



20th February 2014

Vlad Stanculescu

Fitzroy North, VIC 3068

Re: Offer of Employment

Dear Vlad,

Following our recent discussions we are pleased to confirm the offer of employment with Downer EDI Works Pty Ltd – ABN 66 008 709 608 (known as Downer Infrastructure). The terms and conditions attached to the offer of employment are explained in this letter.

To indicate your acceptance of our offer, please sign the letter in the appropriate space and email a completed copy, along with your signed position description and any other remaining payroll paperwork, to resourceteam@downergroup.com. Please ensure that your signed contract is returned prior to your commencement date or this will result in your payment being delayed.

1 Your Position: Your position at the start of your employment will be Senior Project Engineer. Your Position Description is attached.

Currently the position reports to the Project Director, David Burkitt.

You will be accountable to Business Unit 108 – Works – Signalling Support.

This is a full time ongoing position.

The duties expected of your position are contained in the attached position description. These duties can be changed by Downer Infrastructure to suit the needs of its business; however, any changes will be discussed with you beforehand.

In addition, you can be asked to perform any work which you are competent to do. You can also be required to perform work for other companies within the Downer EDI Group for which you have the relevant skills and experience.

2 Your Start Date: The terms and conditions of employment contained in this letter will commence on 7th April 2014 and will continue until terminated in accordance with the terms of this contract.

Downer EDI Works Pty Ltd
ABN 66 008 709 608

A 2,650 Lorimer St, Port Melbourne VIC 3207
P PO Box 1200, Port Melbourne VIC 3207
T +61 3 8645 0800 | **F** +61 3 8645 0840 | **W** downergroup.com

3a Your Remuneration:

Downer Infrastructure uses a Total Employment Cost (TEC) approach to valuing your remuneration. This total cost is made up of various components that can, in some cases be customised to suit your particular needs. All changes to the various components can only be made as allowed by Downer Infrastructure's remuneration rules applying at any given time.

Your annual TEC is: \$152,950.00

Your TEC consists of:

Annual Salary: \$140,000.00

Superannuation: \$12,950.00

Vehicle: Tool of Trade

You will be paid in equal monthly instalments on or about the 15th of each month into an Australian financial institution account that you nominate. The pay day can be changed by Downer Infrastructure after it has given you reasonable notice of the change.

Additional Remuneration for Weekend Work:

On occasions you may be required to work in addition to your usual hours. You will receive payment for working weekends or public holidays, subject to request and approval from your manager.

Payment will be made at a rate of \$600.00 per shift for weekend work based on a 10 hour day. Any hours worked less than this will be paid on a pro rata basis of this amount.

3b Your Salary:

Your salary will be reviewed by Downer Infrastructure in 2014 and then at least once a year after that. Downer Infrastructure performs your salary review in line with its remuneration practices at the time. Any decision to increase your salary will take into account your performance, the performance of Downer Infrastructure and the prevailing economic climate at the time.

3c Your Superannuation:

These contributions will be calculated at the minimum

rate/percentage as prescribed by current legislation (the Superannuation Guarantee or SG contribution rate).

You may use your discretion to vary the default superannuation amount by completing the Superannuation Form that will be provided to you upon commencement and your base hourly rate will be adjusted to reflect any change.

Varying your pre-tax superannuation contributions is a matter of individual choice about which Downer makes no recommendation and gives no warranty. It is recommended that you seek financial advice as to your own circumstances and the appropriate level of additional pre-tax contributions you may choose to make, if any.

You are eligible to choose your own superannuation fund. This means that you will be able to choose any complying superannuation fund or retirement savings account for your superannuation contributions.

If you want Downer to make contributions to a complying superannuation fund of your choice, you should complete a Standard Choice Form which will be provided. If you do not choose a fund, Downer will make contributions to a fund chosen by the Company as the default fund. However, should you wish to make a choice at some future date, you will be able to do so.

3d Your Vehicle:

You may choose to be provided with a Tool of Trade Vehicle if it is applicable to your role and the vehicle is primarily used for business purposes as described in the DAUS-PR-PO Downer Australia Tool of Trade and Light Vehicle Selection and Deployment Policy. Please note that commuting between home and your usual work location does not count as business use.

Expectations regarding vehicle use for business purposes use are outlined in the above policy in sections 12 to 16 inclusive and the DA-HR-ST00.xxx Vehicle Conditions of Use as varied from time to time at the discretion of Downer.

A tool of trade vehicle does not form part of your TEC.

The details regarding your Tool of Trade are valid at the date of issue and are subject to review in line with both role and Downer policy changes.

Your remuneration has been set to compensate you for your hours of work, working conditions, travel requirements, skills and qualifications, and any and all amounts to which you are entitled under an award or workplace agreement.

- 4 Reimbursement to Downer Infrastructure:** If Downer Infrastructure over pays you it can recover the full amount of the overpayment from your normal pays. Downer Infrastructure will discuss with you an appropriate repayment plan. If an agreed repayment plan can't be developed, Downer Infrastructure can deduct an amount equal to the overpayment from a reasonable number of your normal pays.

Downer Infrastructure can recover from your normal pays the cost of repairs or replacement of Downer Infrastructure property, including but not limited to buildings, tools, equipment and vehicles that is reasonably considered the result of your negligence or deliberate actions or inaction. Downer Infrastructure will discuss with you an appropriate repayment plan. If an agreed repayment plan cannot be developed, Downer Infrastructure can deduct an amount equal to the cost of repair or replacement from a reasonable number of your normal pays.

- 5 Where We Work:** Your work location is currently at our operations at Gosford Passing Loop, NSW. However this location can change temporarily or permanently. Downer Infrastructure will discuss with you beforehand any change in work location. In addition you can be required to travel and stay away from your normal work location and home to perform your work.

- 6 When We Work:** Your ordinary hours of work are based on 38 per week. Downer Infrastructure has normal business hours suited to the needs of the different parts of its business. You agree to work the normal hours of work at your location and any further reasonable additional hours that are required for you to perform the duties of your position. Your remuneration has been set to recognise your hours of work necessary to achieve the objectives of your role and is full compensation for the time that you work.

- 7 Induction:** You are required to participate in a formal induction program. As part of this program, you will be provided with information relative to your role requirements including health and safety requirements. The induction must be completed within three

months of your commencement.

- 8 Zero Harm:** Downer Infrastructure promotes a Zero Harm culture in the workplace. You must exercise reasonable care and diligence in the performance of your duties and comply with all reasonable instructions and procedures to protect the environment, your own health and safety and the health and safety of others. You must report work related environmental incidents and work related injuries or illnesses which will affect your capacity to work as soon as is practicable.
- 9 Probationary & Qualifying Periods:** Your employment will be subject to a three month probation period. At any time during the probation period, your employment may be terminated by either you or the Company on one week's notice or by the Company making a payment of one week's pay in lieu or part thereof. A formal review will be conducted before the end of your probationary period and your Manager will advise you whether you will be offered permanent employment.
- 10 Our Contract Of Employment:** This letter is your contract of employment with Downer Infrastructure. Our contract can be changed by Downer Infrastructure and you, with agreed changes to the contract put in writing.

Downer Infrastructure also has a range of rules about how it works and how it expects you and all employees to perform their work and behave at work. These rules are contained in policies, procedures, management standards, and a variety of other documents. Downer Infrastructure can change its rules from time to time. These rules are not part of your contract of employment unless they have been expressly written into this contract. However, you are still expected to follow all of Downer Infrastructure's rules.

This contract replaces any previous offers or understandings or contracts.

If any part of this contract becomes illegal, void or unenforceable in any legal jurisdiction, then that part will be regarded as cut from the contract without interfering with the operation or enforceability of the remainder of the contract.

If you or Downer Infrastructure do not use part or all of a right under this contract it does not mean that right is being partly or

completely surrendered.

11 Your Annual Leave:

You are entitled to 20 working days of paid annual leave after each 12 months' continuous service with Downer Infrastructure. Your annual leave accrues progressively during each year of your employment. Annual leave that you do not use also accrues from year to year.

You will be paid for periods of annual leave at your normal salary and on the normal pay days that occur during your annual leave. Consideration of any annual leave loading is included in your remuneration and no additional loading is paid on annual leave.

You can take your annual leave at a time agreed between you and Downer Infrastructure. Normally Downer Infrastructure expects you to keep your annual leave balance at no more than two years' worth of accrual. Downer Infrastructure can require you to take some of your accrued annual leave if you have more than 40 days of annual leave accrued. The amount of annual leave required to be taken will be no more than the law allows at the time. Downer Infrastructure will give you reasonable notice of the requirement to take annual leave for this reason.

Downer Infrastructure can require you to take your accrued annual leave so it can temporarily close all or part of its business in which you work. Downer Infrastructure will give you reasonable notice of this requirement to take annual leave for this reason.

If during a period of annual leave you have another reason for being absent from work on another form of leave, that period of other leave does not count as annual leave. The only exception to this is if the other leave is unpaid parental leave. Examples of, but not the only, other leave that does not count as annual leave are public holidays and personal/carer's leave.

You will be paid your unused annual leave when your employment with Downer Infrastructure ends.

12 Your Personal/Carer's Leave:

You are entitled to ten working days of personal/carer's leave for each 12 months of continuous service with Downer Infrastructure. Your personal/carer's leave accrues progressively during each year of your employment. Personal/carer's leave that you do not use also accrues from year to year.

Personal/carer's leave is available when you:

- ✦ Are not fit to attend work because you are suffering from an illness or injury that is not covered by workers' compensation; or
- ✦ Need to provide care or support for a member of your immediate family or household who requires care or support because they are ill or injured or have suffered an unexpected emergency.

You will be paid for periods of personal/carer's leave at your normal salary and on the normal pay days that occur during your personal/carer's leave. Unused personal/carer's leave can not be cashed out at any time.

You are also entitled to two days of unpaid carer's leave on each occasion that a member of your immediate family or household requires care or support because they are ill or injured or suffer an unexpected emergency. This unpaid carer's leave is only available if you do not have enough paid personal/carer's leave available.

**13 Your
Compassionate
Leave:**

You are entitled to up to two days of paid compassionate leave on each occasion that you need to be absent from work because a member of your immediate family or household:

- ✦ Needs you to spend time with them at any time during a life threatening illness or injury they have suffered; or
- ✦ Has died.

You will be paid for periods of compassionate leave at your normal salary and on the normal pay days that occur during your compassionate leave. Compassionate leave does not accrue and cannot be cashed out at any time.

**14 Your Community
Service Leave:**

You are entitled to community service leave when you are unable to attend work because you are:

- ✦ Required to attend for jury duty, including the selection of a jury; or

- ✦ A member of a recognised emergency management body and are reasonably required to attend to a voluntary emergency management activity. One, but not the only, example of this is an employee that is a volunteer member of the State Emergency Service who is required by that body to attend training or is called out to respond to an emergency like a natural disaster.

The period of community service leave will be the period you are unable to attend work due to the requirement to perform community service.

You will be paid for your community service leave depending on the type of leave and how long the period of leave is.

If you are required to attend for jury service, including the selection for jury service you will be entitled to up to the first ten days of community service leave paid at your normal salary. Your salary will be paid on your normal pay day falling during your period of leave. Downer Infrastructure can agree to pay you for more than ten days but this is Downer Infrastructure's choice whether or not it will make any extra payment unless it is required by law to make an additional payment.

If you are required to attend to a voluntary emergency management activity, you will be on unpaid leave. Downer Infrastructure can agree to pay you for some or all of your absence but this is Downer Infrastructure's choice whether or not it will make any extra payment.

15 Your Parental Leave:

You are entitled to take up to 52 weeks' unpaid parental leave (maternity, paternity and adoption) as described in the law at the time. You can also request to have your parental leave extended by up to another 52 unpaid weeks. Downer Infrastructure may refuse such a request for an extension of parental leave on reasonable business grounds. Requests for an extension of parental leave are also subject to the law applying at any time.

16 Notice, Documentation For Claiming Your Leave & Who Your Family Are:

You need to give Downer Infrastructure as much notice as you reasonably and practicably can of you wanting or needing to take any form of leave. You must also tell Downer Infrastructure, how long you reasonably expect the period of leave will be.

If you are claiming personal/carer's leave, compassionate leave,

or community service leave you must also give Downer Infrastructure documentary evidence to support your leave claim. The type of evidence must be such that it reasonably justifies your leave claim.

Your immediate family, for the purpose of your leave entitlements, includes your spouse, or de facto partner (regardless of the partner's gender and including a former spouse and former de facto partner), child, parent, grandparent, grandchild or brother or sister or that of your spouse or de facto partner.

17 Your Public Holidays:

You are entitled to the public holidays that are observed in your work location. You and Downer Infrastructure can, as far as the law allows it, agree to work on a public holiday and have another day off work instead.

Normally you are not required to work on a public holiday. If you are not required to work on a public holiday you will be paid a normal days' pay for that day. However, Downer Infrastructure can require you to work on a public holiday to suit its business needs and/or because it is needed for you to perform your duties effectively.

Your remuneration has been set to recognise any requirement to work on a public holiday.

18 Your Long Service Leave:

You have an entitlement to Long Service Leave as described in the relevant state legislation.

19 Your Conduct At Work:

You are required to behave according to the Downer Infrastructure Code Of Conduct at all times when carrying out your work or representing Downer Infrastructure in any situation. This includes outside of normal working hours when you are, or could be seen to be, representing Downer Infrastructure.

You also agree to not make statements to the media, to clients, or in public meetings unless it is an essential part of your position to do so or you have clear permission from the Chief Operating Officer of Downer Infrastructure (Chief Operating Officer) to make those statements.

You agree to tell Downer Infrastructure, as soon as is practicable, if you have any conflicts of interest with your position at Downer

Infrastructure. A conflict of interest is anything that does, or could lead you to, not act in Downer Infrastructure best interests at all times or could be seen by others as leading you to, or possibly leading you to, not act in Downer Infrastructure interest at all times. Some, but not the only, examples of conflicts of interest are using your position at Downer Infrastructure to give work to a contractor or supplier that is owned by a family member or friend when open competition would have resulted in the work being given to another company, or being involved in decisions to employ people that are family or friends. You agree that you will not start or continue with any conflict of interest unless you have the written approval of the Chief Operating Officer.

Despite the restrictions in this contract, you can own shares or stock or have other interests in a company other than a Downer EDI Group company as long as that does not lead to a conflict or potential conflict with your obligations under this contract.

You must gain the written approval of the Chief Operating Officer before you take up employment with another person, company or organisation no matter whether that other employment is paid or unpaid.

20 Your Performance At Work: You agree to participate in any performance management system or process that Downer Infrastructure uses at any time. Your performance will be reviewed generally and against your duties and responsibilities set out in your position description and any other reasonable performance targets or objectives that you are given.

21 Your Licences & Qualifications: You agree to hold for all of the time that you are employed by Downer Infrastructure all licences and/or qualifications that are required for you to perform the duties of your position. You must tell Downer Infrastructure if any licence or qualification you are required to hold is suspended cancelled or lapses. A failure to hold a current licence or qualification can put your employment with Downer Infrastructure at risk.

22 Your Fitness To Work: You agree to tell Downer Infrastructure, as soon as is practicable, when you are not fully fit to perform your duties for any reason at any time.

You also agree to undergo any medical or other assessment Downer Infrastructure requires for assessing your fitness for work,

including tests for alcohol and other drugs.

23 Keeping Our Business Privacy: You agree now and always, that you will keep any information about Downer Infrastructure and its business confidential and to not discuss any confidential Downer Infrastructure business with anyone unless it is an essential part of your position, or you have clear permission from the Chief Operating Officer to do so, or the law requires you to. Confidential information means information that is not generally available to the public.

24 Our Intellectual Property: You agree now and always, that any intellectual property you invent, create, or develop during, or in connection with, your work at Downer Infrastructure belongs to Downer Infrastructure and Downer Infrastructure alone. Intellectual property includes all inventions, patents, copyrights, registered designs, and computer software or programmes no matter whether it was solely your work or produced through working with other people.

25 Ending Your Employment: Downer Infrastructure can end your employment by giving you at least 1 month's notice if it wishes to terminate your contract of employment. If you are 45 years old or older and have more than five years' continuous employment with Downer Infrastructure, the notice period is at least five weeks.

Downer Infrastructure can either require you to work out this notice or to not work out some or all of the notice period.

You will be paid the normal remuneration that you would be entitled to for the period of your notice, or payment instead of notice.

Downer Infrastructure can end your employment without giving you notice or payment instead of notice if you have committed serious misconduct or have been seriously negligent. In this case you will only be entitled to payment of your salary up to the date of termination of the employment and payment of any accrued entitlements payable on termination in accordance with this contract but to no other compensation as a result of the termination.

You can end your employment by giving Downer Infrastructure at least 1 month's notice that you wish to terminate your contract of employment. If you do not give Downer Infrastructure at least this

amount of notice, you will be paid up until the time you finish work. In addition Downer Infrastructure can deduct from your termination payment an amount equal to the amount of notice that you did not give.

Downer Infrastructure can deduct from your termination payments any amount that you owe Downer Infrastructure at that time.

**26 Return of
Company
Property:**

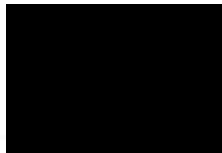
At the end of your employment, or sooner if required by Downer Infrastructure, you will return to Downer Infrastructure without making any copies, any motor vehicle; mobile telephone; keys; documents; records; programmes any code within any application; client lists; manuals; computers; software; discs or any other property of Downer Infrastructure in your possession or control.

If you have any questions regarding the contents of this letter, please feel free to contact Jessica Chin on (03) 8645 0909. Otherwise, if you accept the terms and conditions of employment as set out in this letter, please sign and return via e-mail to resourceteam@downergroup.com as soon as possible.

We look forward to welcoming you to Downer Infrastructure and what should prove to be an exciting and mutually rewarding future together.

Yours sincerely,

P.P.



J. LOJSZCZYK
HUMAN RESOURCES MANAGER
21/2/14

David Howarth
Executive General Manager
Rail Infrastructure

Acceptance of Offer of Employment:

I, Vlad Stanculescu, indicate that I have read and understood the offer of employment explained in this letter and that I accept the offer of employment on the conditions described.



Signature:

21/02/2014

Date:

Offer of Employment Vlad Stanculescu