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March 20, 2019

Delivered Via Email and/or Courier

**Mr. Tim Pitts
Local 636, unit 40
International Brotherhood of Electrical Workers
7170 West Credit Ave. unit 2B
Mississauga ON L5N 6C6**

Dear Tim

Re: Merger/Amalgamation of Veridian and Whitby Hydro Effective April 1, 2019.

This letter is being sent to formally confirm that, effective April 1, 2019, the merger/amalgamation between Veridian and Whitby Hydro will take place as planned. This corporate merger/amalgamation includes the following:

1. The holding company, Elexicon Corporation, will be created out of the merger/amalgamation of Veridian Corporation and Whitby Hydro Energy Corporation;
2. Elexicon Energy Inc. (a subsidiary of Elexicon Corporation) will be created out of the merger/amalgamation of Veridian Connections Inc. and Whitby Hydro Electric Corporation; and
3. Elexicon Group Inc. (another subsidiary of Elexicon Corporation) will be created out of the merger/amalgamation of Veridian Energy Inc. and Whitby Hydro Energy Services Corporation.

The power to make your community better.

Veridian Connections is a wholly owned subsidiary of Veridian Corporation





As a result of this merger/amalgamation, effective April 1, 2019, the employment of all Veridian unionized employees will be transferred to and will continue with Elexicon Energy Inc. (“Elexicon Energy”), the new local electricity distribution company.

Elexicon Energy hereby acknowledges and confirms that it will be a successor employer pursuant to applicable provisions of the *Labour Relations Act, 1995*. Accordingly, Elexicon Energy also undertakes and confirms that it will continue to adhere to the Veridian/IBEW Collective Agreement in respect of all bargaining unit employees formerly employed by the Veridian group of companies, unless and until the OLRB declares otherwise. Nothing in this undertaking limits the inherent rights and powers that Elexicon Energy will possess as a successor employer under the Veridian/IBEW Local 636 Collective Agreement or pursuant to the *Labour Relations Act, 1995*.

In addition, this letter confirms that, effective April 1, 2019, the employment of all Whitby Hydro unionized employees will also be transferred to and will continue with Elexicon Energy. Accordingly, Elexicon Energy will also be a successor employer pursuant to the *Labour Relations Act, 1995* in respect of the two Whitby Hydro/PWU Collective Agreements (both of which have a term of July 1, 2015 to June 30, 2019).

Finally, we wish to reconfirm that Elexicon Energy plans to commence a process of intermingling employees from among all three bargaining units following this April 1, 2019 merger/amalgamation. As a result, at some point subsequent to this upcoming merger/amalgamation, we anticipate that OLRB proceedings will ensue in order to clarify and





resolve the conflicting representation rights and appropriate bargaining unit description(s) that will apply to the new corporate employer, Elexicon Energy.

Thank you in advance for your continued assistance and cooperation as we face the exciting challenges ahead and work to create a new Company that will be seen by our employees as a safe and great place to work, and recognized by our customers as a reliable and dependable supplier of power.

Should you have any questions regarding this matter, please contact Fred Damiani, Manager Human Resources.

Yours truly,

Rob Scarffe
Interim President & CEO
Veridian Corporation

cc. Tom Chessell, PWU Business Agent

