2) elected staff representatives elected by staff employees from amongst themselves and two company representatives. It is the intent of both Union and Management to have as diverse a representation of departments as possible.

Alternates to these positions are to be appointed or elected to ensure that meeting quorums can be met.

- 2) The term of office of the committee members appointed by the Union shall be at the discretion of the Union while that of the Company representatives shall be at the discretion of the Company. The mutual intent is to insure some continuity of experience within the committee.
- 3) Either the Union or the Company may invite specialists or other people with particular qualifications to attend specific committee meetings if prior notice is given to and agreement obtained from the other committee members.
- 4) The chairmanship of the committee shall alternate between the Union and Company representatives on a monthly basis, coincident with the regular monthly meetings. In any month the incumbent chairman and the immediate past chairman will be considered as "co-chairmen".
- 5) The duties and responsibilities of the committee shall be:
 - (a) To identify hazardous or unsatisfactory working conditions and make out a "Special Safety Order" for correction of the particular condition. This "Special Safety Order" must be signed by all committee members and submitted directly to Engineering, if it involves engineering and/or trades work, directly to the relevant Department Head or Manager, if it involves other than engineering and/or trade(s) work, with a copy to the Manager, Port Hope Facility, and the President of the Local Union. Corrective action will be taken by the appropriate personnel on a top priority basis.

- (b) To investigate cases of high urinalysis results or high radiation levels. Normally one Union and one Company representative will participate in these investigations.
 - (c) To investigate dangerous occurrences and all accidents that require medical aid and lost time injuries. Normally one Union and one Company representative will participate in these investigations.
 - (d) To accompany the Labour Canada Inspector on his inspection tour (the co-chairmen).
 - (e) To carry out inspections of Facility Areas on a monthly basis indicated in paragraph 6 below.
 - (f) To explain the purpose and function of the Joint Committee to employees at scheduled safety meetings.
 - (g) To receive suggestions and recommendations on health and safety matters from employees.
 - (h) To consider the health and safety implications involved in the introduction of new processes, equipment or materials. The Company will supply the committee with relevant data on the hazards and necessary precautions to be taken prior to their introduction.
 - (i) To assist the Company's Health-Safety Department in the organization and conduct of safety meetings for employees by recommending programmes, speakers, subjects, etc.
- 6) It is the intent of both Union and Management to have monthly meetings and inspections.

The committee members or alternates who are attending will be provided an hour preparation time prior to the monthly meeting; time to attend the meeting; time to participate on the inspection tour; and additional time as assigned through the Workplace Health and Safety Committee to conduct its business.

Special meetings may be called by the co-chairpersons to deal with emergency health or safety situations upon approval by the vice president, fuel services.

Minutes of all meetings shall be taken and distributed to committee members, the presidents of the local unions and the vice president, fuel services.

- 7) The Company agrees to pay the Union members of the committee at straight time rates for all hours spent on approved committee functions. No member of the committee will suffer a loss of earnings for time spent on committee duties.

18.03 Imminent Danger

The Union and Company agree that cases of withdrawal of service because of perceived danger, will be dealt with as described in the Canada Labour Code.

Article 19 - MISCELLANEOUS

19.01 Medical Examination - An employee must submit to a medical examination by the Company doctor at any time upon request by the Company.

Following any regular medical examination by the Company doctor the employee is entitled upon request to receive a certificate stating his condition.

19.02 On the Job Injuries - An employee shall suffer no loss of earnings for the balance of the day he received injury in the plant, if he is sent home, to the hospital or doctor because of this injury, or any day he must receive medical attention outside the plant because of a plant injury, provided he is not reimbursed by Worker's Compensation for the time involved.

19.03 Existing policies regarding provision of protective clothing and safety equipment shall be continued for the life of this Agreement.

19.04 Tool Allowance - Every new tradesman entering the shop will be required to have a set of tools that are in

acceptable working condition. All employees classified as regular maintenance tradesmen and the miscellaneous classifications of Oiler, Dust Collector and Air Filter Serviceman and Salvage Shop Worker on October 1 of any year will receive a tool allowance to be used for the replacement of worn or lost tools or the purchase of new tools. The amount of the tool allowance shall be one twelfth of one hundred and forty-four dollars *(\$192) for each month such employee has worked in those classification (including being on vacation while so classified) during the preceding 12 months. *Effective October 1, 2005, \$204; effective October 1, 2006, \$216.

19.05 Union Notices - The Company will provide a bulletin board for the exclusive posting of notices of Union Meetings, social affairs, or any reasonable non-controversial business matters of the Union. Each notice the Union desires to post shall be submitted to the Manager, Port Hope Facility, or his delegate for approval.

In view of this method of informing employees, the Union agrees that there shall be no unauthorized distribution of any kind of literature upon the premises of the Company by the Union, its representatives or its members.

The union bulletin board shall be relocated to the west wall of building #29, 1st floor opposite the training department door.

19.06 Supplementary Policy Agreements - The policy with regard to:

- (a) Financial assistance for training and education courses;
- (b) On-the-job training;
- (c) Employment of students in the bargaining unit;
- (d) Attendance at department safety meetings;
- (e) Return of staff to the bargaining unit;
- (f) Working alone;
- (g) Plant shutdown;
- (h) Staff working;
- (i) Work schedules;
- (j) Laboratory Shift Leaders Policy Deleted July 1, 2004
- (k) Lead Hand;

- (l) Short-handed Shifts;
- (m) Overtime;
- (n) Shift Work Scheduling;
- (o) Trades Apprenticeships;
- (p) Trade Amalgamation;
- (q) Employee Assistance Program (E.A.P.);
- (r) Christmas and Vacation Shutdowns;
- (s) USWA Humanity Fund

is covered by the letters and notices which have been provided to the Union as supplements to this Contract.

Article 20 - UNION SECURITY

20.01 The company shall deduct Union dues including, where applicable, initiation fees and assessments, on a weekly basis, from the total earnings of each employee covered by this agreement. The amount of dues shall be calculated in accordance with the International Union's Constitution.

20.02 All dues, initiation fees and assessments shall be remitted to the International Union forthwith and in any event no later than fifteen (15) days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers of America, AFL-CIO-CLC, P.O. Box 13083 Postal Station 'A', Toronto, Ontario, M5W 1V7 in such form as shall be directed by the International Union to the Company along with a completed Dues Remittance Form R-115. A copy of the Dues Remittance Form R-115 will also be sent to the Union office designated by the Area Coordinator.

20.03 The remittance and the R-115 form shall be accompanied by a statement containing the following information:

- a) A list of the names of all employees from whom dues were deducted and the amount of dues deducted;
- b) A list of the names of all employees from whom no deductions have been made and reasons;

c) This information shall be sent to both Union addresses identified in article 20.02 in such form as shall be directed by the Union to the Company.

20.04 The Union shall indemnify and save the Company harmless against all claims or other forms of liability that may arise out of any actions taken by the Company in compliance with this article.

20.05 The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid by the employee during the previous year.

20.06 A designated member of the Union Executive or his delegate will participate in the Indoctrination Program for new employees and summer students.

Article 21 - CONTRACTING OUT

21.01 The Company will not employ outside contractors where in its judgement, existing Facility employees are available and capable of performing the work, or where present employees may be laid off or the re-hire of laid-off employees prevented.

21.02 The parties understand that contracting out is an issue of concern. In an effort to recognize each party's concerns, it is agreed:

- i) Contractors will be expected to conform to Company safety and quality standards;
- ii) The parties will meet quarterly to discuss the Company's use of outside contractors. During such discussions, the parties will review matters related to item (i). Further, the Company will advise regarding the status of existing and proposed projects to enable both parties to assess, on an ongoing basis, the impact, if any, on the bargaining unit employees. The Company agrees to give serious consideration to the viewpoints expressed at these meetings.

Article 22 - WAGES

22.01 The wages set forth in Appendix "A" shall apply to the respective job classifications as set out in Appendix "A-1", Schedule of Job Classes.

22.02 Learner job requiring "learner" rates are set out in Appendix "B" Standard Hourly Wage Scale.

22.03 If a new job classification not shown in Appendix A-1 is established or in the event of a substantial change in the job content of an existing job classification which takes place following ratification, the Company shall establish the base rate and learner progressions subject to negotiation with the Union.

In case the parties are unable to agree on such a rate and progression, the matter shall be referred to mediation/arbitration. The parties agree to Brian Keller to act as the mediator/arbitrator for this purpose.

The mediator/arbitrator is empowered to hear and decide the initial rate question for such job classification and the appropriate learner progression by taking into account rates and learner progressions for existing classifications and by placing the new or changed classification into proper relationship with such existing learner progressions and rates. The mediator/arbitrator shall make a decision that is binding on both parties for the duration of this agreement.

Such rate will be retroactive to the day that such new job classification was created or the day an existing job was substantially changed following ratification.

22.04 Except as otherwise provided, no basis shall exist for an employee covered by this Agreement to allege that a wage rate inequity exists.

22.05 As of the date the Standard Hourly Wage Scale becomes effective, the standard hourly rate for each job class shall be the standard hourly rate for all jobs classified within such job class and shall so continue for the duration of the Standard Hourly Wage Scale and shall be applied to any employee in accordance with the provisions of this Agreement.

Article 23 - COST OF LIVING ALLOWANCE

This Article shall not be operative.

Article 24 - EMPLOYEE BENEFIT PLANS

24.01 The following benefit premiums will be 100% paid by the Company.

- (i) Ontario Health Insurance Plan (OHIP)
 - (a) Hospital accommodation plus medication and out-patient services as provided by the Plan.
 - (b) Doctor's services, surgery, etc., in accordance with the Ontario Medical Association's schedule of fees.
 - (c) The service of Chiropractors and Osteopaths.
 - (d) Eye examinations by an Optometrist.
- (ii) Extended Health Care (10/20 deductible)
 - (a) Prescription drugs (Manuscript Drug Card)
 - (b) The difference between ward and private hospital accommodation.
 - (c) Private nurses.
 - (d) Out of province coverage.
 - (e) Chiropractic coverage: \$12 per visit, annual maximum \$200.

Plus other benefits as provided by the plan.

	Effective July 1/04	Effective July 1/05	Effective July 1/06
(iii) Life Insurance	\$51,000	\$51,500	\$52,000
Spouse & each dependent	\$2,000	\$2,000	\$2,000
(iv) Accidental Death/Dismemberment	\$51,000	\$51,500	\$52,000
(v) Weekly Disability Benefit Plan - For new claimants after the date of ratification, change Plan to provide 70% of pre-disability regular weekly earnings on a 1/4/15 basis without E.I. carve out, subject to Policy provisions.			

(vi) Long Term Disability Benefit Plan - For new claimants after the date of ratification, change Plan to provide 70% of pre-disability regular monthly earnings (maximum \$5,000 per month) from week 16 to age 65, subject to Policy provisions. The benefit will be reduced by the amount of CPP or any other pension received and will have an all source income limitation of 80%.

Effective
July 1/01

(vii) Paid up Life Insurance
On Retirement Plan \$4,000

This life insurance will not be payable for an employee who has received a *\$51,000 lump sum payment due to a disability which has made the employee unable to resume work.

* Effective July 01/05, \$51,500; July 01/06, \$52,000

(viii) Dental Plan

(a) Diagnostic and preventative services

(b) Minor restorative services

(c) Major restorative services

(d) Surgical services

(e) Denture Services

(f) Maximum amount payable annually on behalf of any individual is \$1,525 for calendar year 2005, \$1,550 for calendar year 2006, \$1,575 for calendar year 2007.

(g) Effective Jan 1/95 - Orthodontics - 50% coverage to a life limit of \$1,000 per person.

(ix) Vision Care

(a) Maximum \$225.00 allowable per family member during any one 24 month period for eye glasses, or contact lenses on written prescription by medical doctor or registered optometrist.

24.02 It is understood that the Company may change the carriers which underwrite the above benefits as long as the level of benefit coverage is maintained during the life of this Agreement.

24.03 Full details regarding coverage under the various plans are outlined in the appropriate booklets or brochures. An updated pamphlet will be provided to employees within ninety (90) days of ratification.

24.04 Supplemental Employment Benefit Plan for employees on maternity leave.

All full time employees with at least six (6) months of service are eligible for the supplemental plan. The employee must be in receipt of employment insurance benefits to be eligible for benefits under this plan.

Procedure - The plan covers full time employees who are unable to work because of a health related reason resulting from childbirth.

The benefit top-up paid will be for a maximum period of (6) weeks following childbirth. It will be calculated based on 100% of an employee's regular earnings prior to maternity leave less the employment insurance benefit received by the employee.

The employee will be required to provide confirmation of the employment insurance benefit payment to verify the amount received. Payment of benefit will not be initiated until verification of employment insurance benefits receipts are submitted to human resources (this includes the two (2) week waiting period). Payments made under the plan will be subject to CPP contributions and income tax deductions. Employee pension contributions of 5.5% will be deducted from the Company's stop-up payment, of which the Company will make matching contributions. Payments will be self insured by the Company.

Benefits under this plan are in accordance with maternity leave as defined under the employment insurance act.

Article 25 - TERM OF AGREEMENT

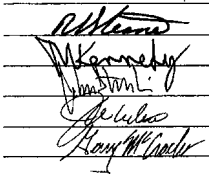
25.01 This Agreement shall become effective on September 14, 2004 and shall remain in effect until June 30, 2007 and from year to year thereafter unless either party gives notice to the other party hereto of an intent to terminate or amend this Agreement. Such notice shall be given in writing not earlier than one hundred and twenty (120) days and at least thirty (30) days before the expiry date of this Agreement or the anniversary of the termination date in any subsequent period during which this Agreement remains in force.

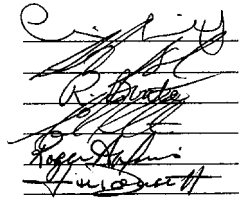
THIS AGREEMENT made in quintuplicate and signed this 28th day of January 2005 at Port Hope, Ontario.

FOR CAMECO
CORPORATION

Port Hope, Ontario

FOR UNITED
STEELWORKERS
OF AMERICA
Local 13173


Handwritten signatures for Cameco Corporation on a set of five horizontal lines. The signatures are: R. Means, M. Kennedy, J. Smith, J. Wilson, and Gary W. Cochrane.


Handwritten signatures for United Steelworkers of America on a set of five horizontal lines. The signatures are: R. B. Bate, R. B. Bate, Roger Adams, and J. W. Bate.

APPENDIX "A"
STANDARD HOURLY WAGE SCALE

Job Class	July 1, 2004	July 1, 2005	July 1, 2006
1	20.154	20.754	21.354
2	20.469	21.084	21.704
3	20.784	21.414	22.054
4	21.099	21.744	22.404
5	21.414	22.074	22.754
6	21.729	22.404	23.104
7	22.044	22.734	23.454
8	22.359	23.064	23.804
9	22.674	23.394	24.154
10	22.989	23.724	24.504
11	23.304	24.054	24.854
12	23.619	24.384	25.204
13	23.934	24.714	25.554
14	24.249	25.044	25.904
15	24.564	25.374	26.254
16	24.879	25.704	26.604
17	25.194	26.034	26.954
18	25.509	26.364	27.304
19	25.824	26.694	27.654
20	26.139	27.024	28.004
21	26.454	27.354	28.354
22	26.769	27.684	28.704
23	27.084	28.014	29.054
Summer Student	14.11 70% of JC 1	14.53 70% of JC 1	14.95 70% of JC 1
Job Class Increment	31.5	33.0	35.0

NOTE

1. Lead Hands

An employee appointed as Lead Hand will receive an increment of 50¢ per hour.

APPENDIX "A"-1
SCHEDULE OF JOB CLASSES

	<u>JOB CLASS</u>	<u>TRAINING SCHEDULE</u>
<u>MAINTENANCE</u>		
Instrument Technician/Electrician	23	B1
Machinist/Millwright	20	B1
Sheet Metal Worker	17	B1
Pipefitter/Welder	19	B1
Mobile Equipment Mechanic	16	B1
Carpenter/Painter	16	B1
Mason/Insulator	17	B1
<u>Miscellaneous</u>		
Mobile Crane Operator	15	B3
Rigger	12	B3
Salvage Shop Worker	11	B3
Oiler	8	B3
Dust Collector & Air Filter Serviceman	14	B3
Storeman	9	B3
Laundry Operator	4	
Changehouse Operator	1	
Janitor	1	
Garment Repairer	5	
<u>TECHNICAL SERVICES</u>		
Laboratory Technician	18	B2
Process Technician	14	B2
Technician- Rad. & Env. Control	15	B2
Technician- NDT	18	B2
<u>OPERATIONS</u>		
<u>Trades & Crafts</u>		
2nd Class Stationary Engineer	20	B1
H.V.A.C. & Refrigeration Mech.	18	B1
Chemical Operator U02	17	B3
CUP Operator	14	B3
Chemical Operator UF6	19	B3
Cell Maintenance Operator	14	B3
<u>MATERIALS HANDLING</u>		
Operator - Materials Handling	13	B3
Handyman	9	B3

APPENDIX "B" **LEARNER RATES**

All employees, including those newly hired, learning or apprenticing a given job or trade, shall commence their training at the beginning of the first training period, unless they are judged by the Company to have experience or training which would qualify them for assignment to a higher training period.

- a) * The Company and Union shall agree on what type of tests and how often they may be administered in order that people shall advance in progression periods in all jobs having learner periods other than trade and craft jobs.
- b) Trade and craft jobs shall advance in accordance with the manual provisions.

SCHEDULES

B1 - Apprenticeship Training

B2 - Technician Training

B3 - Operator and Miscellaneous Job Training

* Assessments for progression purposes will continue to be a requirement until either mutually agreed to written or practical progression tests are instituted, within a period of one (1) year from implementation date (December 3, 1978) unless an extension is mutually agreed to by the Company and the Union.

APPENDIX "B"- 1 - SCHEDULE OF APPRENTICESHIP TRAINING - SIX MONTH TRAINING PERIODS

STD JOB CLASS	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th
JOB CLASSES															
21	3	4	5	6	7	8	9	10	11	13	15	17	19	21	
20	3	4	5	6	7	8	9	10	12	14	16	18	20		
19	3	4	5	6	7	8	9	11	13	15	17	19			
18	3	4	5	6	7	8	10	12	14	16	18				
17	3	4	5	6	7	9	11	13	15	17					
16	3	4	5	6	8	10	12	14	16						
15	3	4	5	7	9	11	13	15							
14	3	4	6	8	10	12	14								
13	3	4	7	9	11	13									
					Apprentice				Improver				Trade		

APPENDIX "B" - 1

The following schedule of Apprenticeship Training is without prejudice to the above schedule and is applicable solely to the classification of "Instrument Technician/Electrician".

6 MONTH TRAINING PERIODS

STD JOB CLASS	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	
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JOB CLASSES

23	3	4	5	6	7	9	11	13	15	17	19	21	23
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Apprentice

improver Trade

SCHEDULE OF TECHNICIAN TRAINING - B2
LEARNER PERIOD CLASSIFICATION ANALYSIS

JOBS REQUIRING LEARNER RATE MONTHS AND JOB CLASS FOR LEARNING PERIODS

STANDARD TITLE	MONTHS	JOB LEARNER	NO. OF LEARNER PERIODS									
			6 mo.	12 mo.	18 mo.	24 mo.	30 mo.	36 mo.	42 mo.	48 mo.	54 mo.	
FACTOR	CLASS	PERIODS	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	
			PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	PERIOD	
TECHNICAL SERVICES												
Technician - Laboratory	37-48	18	8	3	5	6	7	9	11	13	15	18
- Process	25-30	14	5	3	6	8	10	12	14			
NDT & INSPECTION (Radiographic, Metallographic, Ultrasonic) DEPARTMENT												
Technician - NDT	37-48	18	8	3	5	6	7	9	11	13	15	18
RADIATION & ENVIRONMENTAL CONTROL DEPARTMENT												
Technician - Radiation & Environmental Control	25-30	15	5	3	0	3	10	12	15			

SCHEDULE OF OPERATOR AND MISCELLANEOUS JOB TRAINING - B3

LEARNER PERIOD CLASSIFICATION ANALYSIS

JOBS REQUIRING LEARNER RATE MONTHS AND JOB CLASS FOR LEARNING PERIODS

STANDARD TITLE	MONTHS FACTOR	JOB CLASS	LEARNER PERIODS												
			1st PERIOD	2nd PERIOD	3rd PERIOD	4th PERIOD	5th PERIOD	6th PERIOD	7th PERIOD	8th PERIOD	9th PERIOD	10th PERIOD	11th PERIOD	12th PERIOD	13th PERIOD
UF6 OPERATIONS															
Cell Maintenance Operator	13-18	14	6	1	3	1	0	7	9	11	14				
Chemical Operator UF6	37-48	19	16	1	3	3	3	5	5	7	7	9	9	11	11
												42 mo. 14th PERIOD 16	45 mo. 15th PERIOD 16	48 mo. 16th PERIOD 18	51 mo. 17th PERIOD 19
UO2 - WASTE RECOVERY OPERATIONS															
Chemical Operator UO2	13-27	17	8	1	3	5	5	7	9	11	13	15	15	17	
CUP Operator	13-18	14	8	1	3	5	5	7	9	11	13	15	15	17	

**SUPPLEMENTARY
POLICY
AGREEMENTS**

EFFECTIVE: September 14, 2004

SUPPLEMENTARY POLICY AGREEMENTS

(a) Financial Assistance for Training and Education Courses

This Notice will clarify the policy of the Company to assist employees who, of their own initiative, seek to extend their knowledge and training by enrolling in accredited extension or correspondence courses in subjects related either specifically to their jobs or to other phases of the Company's operations where, in management's opinion, such courses benefit both the employees and the Company.

1. To qualify for assistance an employee must possess the ability and determination to complete the course of his choice, and be willing to pursue his studies outside of normal working hours.
2. Financial assistance is limited to two courses of acceptable standards per calendar year. Application should be made in advance to the appropriate department head on forms available at the payroll office.
3. For approved courses, payment of 50% of the tuition fee will be made upon proof of registration and the remaining 50% will be paid upon proof of satisfactory completion of the course.
4. Except in special circumstances, courses should be taken outside working hours. Leave without pay will be granted to write examinations if such occur during working hours. It should be noted that the Company does not guarantee indefinite continuation of this policy and that all decisions regarding employee eligibility, suitability of course content, et cetera, are at the discretion of the Company.

(b) On the Job Training

The Company recognizes the requirement to train present employees on new operating procedures and techniques as innovations are made throughout the plant. New employees are to be trained by competent personnel assigned by the Company as needs may arise.

(c) Employment of Summer Students in the Bargaining Unit

The Company agrees to limit the number of summer students hired to do work normally done by members of the bargaining unit, to a maximum of 10% of the number in the bargaining unit at any given time and to limit their tenure to five (5) consecutive months in one period, provided however:

- i) For the purpose of summer work, a summer student is defined as having completed one full-time term at high school, university or community college immediately prior to the summer work term, and is intending to return to school in the coming fall.
- ii) Summer students will not be employed where their hiring results in a demotion, lay-off or maintenance of a demotion, of a regular employee.
- iii) The summer students will pay union dues during any period of employment beyond an initial four (4) month period of grace.
- iv) Preference will be given to those applicants who have completed at least one full-time year at a university or community college.

In the event a summer student decides to remain at Cameco as a permanent employee, he must first make application and obtain the approval of the Company. If he is accepted for permanent employment he will be considered a new employee as of the date of his acceptance and Article 11.01 (Seniority) and Article 20.01 (Deduction of Union Dues) shall govern as of this date.

(d) Attendance at Department Safety Meetings

It has been the practice for many years to hold department safety meetings on a frequency of once per month. Safety is a very important consideration, and the policy is that all work must be performed under safe conditions and in a safe manner. It is believed that attendance at department safety meetings is of mutual benefit, both to the employee and to the Company.

The department safety meetings are usually held during normal working hours. However, this is not always possible, and occasionally an employee (or group of employees) is required to attend a safety meeting that involves time which is over and above the normal working hours in day. Under these circumstances, the employee is paid at the rate of time and one-half for the extra time involved.

Although it is not compulsory, employees are expected to attend safety meetings when requested to do so. An employee may be excused from attending a safety meeting outside of regular working hours, provided that he has good reason for not attending, and providing that he has obtained permission of his supervision.

(e) Return of Staff to the Bargaining Unit

It is the Company's contention that an employee transferred or promoted out of the Bargaining Unit retains the right to be returned to the Bargaining Unit with the same seniority he had when he left the Bargaining Unit. Notwithstanding this contention, but without prejudice to this expressed right, the Company agrees to limit such action during the life of the Collective Bargaining Agreement commencing July 1, 2000, to the extent that any employee transferred or promoted out of the Bargaining Unit for longer than six months will not be returned to the Bargaining Unit without approval by the Union. If such employee returns to the bargaining unit, he will have union dues for the period he worked outside of the bargaining unit deducted from his pay.

(f) Working Alone

The nature of the work load is such that there are occasions when employees are required to work alone. In making these assignments, recognition is given to the hazards involved. This practise has been in effect for many years. The safety record at the facility, which has been excellent, demonstrates the effectiveness of our procedure.

(g) Plant Shutdown

The Company firmly believes that a complete plant shutdown will not occur in the foreseeable future. As a matter of fact, quite the opposite is visualized, with the forecast expansion in future demand for products for power reactors. However, in the event of a permanent cessation of all production activities at the Facility, the Company agrees, without prejudice, to discuss termination pay with the Union.

(h) Staff Working

It is not the Company's intention to use Staff personnel to do work normally allocated to hourly rated employees. However, it is recognized and agreed by the Union that the following occasions constitute cases where it is acceptable for staff personnel to perform work normally done by hourly rated employees:

- i) For the purpose of training new employees.
- ii) In an emergency situation where a staff employee's failure to act could result in an injury to an employee, a loss of Company production or damage to Company property.
- iii) During the development of new operating methods or in the course of a research project.

(i) Work Schedules

Subject to mutual agreement of the Company and Union Committees and subject to terms of the Canada Labour Code, modified work weeks or schedules have been and may continue to be entertained and implemented between the Parties under separate Memoranda of Agreement attached hereto.

(j) Laboratory Shift Leaders Deleted July 1, 2004

(k) Lead Hand

Definition - A lead hand is an individual temporarily appointed by Supervision to carry out specific assignments and direction in the absence of a foreman.

Responsibility- The appointed individual will be given considerably less responsibility than the foreman he replaces, In general, he will carry out his normal job or duties as time permits plus:

- a) give direction to others;
- b) verify time slips.

Major decisions, disciplinary action, etc., will be the responsibility of others.

(l) Short-Handed Shifts

We are prepared to ensure that our supervisors make every possible effort to see that no operating shift will be short-handed. Whenever an operator does not report for work and no part of the operation can be shut down or reduced, then the supervisors will either call in a replacement operator or hold one over from the previous shift on a voluntary basis. The preceding does not apply to vacations, holidays and lieu days.

(m) Overtime

(i) Maintenance

The following table outlines the procedure for obtaining maintenance employees for overtime work. The first group of names will be called first. If none of these are available, those in the second and succeeding groups will be called in that order.

- 1) The man doing the job during the day - unless he has good reason not to continue.
- 2) The voluntary overtime list
- 3) Outside Contractors assistance

The "voluntary overtime list" will be compiled each week in the following manner. Maintenance foremen or their delegate will canvass tradesmen and others under their direction soliciting those willing to work unscheduled or call-in overtime during the coming week - from 8:00 A.M. Tuesday to 8:00 A.M. the following Tuesday. This list will be used in an equitable manner (rotational when applicable) to assign overtime work. The Company and the Union will meet quarterly

to discuss the equitable distribution of overtime.

(ii) Production and Other Areas

The following table outlines the procedure for obtaining employees for overtime work. The first group of names will be called first. If none of these are available, those in the second group will be called in that order.

- 1) Employee doing the job during the day unless the employee has good reason not to continue.
- 2) Voluntary overtime list

A voluntary overtime list will exist in each Department where there is a need for overtime and employees may sign the list to indicate their willingness to work overtime. The list will be utilized in an equitable manner (rotational where applicable) to assign overtime work. The Company and the Union will meet quarterly to discuss the equitable distribution of overtime.

(n) Shift Work Scheduling

In the application of seniority to the scheduling of shift work the following procedures will govern:

- 1) The Company will determine the qualifications for the classifications required.
- 2) The position will be offered to qualified employees on the basis of descending seniority in accordance with Article 11.02. In the event that no one accepts the position then the Company will appoint the junior qualified employee.
- 3) An employee who exercises his seniority for shift work will not exercise this right again for a period of 28 days without the mutual approval of the Company and the Union. The employee must give five (5) working days notice.

(o) Trades Apprenticeships

The agreement will cover a four party indentured apprenticeship between the Company, Union, Government and Apprentice. (The Union wants to ensure that the apprentice is provided with the proper training). A committee comprising representatives from

Management, Union and the Ministry of Colleges and Universities will review the progress of each apprentice regularly not less than every 6 months.

Selection and Qualifications of Apprentices

Seniority will govern, providing that the senior applicant meets the minimum requirements of the job posting as noted below and is acceptable as an indentured apprentice as determined by the Ministry of Colleges and Universities. The senior applicant will have time to talk to a certified tradesman in the particular trade before deciding to accept an apprenticeship in that trade.

Job Posting

Any applicant must meet the following minimum requirements:

- education level as required by the Ministry of Colleges and Universities or successful completion of the Ministry's Progressive Achievement Test
- successfully complete a general aptitude test (GATB or mutually agreed equivalent) administered by an external qualified instructor and physically capable of meeting the job requirements as determined through a medical examination by Plant Physician.

Ratio

Millwright/Machinist	6:1
Instrumentation/Electrician	6:1
Pipefitter/Welder	5:1

This ratio is only to be used when filling a vacancy within a trade group. In trade groups with manpower of six or less, management will fill vacancies with apprentices or tradesmen at their discretion.

If a qualified journeyman successfully applies for a posting for an apprenticeship in another trade either within or outside his trade classification and if the vacancy created by his acceptance into the apprenticeship needs to be filled, the Company shall decide whether to fill the vacancy with a

journeyman or an apprentice notwithstanding these ratio provisions. Removal of Apprentice from Trade, If it is determined that an apprentice is unable to complete the apprenticeship program (unable to acquire the necessary skills and abilities or fails to qualify after three attempts at the final apprenticeship exams, then he will choose one of the following options within 60 days.

- a) Bid on an existing vacancy.
- b) Bump as per 11.02.
- c) Accept lay-off.

Progression of Apprentices

The apprentice should progress as per the CWS rate of progression scale B2. When an apprentice becomes a certified tradesman he will be classified at the standard rate of the particular trade (top rate). Notwithstanding the above, if a journeyman in one trade in an amalgamated trade classification is apprenticing in the other trade within his trade classification, he shall continue to receive the journeyman rate for his classification.

Apprentice Training Allowance

Financial assistance for apprentices will be in accordance with Cameco Quality Procedure 905. Employees presently working within trades who do not have Provincial Certification will not be affected by this proposal.

(p) Trade Amalgamation

These trades will be amalgamated upon ratification of a new collective agreement into new trades as follows:

Instrument Technician/Electrician	Job Class 23
Machinist/Millwright	Job Class 20
Pipefitter/Welder	Job Class 19
Carpenter/Painter	Job Class 16

The Parties have developed job descriptions for these amalgamated jobs.

Employees in amalgamated jobs will not be made redundant as a result of the amalgamation. For purposes of layoff, vacation scheduling, etc. seniority will be as per Article 11.02 of the Collective Agreement. The Parties mutually agree that employees in these amalgamated jobs may wish to avail themselves of an opportunity to become apprenticed in the other trades in their amalgamated jobs. The Company will provide a mechanism whereby at any one time, one tradesman from each of Instrument Technician/Electrician, Pipefitter/Welder and Carpenter/Painter* may enter into an indentured apprenticeship program in the other trade in their classification. In addition, the Company may, in its discretion, permit additional tradesmen in the four amalgamated trades classification to enter into an indentured apprenticeship program in the other trade in their classification.

These opportunities will be made available on a seniority basis within the specific merged trade jobs. It is mutually understood that the Company does not require such additional apprenticeships and therefore there will be no additional wage increases in the amalgamated job classifications for such employees. Apprenticeships under this Supplementary Agreement will not be considered in determining the tradesmen/apprentice ratios referred to in SPA (o).

It is also mutually understood that the Company and the Union will provide an opportunity to employees affected by this amalgamation of trades to have input into the development of a training program for upgrading skills which may be required as a result of the amalgamation of trades. The Company agrees that the Union will appoint one representative from each of the original trades involved to act as a member of the training committee.

(q) EAP Program

The Company agrees to maintain an Employee Assistance Program (EAP) during the term of this agreement.

(r) Christmas and Vacation Shutdowns

1. The Company may declare a full or partial shutdown of up to twelve (12) days during the Christmas- New Years period during which the following provisions shall apply.
2. Where the terms of this SPA (r) conflict with other collective agreement provisions, these terms shall prevail.
3. The shutdown may be Department, Plant or Facility wide and can involve fewer than all the employees in a Department, Plant or Facility.
- 4 Employees in areas which the Company has declared shutdown may be required to work normal or adjusted hours from time to time during the shutdown, but such work periods shall be no less than four (4) hours duration.
5. Employees required to work while their area is declared shutdown shall be selected by seniority within the required job classifications/unit operations. If the Company is not able to fill its staffing needs, it will assign employees to work by reverse seniority within the required job classifications/unit operations. The work will be offered or assigned to employees in blocks of up to the equivalent hours of one (1) regular shift for the employee.

By mutual agreement within Departments, the Company and the Union may select another format to determine which employees work during the shutdown. Work or refusals during the shutdown shall not be recorded on the overtime distribution list.

6. Pay for employees required to work while their area has been declared shutdown shall be determined according to the following principles:
 - (i) If an employee works on a Special Leave Day, he shall select to receive either
 - a) time and one-half for hours worked up to eight (8) plus straight time for hours worked beyond eight (8) up to the employee's normal daily hours plus Special

Leave Day pay of eight (8) hours;

or

b) straight time for all hours worked up to the employee's normal daily hours plus the equivalent hours off with straight time pay (to a maximum of 8 hours) plus the balance of Special Leave Day pay calculated as 8 hours less the hours worked.

(ii) If an employee works on a Statutory Holiday, he shall select to receive either

a) time and one-half for hours worked up to the employee's normal daily hours plus Statutory Holiday pay;

or

b) straight time for all hours worked up to the employee's normal daily hours plus the equivalent hours off with straight time pay (to a maximum of the employee's normal daily hours) plus the balance of Statutory Holiday pay calculated as the employee's normal hours less the hours worked.

(iii) If an employee works on a Vacation day, he shall receive straight time for all hours worked up to the employee's normal daily hours plus the equivalent hours off with straight time pay (to a maximum of the employee's normal daily hours) plus the balance of vacation pay calculated as accrued vacation pay less the hours worked.

(iv) If an employee works during the Christmas shutdown on a day not covered under (i), (ii) or (iii), he shall receive time and one-half for all hours worked.

(v) Unscheduled "call-in" will be paid according to Article 14.09 with no equivalent time off.

7. If Special Leave Days, Statutory Holidays or an employee's Vacation fall during the shutdown period, any employee in a shutdown area not performing work covered by section 6 (i), (ii) or (iii) above on such day shall be considered as observing the Day *and* will receive the appropriate pay therefore. If a General Holiday falls within the vacation shutdown, the provisions of Article 15.06 shall be applicable.

8. Except as provided in section 5 above, Article 11.02 shall have no application in the shutdown of a Department, Plant or Facility hereunder.
9. Sections 2 to 8 will also apply to the Vacation shutdown contemplated in Article 16.03. In such event, the offer or assignment of work referred to in Section 5 shall be in blocks of up to the equivalent hours of one (1) regular week for the employee. If an employee's vacation entitlement is less than the full period of the vacation shutdown, the excess time off shall be considered a leave of absence. If such employee works during such shutdown (other than on a general holiday) under section 5, he shall be paid straight time for hours worked up to the employee's normal daily hours. If, at the end of the vacation shutdown, such employee has received less time off than his vacation entitlement, he shall be entitled to the remainder of his vacation entitlement at some other time convenient to him and the Company.
10. The Company agrees to provide at least thirty (30) days notice to the Union of any Christmas shutdown and will advise of the known work requirements at that time. If it is subsequently necessary to make changes to the work requirements, the Union will be advised as soon as such changes are known.
11. The rules set out herein shall only apply to the Christmas and Vacation shutdowns. Any other shutdowns shall be carried out in accordance with the provisions of the collective agreement.

(s) USWA Humanity Fund

In recognition of the contributions of employees, members of the USWA, to the Emergency Response Team and the Emergency Medical Team, the Company will, during the life of this collective agreement, make an annual contribution of \$2,000 to the USWA Humanity Fund.

MEMORANDUM OF AGREEMENT

This Agreement made and entered into this 14th day of
September 2004.

By and between

Cameco Corporation
Port Hope, Ontario

(hereinafter called the "Company")

- and -

United Steelworkers of America
(hereinafter called the "Union")

- on behalf of -

Local 13173

WHEREAS it is the intent and purpose of the Company and
the Union to continue twelve (12) hour shift schedules:

NOW THEREFORE THIS AGREEMENT WITNESSETH
that the parties hereto hereby agree as follows:

1. Twelve (12) hours of work per day according to the applicable shift schedule shall be regarded as the normal complement of hours.
2. Employees will be scheduled to the three (3) day on, three (3) day off schedule or to the every other weekend off schedule.
3. Overtime payment will be made on the following basis:
 - a) Time and One-Half
 - i) for all work performed up to the normal complement of hours during an employee's scheduled day off;
 - ii) for all work performed up to the normal complement of hours on a recognized general holiday;
 - iii) for all work performed in excess of the normal complement of hours on a scheduled work day of ten (10) hours.

b) Double Time

- i) for all work performed within 12 hours prior to or following a normal scheduled work day of 12 hours.
- ii) for all work performed in excess of the normal complement of hours during an employee's scheduled day off;
- iii) for all work performed in excess of the normal complement of hours on a recognized general holiday;
- iv) for all work performed up to the normal complement of hours on a Sunday if Sunday is the employee's scheduled day off
- v) for all work performed in excess of the normal complement of hours on a Sunday when Sunday is a scheduled work day.

c) Double Time and One-Half

- i) for all work performed in excess of the normal complement of hours on a Sunday if Sunday is a scheduled day off.

4. Employees who are normally assigned to an eight (8) hour shift schedule on a Monday to Friday basis may be utilized to replace employees absent for extended periods of time for reasons other than vacation. For the purposes of this article, an extended period of time shall be interpreted to mean a period in excess of four (4) normally scheduled work shifts.

In the event that they are given a minimum of twenty-four (24) hours' notice prior to the commencement of the changed schedule, the provisions of the Memorandum of Agreement shall apply. In the event of less than twenty-four (24) hours' notice, they shall be paid at the rate of time and one-half or the applicable overtime rate under the Collective Bargaining Agreement.

5. Pay for General Holidays shall be calculated pursuant to the requirements of the Canada Labour Code, such that employees will be paid their regular rate of wages for

their normal hours of work. Special leave days will be calculated on the basis of eight (8) hours pay per day so that an employee's entitlement of such days will be the equivalent of three (3) days or twenty-four (24) hours per year.

6. In the event that either party experiences unforeseen difficulties with any aspect of this Agreement and such difficulties cannot be mutually resolved, either party can terminate this Agreement upon fourteen (14) days notice.
7. Effective *July 1/04, shift premium will be paid at the rate of 42¢ per hour worked on a twelve (12) hour continuous shift schedule. *July 01/05, 43¢; July 1/06, 45¢.

Shift premium will be paid at the rate of *19¢ per hour worked on the 8:00 am to 8:00 pm schedule. *July 01/05, 20¢, July 1/06, 22¢.

Shift premium will be paid at the rate of *24¢ per hour worked on the 12:00 noon to 12:00 midnight, and 7:00 am to 7:00 pm schedule (Janitors). *July 1/05, 25¢, July1/06, 27¢.
8. All employees who are assigned to a twelve (12) hour shift will receive a twenty (20) minute lunch period and two ten (10) minute coffee breaks during the shift.
9. Notwithstanding the above, the remaining provisions of the Collective Bargaining Agreement apply.
10. This twelve (12) hour shift is agreed to by the parties on the basis that the Company will not incur any additional costs as compared to the existing eight (8) hour shift schedule.
11. It is understood that the requirements of the Canada Labour Code as they relate to this Agreement will be complied with.
12. This Agreement becomes effective 12:01 am July 01, 2004, and terminates at 12:00 midnight June 30, 2007.

LETTERS OF UNDERSTANDING

September 14, 2004

Mr. Chris Leavitt
President, Local 13173
United Steelworkers of America

Dear Chris;

Re: Education Requirements

During the life of the Collective Bargaining Agreement, three out of every four new applicants for postings into the Lab Technician, Technician R&E and Technician - NDT classifications will require a relevant community college technician diploma. To implement this ratio the next two postings in each of the three classifications will require the diploma; the third posting in each classification will not.

Yours truly,

Gary P. McCracken
Employee Relations Officer

September 14, 2004

Mr. Chris Leavitt
President, Local 13173
United Steelworkers of America

Dear Chris;

Re: Retirement Bonus

A. Each employee who has completed twenty-five (25) years service who retires after attaining the age sixty (60) will receive a lump sum to assist in the purchase of health benefits. Such sum may be taken as a retiring allowance to the extent permissible under the Income Tax Act if the employee so wishes. The lump sum will be determined in accordance with the following table:

\$20,000 for employees who retire before their 61st birthday; or
\$17,000 for employees who retire before their 62nd birthday; or
\$14,000 for employees who retire before their 63rd birthday; or
\$11,000 for employees who retire before their 64th birthday*.

*Any employee who turns 64 between July 1, 2004 and January 1, 2005 will, if he retires in January 2005, be paid a lump sum of \$10,000.

- B. The Company will provide a retirement bonus to certain employees who have completed twenty-five (25) years service and are between the age of fifty-five (55) and fifty-nine (59) on the following conditions:
- i. For a one month period commencing on January 1, 2005 and January 1, 2006, such employees who have attained that age and service level by the date will have the opportunity to elect early retirement.
 - ii. The company will pay a retirement bonus of \$20,000 to up to five (5) such employees each year. If more than five (5) such employees elect early retirement, only the senior five (5) will receive the bonus. The other employees may then withdraw their election if they so choose.

iii. Those employees who make the election under paragraph (i) will retire no earlier than six (6) months after the election and the retirement bonus will only be paid on the employee's retirement.

iv. Employees will only be entitled to benefits under section A or B of this letter.

Yours truly,

Gary P. McCracken
Employee Relations Officer

September 14, 2004

Mr. Chris Leavitt
President, Local 13173
United Steelworkers of America

Dear Chris:

Re: Ontario Health Premium Tax

Following the commencement of negotiations, the Ontario government announced in its 2004 budget that it would institute a Health Premium tax payable by Ontario taxpayers. The parties have negotiated significant wage increases during these negotiations and are desirous of offsetting the impact of this Health Premium tax on Cameco's employees. Accordingly, the parties have reached the following understanding:

Effective July 1, 2004, each employee who works five (5) days in any month will be credited with a fifty dollar (\$50) Health Premium credit for that month. For the purposes of this provision, vacation days shall be considered days worked. During the month of February (commencing February 2005), the company shall pay the Premium credit accumulated during the prior calendar year in a lump sum to each employee. Each employee will have the option of having the lump sum paid into his/her RRSP if there is contribution room.

This understanding will only continue so long as the Government maintains the Health Premium tax.

Yours truly,

Gary P. McCracken
Employee Relations Officer

October 12, 2004

Mr. Chris Leavitt
President, Local 13173
United Steelworkers of America

Dear Chris:

Re: Accumulation of Lieu Time

To provide a more consistent method of accumulating and taking time off in lieu of general holidays and special leave days outlined under Article 15 and 17, management proposes to implement the following guidelines:

Lieu Time Accumulation

Lieu time will be accumulated by hours to a maximum of 144 hours (9 stats and 3 SLD's).

Excess lieu time over 144 hours will be automatically paid out to an employee.

Lieu days will normally be taken as full regular shifts i.e. 8, 10 or 12 hours at a time convenient to the employee and the company. Partial shifts may be considered by the company based on operational requirements.

Employees may request to have lieu time paid out at their discretion.

Please review with your committee and advise if you find these guidelines acceptable.

Yours truly,

Gary P. McCracken
Employee Relations Officer

August 20, 2003

Mr. *Chris* Leavitt
President, Local 13173
United Steelworkers of America

Dear Chris;

Re: Grievance - Equitable Overtime Distribution

On Wednesday, August 13, 2003, a stage 3 grievance meeting was held pertaining to equitable distribution of overtime opportunities. During this meeting *two* or three instances were provided when monetary damages have been paid at 1st and 2nd stage levels of the grievance procedure. It was suggested that these settlements may constitute a past practice that employees become to understand is an acceptable resolution to this type of issue.

As stated during this meeting, and many times previously, management is not prepared to provide monetary damage settlements for equitable overtime distribution grievances. Future issues pertaining to equitable overtime distribution will be resolved by providing an alternative overtime work assignment. The company and union can also discuss overtime distribution quarterly as outlined in 19.06 (m) overtime.

By way of this letter, all managers, superintendents and supervisors are advised to obtain prior approval from the human resources department before providing any future monetary grievance settlements in at Stage 1 and Stage 2.

Yours truly,

Gary P. McCracken
Employee Relations Officer

January 10, 2001

Mr. Chris Leavitt
President, Local 13173
United Steelworkers of America

Dear Chris;

Re: Outside Contractors

This letter constitutes a Letter of Understanding between the parties as per item #15 of the Memorandum of Settlement dated November 17, 2000.

During the 2000 negotiations for the renewal of the collective bargaining agreement, the parties discussed the issue of using outside contractors, outstanding grievances related to this topic and the Company's use of outside contractors when a layoff is known to be pending. The parties also discussed and resolved several other issues related to extended shutdowns, bumping rights on layoff and SUB coverage.

In view of the mutually agreeable resolutions the parties also reached the following understanding:

1. Grievances #99-08 and #00-04 are withdrawn.
2. No change will be made to Article 21 of the collective agreement.
3. The parties agree that the restrictions which are set out in Article 21.01 regarding using outside contractors "where present employees may be laid off" will only apply when employees are actually laid off, not during the period of time prior to an announced layoff.

Yours truly,

Gary P. McCracken
Employee Relations Officer