

FRANCE

METAL INDUSTRY

**NATIONAL COLLECTIVE AGREEMENT COVERING
ENGINEERS AND PROFESSIONAL AND MANAGERIAL STAFF
(«CADRES»)**

**dated 13 March 1972, modified by the amendments dated 18 March 1982,
12 September 1983, 25 January 1990, 29 January 2000,
24 October 2001, and by the agreement dated 26 February 2003,
by the amendment dated 19 December 2003,
by the agreement dated 3 March 2006 and by the amendment dated 21 June
2010**

NOTES

(1) The following English text is intended to be used only for information and is a non-professional translation of the original French text which remains the only legally valid document.

(2) Hereafter, for the sake of brevity and simplification the French word «cadres», increasingly internationally recognized, will be used most of the time to indicate the various categories of professional and managerial staff, also referred to as employees in management grades, managerial staff, higher staff, executives, managers.

PREAMBLE

The purpose of this collective agreement is to provide the engineers and professional and managerial staff of the metal industries guarantees commensurate with the role they fill in their enterprises and to assure them the continuance of the place they hold in management corresponding to that role.

This collective agreement is also intended to replace the agreement of December 8, 1969 reached between the parties and establishing as a contract the joint Recommendation of 1960-1964 as well as the existing regional collective agreements.

I - GENERAL PROVISIONS

Article 1 – Scope of application

1. Sectoral field of application

This national collective agreement covers companies as defined in Annex I dealing with the sectoral field of application.

2. Geographical field of application

This agreement applies to companies or establishments as set forth in 1. above for their metropolitan personnel and for their personnel on business trips or on temporary assignments under the provisions of article 11, below.

3. Personnel covered

Personnel covered by this agreement is defined as follows :

a) First stage of employment (position I) : provisions dealing with the first stage of employment apply to personnel of both sexes who are :

- graduate engineers in accordance with law, hired to fulfill the position of engineer either immediately or after the lapse of a certain period ;

- other graduates, hired to fulfill immediately or after the lapse of a certain period the position of technical, administrative or commercial professional or managerial higher staff and holders of one of the following national degrees :

- Institut supérieur des affaires (Advanced Business Institute)
- Ecole des hautes études commerciales (School of Advanced Business Studies)
- Ecoles supérieures de commerce et d'administration des entreprises (Advanced schools of Business and Business Administration)
- Ecole supérieure des sciences économiques et commerciales (Advanced school of Economics and Business)
- Institut commercial relevant d'une Université (Business Institute of a University)
- Institut supérieur d'études politiques de Paris, Aix-en-Provence, Bordeaux, Grenoble, Lyon, Strasbourg et Toulouse (Advanced Institute of Political Studies of Paris, Aix-en-Provence, Bordeaux, Grenoble, Lyon, Strasbourg, Toulouse)
- Centre d'études littéraires supérieures appliquées (Center of Practical Advanced Literary Studies)
- Agrégations, doctorats (PhD's in a number of faculties), advanced specialist studies degrees and MA, MSc, BA BSc granted by Arts, Law, Economics, Social Science and Science faculties
- Occupational Health (doctors working in industrial health departments of enterprises or establishments).

- Holders of a qualification certificate of the D category awarded in the framework of the provisions of paragraphs 12 to 15 of article 1 of the national agreement of June 12, 1987 on the general problems of employment in the metal industry, as well as the provisions of annex I of the latter relating to this D category.

Holders of two of the national degrees listed above – except in the event that these two degrees are a «licence» and a «maîtrise» (BA, MA or BSc, Msc) in the same university discipline, are entitled to the relevant provisions of article 21 of this collective agreement to the extent that :

- the total duration of full time studies leading to the successive achievement of two degrees is such that the second is normally earned at the earliest at age 24 ; and
- the second degree constitutes a complement of the first because it confirms the accrued competence in a given specialty, or a new specialty, both being of value to the employer.

b) Positions II and III : in applying the provisions relating to these positions both with respect to engineers as well as administrative or commercial managerial staff, the sole criterion shall be the job performed (cf. art. 4 and 6).

Engineers and administrative or commercial managerial staff who cannot attest the possession of one of the degrees listed in paragraph a) will nevertheless be entitled to these provisions in accordance with the job actually performed.

4. *Engineers and holders of degrees of the schools, faculties, etc. referred to in paragraph a), who shall have entered into a work contract involving a job covered normally by the collective agreements for manual workers and staff employees, shall be excluded from this agreement.*

5. *Trainees («stagiaires»)*

Such individuals are not covered by the terms of this agreement, except under the following provisions :

a) Graduates fulfilling the conditions set forth in 3. a) and entering companies to undertake, after completing their studies, a trainee pre-employment period, must be notified by the company, not later than the end of the tenth month of the assignment period, either of the date by which the assignment will terminate, and which must not occur after more than 12 months of such an assignment, or of their engagement by the company.

However, if the person involved is subject to be called up for military service, the duration of the training period can be extended by mutual agreement.

b) Engineers or graduates fulfilling the conditions set forth in 3. a) can equally be considered as covered by this category in the following two cases :

- when the completion of their university studies causes them, with the agreement of the company, to be able to work only on a part time basis ; or

-when the company offers them, during the assignment period, a practicable opportunity to work on a doctor's dissertation of the third cycle, a doctorate in engineering, or State doctorate («doctorat d'Etat»).

In these two cases the duration of the assignment period can attain two years, but not exceed that duration.

The provisions of article 21 of this agreement dealing with years of experience apply to the years of the training or work experience assignment period concerned.

The status of the individual concerned must be spelled out in an accompanying letter expressly indicating the training or work assignment conditions.

6. Managing directors and senior managerial staff

The status of top-level managing directors (with a salaried employee status) and other senior managerial staff with regard to the clauses of this agreement shall be determined as follows :

Top-level directors and other senior managerial staff holding positions above III C) defined in article 21 below, and holders of an individual contract establishing their overall status, the general clauses of which cannot be – on the whole – less favourable than those of this agreement, are excluded from the coverage of this agreement.

When a «cadre» coming within the field of application as defined above is promoted or has been promoted to a higher position covered in the preceding paragraph, there shall be no overall reduction in benefits to which he had previously been entitled as a member of the supervisory staff.

When a «cadre» is hired in a company for a position above III c), the general clauses of this agreement shall be applicable to him, for all matters not covered by his individual contract.

7. The engineer or «cadre» whose remuneration is mainly based upon financial turnover or on the profitability of the company or establishment is covered by the clauses of this collective agreement, except for sales representatives who come under another national or regional collective agreement or under the legal status of travelling sales representatives (“VRP”, Voyageurs Représentants Placiers).

The determination of the application of the following clauses relating to salaries will be made on the basis of the average gross monthly earnings of the engineer or «cadre» during the last twelve months. During the first year the calculation will be made on the basis of the employees' average gross monthly earnings since his date of employment.

Article 2 –Term of the collective agreement

This agreement is concluded for an indeterminate duration subject to cancellation. It can be terminated at the will of one of the contracting parties by registered letter by recorded delivery sent to all the other signatory parties on three months' notice, failing which the notification is null and void.

During the notification period, the party or parties cancelling the agreement engage themselves neither to strike nor to institute a lock-out.

Any request for revision presented by one of the contracting parties is to be addressed by ordinary (letter) mail to all the other signatory parties and should contain a detailed proposal dealing with the points where revision is requested.

When one of the contracting parties presents a demand for partial revision of this agreement, the other parties can take advantage of the same right. The provisions subject to revision should be agreed upon within six months. At the end of this period, if no agreement is reached, the demand for revision will be considered null and void, and as a consequence the previous text will continue in effect.

However, as far as minimum guaranteed salary scales are concerned, the signatory parties to the annexes understandings of this agreement will meet at the end of each year to examine if and to what extent the guaranteed salary scales are to be revised.

The provisions of the preceding paragraph however, do not preclude one of the parties from making a special demand based upon exceptional circumstances.

Article 3 – Union rights - Employee delegates and works councils

1. Provisions applicable to engineers and «cadres» relating to union rights, employee delegates and works councils delegates shall be those established by current law.
2. The contracting parties recognize the freedom for engineers and «cadres» as well as employers, to join together for the collective defense of interest relating to their respective conditions.

The company being a place of employment, the employers agree not to take into consideration membership or non-membership in a labour union, to disregard sex, political or philosophical opinions, religious beliefs, or social or racial origin in taking their decisions concerning hiring, conduct or distribution of work, vocational training, salary, the granting of social benefits, disciplinary measures, discharge or promotion under this agreement, to exercise no pressure on engineers and «cadres» regarding any particular union, association, cooperative and mutual assistance societies ; the engineers and «cadres» agree, on their part, not to take into consideration, on the job, employees' opinions or their membership in a particular labour union.

If one of the contracting parties challenges the motive for discharging an engineer or «cadre» on the grounds of having been carried out in violation of union rights, as defined above, the two concerned parties will endeavour to recognize the facts with diligence and objectivity and to bring the dispute to an equitable solution. This procedure will not serve to impede the right of the parties to obtain judicial relief for the harm caused.

It is clearly understood that the exercise of union rights as defined above must not lead to illegal acts.

3. In the event an engineer or «cadre» with more than one year of seniority in the company is called to leave his/her employment to fulfill a regularly appointed union full time function, such a person will, for a period of two years and one month from the time he/she has left the establishment, enjoy a priority in reinstatement to his/her former position or to an equivalent position.

The application (for reinstatement) must be presented by the concerned employee not later than the month which follows the annual term of his union function.

In the event of reinstatement in the company, the employee involved will enjoy all the rights which he/she had at the moment of this departure from the establishment and he/she will retain the seniority which he/she had accumulated at this moment.

4. An engineer or «cadre» in possession of a written nomination from his/her union organization can request, at least one week in advance, from his employer a leave of absence without pay in order to participate in a congress of this union organization. Such leave will not be charged to paid vacation time.

This authorization will be granted to the extent that it does not interfere with production, and the employee will be notified in writing within 48 hours of his/her having filed his/her request.

This provision will not affect the rights of engineers and «cadres» concerning representation in bodies established by law, decrees and regulations as well as joint meetings, rights which are derived from law or applicable collective agreements.

5. When engineers and «cadres» participate in a national joint commission established by organizations of employers and unions, lost time will be paid by the employer as actual worked time to the extent agreed upon by those organizations, particularly as regards the number of employees invited to participate therein.

The same will apply for the participation of an engineer or «cadre» in a joint regional commission established by organizations of employers and unions within the framework of a regional collective agreement of metal industries, provided that the establishment where the concerned employee works comes within the regional field of application of this collective agreement.

Such engineers and «cadres» are to inform their employers in advance of their participation in such national or regional commissions and must make an effort together with them to hold to a minimum any interference their absence could have upon general operations.

6. The signatory parties will undertake, where the law does not require it, to propose the institution of an electoral college of engineers and «cadres» for the works council elections in the establishment or the company.

7. The signatory parties will equally undertake to propose the institution of an electoral college for engineers and «cadres» as concerns the elections of employees' representatives in every establishment with at least 10 engineers and «cadres».

If, in an establishment, the delegate of the college is not actually an engineer or «cadre», an engineer or «cadre» can request that another engineer or «cadre» from the establishment be present in any appeal to management.

II - CONCLUSION AND AMENDMENT OF THE EMPLOYMENT CONTRACT

Article 3b – Use of fixed-term contracts or temporary staff assignment

The open-ended employment contract is the normal and general form of employment relationship.

Nevertheless, fixed-term employment contracts and temporary staff assignment may be used within the limits and conditions provided for by law.

Article 4 – Hiring

The age of an applicant cannot systematically constitute a bar to his/her employment.

Before assuming his/her function as engineer or «cadre», the new recruit shall receive an employment letter setting forth:

- the duties which will be performed ;
- the benchmark position ;
- the ranking index and the minimum salary referring to this benchmark position or in the case of positions I and II to the age or seniority automatic guarantee ;
- the place or the places or the regional area where the duties will be performed ;
- the trial period and conditions, if agreed upon ;
- the amount of actual salary on a 39-hour basis, or if applicable the essential elements of agreed remuneration ;
- if applicable, a listing of benefits in kind.

The employment letter cannot contain any restrictive clause as to the exercise of a union function either within or outside of the company.

The engineer or «cadre» will acknowledge receipt and acceptance of the employment letter within a minimum of 15 days. After this period, and if he has entered upon his/her duties, he/she shall be considered as having given his tacit consent to the conditions fixed in the employment letter.

Independently of the job duties comprising, by their very nature, more or less frequent travel, serious attention (needs) must be given to the possibility of foreseeing different enumerated places of employment or a regional area where an engineer or «cadre» may be assigned.

The signatory parties of the collective agreement have clearly indicated that this possibility should not give rise to any application which would pervert the use for which it was intended.

In particular, it would be going beyond the intention of the signatory parties to amend systematically the work contracts of engineers and «cadres» whose employment letters only mention one place of employment of a sedentary position.

The companies are obligated to inform the Association for the Employment of Managerial Staff (Association pour l'emploi des cadres or APEC) or its regional section, as well as the National Agency for the Employment (Agence nationale pour l'emploi or ANPE) of their employment offers. In particular, to the extent that the companies have recourse to public offers of employment, they must simultaneously involve the APEC as well as the ANPE.

Aware of the difficulties which could be caused, for the placement of engineers and «cadres» by transfers, mergers, concentrations, and plant shutdowns, the companies will try to call on the services of the APEC and the ANPE before having recourse to the engagement of a civil servant or officer of the armed forces who is in normal retirement.

Article 5 – Trial period

1. Purpose of the trial period

The trial period is used by the employer to evaluate the competences of the engineer or «cadre» in his/her work, in particular with regard to his/her level of experience, and by the engineer or «cadre» to determine if the duties he/she is called on to carry out are suitable to him/her.

The trial period is a period within the normal execution of the employment contract.

Consequently, any period of suspension of the employment contract during the trial period cause the trial period to be extended for an identical period.

2. Existence of the trial period

The trial period and the option of its renewal cannot be presumed. They must be expressly stated in the letter of employment or employment contract.

3. Duration of the trial period

The duration of the trial period is freely decided by mutual consent by the contracting parties, subject to the following conditions:

- the maximum duration of the fixed-term employment contract's trial period is decided in accordance to law;
- the initial duration of the open-ended employment contract's trial period cannot exceed four months.

Pursuant to Article L. 1243-11 Paragraph 3 of the Labour Code, when, upon expiry of a fixed-term contract, the contractual employment relationship continues with the same company, the period of that contract is deducted from any trial period possibly provided for in the new contract.

Pursuant to Article L. 1251-38 Paragraph 2 of the Labour Code, when, further to a temporary staff assignment, the user company hires the employee put at its disposal by the temporary staff agency, the

periods of the assignments carried out by that person within the user company, during the three months preceding the hiring, are deducted from any trial period possibly provided for in the new employment contract.

Pursuant to Article L. 1251-39 Paragraph 2 of the Labour Code, when the user company continues to make use of a temporary employee after his/her assignment has ended without having signed an employment contract with him/her, and without any new temporary staff contract, the employee and the user company are deemed to be bound by an open-ended employment contract and the employee's time of service, calculated from the first day of his/her assignment within the company, is deducted from any trial period possibly provided for in the employment contract.

Without prejudice to the preceding three paragraphs, where the engineer or «cadre» has occupied the same position, within the company, during the six months preceding his/her hiring, with one or more fixed-term employment contracts or one or more temporary staff assignments, the periods of these fixed-term contracts or temporary staff assignments are deducted from any trial period possibly provided for in the employment contract.

Pursuant to Article L. 1221-24 of the Labour Code, in the case of a hiring at the end of an traineeship included in the final year of an educational courses, the period of this traineeship is deducted from the trial period, but without reducing the trial period by more than half, except if a collective agreement provides for more favorable conditions.

4. Trial period renewal

The trial period included in a fixed-term contract cannot be renewed.

The trial period included in an open-ended contract may be renewed once, by mutual agreement, and for a period freely agreed by the parties. However, the renewal period may not exceed the duration of the initial trial period. In any event, the total duration of the trial period, including any renewal period, may not exceed six months.

Pursuant to Article L. 1221-24 of the Labour Code, when the engineer or «cadre» is hired at the end of an traineeship included in the final year of an educational course, the period of this traineeship is deducted not only from the initial trial period but also from any renewal period, but without reducing the total agreed trial period, renewal period included, by more than half, except if a collective agreement provides for more favorable conditions.

The trial period may only be renewed if this option has been expressly provided for in the letter of employment or employment contract.

5. Trial period termination

Pursuant to Article L. 1221-25 of the Labour Code, the trial period, including the renewal period, cannot be extended due to the length of the notice period.

In the event of the employer's failure to observe all or part of the notice period, termination of the employment contract occurs at the latest on the last day of the trial period. The engineer or «cadre» in this case receives notice compensation equal to the remuneration he/she would have received if he/she had worked during the notice period that was not served.

a) Termination by the employer

When the employer terminates the employment contract during or at the end of the trial period, it is obliged to give the engineer or «cadre» notice, the length of which may not be less than:

- forty-eight hours, during the first month of attendance;
- two weeks, after one month's attendance;

- one month, after three months' attendance.

These notice periods apply to fixed-term contracts where the agreed trial period is at least one week.

Where the notice period is at least two weeks, the engineer or «cadre» is allowed time off work to seek employment, with the employer's approval, over one or several periods and for the following total duration:

- 30 hours for a two-week notice period;
- 60 hours for a one-month notice period.

These absences do not bring about any loss in salary. They are no longer authorized once the employee has found a job. The hours may be taken in one block with the employer's approval.

After 45forty-five days of a trial period, an engineer or «cadre» whose contract has been terminated by the employer and who is required to take up a new job may leave the company before the expiry of his/her notice period without payment of any compensation for failure to serve notice.

b) Termination by the engineer or «cadre»

When the engineer or «cadre» terminates the employment contract during or at the end of the trial period, he/she is obliged to give the employer notice, the length of which may not exceed:

- twenty-four hours, if less than eight days' attendance;
- forty-eight hours, if at least eight days' attendance.

6. Scope of Article 5

The provisions contained in Article 5 herein are imperative within the meaning of Articles L. 2252-1, Paragraph 1, and L. 2253-3, Paragraph 2 of the Labour Code.

Article 6 – Promotion and career development

The companies will implement a career development policy. For this purpose, they are encouraged to develop the practice of discussions between the persons concerned and their immediate supervisors to review their progress on a periodic basis.

The signatory organizations condemn the abuse which can arise from certain psycho-sociological tests. An engineer or «cadre» shall not be sanctioned during the period of his/her contract for refusal to undergo psychosociological testing. When an engineer or «cadre» in employment accepts a request of his/her employer to submit to a psycho-sociological test, he/she shall be given the findings of the test if he/she so requests.

In case of vacancy or creation of a position, the employer will give preference to personnel already employed in the company and possessing the skills and abilities required for the position, if necessary after an appropriate training period.

In the case of promotion of an employee to the position of engineer or «cadre» in the company or establishment, he will be given a letter notifying him/her of his/her new employment conditions in accordance with the provisions of article 4 (excluding the clauses concerning the probationary period) and of article 21-B of this collective agreement.

In the case of vacancy or creation of a position, and before making a public announcement outside the company, notice of this vacancy or creation will be disseminated to the interested engineers and «cadres» who are qualified by their skills and abilities to apply for this position. First considered will be those from the establishment, then, by default those from other establishments of the same company.

Article 7 – Employment and occupational transfers

1. The signatory parties confirm that the national agreement of April 25, 1973 on the general problems of employment in the metal industries applies to engineers and «cadres» in these industries.

Acknowledging the social and economic interest of the mobility of engineers and «cadres» in accordance with the ups and downs of business, and with structural change, but aware of the repercussions it could have, it is recommended that this mobility be such as to cause the least possible harm to them and to their families. This mobility constitutes in a certain number of cases an opportunity for career development or promotion.

Finally they are agreed on, within the framework of activities of the National Committee on Employment created by the national agreement of April 25, 1973, a subcommittee consisting of engineers and «cadres» designated by the signatory organizations of the employment agreement be charged with an examination of the specific problems of employment of engineers and «cadres».

The companies should pay particular attention to the application of the national agreements on the problems of employment of engineers and «cadres» with more than 50 years of age, as well as the national agreements on vocational training and skill improvement.

2. The employer will make every effort to avoid that an occupational transfer of an engineer or «cadre» has as a consequence a reduction of earnings or a downgrading. He will do this in seeking to locate an available position of the same classification which the involved employee is qualified to fill, taking into account the possibility of complementary training resulting from the agreement of July 9, 1970 and from its amendment of April 30, 1971 for which he/she will benefit on a priority basis.

If, in spite of the operation of the whole of the efforts referred to in the preceding paragraph, the employer is compelled to amend the employment contract of the engineer or «cadre» leading to his downgrading, the affected employee will be so notified in writing, and he/she in turn will acknowledge receipt of this notice.

The engineer or «cadre» will have a period of six weeks dating from the notification of the change in his/her employment contract to accept or refuse it.

In the event of a refusal, the separation which may follow will not be considered as having been caused by act of the engineer or «cadre» but rather as that of the employer, who will then have to pay to the employee the sum of all the indemnities due in case of discharge.

In the event of the acceptance of a reduction of salary, a temporary adjustment designed to preserve the engineers or «cadres» former income level which be paid for a period of six months dating from the day on which this reduction took effect.

An engineer or «cadre» above 50 years of age and having had for at least three years one or more positions in the company with classifications higher than those of his new job will retain the classification of his last position held prior to his/her occupational transfer.

In the event where the transfer came about as a consequence of the abolition of a job and when this job should have been reestablished within a period of two years, the downgraded engineer or «cadre» will have priority rights to this position.

The severance pay which the affected employee would be entitled to claim as a result of a break in employment taking place within two years of the reduction in pay or of his downgrading, will be calculated on a salary at least equal to that which he received at the moment of his transfer, and will not be inferior to the corresponding indemnity provided by article 29 of this agreement if the employee concerned is covered by a collective agreement concerning monthly paid workers.

The severance pay due to a retiree which the affected employee would be entitled to claim in the event

of his retirement, voluntary or not, within a period of two years from the reduction in pay or of his downgrading, will be calculated on a salary at least equal to that which he received at the moment of this transfer and will not be inferior to the corresponding indemnity provided by article 31 if the employee concerned is covered by a collective agreement or modification concerning monthly paid workers.

Article 8 – change of establishment and change of residence

1. The engineer or «cadre» must be notified in writing of the change in the contract which involves the place or geographical area agreed upon and which entails a change of residence.

This notification simultaneously sets in motion three deadlines :

- a six-weeks period during which the engineer or «cadre» must accept or refuse the transfer of which he/she has been notified. During this period, the employee concerned and his/her spouse will have the possibility to travel to the place of the transfer at the cost of the employer after an agreement between the latter and the concerned employee. In the event of the employee's refusal to accept the transfer a break in service, if it occurs, will be considered as an act of the employer, who shall then have to pay to the employee concerned the sum of the indemnities due in the case of discharge ;
- a twelve-weeks period before the expiration of which the change of assignment can only take place with the accord of the engineer or «cadre» ;
- a eighteen weeks period during which the engineer or «cadre» may recall his/her acceptance of the transfer of which he/she was notified by the employer ; in which case the contract will be considered as having been broken by an act of the employer, who will then have to pay to the concerned employee the sum of the indemnities due in cases of discharge.

2. When the employment contract of an engineer or «cadre» fixes different job sites or a regional area where a given employee can be assigned, the operation of a change in assignment to a permanent establishment will, if it necessitates a change in residence, be in accordance with the following procedures :

- if it involves an assignment to another establishment within the regional area, the employee concerned must be notified of it at least six weeks in advance ;
- if it involves an assignment in another establishment in the metropolitan territory, the employee concerned must be notified of it at least two months in advance.

The provisions of this paragraph 2 do not apply to temporary assignments not exceeding three months.

3. If the employment contract of an engineer or «cadre» contains different work sites or a regional area where the job can be performed, this contractual possibility can be employed after the first transfer, only under the following conditions :

- if it involves an assignment to another establishment of the regional area, it cannot be put into effect without the accord of the employee concerned for at least two years following the preceding transfer ;
- if it involves an assignment to another establishment located outside the regional area, it cannot take place without the accord of the employee concerned less than three years following the previous transfer.

However, the provisions of this paragraph 3 will not apply if the assignment results from operational requirements (such as, for example, transfer of an activity or a department, closing of a workshop or of an establishment) or if it concerns a temporary assignment not exceeding three months.

4. When, on the initiative of the employer, the work site is changed whether or not provided for in the employment contract, and requiring a change in residence, the legitimate moving costs as well as the travel

costs for the employee involved and his/her family (spouse and dependants) shall be reimbursed by the employer, after agreement between the latter and the employee in question.

The conditions under which the transfer will take place are settled as favourably as possible after friendly agreement between the parties (length of absence, possible contribution to the payment of indispensable resettlement costs, etc.).

In all case of a change of residence without significant changes in job content, the salary of the engineer or «cadre» shall not be diminished or frozen.

5. The clauses of the present article do not apply to engineers or «cadres» occasionally called upon to undertake temporary missions of not more than three months in the different establishments of the company.

Nor will they apply to engineers and «cadres» whose jobs by their very nature include agreed upon displacement, and which are regulated by article 11 of this collective agreement.

III - IMPLEMENTATION OF THE EMPLOYMENT CONTRACT

Article 9 – Hours of work

Legislation relating to hours of work apply to engineers and «cadres».

Given the role attributed to engineers and «cadres» it frequently happens that their hours of presence cannot be fixed in a rigid manner; they are determined by the necessities of work planning and supervision requirements.

In the event where the duties of a «cadre» call him/her frequently to special tasks at night or on holidays, or regularly entail individual overtime, this shall be reflected in his compensation.

The application of flexitime in the companies must not entail a permanent increase of the work load of engineers and «cadres» ; the companies will make every effort towards this end before the introduction of a flexitime schedule.

In accordance with provisions set forth below, engineers and «cadres» shall benefit fully from reductions in the work schedule provided for in the national agreement of Feb. 23, 1982 dealing with hours of work in the metal industries.

When, because of the nature of their jobs, engineers and «cadres» are strictly bound to the work schedule of the establishment, they will benefit from the reductions in the work schedule provided for in the national agreement of Feb. 23, 1982, in accordance with the procedures of that national agreement.

For engineers and «cadres» who do not have a fixed work schedule¹, the reduction in work schedule provided for in the national agreement of February 23, 1982 will be applied in accordance with the work schedule of the establishment while taking job requirements into consideration. These reductions will take

¹ **Extract of the interpretative notes of February 4, 1983**

Engineers and «cadres» considered as not being bound by a fixed work schedule are in particular :

1. Engineers and «cadres» whose occupational activity is not solely limited to their presence within the enterprise and whose responsibilities could entail tasks away from the enterprise. These outside tasks, by the way, could constitute the essential part of the activity for engineers and «cadres» in the commercial, customer service, installation and repair departments.
2. Engineers and «cadres» who, while having an occupational activity which does not include work away from the enterprise, benefit in practice from a non rigid work schedule exempting them from strict adherence to the posted work schedule of the establishment.
3. Engineers and «cadres» who, while not having occupational activities which do not include tasks away from the enterprise, are bound by activity requirements or production needs which prevent them from strictly following the collective work schedule of the establishment.

These provisions apply regardless of the type of remuneration of the employees concerned.

place in the form of compensatory' leave taken periodically on a half-day or whole-day basis, or in other ways set forth after negotiations with the engineer and «cadre» representatives of the signatory union organizations of the national collective agreement for engineers and «cadres» of the metal industries or, in their absence, with the representatives of engineers and supervisory staff of the enterprise or the establishment.

In any event, these reductions (in work schedules) for engineers and «cadres» will be equivalent on an annual basis to the reductions in work schedules which other categories of personnel in the establishment enjoy. Their work load should take these reductions into account. An annual assessment will be prepared in conformity with article 24 of the February 23, 1982 national agreement.

Article 10 – Seniority in the company

In applying the provisions of this agreement, presence shall mean the time passed between the entry into assuming the job functions, under the current employment contract, without excluding the periods of suspension of this contract.

To determine seniority, there will be taken into account, not only presence arising from a current employment contract, but also the duration of previous employment contracts in the same enterprise as well as the seniority of which the concerned employee benefited, in the event of a transfer made on the initiative of the employer even in a different company.

In the determination of seniority, there will also be taken into account the duration of occupational assignments performed by the concerned employee in the company before his/her recruitment by the latter.

Also will be taken into account breaks in service due to mobilization or acts of war such as defined in title 1. of the ordinance of May 1, 1945 on condition that the concerned employee had returned to his employment under the provisions of title 1 of that ordinance.

In addition, when an engineer or «cadre» with the agreement of his employer is transferred to the service of a subsidiary, either of an company absorbed or created by him or of a mutual economic interest group (Groupement d'intérêt économique or GIE) or vice-versa, the seniority acquired in the enterprise which the employee has left will be taken into account in establishing seniority under this agreement. The concerned employee will be so notified in writing.

Article 11 – General rules for all business trips

In the event of an engineer or «cadre» sent away to carry out a temporary assignment for a more or less long period, without thereby entailing a permanent transfer or assignment to another establishment of the company located in France or abroad, the following provisions will be observed :

1. Mode of transportation

The employer will seek to determine the mode of transportation which seems to be most suitable, taking into account the suggestions which may have been offered by the engineer or «cadre», as well as the nature of the assignment and the activities of the employee before and after the assignment. This could, should the occasion occur, lead to the use of express trains with a supplement or a single fare train. Transportation by air at the request of the employer will be made by agreement with the employee concerned.

Travel by train will be undertaken by day in first class, and by night in couchette first class or in sleeping car, except when not available.

Travel by boat or plane will be made on regular lines in normal class, usually designated economy class.

When for operational reasons, the employer sets a voyage which increases the work day of the engineer or «cadre» by more than four hours, the latter shall be entitled to compensatory leave of a half day to be agreed upon if the transportation used does not permit the concerned employee to rest sufficiently in comfort (travel by plane in a class other than first or a class similar to first, travel by train at night without couchette of first class or sleeping car).

2. Transportation costs

The employer will pay the costs of transportation on the basis of justification of expenses actually incurred.

Transportation of personal baggage as accompanying baggage will be paid by the employer within the limits of the franchise practiced by the SNCF (French railroads) – 30 kg and the airlines – 20 kg.

For assignments of more than one month, transportation costs for supplemental personal baggage necessary will be paid by the employer to a limit of 20 kg above the standard limit.

When the transportation of baggage needed for the job and personal baggage entails an excess to the above limits, this excess will be paid by the employer upon the presentation of receipts.

3. Travel in a personal car

It is the responsibility of the employer to verify that the engineer or «cadre» is in possession of the documents necessary to drive the vehicle used.

The engineer or «cadre» must inform the employer of his insurance policy which must contain a clause guaranteeing the employer against a claim by the insurance company or third party, and he must prove his payment of the premiums.

In order to cover the risks of accidents in the course of travel by car for business purposes, the employer must contract for complementary guarantees which have been shown to be necessary in relation to the insurance policy of the engineer or «cadre».

If the engineer or «cadre», in agreement with the employer, uses his personal vehicle for the needs of the service, the costs therefore will be borne by the employer.

Reimbursement of these costs will be agreed to in advance. The agreement will take into account the amortization of the vehicle garage costs, repairs and maintenance, consummation of petrol and oil, and the costs of insurance. In particular, reference can be made to administration scales in force, instituted by the decree of August 10, 1966 applying to public administrative employees.

4. Air travel insurance

When travel is made by plane at the request of or in accord with the employer, the latter must verify that the social security scheme and complementary schemes or all other insurances contracted by the employer cover the risk of death or invalidity of the engineer or «cadre» for a minimum amount equal to one year's salary, increased by 30 % per dependant or for an annual benefit representing this capital.

If the engineer or «cadre» is not sufficiently covered as set forth in the preceding paragraph, the employer must take out the additional insurance necessary for this capital, or, failing that, be his own insurance bearer for this complementary amount.

The following are considered dependants, provided that the engineer or «cadre» has expressly so informed the employer not later than before his departure :

- the spouse ;
- dependent children under 21 years of age or under 25 if they are still in school or do not have

separate incomes ;

-parents as well as the concubine who are openly and principally dependent on the engineer or «cadre».

These provisions on air travel insurance apply not only to the round trip voyage but equally as well to leisure travel and to business travel in the country of the assignment.

5. Costs for professional expenses

The costs of living incurred by an engineer or «cadre» in the course of his assignments at the request of his employer will be borne by the company.

They will be reimbursed upon presentation of the corresponding documents or on the basis of a per diem fixed by the company.

When the reimbursement is per diem, the amount of the living allowance should assure the engineer or «cadre» a standard of living taking account of the particular conditions of the assignment carried out. The amount should be revised periodically taking account of the circumstances.

Normally there should be an advance sufficient to cover the costs.

6. Interim home leave trips

In the course of an assignment lasting one month or more, the engineer or «cadre» will be entitled to a voyage of relaxation paid for by the employer to permit him to return to his principal residence under the following conditions :

If the displacement is less than or equal to 300 km, the employee will have alternative rights to :

-a trip every two weeks permitting a relaxation vacation lasting one day and a half free of travel and occurring during the period ordinarily not worked under the work schedule of the employee concerned;

-a trip every two weeks permitting a relaxation vacation lasting one work day free of travel and occurring before or after the day off each week or before or after a holiday.

If the displacement is more than 300 km and less than 1000 km, the engineer or «cadre» will have alternative rights to :

-a trip every four weeks permitting a relaxation vacation lasting one day and a half free of travel and occurring during the period ordinarily not worked under the work schedule of the employee concerned;

-a trip every four weeks permitting a relaxation vacation lasting two work days free of travel and occurring either before or after the day off each week or before or after a holiday.

When the assignment is located at a distance of more than 1000 km, the conditions under which the engineer or «cadre» can take advantage of relaxation trips paid for by the employer will be determined within the framework of the company or from assignment to assignment taking into account the length of the assignment and its distance.

For travels of less than 1000 km, travel costs for relaxation vacations here provided for are to be paid by the employer under conditions defined by this article.

The engineer or «cadre» entitled to a relaxation vacation can have his spouse enjoy in his place his right to reimbursement of travel costs provided for in the preceding paragraph in order to permit her to join

him at the place of his assignment.

During the period of a relaxation vacation, only that part of the sojourn costs or per diem which the engineer or «cadre» continues to be subjected to as a result of his displacement will be maintained.

A relaxation vacation cannot be claimed if it would occur less than one week before the completion of an assignment, but will be granted at the end of the assignment. By mutual accord of the parties, relaxation vacations may be combined at the end of the assignment.

7. Travel at the time of annual paid vacations

When the annual paid vacation period occurs when the engineer or «cadre» is on assignment, the costs of return to his normal residence will be reimbursed upon his justifying his return to this site before departing on vacation. This trip will be considered as relaxation vacation where the displacement would entitle him to such.

The engineer or «cadre» can have his spouse enjoy in his place his rights to travel cost reimbursement provided for in the preceding paragraph in order to permit her to join him at the site of his displacement.

8. Elections

In order to permit the engineer or «cadre» on assignment to vote by proxy or letter in French elections in which these modes of voting are permitted, the employer must at the appropriate time furnish him with the regulatory certificate, certified if necessary by competent authorities and justifying his employment status.

As far as elections of workers' representatives in the company are concerned, the pre-election agreement must take into account the existence of electors who are on assignment away from the workplace.

9. Sickness or accident

In the event of sickness or accident, the living expenses or per diem will continue to be paid fully. If the sickness or accident entails a hospitalization, the expenses other than medical and hospitalization and subsequent to the prolongation of the stay will be reimbursed upon justification.

In the event of a serious sickness or accident to the employee, the spouse or closest relative will be entitled, upon medical certificate, to reimbursement of travel costs actually incurred. In case of a serious sickness or accident of the spouse or dependent child, the employee concerned will be entitled, upon medical certificate, to reimbursement of the expenses incurred to return to his/her usual place of residence.

During the period of leave due to sickness or accident, the engineer or «cadre» will benefit from the supplemental compensation provided for in Article 16 of this agreement.

10. Death

In the event of the death of the engineer or «cadre» during the course of his assignment away, the costs of returning the corpse to his/her usual place of residence will be paid by the employer, reduced by the amount of benefits paid by social security and the supplementary insurance systems. The employer will also pay round trip travel costs of the spouse or the person designated by the employee before his/her departure.

In the event of the death of the spouse or a dependent child who has come to join the engineer or «cadre» at his/her assignment site with the accord and at the expense of the employer, the cost of returning the corpse to the normal place of residence will be borne by the employer, reduced by the amount of benefits paid by insurance schemes in which the employer participates.

11. Dismissal

In case of dismissal during his/her assignment, even for serious cause (misconduct), the travel costs of

the engineer or «cadre» to his/her usual place of residence will be paid by the employer on condition that the return takes place during the weeks which follow the termination of the employment contract.

Article 12 – Supplemental rules for business trips or assignments abroad

In the event of an engineer or «cadre» carrying out a temporary assignment of more or less duration abroad without this being a transfer or assignment in another permanent establishment of the enterprise located abroad (see annex II to this collective agreement), the following provisions will be observed, other than those provided for by article 11 above of this collective agreement :

1. Advance notice

The employer shall make an effort to inform the engineer or «cadre» as long as possible in advance of his/her assignment, in consideration of its characteristics (distance, duration, on a regular basis or not), but the period of notice will not be less than 3 work days except under special circumstances or arising from the nature of the job.

2. Advance formalities

The measures necessary for carrying out the administrative formalities required by the assignment abroad will be accomplished with the assistance of the employer and during working hours.

The health examination of the engineer or «cadre» as well as the required vaccinations will be performed under the same conditions.

The costs arising from these various formalities will be borne by the employer.

Before the engineer or «cadre» departs for his/her assignment, the employer must make available to him/her detailed information at his/her disposal on the country of destination, and on its laws or customs to which the concerned employee will be subjected during the course of his/her assignment.

3. Social guarantees

During their stay abroad, engineers and «cadres» will continue to be covered by the guarantees relating to retirement and the risks of invalidity, death, occupational accident, sickness, maternity, and unemployment benefits without being subject to an increase in their total social contributions.

These guarantees must, if necessary, be added to guarantees of the same nature to which the engineer or «cadre» would be entitled in virtue of host country obligations.

4. Weekly rest period and public holidays

The engineer or «cadre» on assignment abroad will be entitled on an annual basis to at least the same number of public holidays and legal weekly rest days to which he/she would have a right if he/she had continued to work in France.

5. Exceptional leave for family events

The exceptional leave provided in article 15 of this collective agreement in the event of the death of a spouse or of a child of the employee or a child of his/her spouse gives rise to a trip at the expense of the employer wherever the assignment of the engineer or «cadre» may be on the date on which the event took place.

For other exceptional leave provided for by this article 15 as well as for legal birth leave, the trip will be made on a date set by mutual agreement with the employer, and will be considered as a relaxation trip if the assignment carries such entitlement.

The trip paid for by the employer provided for in the previous paragraph will only be due if the trip has been to Western Europe (EEC, Scandinavia, Switzerland, Austria, Iberian Peninsula).

6. Unexpected repatriation

In the event the engineer or «cadre» is, without fault on his part, compelled to return prematurely, the employer will make an effort to provide for his reinstatement within the company, and if necessary, after appropriate training.

In the event the reinstatement is not possible, the termination of the employment contract will be considered a discharge caused by the employer.

Article 13 – Skill improvement and upgrading

With the view to encourage the «continuous vocational training» of engineers and «cadres», the contracting parties commit themselves to examine the various training periods, sessions, conferences and courses which, with the cooperation of the enterprises either on a local, regional or national level could be proposed for the approval of the employment committee within the framework of the July 9, 1970 and April 30, 1971 agreements.

The act of requesting the application of the above provisions cannot by itself be a cause for discharging the concerned employee.

IV - LEAVE AND SUSPENSION OF EMPLOYMENT CONTRACT

Article 14 - Annual paid vacations

The duration of annual paid vacations shall be in accordance with the provisions of legislation currently in effect.

The period during which the execution of a contract is suspended as a result of sickness or an accident under the conditions provided for by section 1 of article 16 shall, for purposes of establishing eligibility for annual paid vacations, be considered as time worked to a maximum duration of one year.

Also to be counted as time worked are obligatory military reserve periods not arising out of the concerned employee's own action, legal training periods accomplished on the initiative of the employer or in agreement with him, as well as any authorized exceptional short periods of absence. On the contrary, non-obligatory military reserve periods will be deducted from annual vacations.

The main annual vacation will be increased by a supplemental vacation of at least :

- 2 days for the engineer or «cadre» with 30 years of age and with one year of seniority in the company;
- 3 days for the engineer or «cadre» with 35 years of age and having two years of seniority in the company.

The conditions provided for in the preceding paragraph will be applicable to the expiration date of the reference periods for the determination of the main vacation. The supplemental vacation referred to in the preceding paragraph can only be joined to the main vacation with the express agreement of the employer.

The main vacation, resulting from actual or imputed work time will, in principle, be taken at a single time, except for technical requirements. In the establishments where vacations are granted at the same time, or in portions, by plant closing, the continued absence of the engineer or «cadre» for vacation purposes cannot go beyond the period of closure except with the explicit agreement of the employer.

When the engineer or «cadre» and his/her² spouse work in the same company they shall be entitled to paid vacations at the same time. Other family situations will as far as possible, be taken into account in fixing vacation periods ; however, the engineer or «cadre» can be required to coincide his vacation with the shutdown period.

In the exceptional cases, when at the request of the employer the vacation date of an engineer or «cadre» is rescheduled shortly before the date previously fixed, the inconveniences thereby suffered will be compensated for in an appropriate form. In the exceptional case when an engineer or «cadre» is called back from vacation because of the needs of the service, he will be given a net supplemental vacation of two days, and the costs occasioned by the recall will be reimbursed to him.

The period in which possible remaining vacation days are to be used will be determined in accordance with technical necessities and the expressed wishes of the concerned employees.

The period during which annual paid vacations are to be taken expires on June 1st of the year following that of the beginning of vacation entitlement.

In the event the application of company customs would give entitlement to vacations longer than those provided for by legislation or collective agreements, the concerned employee will receive the benefit of the global rules most advantageous to him.

Article 15 – Special leave for family events

The engineer or «cadre» will, upon justification, be entitled to special leave for the following family events :

- employee's marriage..... 1 week
- marriage of a child 1 day
- death of a spouse..... 3 days
- death of father, mother or child..... 2 days
- death of brother or sister 1 day
- death of parent-in-law..... 1 day
- death of a grand parent..... 1 day
- death of a grand child..... 1 day

This leave is to be determined outside of the travel time that may be necessary for the employee to participate in the given family event; however the amount of leave for the employee's own marriage will be fixed on a global basis.

These days off will not entail any reduction in pay.

This special leave will be included as time worked in determining the annual paid vacation.

Article 16 – Sickness

1. The effect on the employment contract

Absences caused by sickness or accident including occupational accidents, and attested to as soon as possible by medical certificate, may at the request of the enterprise give rise to a confirmation visit. They do not constitute a termination of the employment contract.

The employer can formally record the termination of the employment contract by force majeure

² Throughout this translation, words of the masculine gender should be interpreted to include the feminine gender also. However, in certain paragraphs such as this article 14, the two genders will be used in the English text, for purposes of clarity.

caused by the practical necessity of replacing the employee. This can be done only at the end of the full rate compensation period. In this event, the concerned employee will be notified of the termination by registered letter.

The employer, after formally recording the termination of the employment contract, shall pay to the concerned employee an indemnity equal to that which the latter would have received if he had been discharged without having been given the required advance notice.

This indemnity replaces, for the period to which it applies, that of the full or half payment under the scale provisions of section 2, below.

If, on the date on which the advance notice in the case of discharge would have ended, the employee is still not able to work because of illness or accident, the sickness benefit remaining due will continue to be paid until the exhaustion of the entitlements which arose at the beginning the current invalidity to the day of the break in service.

In addition, the engineer or «cadre» will benefit, on the day the termination of the employment contract is confirmed by the employer, by an indemnity equal to the severance pay to which his seniority would have entitled him if he had been discharged or to an allowance equal to the career end allowances to which he would have been entitled under his seniority if he had been retired with pension.

During the absence of an engineer or «cadre» because of sickness or accident, the employer can terminate the employment contract in the event of mass dismissal or abolition of a position. The employer will then have to pay to the engineer or «cadre», the compensation in-lieu of notice under the provisions of paragraphs 4 and 5 of this article, and to pay the severance pay, as the case may be.

Similarly an employer may retire on pension an engineer or «cadre» absent because of sickness or accident, in complying with the requirements of article 31.

When the contract is terminated under the above mentioned conditions, the concerned employee will be entitled to reemployment priority which will be accorded him to the extent possible.

2. Payments

After one year seniority in the company, in case of confirmed absenteeism for sickness or accident under conditions covered in 1 above, the employer shall supplement the daily benefits provided by social security and complementary insurance schemes to assure the employee of an income fully or partially equal to his monthly salary on the following terms :

The length of absence to be covered in relation to company seniority shall be :

-from 1 to 5 years seniority : 3 months full payment, 3 months half payment

-from 5 to 10 years seniority : 4 months full payment, 4 months half payment

-from 10 to 15 years seniority : 5 months full payment, 5 months half payment

-over 15 years seniority : 6 months full payment, 6 months half payment.

However, in the event of absence for occupational disease or work injury occurring between 3 and 12 months in the company, the length of absence to be paid will be 3 months at full rate and 3 months at half payment.

In the event of hospitalization, the daily social security benefits are taken into account as though they were paid at the full amount.

During the period of half-rate compensation, cash benefits under complementary schemes are to be

paid in the same proportions as payments from employers.

If several separate absences for sickness, followed by an actual return to work, occur during a calendar year, the length of payment at full rate and at half-rate may not, on a total basis, exceed the periods fixed above.

If the absence for sickness or accident of the engineer or «cadre» occurs during the period of notice, the notice will continue to run but the employment contract and the sickness and accident compensation will end at the expiration of the period of notice.

Without prejudice to any more favourable provisions resulting from a company agreement, these payments or benefits are taken for their amount before deduction of the social contributions and taxes of any nature that apply, where appropriate, to the said allowances or benefits which by law, are payable by the employee.

Article 17 – Maternity and child care leave

1. Maternity leave will be granted in conformity with legislation.

Women with one year of seniority in the company will receive benefits from the employer during a period of six weeks before the expected date of birth, which however can be increased by a rest period of two weeks if a pathological condition medically certified as the result of the pregnancy makes it necessary, and of ten weeks after the date of birth prolonged by two weeks in the event of multiple births.

The payments by the employer for the above defined periods are conditioned on the payment of maternity insurance daily benefits by Social Security.

During these periods, the concerned employee will receive the difference between her salary and the daily social security benefits and other insurance schemes in which the employer participates.

Women with one year of seniority in the company and entitled to an adoption leave of up to ten weeks provided for in article L. 122-26 paragraph 5 of the Labour Code, will be paid by the employer under the conditions provided for in the two preceding paragraphs. Without prejudice to any more favourable provisions resulting from a company agreement, these payments or benefits are taken for their amount before deduction of the social contributions and taxes of any nature that apply, where appropriate, to the said payments or benefits which by law, are payable by the employee.

2. A mother or a father whose presence is indispensable to a sick child will be accorded leave to care for it during a maximum of 4 days per calendar year regardless of the number of children.

During this leave, employees with one year of seniority in the company will receive half their salaries on condition that they furnish a medical certificate attesting that the state of health of the child requires the constant presence of one of the parents and that the child is under twelve years of age.

The engineer or «cadre» will be granted up to eight months leave of absence without pay to care for a seriously ill child. It will be necessary to furnish a medical justification subject to a confirmation visit at the request of the company if necessary .

Article 18 – Post-natal leave and work schedule adjustments

1. For company normally employing less than or equal to 100 persons

In the companies normally employing less than or equal to 100 persons, women wishing to take care of their child will, upon request, be entitled to a leave without pay of up to twelve months beginning at the expiration of the maternity leave.

They will be entitled at the end of this leave to reinstatement to their former positions under the same conditions, or, if that is not possible, to a similar position.

Beneficiaries of this leave must make known, at least six months before the end of the leave, their desire to resume their employment.

While taking into account the application of national agreements dealing with job security and general employment problems, these preceding provisions will not impair the right of the employer to cancel the employment contract of the concerned mother in the event of a mass dismissal. The same will apply if after a leave, the position having been removed, there is no similar employment available.

In both cases, the pay in-lieu of notice, and if applicable, the severance payment will be paid by the employer. In addition the latter will be required during a period of one year to extend reemployment priority to the concerned employee whose qualifications permit her to claim it, and if she were reemployed to grant her the benefit of all the rights she had acquired at the time of her separation.

2. Companies normally employing over 100 persons

In companies normally employing more than 100 persons, women wishing to care for their child shall be entitled to a non paid parental education leave of a maximum of two years counting from the exhaustion of maternal or adoption leave provided for in article L. 122-26 of the Labour Code.

At least one month before the end of the maternal or adoption leave, the female employee must inform her employer by registered letter, return receipt requested, of the length of the leave she intends to take.

She can shorten this leave in case of death of the child or in case of a substantial reduction in household income.

The female employee will be reinstated to her previous position or to a similar one with an equivalent salary at the end of her leave or within the month following her request to return to work.

The entitlement to parental education leave is also available to father under the same conditions, if the mother does not claim it or cannot benefit from it. In this latter event, the leave begins two months after birth or the arrival of the child.

The length of parental education leave will be taken into account, on a global basis, to a maximum limit of one year in the determination of benefits linked to seniority.

The employee who returns to work at the end of a parental education leave will be entitled to occupational retraining in the event of a change of techniques or working procedures in conformity with the provisions of article L. 122-28-4 of the Labour Code.

In addition, the employee retains the benefits of all the entitlements which he had acquired before the beginning of the leave.

Employees are entitled to parental education leave for each birth or adoption, on condition that on the expiration of the preceding parental education leave of which he or she had benefited, he or she had returned to work for at least one year at the date of the birth of the child or of the arrival of the adopted child, aged less than three years.

In calculating this period, suspensions of the employment contract other than that of parental education leave will be included as time worked.

While taking into account the application of the national agreements dealing with job security and

general employment problems, these preceding provisions will not impair the right of the employer to cancel the employment contract of the concerned employee in the event of a mass dismissal.

In this event the pay in-lieu of notice, and if applicable the severance payment will be paid by the employer. In addition, the latter will be required during a period of one year to extend reinstatement priority to the concerned employee whose qualifications permit him/her to claim it, and if he/she should be reemployed to grant him/her the benefit of all the rights he/she shall have acquired at the time of the separation.

3. Part time work

Engineers or «cadres» who wish to resume work on a reduced basis in order to care for their child may request part time employment at the end of maternity leave, post natal leave, or parental education leave. The duration will be fixed by mutual agreement, if the working and operational conditions in the company permit.

Article 19 – National service

Absences caused by the performance of national service, or military periods, or a call to the colours shall be governed by law.

Salaries, reduced by the net military pay, the amount of which the concerned employee must report, will continue to be paid during periods of compulsory military reserve not instigated by the latter. The salaries to be taken into account will be either the regular pay or those based on a work schedule in effect in the company during the military period, except in the event that the absence of the engineer or «cadre» called to service entails an increase in the work schedule for the remaining employees.

V- PAY

Article 20 – General provisions

The diversity in the structure and size of companies as well as the very nature of the functions held by engineers and «cadres» does not permit the creation of a pay scale including a comprehensive enumeration of job functions.

But normal career development of an engineer or «cadre», based upon a progressive reference to occupational value and which at the same time increases the significance of the services rendered, should entail a corresponding variation in remuneration.

It is therefore necessary to provide, except for the initial period, two kinds of guarantees, as specified below :

- automatic increases of guaranteed salaries covering engineers and «cadres» in level II defined below. These guarantees are based upon job and company seniority ;
- in the case of «cadres» in level III, the guarantees shall result from the benchmark positions.

These benchmark positions are not based on job titles which are infinitely variable according to companies and establishments ; their real purpose is to define the actual jobs according to the significance of the job and the corresponding responsibilities.

For the same reasons the different benchmark positions are independent of each other in the sense that functions embraced by position III A could exist in a company or establishment without entailing the existence of one or several functions embraced by position II, III B, etc. and vice-versa.

Article 21 - Job classification

A. First stage of employment

Position I

Degree holders as now defined in article 1 of this agreement who began as engineers or administrative or commercial managerial staff will, on their entry into the company, be entitled to a guaranteed minimum rate.

The applicable coefficient in article 22 below will be increased for each year of acquired experience by the concerned employees beyond 23 years of age to the time when they accede to a function in position II and in position III where experienced engineers and «cadres» are classified.

Years of experience will be calculated on the following basis :

- each year of actual work as engineer or «cadre» in the company coming under this agreement or in an activity related to the foreseen job will be counted as a year of experience ;
- full time study following the first degree and having led to the awarding of an advanced degree included among those now defined in article 1 of this agreement and of possible utility to the company, on condition that these studies had a duration of one year or more, will be counted as one year of experience.

In the event that degree holders as defined in article 1 of this agreement start as engineers or administrative or commercial managerial staff members before age 23, they will have the benefit of a minimum hiring rate depending upon their age ; their minimum salaries shall subsequently be increased so that their salaries when they reach 23 years of age will be that of the guaranteed minimum hiring rate for engineers and «cadres» 23 years of age.

Beginning engineers and «cadres» will accede to position II and position III of experienced engineers and «cadres» as soon as their duties so justify. This passage becomes obligatory when they complete a period of three years in position I, with at least one year of actual work in the company, and have reached 27 years of age. Full time studies such as defined in paragraph 3 above, shall be equivalent to a period of one year of seniority in position I.

The minimum hiring rates at which people are hired in the company, and the yearly experience coefficient increases shall be as set forth in the annexed tables.

B. Experienced engineers and «cadres» (regardless of whether they are holders of degrees)

Experienced engineers and «cadres», whether they have achieved that status by completion of a probationary period in position I, or by promotion as a non-degree holder, will be classified in position II and position III.

Position II

Engineer or «cadre» :

- who is assigned to a lead job in order to assist the job holder ;
- or who exercises in the scientific, technical, administrative, commercial or management field limited responsibilities within the framework of assignments or directives from his line superior.

Employees classified in the third grad of level V of the classification instituted by the national agreement dated July 21, 1975 – and possessing general and occupational knowledge comparable to those acquired after one year of university study beyond level III defined in the National Education circular of July

11, 1967 and having demonstrated in the course of their proven experience a particular capacity to effectively resolve human and technical problems – will be placed in position II in the sense of this article provided that their delegation of responsibility implies a sufficient autonomy. They will have the guarantee of rank 108 determined by article 22, below.

Similarly, are placed in position II, with the guarantee of ranking index 108, employees promoted to the position of engineer or «cadre» after having obtained one of the degrees stipulated in article 1, 3, a, when this degree has been awarded by the way of continuous vocational training.

The provisions of the preceding paragraph do not constitute a compulsory way for the promotion to the position of experienced engineer or «cadre».

Position III

The existence within the company of engineers or «cadres» classified in one of the benchmark positions III A, III B, or III C does not automatically entail that of engineers or «cadres» classified in the two other positions, and vice versa. The nature, importance and structure of the company and the nature of the responsibilities exercised in the various jobs are the only factors determining the existence of the different following benchmark positions :

Benchmark position III A

The engineer or «cadre» performing duties in which he uses not only knowledge equivalent to that certified by a degree, but also fundamental knowledge and wide experience in a specialization.

His/her work will generally be outlined by his chief who in certain companies may be the company head himself.

His/her rank in the hierarchy will be that above first-line supervisors and engineers and «cadres» who may be placed under his/her authority or contain in the scientific, technical, administrative, commercial or managerial fields responsibilities requiring a wide judgement, independence and initiative in the framework of his/her duties.

Benchmark position III B

The engineer or «cadre» performing duties in which he/she applies theoretical knowledge and an extended experience going beyond the area of specialization or leading to a high degree of specialization.

His/her rank in the hierarchy places him in command of one or several engineers or «cadres» of the preceding positions, whose activities he directs and controls, or contains in the scientific, technical, commercial, administrative, or managerial fields responsibilities requiring a very wide independence of judgment and initiative.

Benchmark position III C

The existence of such a position is only justified by the technical value required by the nature of the company, by the size of the establishment, or by the necessity of a coordination between several departments or activities.

The rank of an engineer or «cadre» in such position gives him the direction over one or several engineers or «cadres» in the preceding positions.

Exercising such a position requires the widest independence of judgment and initiative.

Such a classification also is a result of the particular significance of scientific, technical, commercial, administrative, or managerial responsibilities entrusted to the concerned employee due to the level of his/her experience and his/her knowledge, whose position in the ranking system is not covered by the above

definition or even of those in benchmarks III A and III B.

Article 22 – Ranking indexes

The relative situation of the different positions, taking possible account of age or seniority for certain of them, shall be determined as follows :

| | |
|--|-----|
| Position I (starting age) | |
| - 21 years of age..... | 60 |
| - 22 years of age..... | 68 |
| - 23 years of age and beyond..... | 76 |
| - Increase per year for experience acquired beyond 23 years of age under provisions of article 21..... | 8 |
| Position II | 100 |
| - After 3 years in position II in the enterprise..... | 108 |
| - After a new period of 3 years | 114 |
| - After a new period of 3 years | 120 |
| - After a new period of 3 years..... | 125 |
| - After a new period of 3 years..... | 130 |
| - After a new period of 3 years..... | 135 |
| Benchmark position III A..... | 135 |
| Benchmark position III B | 180 |
| Benchmark position III C | 240 |

Article 23 – Minimum salaries

The guaranteed minimum salaries fixed in appendix of this agreement are based upon a 39-hour working week. The guaranteed minimum salaries include the permanent elements of remuneration as well as benefits in kind. They do not include advantages which are of an aleatory, voluntary, or temporary nature.

Article 24 – Actual salaries

Engineers and «cadres» are usually paid on a fixed basis («forfait») depending on their responsibilities. This global fixed sum in particular includes the variations due to overtime performed by their department.

The fixed sum must be calculated in such a way as not to be below that of the normal remuneration which the concerned employee should receive in accordance with his normal attendance duties.

Because of the special conditions under which engineers and «cadres» carry out their occupational duties, their salaries are based more on their level of responsibility than on time spent in the enterprise. It is thus that the notion of a fixed salary («forfait») arose.

Article 25 – Temporary job replacements

In the event that an engineer or «cadre» is for a period exceeding three months assigned to a position of a higher classification than his own and entailing an increased work load or responsibility, he shall receive a temporary pay supplement beginning with the fourth month, and retroactively for the three previous months as well.

This monthly supplement will be equal to three quarters of the difference between the guaranteed minimum salary of his regular benchmark position and the guaranteed minimum salary of the benchmark position of the «cadre» whom he is temporarily replacing. The guaranteed minimum salaries are those fixed by the national scale in effect during the month in question.

Article 26 – Inventions and patents

Inventions of engineers and «cadres» are covered by the provisions of law number 68-1, dated January 2, 1968 dealing with invention patents, as amended by law number 78-742, dated July 13, 1978, as well as by the provisions of implementing decrees for this legislation.

When an employer entrusts an engineer or «cadre» with an assignment involving an invention that relates to his actual duties, studies or research either permanently or occasionally, exclusively or not exclusively, then the inventions of which the given employee may be the author in the execution of this assignment, of these studies, or research, will become the property of the employer, in conformity with paragraph 1 of article 1 of law number 68-1, dated January 2, 1968, as amended.

The inventor will be designated as such in the patent, except if he/she is opposed to such reference.

The salary of the engineer or «cadre» takes account of such assignments, studies, or research, and remunerates him on a fixed basis for the results of his work performance. However, if within the framework of this task, the employee is the inventor of something of exceptional interest to the company, and the importance of which is disproportionate to the salary of the inventor, then the latter will, after the receipt of the patent, be granted a supplemental remuneration which can take the form of a global bonus paid at one or more times.

The engineer or «cadre» who creates an invention which does or does not come under the provisions of the two preceding paragraphs, must so inform his employer immediately in conformity with paragraph 3 of article 1 of the above referred to law dated January 2, 1968. He/she is forbidden to divulge this invention.

VI. - TERMINATION OF THE EMPLOYMENT CONTRACT

Article 27 – Period of notice

The discharge of an engineer or «cadre» must be notified to the concerned person and confirmed in writing. Any pressure designed to obtain a resignation from an engineer or «cadre» is hereby formally condemned by the signatory parties to this agreement.

No discharge, even for serious cause, can be made final without a hearing, held beforehand, at the request of the employee, in the presence of the employer or his responsible representative.

After the expiration of the probationary period, and except in the event of serious cause or by agreement in the employment letter setting a longer interval, the reciprocal period of notice period will be :

- one month for the engineer or «cadre» in position I during the two first years in that grade in the company;
- two months for the engineer or «cadre» in position I having two years of seniority in the company;
- three months for all other engineers or «cadres».

However, for engineers or «cadres» over 50 years of age and with one year of seniority in the company, the period of notice will, in the event of dismissal, be raised to :

- four months for the engineer or «cadre» with 50 to 55 years of age, rising to six months for employees with five years of seniority in the company;

- six months for the engineer or «cadre» with 55 years of age or older who is not dismissed within the framework of a mass dismissal under special agreement with the National Employment Fund.

In the event the period of notice is not observed by one or the other of the parties, except in agreement between them, the party which does not respect the period of notice must pay to the other an indemnity equal to the salary plus the value of the benefits the concerned employee would have enjoyed had he continued to work until the expiration of the period of notice.

When the period of notice is observed, whether it is in connection with a dismissal or a resignation, the engineer or «cadre» is authorized, in agreement with management, to be absent at one or more times during 50 hours per month to seek a new employment. These absences will not entail a reduction in pay. If, at the request of the employer, the employee does not utilize part or all of these hours, he/she will receive at his/her departure a payment equal to the number of not used hours if these hours have not been used in one time, in agreement with his/her employer.

In the event of dismissal, and when half of the period of notice shall have expired, the dismissed engineer or «cadre» who finds himself under the necessity of taking a new job, may, after advising his/her employer 15 days in advance, leave the establishment before the expiration of the period of notice without having to pay the forfeit for not having observed this notice period. The employee may, in accord with management, leave the establishment before the expiration of half of the period of notice under the same conditions to take a new job.

Article 28 – Professional secrets- Non competitive clause

Obviously, a loyal collaboration implies the obligation of not giving information from the employing company to a competing firm.

By extension, the employer retains the means to prevent an engineer or «cadre» who, voluntary or not, leaves his/her employment, from being able to transmit to a competing firm the knowledge acquired while in his/her employment. This can be done by forbidding the employee from accepting employment in a competing firm.

The competitive ban should be contained in the employment letter or in a written agreement between the parties.

In such event, the interdictions may not exceed a one-year duration, renewable once, in return for which the employee will receive, during the length of the non-competitive period, a special monthly indemnity equal to 5/10 of the average monthly salary plus the contractual benefits and gratifications which he enjoyed during the course of his last 12 months in the establishment.

However, in the event of dismissal, this monthly compensation is increased to 6/10 of this average for as long as the engineer or «cadre» has not found new employment and up to the end of the non-competitive clause.

The employer can relieve himself from having to pay the above indemnity called for in the event of the termination of an employment contract containing a non-competitive clause by freeing the engineer or «cadre» from the competitive interdiction, on condition that the concerned employee is informed in writing within 8 days following notification of the break in the employment contract. In the event of a termination by mutual agreement (“rupture conventionnelle”) of the open-ended employment contract as set out in Articles L. 1237-11 et seq. of the Labour Code, the employer can only be relieved of its obligation to pay the non-competitive clause compensation, by freeing the engineer or «cadre» from his/her requirement to respect the non-competitive clause, by expressly adding a note to this effect in the termination agreement.

Since the monthly indemnity provided above is in compensation for the non-competitive clause, it will cease to be due in the event of violation on the part of the concerned employee. This will be without prejudice to any claim for damage or interest which can be made.

The provisions contained in Article 28 herein are imperative within the meaning of Articles L. 2252-1, Paragraph 1, and L. 2253-3, Paragraph 2 of the Labour Code.

Article 29 – Severance pay

The engineer or «cadre» who is dismissed for reasons other than gross misconduct shall receive severance pay independent of any notice.

The severance pay is calculated as follows, based on the number of years of service of the person within the company:

- for the years of service between 1 and 7: 1/5 of a month's pay for each year of service;
- for the years of service after 7: 3/5 of a month's pay for each year of service.

For the calculation of the severance pay, the years of service, and where applicable the age of the engineer or «cadre», are estimated as at the end of the notice period, whether served or not. However, the first year of service, giving entitlement to severance pay is calculated, as at the date the letter notifying the dismissal is sent.

For an engineer or «cadre» over 50 and under 55 years of age and with five years of service in the company, the severance pay amount will be increased by 20%, without this amount being less than 3 months' pay.

For an engineer or «cadre» over 55 and under 60 years of age and with two years of service in the company, the severance pay amount shall not be less than 2 months' pay. If the engineer or «cadre» has five years of service in the company, the severance pay amount set out in the second paragraph above will be increased by 30%, without the total severance pay amount being less than 6 months' pay.

The severance pay amount provided for in the preceding paragraphs shall not exceed the equivalent of 18 months' pay.

For an engineer or «cadre» over 60 years of age, the severance pay amount provided for in the preceding paragraphs and limited to the equivalent of 18 months' pay per the preceding paragraph, shall be reduced by:

- 5 %, if the person is aged 61;
- 10 %, if the person is aged 62;
- 20 %, if the person is aged 63;
- 40 %, if the person is aged 64.

The reduction shall not cause the severance pay amount due under the collective agreement to fall below the legal severance pay amount calculated in pursuance of Articles L.1234-9, L. 1234-11, R. 1234-1 and R. 1234-2 of the Labour Code.

The reduction will become inapplicable if it is shown that, on the date of the contract's termination, the person either does not have the years of contribution required, within the scope of Article L. 351-1 of the Social Security Code, to obtain a full retirement pension or cannot cash in one of the complementary pension schemes funded by joint contributions from the person and his/her employer without incurring penalties.

Notwithstanding Article 10, the length of previous contracts with the same company is not taken into account when determining the years of service on which the severance pay calculations are based. However, where applicable, the following are included for the purpose of calculating the years of service:

- Pursuant to Article L. 1243-11 Paragraph 2 of the Labour Code, the length of the fixed-term contract with the same company where the employment relationship continued after expiry of the contract;

- Pursuant to Article L. 1244-2 Paragraph 3 of the Labour Code, the length of successive fixed-term contracts of a seasonal nature with the same company where the employment relationship continued after expiry of the last of these contracts;
- Pursuant to Article L. 1251-38 Paragraph 1, of the Labour Code, the length of temporary staff assignments carried out by the employee within the user company during the three months prior to him/her being hired by that user company;
- Pursuant to Article L. 1251-39 Paragraph 2 of the Labour Code, the length of the temporary staff assignment carried out by the employee within the user company where the latter continued to make the temporary employee work without having signed an employment contract and without any new temporary staff contract.

The severance pay amount calculation is based on the average monthly salary plus contractual bonuses and benefits received by the engineer or «cadre» over the 12 months immediately preceding the notification of dismissal.

However, if at the end of the notice period, whether served or not, the engineer or «cadre» has less than eight years of service within the company, the severance pay amount may be calculated on the last three months if this is more advantageous to the person concerned; in this case, any bonus or benefit which is not paid to the employee every month shall only be taken into account on a monthly pro-rata basis. In the event of the employment contract suspension for any reason during the twelve or three-month period, the sum retained for each of the suspension periods shall be the remuneration that the engineer or «cadre» would have received if he had worked during the period of suspension under consideration, excluding all payments intended to replace any loss of remuneration –such as sickness benefit payments- that the person may have received during the suspension period.

As a rule, severance pay is payable to the employee when leaving the company; however, where the amount is greater than the legal minimum severance pay calculated in pursuance of Articles L. 1234-9, L. 1234-11, R. 1234-1 and R. 1234-2 of the Labour Code and exceeds 3 months' pay, the part in excess of that minimum legal amount may be paid in several installments within a maximum of 3 months as of the employee's departure from the company.

The provisions contained in Article 29 herein are imperative within the meaning of Articles L. 2252-1, Paragraph 1, and L. 2253-3, Paragraph 2 of the Labour Code.

Article 30 – Re-employment

In the event of redundancies, the severance pay provided for in article 29, will be reduced by half for the engineer or «cadre» who is re-employed with the assistance of his employer under the following conditions :

- the re-employment must have been without loss of grade or salary ;
- the employee concerned could refuse this re-employment no later than at the end of a six months probationary period.

In the event of a new dismissal not caused by serious fault, and occurring less than two years after his reemployment, the engineer or «cadre» may reclaim from is previous employer the half of his severance pay withheld in conformity with the preceding paragraph under the following limitation :

A given employee cannot be entitled to an amount which is greater, in total, and including the severance pay due from the second employer, than that to which he would have been entitled if he/she had remained in the employment of his former employer until the date of his/her second dismissal.

Article 30b – Termination by mutual agreement (“rupture conventionnelle”)

In the event of a termination by mutual agreement (“rupture conventionnelle”) of the open-ended employment contract of the engineer or «cadre», as set out in Articles L. 1237-11 et seq. of the Labour Code, the specific severance pay provided for in Article L. 1237-13 Paragraph 1 of the Labour Code is at least equal to the severance pay provided for in Article 29.

Where the open-ended employment contract subject to the termination by mutual agreement contains a non-competitive clause, the employer can only be relieved of its obligation to pay the non-competitive clause compensation, by freeing the engineer or «cadre» from his/her requirement to respect the non-competitive clause, by expressly adding a note to this effect in the termination agreement.

The provisions contained in Article 30b herein are imperative within the meaning to Articles L. 2252-1, Paragraph 1, and L. 2253-3, Paragraph 2 of the Labour Code.

Article 31 – Voluntary Retirement

1. Definition

Voluntary retirement is defined as the act by which the employee unilaterally terminates his/her open-ended employment contract to draw an old-age pension.

Voluntary retirement does not constitute resignation.

2. Notice period

In the event of voluntary retirement, the engineer or «cadre» gives the employer the following notice:

- 1 month for an employee having less than two years of service at the date the departure on retirement is notified;
- 2 months for an employee having at least two years of service at the date the departure on retirement is notified.

3. End-of-career allowance

Voluntary retirement entitles the engineer or «cadre» to an end-of-career allowance that shall not be less than specified in the following scale:

- 0.5 months' pay after 2 years;
- 1 months' pay after 5 years;
- 2 months' pay after 10 years;
- 3 months' pay after 20 years;
- 4 months' pay after 30 years;
- 5 months' pay after 35 years;
- 6 months' pay after 40 years.

The end-of-career allocation is calculated on the basis of the average monthly salary plus contractual bonuses and benefits received by the engineer or «cadre» over his/her last twelve months of presence in the company preceding the notification of voluntary retirement.

The engineer or «cadre» years of service are calculated as at the end of the notice period, whether served or not.

Notwithstanding Article 10, the length of previous contracts with the same company is not included when determining the years of service on which the retirement bonus calculations are based. However, where applicable, the following are included for the purpose of calculating the years of service:

- Pursuant to Article L. 1243-11 Paragraph 2 of the Labour Code, the length of the fixed-term contract with the same company where the employment relationship continued after expiry of the contract;
- Pursuant to Article L. 1244-2 Paragraph 3 of the Labour Code, the length of successive fixed-term contracts of a seasonal nature with the same company where the employment relationship continued after expiry of the last of these contracts;
- Pursuant to Article L. 1251-38 Paragraph 1, of the Labour Code, the length of temporary staff assignments carried out by the employee within the user company during the three months prior to him/her being hired by that user company;
- Pursuant to Article L. 1251-39 Paragraph 2 of the Labour Code, the length of the temporary staff assignment carried out by the employee within the user company where the latter continued to make the temporary employee work without having signed an employment contract and without any new temporary staff contract.

4. Scope of Article 31

The provisions contained in Article 31 herein are imperative within the meaning of Articles L. 2252-1, Paragraph 1, and L. 2253-3, Paragraph 2 of the Labour Code.

Article 32 – Retirement on the employer’s initiative

1. Definition

Retirement on the employer’s initiative is defined as the act by which the employer unilaterally terminates an employee’s open-ended employment contract within the terms and conditions and reservations set out in Article L. 1237-5 of the Labour Code.

Retirement on the employer’s initiative does not constitute dismissal.

2. Notice period

In the event of retirement on the employer’s initiative, the employer gives the employee the following notice:

- 1 month for an employee having less than two years of service at the date the retirement is notified;
- 2 months for an employee having at least two years of service at the date the retirement is notified.

3. Retirement allowance (for retirement on the employer’s initiative)

Retirement on the employer’s initiative entitles the engineer or «cadre» to a retirement allowance.

Pursuant to Article L. 1237-7 of the Labour Code, the retirement allowance is at least equal to the legal minimum severance pay amount calculated in pursuance of Articles L. 1234-9, L. 1234-11, R. 1234-1 and R. 1234-2 of the Labour Code.

In any event, the retirement allowance shall not be less than specified in the following scale:

- 0.5 months’ pay after 2 years;

- 1 months' pay after 5 years;
- 2 months' pay after 10 years;
- 3 months' pay after 20 years;
- 4 months' pay after 30 years;
- 5 months' pay after 35 years;
- 6 months' pay after 40 years.

The retirement allowance is calculated on the basis of the average monthly salary plus contractual bonuses and benefits received by the engineer or «cadre» over his/her last twelve months of presence in the company preceding the notification of retirement by the employer.

The engineer or «cadre» years of service are calculated as at the end of the notice period, whether served or not.

Notwithstanding Article 10, the length of previous contracts with the same company is not included when determining the years of service on which the retirement allowance calculations are based. However, where applicable, the following are included for the purpose of calculating the years of service:

- Pursuant to Article L. 1243-11 Paragraph 2 of the Labour Code, the length of the fixed-term contract with the same company where the employment relationship continued after expiry of the contract;
- Pursuant to Article L. 1244-2 Paragraph 3 of the Labour Code, the length of successive fixed-term contracts of a seasonal nature with the same company where the employment relationship continued after expiry of the last of these contracts;
- Pursuant to Article L. 1251-38 Paragraph 1, of the Labour Code, the length of temporary staff assignments carried out by the employee within the user company during the three months prior to him/her being hired by that user company;
- Pursuant to Article L. 1251-39 Paragraph 2 of the Labour Code, the length of the temporary staff assignment carried out by the employee within the user company where the latter continued to make the temporary employee work without having signed an employment contract and without any new temporary staff contract.

4. Scope of Article 32

The provisions contained in Article 32 herein are imperative within the meaning of Articles L. 2252-Paragraph 1 and L. 2253-3 Paragraph 2 of the Labour Code

VII - APPLICATION

Article 33 – Acquired benefits

The application of this agreement cannot be applied in any case to bring about a reduction in individual benefits already acquired in the establishment before the agreement went into effect.

The provisions of this agreement supersede the relationship arising from individual or collective contracts, except where the clauses of those contracts are more favourable than those of the agreement.

Article 34 – Collective disputes - conciliation

All the collective grievances arising from the application of this agreement which could not be settled on the company level will be submitted by the first mover to the joint conciliation committee created by the following paragraph.

The joint conciliation committee shall consist of one representative of each of the union organizations

of engineers and «cadres» signing this agreement and an equal number of employer representatives designated by the UIMM (French engineering employers federation).

In order to facilitate the holding of meetings, each of the organizations referred to above may designate a number of substitutes equal to the number of its titular committee members.

The UIMM will provide the secretariat of the committee.

Upon the appeal of the first mover, the joint conciliation committee will be required to meet within a period not exceeding 3 full working days from the date of the request. The committee will hear the parties and render a decision within a period not exceeding 5 full days from the date of the first meeting to examine to case.

When the conciliation committee reaches an agreement, a report will be drawn up immediately ; it will be signed by the committee members present as well as by the parties or their representatives, as the case may be.

If the parties do not reach an agreement on the whole or a part of the dispute, a report of non-conciliation will be drafted immediately, setting forth the points on which differences persist. It will be signed by committee members present as well as by the parties who are present or their representatives if any.

If a party which has introduced the request for conciliation fails to appear, this will be considered a renunciation of the request, except in case of force majeure.

In the event of disputes arising from the application of this agreement, the contracting parties commit themselves to neither cause nor provoke a strike or lock-out until the completion of the conciliation period.

Article 35 – Effective date

This national collective agreement annuls and replaces the agreements of November 3, 1969, December 8, 1969, and June 30, 1971.

ANNEX I
SECTORAL FIELD OF APPLICATION OF THE METAL INDUSTRY NATIONAL
COLLECTIVE AGREEMENT COVERING ENGINEERS AND PROFESSIONAL AND
MANAGERIAL STAFF («CADRES»)

Given that the nomenclature of economic activities put in place by the decree of 9 April 1959 has been replaced by an activity nomenclature put in place by the decree No. 73-1306 dated 9 November 1973, the following has been agreed.

Article 1 - Application area

The application area stipulated below is defined according to the activity nomenclature put in place by decree No. 73-1306 dated 9 November 1973. It refers to this nomenclature's "classes", identified by their 2 digits and by their designation in accordance with the said nomenclature; within a class, the reference to a "group" of activities is identified by that group's 4 digits ("A.P.E." - main activity - code) and by its designation in accordance with the above-mentioned nomenclature.

Classes 10, 11, 13, 20 to 34 are included in the present application area except concerning the activities that belong to certain groups and for which an express exemption is provided.

The activities that belong to certain groups and that are included in this application area are listed in the other classes.

The employers whose main activity leads to them being classified in one section (class or group) listed below enter into the application area, subject to the particular provisions relative to the section.

The "A.P.E." (main activity) code assigned by the I.N.S.E.E. to the employer, which the latter is obliged to include in the pay slip by virtue of article R. 143-2 of Labour Law, represents a presumption of classification. Subsequently, it is up to the employer to prove that it does not enter into this application area because of the main activity it exercises, which represents the classification criterion.

10 – IRON AND STEEL INDUSTRY

10.01 – Iron and steel industry

All the activities classified in this group are concerned.

11 - FIRST PROCESSING OF METAL

11.01 – Wiredrawing of steel and production of steel wire derivatives

All the activities classified in this group are concerned. However, the following are subject to the assignment clause given at the end of this application area, in paragraph I: companies providing metallic supplies and reinforcements prepared for reinforced concrete.

11.02 – Cold rolling of narrow strip

All the activities classified in this group are concerned.

11.03 – Drawing and forming of steel solid products

All the activities classified in this group are concerned.

11.04 – Forming of steel flat products

All the activities classified in this group are concerned.

11.05 – Manufacture of steel tubes

All the activities classified in this group are concerned.

13 – METALLURGY AND FIRST PROCESSING OF NON-FERROUS METALS

13.01 –Aluminium production and other light metals

All the activities classified in this group are concerned, except for the production of aluminium and alumina, the production of magnesium and other light metals by electrometallurgy, or combined electrometallurgy and electrochemistry.

13.02 – Lead, zinc and cadmium

All the activities classified in this group are concerned.

13.03 – Precious metals

All the activities classified in this group are concerned.

13.04 - Ferro-alloys

All the activities classified in this group are concerned, except for the production of ferro-alloys in an electric furnace or by thermal welding, or combined electrometallurgy and electrochemistry.

13.05 - Other non-ferrous metals production

All the activities classified in this group are concerned.

13.10 - Manufacture of semi-finished products made of aluminium and other light metals

All the activities classified in this group are concerned.

13.11 - Manufacture of semi-finished products made of lead, zinc and cadmium

All the activities classified in this group are concerned.

13.12 - Manufacture of semi-finished products made of copper

All the activities classified in this group are concerned.

13.13 - Manufacture of semi-finished products made of precious metals

All the activities classified in this group are concerned, including the casting of precious metals.

13.14 - Manufacture of other non-ferrous semi-finished products

All the activities classified in this group are concerned.

13.15 - Production and transformation of fissile materials

All the activities classified in this group are concerned.

13.16 - Production and transformation of fertile materials

All the activities classified in this group are concerned.

20 - CASTING

20.01 – Casting of ferrous metals

All the activities classified in this group are concerned.

20.02 - Casting of non-ferrous metals

All the activities classified in this group are concerned.

21 – MANUFACTURE OF METAL PRODUCTS

21.01 - Forging, pressing, stamping All the activities classified in this group are concerned, except for engravers-stampers essentially working in the goldsmith and jewellery sectors.

21.02 – Cutting out, pressing All the activities classified in this group are concerned, except for engravers-stampers essentially working in the goldsmith and jewellery sectors.

21.03 - Treatment and coating of metals

All the activities classified in this group are concerned.

21.04 - Cutting off

All the activities classified in this group are concerned.

21.05 – Manufacture of fasteners and crew machine products

All the activities classified in this group are concerned.

21.06 – Manufacture of metal products

The activities classified in this group are subject to the assignment clause given at the end of this application area, in paragraph I.

21.07 – Building metal joinery

All the activities classified in this group are concerned. However, it is expressly agreed between the signatory organisations that the extension of a collective agreement will not be requested for the activities classified in this group.

21.08 –mechanical engineering, manufacturing of moulds and models

All the activities classified in this group are concerned, except for rural craft mechanics and the repair of the mechanical part of automobiles; however, the following are included in this application area: re-boring, re-lining cylinders, crankshaft grinding.

21.09 – Manufacture of hand-tools, portable power tools and farm tools

All the activities classified in this group are concerned.

21.10 - Manufacture of springs

All the activities classified in this group are concerned.

21.11 - Manufacture of hardware

All the activities classified in this group are concerned, except for the manufacture of chains and small chains, wale-chain, chain-mail purses, chain bracelets, by companies essentially manufacturing products for the jewellery and costume jewellery sectors.

21.12 – Tinplate making, manufacture of household fabricated metal articles, and cutlery

All the activities classified in this group are concerned.

21.13 - Manufacture of metal furniture

All the activities classified in this group are concerned.

21.14 - Manufacture of steel drums and similar containers, metal cans and packages, manufacture of metal packaging

All the activities classified in this group are concerned.

21.15 - Manufacture of small fabricated metal articles

All the activities classified in this group are concerned, except for manufacturers of handbag fasteners essentially manufacturing articles intended for the goldsmith and jewellery sectors.

21.16 – Sintering of metals, manufacture of permanent magnets

All the activities classified in this group are concerned.

21.17 – Manufacture of hunting, target-shooting and defence weapons

All the activities classified in this group are concerned.

22 - PRODUCTION OF AGRICULTURAL MACHINERY

22.01 - Manufacture of agricultural tractors

All the activities classified in this group are concerned.

22.02 – Manufacture of other agricultural machinery

All the activities classified in this group are concerned, except for rural craft mechanics.

23 - MANUFACTURE OF MACHINE TOOLS

23.01 - Manufacture of machine tools for metals

All the activities classified in this group are concerned.

23.02 - Manufacture of woodworking machines

All the activities classified in this group are concerned.

23.03 – Manufacture of tooling, tools for machines

All the activities classified in this group are concerned.

23.04 – Manufacture of gears and transmission components

All the activities classified in this group are concerned.

23.05 - Manufacture of welding equipment

All the activities classified in this group are concerned.

24 - PRODUCTION OF INDUSTRIAL EQUIPMENT

24.01 – Tap equipment

All the activities classified in this group are concerned.

24.02 – Manufacture and installation of ovens

All the activities classified in this group are concerned.

24.03 - Manufacture and installation of non-domestic cooling, thermal and ventilation equipment

All the activities classified in this group are concerned. However, companies that manufacture and install apparatuses for heating, ventilation, air conditioning, are subject to the assignment clause given in paragraph I at the end of this application area. This application area does not concern companies that install so-called infrared radiation heating apparatuses. Lastly, companies installing non-domestic cooling equipment are only concerned if, concerning companies for which manufacturing represents the main activity, they already applied as of 21 June 1972, the national agreements in force in the metal working industries.

24.04 - Manufacture of internal combustion engines other than for the automobile and aeronautical sectors

All the activities classified in this group are concerned.

24.05 - Manufacture of hydraulic and pneumatic transmission systems

All the activities classified in this group are concerned.

24.06 - Manufacture of pumps and compressors

All the activities classified in this group are concerned.

24.07 - Manufacture of thermal and hydraulic turbines and dam equipment

All the activities classified in this group are concerned.

24.08 - Boilermaking

All the activities classified in this group are concerned.

24.09 - Manufacture of machines for the food, chemicals and plastics industries and shoe-making machines

All the activities classified in this group are concerned.

24.10 - Manufacture of machines for the textile industries and of industrial sewing machines

All the activities classified in this group are concerned.

24.11 - Manufacture of machines for the paper, paperboard production and graphic arts industries

All the activities classified in this group are concerned.

25 - MANUFACTURE OF HANDLING EQUIPMENT, EQUIPMENT FOR MINES, IRON AND STEEL INDUSTRIES, CIVIL ENGINEERING

25.01 - Manufacture of civil engineering equipment

All the activities classified in this group are concerned.

25.02 - Manufacture of equipment for iron and steel industries, for casting of metals, for the preparation of materials, trackside railway equipment

All the activities classified in this group are concerned.

25.03 - Manufacture of handling and lifting equipment

All the activities classified in this group are concerned.

25.04 - Manufacture of mine and drilling equipment

All the activities classified in this group are concerned.

26 - ARMAMENT INDUSTRY

26.01 - Manufacture of armoured vehicles

All the activities classified in this group are concerned, except for state-sector establishments.

26.02 - Manufacture of weapons and munitions

All the activities classified in this group are concerned, except for state-sector establishments.

27 - MANUFACTURE OF OFFICE MACHINES AND INFORMATION PROCESSING HARDWARE

27.01 - Manufacture of information processing hardware

All the activities classified in this group are concerned.

27.02 - Manufacture of office machines

All the activities classified in this group are concerned.

28 - MANUFACTURE OF ELECTRICAL EQUIPMENT

28.10 - Manufacture of low-voltage distribution, control equipment; power electronics applications

All the activities classified in this group are concerned.

28.11 - Manufacture of high-power or high-voltage electrical equipment

All the activities classified in this group are concerned.

28.12 - Manufacture of industrial low-voltage, relay, indicating equipment

All the activities classified in this group are concerned.

28.13 - Manufacture of rotary machines and low and medium power electrical transformers

All the activities classified in this group are concerned.

28.14 - Manufacture of insulators and insulating parts

All the activities classified in this group are concerned, except for the manufacture of insulators and insulating parts made of glass.

28.15 - Manufacture of industrial process automation equipment

All the activities classified in this group are concerned.

28.16 – Repair of large electrical equipment

All the activities classified in this group are concerned.

28.17 - Manufacture of lighting equipment

All the activities classified in this group are concerned.

28.18 - Manufacture of insulated wires and cables for electrical use

All the activities classified in this group are concerned.

28.19 – Manufacture and installation of lifts, goods lifts and mechanical stairs

All the activities classified in this group are concerned.

28.21 - Manufacture of installation electrical apparatus

All the activities classified in this group are concerned.

28.22 - Manufacture of electrical batteries and low voltage lighting apparatus

All the activities classified in this group are concerned.

28.23 - Manufacture of accumulators

All the activities classified in this group are concerned.

28.24 - Manufacture of electric lamps

All the activities classified in this group are concerned, except for companies installing tube lights.

29 - MANUFACTURE OF HOUSEHOLD AND PROFESSIONAL ELECTRONIC EQUIPMENT

29.11 - Manufacture of telegraphic and telephony equipment

All the activities classified in this group are concerned.

29.12 - Manufacture of radiology and medical electronic apparatus

All the activities classified in this group are concerned.

29.13 - Manufacture of control and regulation apparatus specifically designed for industrial automation, electrical and electronic measuring instruments and apparatus

All the activities classified in this group are concerned.

29.14 - Manufacture of professional electronic and radio-electrical equipment

All the activities classified in this group are concerned.

29.15 - Manufacture of passive components and fixed capacitors

All the activities classified in this group are concerned.

29.16 - Manufacture of electronic tubes and semi-conductors

All the activities classified in this group are concerned.

29.21 - Manufacture of radioreceiver and television equipment

All the activities classified in this group are concerned.

29.22 - Manufacture of sound and image recording and reproduction equipment and of recording media

All the activities classified in this group are concerned, except for the manufacture of recording media that are not made of metal.

30 - MANUFACTURE OF HOUSEHOLD APPLIANCES

30.01 - Manufacture of domestic refrigeration appliances, washing machines and dishwashers

All the activities classified in this group are concerned.

30.02 - Manufacture of non-electrical household cooking, water-heating and air-heating appliances

All the activities classified in this group are concerned.

30.03 - Manufacture of other household equipment appliances

All the activities classified in this group are concerned.

31 - CONSTRUCTION OF MOTOR VEHICLES³ AND OTHER TRANSPORT EQUIPMENT

31.11 – Manufacture of private cars

All the activities classified in this group are concerned.

31.12 - Manufacture of tourist caravans and trailers

³ Excluding the repair of motor vehicles which is part of class 65

All the activities classified in this group are concerned.

31.13 - Manufacture of parts and equipment for motor vehicles

All the activities classified in this group are concerned, except for the manufacturing associated with the repair of woodwork, sheet metal, upholstery, specialist car painting, covered by the automobile repair collective bargaining agreement.

31.14 - Manufacture of utility vehicles

All the activities classified in this group are concerned.

31.15 - Manufacture of bodywork, skips, trailers, other than for tourist purposes

All the activities classified in this group are concerned, except for the manufacturing associated with the repair of woodwork, sheet metal, upholstery, specialist car painting, covered by the automobile repair collective bargaining agreement.

31.16 - Manufacture of motorcycles and bicycles

All the activities classified in this group are concerned.

31.17 - Manufacture of parts and equipment for bicycles and motorcycles

All the activities classified in this group are concerned.

31.21 - Manufacture and repair of railway rolling stock and other guided transport equipment

All the activities classified in this group are concerned.

32 - SHIPBUILDING

32.01 - Building of warships

All the activities classified in this group are concerned, except for the French Navy arsenals.

32.02 - Building of merchant navy ships All the activities classified in this group are concerned, excluding the construction of seagoing ships made of wood.

32.03 - Building of other ships

All the activities classified in this group are concerned, excluding the construction of boats made of wood.

32.04 - Manufacture and installation of specific on-board equipment

All the activities classified in this group are concerned, excluding naval architects' offices and sail makers.

32.05 - Ship repair

All the activities classified in this group are concerned, excluding companies repairing ships made of wood.

33 - CONSTRUCTION OF AIRCRAFT

33.01 - Construction of airframes

All the activities classified in this group are concerned.

33.02 - Manufacture of aircraft powerplant and powerplant equipment

All the activities classified in this group are concerned.

33.03 - Manufacture of specific equipment for aircraft

All the activities classified in this group are concerned.

33.04 - Constructors of missiles and space launchers

All the activities classified in this group are concerned.

34 - MANUFACTURE OF PRECISION INSTRUMENTS AND EQUIPMENT

34.01 - Clockmaking

All the activities classified in this group are concerned.

34.02 - Manufacture of weighing apparatus and meters, metrology instruments

All the activities classified in this group are concerned.

34.03 - Manufacture of spectacles for correcting and protecting sight

All the activities classified in this group are concerned.

34.04 - Manufacture of precision optical instruments

All the activities classified in this group are concerned.

34.05 - Manufacture of photographic and cinematographic equipment

All the activities classified in this group are concerned.

34.06 - Manufacture of medical equipment and prostheses All the activities classified in this group are concerned, excluding dental prostheses workshops, dental technicians, manufacture of metal-free dental prostheses, and manufacturing not involving metals.

34.07 - Manufacture of bearings
All the activities classified in this group are concerned.

MISCELLANEOUS ACTIVITIES IN OTHER CLASSES

51.11 – Printing-related industries

Metal engraving, engraving with tools and chemical etching are included in this group.

54.02 - Manufacture of sports and camping articles

The manufacture of articles made of metal is included in this group.

54.03 – Building of leisure boats

The manufacture of boats, equipment and trailers made of metal is included in this group.

54.05 - Manufacture of musical instruments The manufacture and repair of wind instruments and of metallic drum or percussion instruments are included in this group.

54.06 - Manufacture of office articles and of fancy goods The manufacture of articles made of metal, in particular the manufacture of lighters and gas-lighters is included in this group. However, it is expressly agreed between the signatory organisations that concerning the manufacture of lighters and gas lighters, the extension of a collective bargaining agreement will be requested for the following *départements* only: Ain, Ardennes, Doubs, Ille-et-Vilaine, Isère, Marne, Rhône, Haute-Savoie.

54.07 - Manufacture of bronze and forged iron furniture accessories, statuettes and funeral articles

The manufacture of products made of metal, except precious metals, is included in this group.

54.10 - Manufacture of miscellaneous articles not covered elsewhere The manufacture of products made of metal, excluding *objets d'art* and collectors' items, is included in this group.

55.31 – Industrial installations, hoisting-lifting In this group, the metallic construction for building, public works and civil engineering (manufacture and associated installation) is subject to the assignment clause included in this application area, in paragraph I.

55.40 – Electrical installation Only companies carrying out electrical installation work in industrial, radio-electrical research and electronic establishments are included in this group. However, it is expressly agreed between the signatory organisations that the extension of a collective bargaining agreement will not be requested for the above-mentioned activities.

55.71 - Joinery - Locksmithery The following are subject to the assignment clause given at the end of this application area, in paragraph I: small iron roof framework (manufacture and associated installation), ironwork for buildings (manufacture and associated installation), companies providing metallic supplies and structures prepared for reinforced concrete. The manufacture and associated installation of metal joinery and closings are included; however, it is expressly agreed between the signatory organisations that the extension of a collective bargaining agreement will not be requested for the manufacture and associated installation for joinery and metal closings.

55.73 - Fittings, finishings In this group, the manufacture and installation of metal-based shop premises are subject to the assignment clause included in this application area, in paragraph I. However, the following are included in this application area: manufacture of lightning conductors, manufacture and installation of laboratory equipment.

59.05 – Metal trading The establishments that are members of the employers' trade association, signatories to the regional collective bargaining agreement of the metalworking industries, excluding import-export traders, are included in this group and, subsequently, when this collective bargaining agreement will be extended, the establishments that are not members exercising the same main activity in the regional application area of the said collective bargaining agreement will be included.

65.06 – Repair of motor vehicles

Cylinder re-boring and re-lining, grinding of crankshafts are included in this group.

66.02 – Repair of household electrical appliances

Repairs that are not dependent on a point of sale are included in this group.

66.03 – Repair of jewellery watches and clocks

Repairs that are not dependent on a point of sale are included in this group.

66.04 – Non-designated and non-specialist repairs

The repair of office machines, when they do not depend on a point of sale, is included in this group.

76.00 - Holdings Companies that have a shareholding, for a value amounting to more than half of their

portfolio, in companies included in this application area are included in this group: this amount and this value are those that are given in the "fixed assets" item of the annual accounts for the last financial year.

- 77.01 – Technical design activities** In this group, the technical design and manufacturing companies – excluding design consultants, design offices and engineering consultancies and consulting firms – are subject to the assignment clause inserted at the end of this application area in paragraph II which, if this latter manufacturing activity is their main activity, would be part of one of the groups included in this application area and belong to classes 10, 11, 13, 20 to 34 (subject to the assignment clause stipulated, where applicable, for the group concerning the manufacturing activity and also inserted at the end of the application area in paragraph I).
- 77.03 – Information Technology design activities** In this group, the design and manufacturing companies – excluding design consultants, engineering offices or consultancies and consulting firms – are subject to the assignment clause inserted at the end of this application area in paragraph II which, if this latter manufacturing activity is their main activity, would belong to class 27.
- 83.01 – Scientific and technical research (market services)** In this group, research companies working in the area of electrical or radio-electrical and electronic construction and, more generally speaking, technical research and manufacturing companies which, if this latter manufacturing activity is their main activity, would be part of one of the groups included in this application area and belong to classes 10, 11, 13, 20 to 34 (subject to the assignment clause stipulated, where applicable, for the group concerning the manufacturing activity and also inserted at the end of the application area in paragraph II).

§ I – Assignment clause

The economic activities for which this assignment clause has been provided shall be subject to the following rules:

- 1) The texts addressed by this agreement shall be applied when the personnel contributing to the manufacture – including the design office, personnel, technicians, supervisors, etc. (the administrative personnel and the personnel whose activity is poorly delimited remain outside the scope of the calculation) – represent at least 80 % of the company's activity characterised by the respective workforces.
- 2) When between 20 and 80 % of the personnel contribute to manufacturing as defined above, the companies may choose between the application of the stipulated agreements and the application of the collective bargaining agreement corresponding to their other activities, after agreement has been reached with the representatives of the organisations that have signed this agreement or, by default, with the staff representatives. This choice shall be made known to the personnel within a period of 3 months either from publication of the order extending this agreement or, for companies created at a later time, from the date of their creation.
- 3) When the personnel contributing to manufacturing as defined above represent less than 20 %, this agreement does not apply.
- 4) However, companies covered by paragraphs 1 and 3 above may continue to apply the collective agreement (metals or construction) that they applied on the date of this collective agreement.

§ II – Distribution clause

The technical design (77.01) and IT design (77.03) activities for which this distribution clause is intended, shall be subject to the following rules:

1. The texts concerned by this agreement shall be applied when the personnel contributing to manufacturing – including the administrative personnel, technicians and supervisors – represent at least 80 % of the total workforce.
2. When between 20 and 80 % of the personnel contribute to manufacturing as defined above, the companies may choose between the application of the texts concerned and the application of the

collective agreement corresponding to their other activities, after agreement has been reached with the representatives of the organisations that have signed this agreement or, by default, with the staff representatives.

This choice shall be made known to the personnel within a period of 3 months either from publication of the order extending this agreement or, for companies created at a later time, from the date of their creation.

3. When the personnel contributing to manufacturing as defined above represent less than 20 %, this agreement does not apply.
4. However, companies covered by paragraphs 1 and 3 above may continue to apply the collective agreement that they applied on the date of this collective agreement.

Article 2. - Substitution of application areas

The application area defined in article 1 replaces the area put in place by the national collective agreement dated 11 December 1972 (modified by the agreement dated 21 March 1973) and by its amendment dated 11 December 1972, the provisions of these latter being cancelled as of this day.

Article 3. – Term and revision

This annex is subject to the provisions of article 2 of the national collective bargaining agreement for engineers and "cadres" in the metal industries, as far as the term, termination and revision are concerned.

Article 4. -Adhesion

This annex does not in itself have the effect of preventing an employer that is not covered from adhering to the national collective bargaining agreement for engineers and "cadres" in the metal industries, in accordance with the provisions of law governing the application of collective agreements.

ANNEX II ASSIGNMENT ABROAD

In the event an engineer or «cadre» is assigned, for a period expected to last more than three months, to a permanent establishment located outside the metropolitan territory, the following provisions will be observed.

1) Assignment to an establishment outside the metropolitan territory

The details of an assignment to an establishment outside the homeland should be set forth in writing before the departure of the engineer or «cadre» and should cover the following points :

- the job to be performed ;
- the place, the places, or the regional area where the job will be performed in the country in question ;
- the foreseeable duration of the assignment, if it is possible to envisage an approximate duration ;
- the amount of the salary ;
- conditions of work, rest, and paid vacations ;
- conditions regarding travel, lodging, possible accommodation of family, and in the latter event, the schooling opportunities for children ;
- social guarantees applicable under the legal provisions governing either the "secondment" status or expatriates' status, as well as personal insurance and civil responsibilities ;
- individual benefits, which cannot be, on the whole, less favourable than those provided for by this collective agreement, except in the case of regulations regarding public order under local law ;
- conditions of termination and repatriation.

When the employment contract of an engineer or «cadre» does not provide for the possibility of his transfer to an establishment permanently situated outside the metropolitan territory, such assignment is subject to his advance agreement in writing on the items listed above.

The provisions determined upon cannot be in violation of the rules under current labour law in the country where the engineer or «cadre» is sent and which, in that country, are considered as public order.

When the assignment of an engineer or «cadre» to an establishment permanently situated outside of the metropolitan territory shall have been provided for in the employment contract, this transfer will be implemented under the following procedures :

- the concerned employee must be notified at least four months in advance, except if it involves a temporary assignment of not more than three months ;
- if it involves an assignment lasting more than one year, it can only take place with the agreement of the concerned employee if the latter shall have been assigned to the same establishment in the metropolitan territory for at least ten years.

2) Formalities before departure abroad

The steps necessary for the accomplishment of administrative formalities necessitated by a transfer abroad will be carried out with the aid of the employer and during working hours.

The health examination of the engineer or «cadre» (in order to check his aptitude) as well as the necessary vaccinations will be accomplished under the same conditions.

The costs arising from these different formalities will be borne by the employer.

Before the engineer or «cadre» departs from the country, the employer must make available to him detailed information which he possesses on the country of destination and its laws or customs which will affect the concerned employee during the course of his assignment.

3) Moving and settlement costs abroad

Legitimate moving costs as well as the travel costs of the employee and his family (spouse and

dependants) to the place of the new assignment will be paid by the employer after an agreement between the latter and the concerned employee.

This agreement will also stipulate the share of the employer in the necessary relocation costs as well as the practical conditions of the transfer, which will be settled as amicably as possible.

4) Aid and support

During the period of the sojourn, the enterprise will, in contact with consular officials, provide aid and protection to the employee, and to his family if they accompany him, especially in the event of major unforeseen health problems or other serious difficulties occurring between the political or administrative authorities of the host country and the engineer or «cadre».

5) Elections

In order to permit the employee assigned abroad, as well as family members living with him there, to vote by proxy or by mail in French elections for which such voting is authorized, the employer must furnish in due time the regular certificates, attested if necessary by competent authorities, in justification of their situation.

6) Death

In the event of the death of an engineer or «cadre» assigned abroad, the costs of returning the body to the normal residence will be borne by the employer.

Payments made by social security and supplementary insurance schemes will be deducted from this amount. The employer will also bear the costs either of a round trip journey by the spouse or closest family member of the concerned employee, or the costs of repatriation of the members of his family.

In the event of death of a spouse or dependent child who accompanied or rejoined the employee at the place of his assignment in agreement with and at the cost of the employer, the cost of returning the body to the place of normal residence will be borne by the employer. Payments made by social security and supplementary insurance schemes in which the employer participates will be deducted.

7) Termination of the employment

In the event the employment contract is terminated during the sojourn abroad and if the contract does not specify the means of calculating the indemnities due to the engineer or «cadre» on this occasion, such calculations shall be made on the amount of the actual remuneration which would have been received by the employee if he had remained at home to fulfill an equivalent position.

The benefits of every nature to which, in the event of termination of employment, the engineer or «cadre» can be entitled under the rules in effect at the posting location are to be added to those to which he could be entitled under article 27 and subsequent articles of the national collective agreement for engineers and «cadres» in metal industries.

8) Repatriation

The conditions under which the engineer or «cadre» will be repatriated must be specified in writing before his departure from the home country. If this is not done, then the conditions of returning home shall be those previously applied at the time of his departure. The same shall apply in the event of dismissal on condition that the return takes place within a matter of weeks following the effective date of the dismissal.

9) Reinstatement in the home enterprise

The enterprise must, in its expatriation policy for engineers or «cadres», take into account the opportunity of later reinstatement of the concerned employees in one of the home establishments in order to

be able, on their return home, to assign them to positions as similar as possible in importance to the positions they held prior to their repatriation.

Time spent on an assignment abroad under the conditions set forth by the provisions above will be counted in the determination of the ranking index, minimum salary, and seniority.

The enterprise will make available to the engineer upon his return home continued occupational training (refresher courses) which could be useful either because of his prolonged absence or because of technological evolution. This will be done to an extent in accord with contractual and legal provisions.