

AGREEMENT

Between

MTS ALLSTREAM INC.

- and -

**TELECOMMUNICATIONS
EMPLOYEES ASSOCIATION
OF MANITOBA (TEAM-IFPTE Local 161)**

February 20, 2007 - February 19, 2010

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ARTICLE I – RECOGNITION AND SCOPE

1.01 MTS Allstream Inc. recognizes the Association as the sole and exclusive Collective Bargaining Agent for all employees covered by Canada Industrial Relations Board Certification Order Number 8516-U, which presently reads as follows

“All employees of MTS Communications Inc., excluding those employees covered by Board certification orders 555-3860 (CEP) and 555-3948 (IBEW), graduate engineers employed by MTS Communications Inc. who are members of or who are eligible to be members of an association of professional engineers and who occupy positions within MTS Communications Inc., requiring such membership or eligibility for membership in order to perform the tasks required in positions, and those employees occupying the positions listed in Appendix A.”

who are employed by MTS Allstream Inc. specifically excluding employees of other corporations reporting through MTS Allstream Inc. Consumer Markets Division which presently existing companies are AAA Alarms Systems Ltd. and Valley Cable Vision Ltd. (1997).

ARTICLE 2 - DURATION OF AGREEMENT

2.01 Except for the payment of wages and overtime, which shall be paid as set out in the Wage Schedules hereto annexed, this Agreement shall become effective on the first day of the bi-weekly pay period immediately following the date it is executed and shall continue in full force and in effect to and including February 19, 2010.

2.02 Unless terminated upon a ninety (90) day written notice given by either party, to the other, prior to the expiry of the said term, this Agreement shall continue in full force and effect thereafter, until terminated at any time by ninety (90) days written notice.

2.03 Either party may give written notice to the other party within the period of four (4) months prior to the expiration of this Collective Agreement to commence collective bargaining for the purpose of renewing or revising this Collective Agreement.

2.04 The Company and the Association acting jointly may, from time to time, by Letters of Understanding signed by them, amend or interpret the provisions of this Agreement and the parties shall be bound by any such amendment or interpretation.

2.05 During the term or prior to the termination of this Agreement, the parties shall, at the request of either party, meet at least once every two (2) months for the purpose of discussing issues relating to the workplace which affect the parties hereto or any employee bound hereby,

ARTICLE 3 - ASSOCIATION DUES

3.01 In accordance with Section 70, Part 1 of the Canada Labour Code, the Company agrees to deduct from the salary of individuals covered by this Agreement, whether or not the individual is a member of the Association, an amount of the regular bi-weekly Association dues and remit the amount to the Association forthwith.

3.02 The Association shall indemnify and save harmless the Company, from any losses, damages, Costs, liabilities or expenses suffered or sustained by the Company as a result of any such deduction or deductions from payrolls.

ARTICLE 4 – RESPECT IN THE WORKPLACE

4.01 The Company will not discriminate against any employee because of membership or participation in the Association.

The Company and the Union agree that they will not discriminate against any employee by reason of that employee's Union membership, race, national or ethnic origin,

colour, religion, age, sex, sexual orientation, marital status, family status, disability and conviction for which a pardon has been granted.

The parties further agree that all employees have the right to be free from all forms of harassment in the workplace.

ARTICLE 5 - GRIEVANCES

- 5.01 A "grievance" shall mean any difference relating to the meaning, application, or alleged violation of this Agreement.
- 5.02 When a grievance is submitted in writing, it shall be on a standard grievance form agreed to by both parties and to be supplied by the Association.
- 5.03 "Day" for the purpose of this Article shall mean any day that is not a Saturday, Sunday or a Company Holiday recognized by this Agreement.
- 5.04 .1 In the event an employee chooses to grieve on a discharge, suspension or promotion, he/she must file his/her grievance within five (5) working days of receipt of a notice on the discharge, suspension or promotion. In such cases the grievance procedure will commence at Step 2.
- .2 For grievances pertaining to other matters, the grievance must be filed within ten (10) working days from the time the employee has been made aware of the alleged violation.
- 5.05 **STEP 1** – A grievance shall be discussed with the immediate Manager by the grievor or the grievor accompanied by the Association Representative. The immediate Manager shall have five (5) working days from the date of this discussion in which to render an oral decision.
- 5.06 **STEP 2** – The grievance may be submitted in writing by the Association Representative to the Labour Relations Specialist within five (5) working days of the disposition of the matter at Step 1. The Company shall within ten (10) working days, convene a meeting with the Local Grievance Committee and render a signed and dated, written decision.
- 5.07 **STEP 3** – If a satisfactory settlement is not obtained under the previous step, then the grievance may be submitted to the Director Labour Relations within fifteen (15) working days of the disposition of the matter at Step 2. The Director Labour Relations and the respective Senior Manager or designates shall, within fifteen (15) working days, convene a meeting with the Association Grievance Committee and render a signed and dated, written decision.
- 5.08 Grievances filed in relation to the selection of employees on job postings shall commence at Step 2 and shall be filed with the Director Attraction and Retention.
- The grievance meeting will be held with the Local Grievance Committee and the Director Attraction and Retention or designate in the location where the grievance originated.
- 5.09 Company responses at Step 1 to Step 3 will be given or sent to the employee or the Association official who initiated the Step.
- 5.10 Time limits specified in Steps 1 through 3 may be extended at any time by mutual agreement in writing.
- 5.11 Grievance meetings held in relation to Step 1 and Step 2 of this procedure will be held in the location where the grievance originated. Step 3 meetings will normally be held in Winnipeg, unless circumstances concerning the cause of the grievance necessitate this meeting to be held in a regional location.
- 5.12 The Local Grievance Committee referred to in Step 2 will consist of two (2) members of the Association as designated by the Association Executive.
- 5.13 The Company shall pay for wages during the grievance meeting and wages for time spent travelling in-town between Company buildings to attend grievance meetings.
- The Association shall be responsible for:
- (1) all Association transportation expenses;

- (2) Association out of town travel time;
- (3) all other expenses for Association Grievance Committee members.

This shall be applicable to all steps of the grievance procedure.

The Association Representative(s) will be allowed to process grievances on Company time to the extent outlined in this Article.

5.14 The Association Grievance Committee referred to in Step 3 shall be a committee composed of three (3) members of the Association. In any case where it is considered necessary to bring in additional assistance, the Committee may be increased by one member to a maximum of four (4) members.

The grievor may, at his/her own request, or shall, at the request of the Company, attend at Step 2 or 3 of the grievance procedure.

5.15 Either party, without stoppage of work and after exhausting the grievance procedure established by this Agreement, may notify the other party in writing of its desire to submit the alleged violation or difference to arbitration.

Policy Grievance

5.16 Any difference arising between the Company and the Association relating to the meaning, application, or alleged violation of this Agreement, including any questions as to whether a matter is arbitrable may be dealt with as a policy grievance commencing at Step 3. However, by mutual agreement, a policy grievance may commence at Step 2. Whenever a difference arises between the Association and the Company, there shall be no stoppage of work, but the parties shall confer in an effort to settle the differences.

5.17 If the Company has a grievance against the Association, the grievance may be submitted in writing by the Director Labour Relations to the Business Manager of the Association. A Step 3 meeting will be held within ten (10) working days following the receipt of the grievance. The Association shall render a written decision within ten (10) working days of such a discussion.

ARTICLE 6 - ARBITRATION

6.01 Unless the provisions of Article 5 have been complied with, a grievance shall not proceed to Arbitration.

6.02 A grievance shall proceed to Arbitration if either party makes service upon the other of written notice within ten (10) working days of the decision being rendered from the Step 3 grievance meeting.

6.03 Within seven (7) working days of notice being provided as in Article 6.02, each party will appoint a member to a Board of Arbitration. The two (2) members shall then choose a Chairperson. If they are unable to agree on a Chairperson within fourteen (14) working days of the service aforesaid, they shall request the Federal Minister of Labour to appoint a Chairperson,

6.04 The Board of Arbitration shall not have any power to alter or change any of the provisions of this Agreement, or to substitute any new provisions for any existing provisions, and in reaching its decision it shall be bound by the terms and provisions contained herein.

6.05 The Board of Arbitration may, before the hearing, require the representative of the parties to attend before it to define the issue(s) to be arbitrated and to establish the procedure to be followed at the hearing.

6.06 The Board of Arbitration shall complete its sittings and hand down its award within thirty (30) days of the appointment of the Chairperson, except that this time limit may be extended with the mutual consent of the Association and the Company.

6.07 The decision of the majority of the Board of Arbitration shall be the decision of the Board of Arbitration, and if there is no majority decision, the decision of the Chairperson shall be the

decision of the Board of Arbitration. The decision of the Board of Arbitration shall be final and binding on the parties.

6.08 Each party **shall** pay the fees and expenses of its own appointee and one-half the fees and expenses of the Chairperson and of any clerk or stenographer whom the Board may require.

ARTICLE 7 – DEFINITIONS

7.01 **Regular Full Time Employee** – is an employee who works the basic weekly hours of work and whose employment is expected to continue indefinitely.

7.02 **Regular Part Time Employee** – is an employee who is required to work more than half the basic hours of work as set by the Company on a **predetermined**, regular, recurring basis, whose hours are not directly affected by daily or weekly service requirements or work load, and whose employment is expected to continue indefinitely. These employees are entitled to receive the same or pro-rated benefits of a Regular Full Time employee.

7.03 **Term Employee** – is an employee who works the basic weekly hours of work and who has been:

- (1) Engaged to fill a temporary vacancy in the regular **staff**; or
- (2) Engaged for seasonal work; or
- (3) Engaged normally for a limited period, with the definite understanding his/her employment is to terminate at the end of the period.

NOTE 1: Term employment may be terminated at any time due to a reduction of workload or completion of a project, **as** indicated on the Term Employment Acknowledgment Form 1126.

NOTE 2: Term employees will be given the opportunity to apply for regular employment, provided a vacancy exists within the classifications covered **by** this Agreement and provided he/she meets the qualification requirements of the vacancy.

7.04 **Probationary Employee** - is an employee engaged by the Company for a period of **six** (6) months to determine his/her suitability for engagement **as a** Regular Full Time or Regular Part Time employee. This period may only be extended by mutual agreement between the Company and the Association. Where a period of probation in excess of six (6) months has been established, the employee shall be notified of the length of probation.

7.05 **The Net Credited Service Date is:**

- (1) The original date of engagement for employees having no deductible absence.
- (2) **A revised date** to include the number of days, months **and years of** deductible absence.

The Net Credited Service Date of an employee shall be retained and continue during periods of authorized Leave of Absence or when on Workers Compensation, special assignment, or **Association** Leave of Absence.

The Net Credited Service Date may be revised to reflect deductible absence or accumulated service (bridged) **as** per Corporate Policy 204.07 in force at the time of the signing of this Agreement.

7.06 **Headquarters** – the city, town, or village where an employee is regularly assigned **to** work

ARTICLE 8 - POSTINGS, PROMOTIONS, LATERAL TRANSFERS AND DEMOTIONS

- 8.01** Where a position within the Company, covered by this Agreement becomes vacant, and the Company determines that it should be filled, such vacancy shall **be** filled by one of the following options:

Lateral Transfers

- 8.02** The Company may fill vacant positions by the lateral transfer of employees. A lateral transfer means a transfer to a position within the same salary group. The Company **may** elect to laterally transfer an employee for reasons such as business requirements, accommodation, to enable employees to gain experience in a different position or in response to an employee's lateral transfer request.
- 8.03** An employee requesting to be considered for lateral transfer to a lower rated position shall submit his/her request **electronically** to the Director Attraction and Retention with a **copy** to his/her immediate Manager and TEAM and **shall** include a current resume and a copy of his/her most recent **PP&R**. The Director Attraction and Retention shall acknowledge receipt of the request in writing.
- All requests shall remain **on file** for a period of twelve (**12**) months unless renewed by the applicable employees prior to the expiry of a twelve (12) month timeframe.
- 8.04** The Association **shall** receive written notice of positions filled through lateral transfers. In the event the Company does not laterally transfer an employee to fill a vacant position, such vacant positions shall **be** posted.

Job Postings

- 8.05** When the Company elects to fill a vacant position covered by this Agreement through the job posting process, the Company shall:
- (a)** Post internally: if no qualified applicants arise from an internal posting then advertise externally; or,
 - (b)** Upon consultation with the Association, simultaneously post internally and advertise externally. Wherever possible, the Company will consult with the Association five (5) calendar days in advance of the external advertisement; and,
 - (c)** In the event there are no qualified applicants for a posted position vacancy, the Company shall be at liberty to fill the vacancy in any manner it considers best.
- Note: Employees who have been selected for an interview **shall** be interviewed prior to external candidates.

Promotions

- 8.06** Except where otherwise discussed and agreed between the Association and the Company, no employee shall **be** promoted to a position within a higher salary group covered by this Agreement without being selected through the posting process.
- 8.07** Postings, which shall be advertised electronically throughout the Company, will contain the following information: location of position and department, Manager's title, duties and qualifications, salary classification, closing date and hours of work if non-standard. Closing date for the acceptance of applications with the Company shall be ten (10) working days from the date of posting.
- 8.08** Applicants for a posting that are not granted an interview shall be advised in writing by the Selection Committee Chairperson upon completion of the pre-screening process. **Pre-**screened applicants may contact the Chairperson of the Selection Committee for debriefing which will **occur** within a reasonable period of **time**.
- Applicants who were interviewed **shall** receive written confirmation of the successful applicant. Any candidate having concerns regarding his/her final outcome in a competition may contact the Chairperson of the Selection Committee for debriefing which will occur

within a reasonable period of time. The Association shall receive written confirmation of the successful internal or external candidate to all posted vacancies.

- 8.09** A decision shall normally be reached within sixty (60) calendar days after the closing date of the posting. If the selection of the successful candidate cannot be made within that period, the Company shall advise applicants of the date on which a decision is expected. However, should the delay occur subsequent to the completion of the pre-screening process, only those applicants granted an interview shall be so advised.
- 8.10** Should a vacancy occur for a position which has been previously posted within the last eight (8) months, the Company may appoint the second choice candidate from the selection process for that previous vacancy. In the event the second person is unavailable, the Company may, at its option, appoint the subsequent qualified candidate(s) on the list, or repost the position.
- 8.11** Successful candidates chosen to fill a posted position will be paid the appropriate rate of pay for the new position to which he/she has been appointed, two (2) weeks after the official notification of appointment has been communicated to the employee, regardless of when such employee actually commences employment in the new position.
- 8.12** Where an employee is promoted to a position within a higher salary group, that employee shall receive the salary in the new salary group which represents a minimum increase of at least four percent (4%) over the salary which he/she received prior to the promotion.
- 8.13** In some instances, the Company may promote a person to a position where the person has less than adequate qualifications required to carry out all of the duties and functions of the position. In such cases, the Company may pay the person four percent (4%) below the minimum for the position for a period of up to one (1) year. This rate is subject to review by the Company until he/she attains the necessary skill to fulfill the duties and functions of the position, or he/she is removed from the position.
- 8.14** An employee promoted to another position, either in or out of scope of this Agreement, or transferred as a result of his/her application for a posted position, shall serve a trial period of up to six (6) months in his/her new position. In the event the employee finds he/she is unable to perform the duties of the new position or his/her performance proves to be unsatisfactory, he/she shall be returned to his/her former position or a comparable position for which he/she can qualify at his/her former salary. Any other employee promoted or transferred because of the initial promotion shall also return to his/her former position at his/her former salary. However, if a vacancy exists at the same grade as the classification of the displaced employee and he/she can qualify for such vacancy, every effort will be made to arrange for transfer to that position.
- 8.15** The Company is responsible for transportation and moving expenses as per Corporate Policy 202.11 as follows:
- (a) When an employee is selected through the posting process either on a promotional basis or a lateral transfer to a different job within the same salary group.
 - (b) When the Company initiates a lateral transfer.
 - (c) When the Company approves an employee-initiated lateral transfer to a different job.
 - (d) When the Company approves an employee-initiated lateral transfer from Northern Region, to a position south of the 53rd parallel, provided that the employee has completed five (5) years of service in the Region. Such approval shall not be unreasonably withheld under these circumstances.

The Company shall not be responsible for transportation and moving expenses as follows.

- (a) When an employee initiates a lateral transfer to the same job in a new location by a written request or through the posting process.
- (b) When an employee initiates a demotion to a new location by a written request or through the posting process.

Demotions

8.16 Where justified or for compassionate reasons, the Company may fill vacant positions by transferring an employee to a lower salary group.

ARTICLE 9 - TEMPORARY APPOINTMENTS

9.01 The decision as to whether a temporary vacancy should be filled will be at the discretion of the Company.

9.02 Notwithstanding Article 8.04, vacancies resulting from operational reasons such as sick leave, vacation relief, Workers Compensation, LOA, special project etc., may be filled temporarily by promotion. The Company will provide a monthly report to TEAM electronically listing all current, existing and temporary acting assignments along with the relevant data pertaining to such acting assignments including the duration of such appointments expected or otherwise currently contained in Manitoba Telecom Services Acting/On Loan Assignments report

9.03 The Company is responsible for all transfer transportation expenses, including board and lodging as per Corporate Policy 202.11, for acting and temporary appointments.

Existing Positions

9.04 Where it is necessary to make appointments to existing management positions of an acting nature, temporarily replacing existing incumbents in existing positions for reasons such as sick leave, vacation relief, workers compensation or leave of absence, the duration of the acting assignments shall not normally exceed six (6) months. The Company agrees to advise the Association in writing if an extension is necessary and provide the reasons for the extension.

9.05 Rotation of qualified employees shall be considered in order to give a greater number of employees an opportunity to develop new skills. An employee interested in being considered for a rotation in an acting assignment shall submit his/her request electronically directly to the Director Attraction and Retention with a copy to his/her immediate Manager and TEAM and shall include a current resume and a copy of his/her most recent PP&R.

9.06 Acting pay will become effective from the first day of the acting assignment.

Pay Treatment - Acting Management Assignments

9.07 When an employee is temporarily appointed to an acting position, the employee's pay treatment will be as follows:

(a) Employees in TEAM's Jurisdiction

An employee in TEAM's jurisdiction appointed to an acting Management position shall, if on progression in his/her current salary group, receive the next step in their wage progression.

If the employee is at the maximum of his/her current salary group, he/she shall receive four percent (4%) of the maximum of the salary group he/she is in at time of appointment.

This pay treatment shall apply for the first six (6) months the employee is acting in the position.

Should the acting assignment continue beyond six (6) consecutive months, the employee shall then receive the salary in the new salary group which represents a minimum increase of at least four percent (4%) over the salary he/she received prior to the appointment.

Increment Date

If the employee is at the maximum of his/her present salary group prior to the appointment, a new increment date shall be established from the date the acting assignment commenced.

If the employee is on progression in his/her current salary group, he/she shall maintain his/her current increment date.

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(b) Employees Outside TEAM's Jurisdiction

An employee from outside TEAM's jurisdiction appointed to an acting Management assignment **shall** receive the applicable percentage wage increase for the first **six** (6) months of the acting assignment.

Should the acting assignment continue beyond **six** (6) consecutive months, the employee shall receive the salary in **the** new salary group which represents a minimum salary equivalent to their acting rate.

Increment Date

A new increment date for the Management position shall be established from the date the acting assignment commenced.

Under no circumstances shall an employee in an acting assignment covered in (a) or (b) above, receive more than the maximum salary of the applicable **salary group**.

Temporary Positions

9.08 Where it is necessary to make appointments to temporary positions which are **newly** created for reasons such as a special project or assignment, the duration of the appointment shall not normally exceed twenty-four (**24**) months. The Company agrees to advise the Association, **in writing**, if an extension is necessary **and provide reasons for the extension**.

9.09 Temporary positions will normally be posted on a Company wide basis. The posting may **be** waived for reasons such as short term duration, location, special skills, or if there are qualified persons available for re-assignment. **The Company will provide TEAM reasons for the waiver in writing**.

9.10 When an employee is temporarily appointed to a position with a higher salary group, that employee shall receive the salary in the new salary group which represents a minimum increase **of** at least four percent (4%) over the **salary** which he/she received prior to the appointment.

Expiration of Temporary Appointments

9.11 Upon expiry of the acting or temporary assignment, the employee will return to his/her former position **or** equivalent position and rate of pay.

ARTICLE 10 - TECHNOLOGICAL CHANGE

10.01 The Company and the Association recognize that technological change can offer significant improvements in the quality and quantity of services provided to the public.

10.02 For the purposes of this Article, technological change means:

- (1)** the introduction of equipment or material of a different nature or kind than that previously used; and,
- (2)** a change in the manner in which the work is carried on that **is** directly related to the introduction of that equipment or material, which is likely to affect **the** terms and conditions of work or the security of employment of a significant number of regular employees.

10.03 Where the Company proposes to effect a technological change, it shall give the Association preferably at least nine (**9**) months but not less than one hundred and twenty (120) days prior written notice of the **change**

Such notice shall include the following:

- (1)** the nature of the change;
- (2)** the date on which the Company proposes to effect the change;
- (3)** the approximate number and type **of** employees and location likely **to be** affected by the change; and,

- (4) the effects the change may be expected to have on the terms and conditions or the security of employment of **regular** employees covered by the Collective Agreement.
- 10.04** If **so** advised, the Association and the Company will meet to resolve, **where** possible, the re-assignment, re-location, transfer, reclassification or retraining as may be required to assist employees in their continued employment. The Company shall make all reasonable effort to ensure that no present regular employee, who is covered by this Agreement, shall lose his/her employment as a result of the introduction of a technological change.
- 10.05** any employee requiring retraining to work with the new technology will receive whatever training is necessary on Company time at Company expense.
- 10.06** Training (not to exceed training that would normally be given to a new employee) will be provided on Company time **at** Company expense to qualify an employee displaced due to technological change to allow him/her to qualify for vacant positions within the bargaining unit.

ARTICLE 11 - MATERNITY, PATERNITY AND PARENTAL LEAVE

Employees covered by this Agreement, who have completed six **(6)** consecutive months of continuous employment with the Company, may be eligible for Maternity and Parental Leave pursuant to Part III of the Canada Labour Code.

Regular Full-Time or Regular Part-Time

11.01 A female employee who has completed six (6) consecutive months employment with the Company shall be granted Maternity Leave under one of two plans:

- (1) Plan **A** – Maternity Leave without pay, or
- (2) Plan **B** – Supplemental Maternity Allowance Plan.

The following terms and conditions shall apply to **both** plans:

- (a) The employee shall submit to the Company a written application for leave at least four (4) weeks before the day specified **by** her in the application as the day on which she intends to commence such leave.
- (b) The employee shall provide the Company with a certificate from a duly qualified medical practitioner certifying that she is pregnant and specifying the estimated **date of** delivery.
- (c) Maternity Leave will be granted for a period not exceeding seventeen (17) weeks if **delivery** occurs on or **before** the date of delivery specified in the certificate mentioned in (b); or if delivery occurs after the date mentioned in the certificate, seventeen (17) weeks plus an additional period equal to the period between the date of delivery specified in the certificate mentioned in (b) and the actual date of delivery.
- (d) Maternity Leave shall commence no earlier than eleven (11) weeks preceding the date specified in the certificate mentioned in (b) and shall terminate no later than seventeen (17) weeks following the actual date of delivery.
- (e) An employee who wishes to resume her employment on expiration of her Maternity Leave shall be reinstated in the position occupied **by** her at the time such Leave commenced or in a comparable position, with not less than the same wages **and** benefits.
- (f) For an **employee** granted Maternity Leave, employment after termination of the Leave shall be deemed continuous with employment before the commencement of the Leave.
- (g) An employee who remains absent from work for a period in excess of seventeen (17) weeks following the actual date of delivery **shall** forfeit the right to be reinstated (except as in (c) above or where the employee elects to take Parental Leave as outlined in Part III of the Canada Labour Code).

NOTE 1: Maternity Leave **shall** not exceed a TOTAL period of seventeen (17) weeks except as provided in (c) above.

NOTE 2: If an employee becomes ill prior to the date she has designated as her commencement date for Maternity Leave, she shall **be** eligible for sick leave provided the need for such leave **is** substantiated on a Physician's Certificate of Disability for Duty (Form 1109).

11.02 Plan A – Maternity Leave without pay shall **be** granted in accordance with the terms and conditions listed in **clause 11.01**.

11.03 Plan B– Supplemental Maternity Allowance Pay (SMAP) shall be granted in accordance with the terms and conditions listed in **clause 11.01** together with the following additional terms and conditions:

.1 Where an employee elects the Supplemental Maternity Allowance Plan, payments will consist of the following:

- (a)** For the first **two** (2) weeks of Maternity leave, payment will be **93%** of regular wages
- (b)** For up to a maximum of fifteen (15) additional weeks, payments to be made will be the difference between Employment Insurance (E.I.) Benefits and **93%** of regular wages. The combined weekly level of E.I. Benefit, Supplemental Maternity **Allowance** and other earnings shall not exceed **95%** of the employee's normal weekly earnings as per E.I. regulations.
- (c)** For all other time **as** may be provided under paragraph **11.01 (c)** nil payment.
- (d)** In the event that legislation is enacted that provides additional Employment Insurance (other than an increase in the maximum standard benefits) or any other increase to the payments made to the **employee** on account of her pregnancy during the fifteen (15) week period, the amount she **is** entitled to receive as provided in **(b)** above shall be decreased by the amount she would **be** entitled to receive **as** a result of such additional E.I. or other payment.
- (e)** Employees will **be** required to apply for and become entitled to E.I. benefits before supplemental payments become payable.
- (f)** To verify they are receiving E.I. benefits, employees must mail or deliver their benefit statement to Payroll every two (2) weeks during the Maternity Leave.

.2 I o **be** eligible, the employee **shall** sign an agreement **with** the Company providing that:

- (a)** **She will** return to work and remain in the Company's employ for **at least** the hours equivalent to six (6) consecutive months of employment in her **old** capacity prior to commencing Maternity Leave; and
- (b)** She will return to work on the **date of expiry** of her Maternity Leave or the additional period provided in **11.01 (c)**; and
- (c)** Should she fail to return to work **as** provided under (a) and (b) above she **is** indebted to the Company for the full amount received as Supplemental Maternity Allowance.

11.04 An employee who **has** been **granted** Maternity leave who, before the expiration of the Leave granted under paragraph **11.01 (c)** **has** decided that she will not resume work on completion of such Leave, **shall advise** the Company in writing of her decision at the earliest possible date.

11.05 **An employee may request to have her job functions modified or be reassigned to another job if any of her current functions pose a risk to her health or that of her fetus or child. An employees request for modification or reassignment must be accompanied by a certificate of a qualified medical practitioner of the employee's choice indicating the expected duration of the potential risk and the activities or conditions to avoid in order to eliminate the risk.**

Where reasonably practicable, the Company shall modify the employee's job functions or reassign her.

An employee who has made a request for modification or reassignment shall be entitled to continue in her current job while her request for job modification or

reassignment is being assessed. If the risk posed by continuing any of her **job functions** so **requires**, she ~~is~~ entitled to and shall be granted a leave of absence with pay at her regular rate of wages until the Company:

- (a) modifies her job functions or reassigns her; or
- (b) Informs her in writing that it is not reasonably practicable to modify her **job** functions or reassign her.

An employee whose **job** functions are modified or who is reassigned shall be deemed to continue to hold the job that she held at the time of making the request for modification or reassignment and shall continue to receive her previous wages and benefits.

Where an employee cannot be accommodated through job modification or reassignment, the responsibility rests with the Company to demonstrate that the requested job modifications or reassignment is not **reasonably** practicable.

An employee who cannot be accommodated is entitled to and shall be granted a leave of absence for the duration of the risk as indicated in the medical certificate,

Parental Leave

11.06 An employee who has completed six consecutive months of continuous employment with the Company shall be granted up to **37** weeks unpaid Parental Leave to care for:

- a new born child of the employee; or
- a child who is in the care of the employee for the purpose of adoption under the laws governing adoption in the province in which the employee resides.

The employee shall provide four weeks written notice to the Company of his/her intention to take **Parental** Leave and shall indicate the **length** of the leave intended to be taken.

The **Parental Leave** shall be taken in the **52** weeks beginning on the day on which the child is born or the day on which the child comes into the actual care of the employee.

The combined amount of Parental Leave taken by two separate employees for the birth or adoption of any one child shall not exceed **37** weeks.

Any employee who has been granted Parental Leave who, before the expiration of the leave decides that she/he will not return to work after the leave, shall advise the Company in writing of her/his decision at the earliest possible date.

The combined amount of leave for maternity and parental leave that may be taken by two employees in respect of the birth or adoption of any one child shall not exceed **52** weeks.

An employee who wishes to return to work following Maternity or Parental leave shall be reinstated in the position she/he occupied at the start of the leave, or in a comparable position with the same wages and benefits as the original position.

For an employee granted Parental Leave, employment following the leave shall be deemed continuous with employment before the start of the leave.

An employee who remains absent from work beyond the maximum time allowed for Maternity Leave or Maternity Leave followed by Parental Leave shall forfeit the right to be reinstated to employment with the Company. The Company may consider an extension of time based on the merits of each case. The request shall be submitted in writing prior to the expiration of the up to thirty-seven week period.

Paternity Leave

- 11.07.1** A male employee will be granted up to a maximum of two (2) day's leave with pay, to attend to needs directly related to the birth of his child. Such leave may be granted within the two (2) week period prior or two (2) week period following the birth of the child.
- .2** In a situation where, because of the death of the mother, the father leaves work to become the primary care giver for the child or the mother becomes incapacitated to the extent that she cannot care for the child, the employee shall be eligible for Maternity benefits as herein described.
- 11.08** Employees who have taken Maternity Leave and/or Parental Leave, since their last break in service, shall be eligible to receive service credit for this leave upon written request to their Human Resources Business Partner. This request must include start date or re-engagement date, and the date(s) of Maternity and/or Parental Leave.

Notice of Employment Opportunities

- 11.09** An employee who takes a leave of absence from employment under this article, is entitled to receive, upon written request to the Director Attraction and Retention, a copy of posted vacancies within the bargaining unit that arise during their period of leave.
- Upon written request to their immediate manager, an employee is entitled to receive notification of training opportunities that arise during their leave which are required and related to their immediate work group.

ARTICLE 12 -LEAVE OF ABSENCE

- 12.01** Application for Leave of Absence shall be made by the employee in writing, except in cases of emergency when the application may be made orally, as outlined in Corporate Policy 209.11.
- A Leave of Absence may be granted to the employee upon such terms and conditions as are acceptable to the Company and will not be unreasonably withheld.
- 12.02.1** Association Leave of Absence without pay but with maintenance of service rights may be granted to any designated employee for the conducting of Association business for a period not in excess of two (2) weeks at any one time. Written notice shall be given by the employee to the immediate Manager as soon as the employee becomes aware of the need for the leave, but with no less than a minimum of five (5) working days. Each Leave of Absence will be subject to service requirements as determined by the employee's Manager and will not be unreasonably withheld.
- .2** Where Association Leave of Absence has been granted, the Company shall deduct from the Association's dues payment one hundred percent (100%) of the wages paid to such employees during the approved absence. The Company shall include with the normal dues cheque payable to the Association, a list of employees on behalf of whom wages have been deducted.
- 12.03** Association Leave of Absence without pay but with maintenance of service rights may be granted to any designated employee for the conducting of Association business for a period not in excess of one (1) year, with one (1) months written notice to be provided by the employee to their immediate Manager. This Leave of Absence will be subject to approval by the Company. The employee will have the right at any time, upon one (1) months notice, to return to the Company's employ to the same, or similar work, in which he/she was engaged immediately prior to the time of obtaining such Leave of Absence. Such employee shall also have the right to continue participating in the MTS Pension Plan in accordance with the Plan.
- 12.04** **Bereavement Leave**
- The following information regarding the Company's Policy on Bereavement Leave is strictly for reference purposes only and it is expressly understood and acknowledged by the Union that its contents do not form part of this Collective Agreement. This notwithstanding, it is recognized that individual employee concerns flowing from the application of the Bereavement Leave Policy must be resolved without delay. To this

end, the Company is committed to addressing **all** such issues in a timely fashion with the intent to resolve all such issues expeditiously.

An employee is entitled to and shall be granted time off with **pay** in the event of the death of a family member of their immediate family. Immediate family shall be defined as:

- the **employee's** spouse or common law partner;
- the employee's father and mother and the employee's spouse or common law partner of the father **or** mother;
- the employee's children and the children of the employee's spouse or common law partner;
- the employee's grandchildren;
- the employee's brothers and sisters, brothers in law and **sisters** in law;
- the grandfather and grandmother of the employee;
- the father and mother of the spouse or common law partner of the employee and the spouse or common law partner **of** the father or mother, and;
- any relative of the employee who resided permanently with the employee or with whom the employee permanently resided.

Common law partner is defined as a person who is **cohabitating** with the individual in a conjugal relationship, having so **cohabitated** for a period of at least one year.

The time off will not normally exceed three (3) days, however, where exceptional circumstances arise, the employee may be allowed a maximum of one (1) calendar week.

In the event that there is a death in the **employee's** immediate family during the period of an employee's vacation, an employee shall upon request and proper notification to the Company, be considered to be on Bereavement Leave for the period of time granted for such leave. Any vacation lost as a result of Bereavement Leave can be taken at a time mutually agreed to by the **employee** and his/her manager.

12.05 Compassionate Care

The following information regarding the Company's Policy on Compassionate Care **is** strictly for reference purposes only and it is expressly understood and acknowledged by the Union that its contents do not form part of this Collective Agreement. This notwithstanding, **it is** recognized that **individual** employee concerns flowing from the application **of** the Compassionate Care Policy must **be** resolved without **delay**. **To this** end, the Company **is** committed to addressing all such issues in a timely fashion with the intent to resolve all such issues expeditiously.

Every employee is entitled to and shall **be** granted **a** maximum of eight (8) weeks **leave** from their employment within a **26** week window to care for an **ill** family member who has a "significant risk of death within six months" (medical certificate is required), and who requires one **or** more family members to provide emotional support and arrange or directly provide health care.

A family member **is** defined as:

- the employee's spouse or common law partner;
- the employee's child or the child of the employee's spouse or common law partner;
- **the** employee's parent or the spouse or common law partner **of** the employee's parent.

Common law partner is defined as a person who is **cohabitating** with the individual in a conjugal **relationship**, having so **cohabitated** for a period of at least **one** year.

The eight (8) weeks leave does not have to be taken consecutively, however periods of leave must be at least one week at a time.

The aggregate leave may be taken by two (2) or more care giving family members.

Pension, health, disability benefits and seniority shall continue to accumulate during leave. Employer contributions shall also continue, unless employee contributions are required and the employee fails to make them.

In addition to leave, an employee may be eligible for Employment Insurance (EI) benefits. To be eligible, an employee requires 600 insurable hours.

Eligible employees can receive up to six (6) weeks EI benefits. There is a two (2) week waiting period.

Two (2) or more family members can share Compassionate Care benefits, however, the total benefits remain at six (6) weeks.

Employees may also be granted unpaid leaves of absence on compassionate grounds for reasons other than the above on the authority of their supervisory manager provided the conditions warrant such leave.

ARTICLE 13 - SICK LEAVE BENEFITS

13.01 An employee who has been absent on account of sickness disability, as outlined in Corporate Policy 209.05, will normally be paid sick leave benefits for authorized absences incurred from and after the end of the first three (3) months of service in accordance with his/her available sick leave credits. If requested by his/her Manager, the employee must submit to the Wellness, Environment & Disability Management Department: a Physician's Certificate of Disability for Duty (Form 1109) completed by his/her doctor for any period of absence.

13.02 The following table shows, in the right hand column, the maximum number of days absence due to sickness for which the Company will, subject to the provisions of this Article, pay full wages to an employee in the year of his/her net credited service which is shown in the left hand column, after first deducting any previous days for which he/she has received sick leave benefits from the Company:

Service	Accumulation	Total
1st 3 months service	No Allowance	
Next 3 months service	3 days full pay	3 days full pay
Next 6 months service	6 days full pay	9 days full pay
2nd year of service	12 days full pay	21 days full pay
3rd year of service	12 days full pay	33 days full pay
4th year of service	12 days full pay	45 days full pay
5th year of service	21 days full pay	66 days full pay
6th year of service	22 days full pay	88 days full pay
7th year of service	22 days full pay	110 days full pay
8th year of service	22 days full pay	132 days full pay
9th year of service	22 days full pay	154 days full pay
10th year of service	22 days full pay	176 days full pay

NOTE: The "Accumulation" will be calculated as of the first day of the period for which the sick credits are to be granted, e.g., 1st day of the 4th year - 12 days full pay - Total - 45 days full pay.

For more than ten (10) years of service, one hundred and seventy-six (176) days full pay.

13.03 Paid sick leave granted to an employee during his/her period of service with the Company will be charged against and deducted from his/her accumulated credits.

An employee on return from sick leave, shall begin to accrue on a pro-rated basis, up to twenty-two (22) days sick leave to be credited on the anniversary of his/her Net Credited Service date.

Every year thereafter on the anniversary of his/her Net Credited Service date, providing there was no paid sick leave, the employee would accumulate credits up to twenty-two (22) days for each year of service, but not to exceed the maximum of one hundred and seventy-six (176) days as above provided.

13.04 No deduction from an employee's sick leave credits shall be made in respect of absence on a statutory holiday for which the employee is entitled to be paid.

13.05 An employee shall be given full sick leave credit information through his/her normal managerial channels. An employee can access full sick leave credit information by accessing Employee Self Serve (ESS).

13.06 When an employee expects to be or is absent from work for any reason, he/she is expected to notify his/her Manager prior to the starting time for his/her tour of duty, indicating the reason for the absence, on:

(a) each day of absence if date of return is unknown; or

(b) the first day of absence if date of return is known.

Where reasonably practicable, the employee shall notify his/her Manager of his/her return to work, the day prior to his/her return.

13.07 Unreported absence, absence without satisfactory reason or abuse shall be grounds for disqualification from benefits and/or disciplinary action. The Company will consider any action based on the merits of each individual case.

13.08 An employee absent from work due to sickness disability who is on Company authorized sick absence, whether paid or unpaid, shall retain service rights upon return to employment, provided such employee is in physically fit condition to resume his/her former duties.

13.09.1 Paid sick leave granted to employees during their period of service with the Company will be charged against and deducted from their accumulated sick credits on the basis of half days or full days. The following formula shall be used in determining the amount of sick absence to be charged.

0 to 2 hours – no sick absence charged

Over 2 hours to 5 hours – Half day absence charged.

Over 5 hours per day – One day absence charged.

Sick leave which is unpaid will be determined on the same formula as paid sick leave.

.2 In cases where the less than two (2) hour time period is being abused, employees may have sick absence accumulated. Such time will be accumulated in periods of one half day and will be charged against the employee's sick leave. When the Company decides to accumulate such time, it shall notify the employee in writing with a copy to the Association.

ARTICLE 14 - SCHEDULED INCREMENTS

14.01 Scheduled increments shall be granted in accordance with the salary schedules as set forth in the attached Appendix B, unless delayed or withheld for reasons as outlined in Article 14.02.

14.02.1 Should the Company for any reason consider that an employee has not qualified for a scheduled increment, the employee shall be so advised in writing one (1) month prior to the date such an increment becomes due.

.2 A scheduled increment shall not normally be withheld longer than six (6) months, except in the case of an employee whose services are unsatisfactory or who refuses to take the training necessary to qualify him/her for work in the position for which he/she is being paid, or who fails to qualify for a promotional position at the end of such training.

- 14.03** Employees presently at maximum salary rate and who are given an increment on subsequent reclassification, shall have a scheduled increment date established from date of reclassification.
- Job descriptions submitted for re-evaluation will normally be evaluated within sixteen (16) weeks of submission to the employee's immediate manager. If there are any delays in processing the evaluation, the applicant will be notified accordingly.
- Where a job evaluation results in a position being upgraded to a higher salary group, the employee will ~~be~~ be entitled to the new rate of pay retroactive to the date the revised job description was submitted for evaluation to the employee's immediate manager.
- 14.04** Increments shall be effective on the first day of the bi-weekly pay period closest to the first of the month in which the increments are due. Increments which become **due** during the first half of the month, shall be due on the first of that month. Increments falling due during the last half of the month, shall be due on the first of the following month.
- 14.05** A scheduled increment which an employee would have received had he/she been on the job, shall not be made effective while he/she is absent due to sick leave, sick furlough, quarantine, or other approved absence (exclusive of vacation, bereavement leave, on duty accident, **and jury duty**). The date of granting such scheduled increment shall be the regularly scheduled increment date extended by the period of absence, calculated to the nearest whole month, provided that absence for half or less of the working days in a month will not be counted as a month and more than half of the working days in a month will be counted as a full month.
- Where an employee would have been eligible for a scheduled increment during a maternity, parental or compassionate care leave, such increment shall be deferred and implemented effective the date of the employee's return to work. An employee's regularly scheduled increment date shall not be extended by the period of absence related to maternity/parental or compassionate care leave,
- 14.06** An employee absent from duty with or without pay for an accumulated period of one (1) month or more (exclusive of vacation, bereavement leave, on duty accident **and jury duty**) during one (1) yearly or two (2) consecutive half yearly increment periods shall have his/her scheduled increment date extended one (1) month for each month's absence calculated to the nearest whole month, provided that absence for half or less of the working days in a month will not be counted as a month **and** absence for more than half the working days in a month will be counted as a full month [twenty-two (22) working days average month].

ARTICLE 15 - RESIGNATION, DISMISSAL AND DISCIPLINARY ACTION

- 15.01** An employee wishing to resign shall send written notice to his/her Manager at **least two (2)** weeks before the effective date of the resignation. An employee who terminates employment with the Company by resignation and **who** fails to give the required two (2) weeks notice, shall **be** subject to loss of payment for wages or for any vacation or holiday credits up to an amount equal to the two (2) weeks notice period.
- 15.02** Excepting dismissal for just cause, the Company will provide a probationary employee with two (2) weeks notice of termination or two (2) weeks pay in lieu thereof or an equivalent combination of notice and pay in lieu of notice equalling two (2) weeks.
- 15.03** The Company agrees to notify the Association within three (3) working days of all cases of suspension or termination, and within seven (7) working days of other disciplinary action taken against employees covered by this Agreement. Any employee suspended pending an investigation, may at the Company's sole discretion, be suspended with pay.
- NOTE:** For purposes of confidentiality, an employee may request in writing that the Association not be so notified.
- 15.04** The Company agrees that when a written record indicating a warning of possible future disciplinary action is to be placed in an employee's personnel file:
- (1) The employee will be required to read and initial the record;

- (2) Initialling the record does not necessarily signify concurrence;
 - (3) The record and any written employee comments will be retained in his/her personnel file;
 - (4) The employee will immediately be furnished with a personal copy of that record.
- 15.05** The employee shall have the right to have an Association Representative present at any disciplinary hearing if the employee so desires.
- 15.06** An employee is entitled to examine his/her complete personnel file kept in the Department in which he/she works or in the Human Resources Department, upon request to his/her immediate Manager or their Employee Service Representative. Such request shall normally be made no more than once per year. The Manager shall maintain the right to schedule the number of appointments at any one time. After reviewing the file, the employee may discuss the file with the appropriate Manager(s) with a view to revising incorrect information, or to request updating or commendation where justified.
- 15.07** All letters or references of a disciplinary nature in an employee's personnel file shall be destroyed after two (2) years, providing there have been no further disciplinary letters placed within the employee's personnel file within that two (2) year period.
- 15.08** Excepting Probationary Employees, the Company shall not discipline or dismiss any employee bound by this Agreement except for just cause.

ARTICLE 16 - PAYDAYS

- 16.01** Payday shall be every second Friday for all employees. In the event of a Company holiday falling on a payday, employees will be paid on the preceding work day. All employees covered by this Agreement shall be enrolled in Direct Payroll Deposit.

ARTICLE 17 - SCHEDULE OF WAGES

- 17.01** The Schedule of Wages as set forth in the attached Appendices shall form part of this Agreement.
- 17.02** Appendix "C" shall apply to employees of MTS Allstream who entered the bargaining unit after February 17, 1998.
- 17.03** First Year: Effective February 20, 2007, 2.0% will be applied to Appendices B, C and D.
- 17.04** Second Year: Effective February 20, 2008, 2.5% will be applied to Appendices B, C, and D.
- 17.05** Third Year: Effective February 20, 2009, 2.5% will be applied to Appendices B, C and D
- 17.06** There shall be no roll back of wages during the life of the Collective Agreement unless otherwise agreed to by the parties.

ARTICLE 18 - CORPORATION RIGHTS

- 18.01** The Association acknowledges that it is the exclusive function and responsibility of the Company to manage its affairs, to direct its working forces, to hire, classify, promote, demote, transfer, layoff, discipline, suspend, and discharge any employee; to increase or decrease its working force; to re-organize, close or disband any department or section thereof from time to time as circumstances and necessity may require; and to maintain order, discipline, and efficiency. This includes the right to determine the employee's ability, skill, competence and other qualifications for the job. All matters concerning the operation of the Company's business not specifically dealt with in this Agreement shall be reserved to the Company and shall be its exclusive responsibility.
- 18.02** The Company has the right to make and alter from time to time, rules and regulations to be observed by employees provided that such rules and regulations do not violate or conflict with the provisions of this Agreement.

- 18.03 The Association acknowledges that nothing in this Collective Agreement shall limit the Company's right to layoff employees covered by this Agreement.
- 18.04 In exercising its Corporate Rights in administering this Agreement, the Company shall act reasonably, fairly, and in good faith.

ARTICLE 19 - HOURS OF WORK

- 19.01 The Company shall have the right from time to time to establish the arrangement of hours of **work** for all employees covered by this Agreement as is necessary for the efficient operation of the Company.
- 19.02.1 The normal working day for employees shall consist of seven (7) hours and thirty (30) minutes consecutively. Twenty (20) such working days shall constitute two (2) consecutive bi-weekly pay periods with a total of one hundred and fifty (150) hours of work.
 - Note:** The normal working day for immediate Managers of Craft employees shall consist of eight (8) hours per day and 7.846 paid hours per day.
- .2 A normal working week shall consist of any assigned five (5) consecutive days commencing on any day of the week.
- 19.03 A daytime ~~tour~~ shall not normally commence before 7:00 a.m. nor terminate later than 6:00 p.m.
- 19.04 Assignment of tours of duty may include Saturdays and Sundays.
- 19.05 When a shift change is implemented on less than twenty-four (24) hours notice, or a schedule change is implemented on less than five (5) working days notice, overtime rates shall apply.

ARTICLE 20 - SHIFT EMPLOYEES AND DIFFERENTIALS

- 20.01 When an employee is scheduled to work shifts, there shall be a minimum of eight (8) hours off between scheduled tours.
- 20.02 An evening and night differential of \$1.00 per hour will be paid to all employees covered by this Agreement for the time worked between the hours of 6:00 p.m. and 8:00 a.m.
This shall not apply to a day tour commencing after 7:00 a.m. or terminating prior to 6:00 p.m.
- 20.03 The differentials outlined in this Article are not applicable when an employee is being paid premium holiday pay, overtime rates, nor shall evening or night differentials be paid if an employee is being paid the Saturday or Sunday differential for *such* tour of duty.
- 20.04 **Christmas Eve/New Years Eve Differential**
A differential of straight time extra shall be paid for each hour worked between the hours of 6:00 p.m. and 12:00 midnight on Christmas Eve and/or New Year's Eve. Employees receiving the Christmas Eve or New Years Eve differential will not be eligible for differentials as provided under Sections 20.02 and 20.05.
- 20.05 **Saturday and Sunday Differentials**
 - .1 An employee who is normally scheduled to work five (5) days per week or ten (10) days over a two (2) week period, and who, at the direction of the Company works at least one (1) tour of duty on each of successive Saturdays, shall be paid a differential of one dollar (\$1.00) per hour for time worked on all tours commencing on Saturday, regardless of terminating time (including the all night tour commencing at 11:30 p.m. on Friday) on the second and subsequent Saturdays so worked.
 - .2 A differential of one-half straight time extra shall be paid for each hour worked between midnight Saturday and midnight Sunday by an employee covered by this Agreement.
 - .3 The Saturday and Sunday differentials shall not be included in wage payments for paid absence from duty.

- .4 The Saturday and Sunday differentials shall not be paid for any hours for which an employee is being paid premium holiday pay, Christmas Eve or New Year's Eve differentials or overtime rates.
 - .5 Where an employee who is assigned to work on a Saturday or Sunday exchanges his/her Saturday or Sunday assignment with another employee who was not assigned to work on that Saturday or Sunday, such Saturday or Sunday work shall not be considered as having been performed "at the direction of the Company" by either employee.
- 20.06 For the duration of this Agreement, existing differentials being paid will not be modified or terminated.

ARTICLE 21 - OVERTIME

- 21.01 When an employee is authorized to work beyond the normal work day, such additional hours shall be considered as overtime and will be Compensated for at double time.
- 21.02.1 A call-out for immediate reporting to the workplace will be paid at the applicable overtime rate from the time the employee is called and shall continue after completion of the job for such period as reasonably necessary to travel home.
- .2 A minimum of two (2) hours shall be paid for call-out overtime.

Banked Overtime Provisions

- 21.03.1 An employee working overtime for which he/she is entitled to payment at the rate of double time his/her regular wage rate, shall elect to be paid for such overtime in accordance with the following:
- (a) Such overtime to be paid for at the overtime rate; or
 - (b) The option of receiving straight time overtime pay for each hour worked, plus the balance of hours as time off; or
 - (c) The option of receiving time off equivalent to double time off when applicable.
- .2 If the employee elects to receive time off in lieu of overtime rates, he/she shall inform his/her Manager of this option prior to reporting such overtime.
- .3 The maximum amount of leave an employee may bank and maintain will be equivalent to the hours the employee would normally work in a four (4) week period, as defined in Article 19.
- .4 Banked Overtime leave will be taken as leave at a time mutually agreeable to the employee and his/her Manager. Such leave will be scheduled in one half (1/2) day units or full day units during slack periods. Leave will not be granted if it would directly result in more overtime. Where the demands of service necessitate, the Company shall have the right to defer a leave request. Any scheduled leave may be cancelled as a result of Company requirements.
- .5 On request, an employee may elect to have his/her Banked Overtime paid on his/her regular paycheque. Such payment will only be made in increments of one half (1/2) day, one (1) day or 100% of all banked overtime credits.
- .6 An employee must receive payment in full for all outstanding Banked Overtime prior to the end of each vacation year, on the thirtieth (30th) day of April. No carry over will be allowed.
- .7 Payout shall be based on the employee's rate of pay at the time of payout.
- .8 The scheduling of annual vacations shall take precedence over Banked Overtime leave.
- .9 Banked Overtime provisions will not apply to a Company holiday which is included as part of an employee's regular schedule.

ARTICLE 22 - VACATIONS

- 22.01** The vacation year will be calculated as the period beginning on the first (1st) day of May and ending the thirtieth (30th) day of April of the following year. A vacation week will consist of seven (7) consecutive calendar days.
- 22.02** An employee absent from duty with or without pay for an accumulated period exceeding eight (8) weeks, excluding vacation, maternity/parental leave and on duty accidents, during the twelve (12) months previous to May 1st, will have his/her vacation period reduced proportionately for each week of absence in excess of the first eight (8) weeks. Less than one-half of the working days worked in a week will constitute a week of absence for vacation credits, [five (5) working days average week].
- 22.03** When a Company holiday is observed within an employee's annual vacation he/she shall be granted one (1) additional day vacation. The additional day must be taken as mutually arranged by the employee's Manager.
- 22.04 .1** An employee living within a location having access by road and who receives Remoteness Allowance, shall be allowed two (2) additional days vacation credits in addition to his/her regular vacation credits. The credits will only be allowed if the two (2) days are taken with at least five (5) regular vacation credits and if the employee leaves the Remoteness Allowance area. Should the employee not leave the Remoteness Allowance area, or terminate employment, the additional days credit shall not apply.
- .2** An employee living within a location having no access by road and who receives Remoteness Allowance, shall be allowed one (1) week's vacation credit in addition to his/her regular vacation credits. The credits will only be allowed if the one additional week is taken with at least five (5) regular vacation credits and if the employee leaves the Remoteness Allowance area. However, should the employee not leave the Remoteness Allowance area, or terminate employment, the vacation days credit shall not apply.
- .3** The additional vacation days for Remoteness Allowance areas will be granted one time only in each vacation year.
- 22.05 .1** An employee who resigns, is laid off or dismissed will be allowed vacation, or pay in lieu thereof, in accordance with the vacation credits he/she has earned but not received, including proportionate vacation for the current working year.
- .2** An employee who is retiring shall be allowed to take vacation that he/she has earned but has not received including a proportionate period for service in the current working year, prior to the effective retirement date. An employee who retires under the MTS Pension Plan (regular retirement) or who retires for health reasons (disability retirement under the said Plan) shall have the option of working until his/her actual retirement date and receive pay in lieu of such earned vacation.
- 22.06 .1** An employee with less than one (1) year of Net Credited Service as of April 30th, will be allowed .288 of a day as vacation with pay during the first vacation year for each week of service as of April 30th. Two and one half (2%) or more days worked in a week will constitute a week of service for vacation credits. When computing such vacation credits, fractions of less than one-half will be dropped, fractions of one-half or more will be considered a full day.
- .2** An employee who has completed one (1) year of Net Credited Service as of April 30, will be allowed three (3) weeks of vacation with pay in the following year and each year thereafter.
- .3** An employee will in the vacation year in which his/her sixth (6) net credited anniversary date falls and in each succeeding vacation year, be allowed four (4) weeks vacation with pay.
- .4** An employee will, in the vacation year in which his/her fourteenth (14) net credited anniversary date falls and in each succeeding vacation year, be allowed five (5) weeks vacation with pay.
- .5** An employee will, in the vacation year in which his/her twenty-first (21) net credited anniversary date falls and in each succeeding vacation year, be allowed six (6) weeks vacation with pay.

- .6 An **employee** will, in the vacation year in which his/her thirty-fourth (34) net credited anniversary date falls and in each succeeding vacation year be allowed seven (7) weeks vacation with pay.
- .7 Vacations in excess of three (3) weeks may only **be** taken consecutively between November 1st and April 30th, or as arranged by the employee's Manager.
- 22.07.1 Vacations will **be** arranged in accordance with the requirements of service. Due to the nature of the Company's business, there are times when it is impossible to grant vacation to some employees. It follows, therefore, that in the scheduling referred to in the foregoing paragraphs, the Company **reserves** the right to deny any dates requested by employees concerned.
- .2 **Where the Company denies a request for vacation, the employee shall be provided with alternate time(s) during which the vacation can be taken.**
- .3 **As** soon as possible in the calendar year but **no** later **than** May 1st, vacations will be scheduled by work **groups, giving** due consideration to the length of service of employees and employees' preference insofar as the exigencies of service **will** permit. In any case of dispute, the Senior Manager will make the final decision. **Any such decision must be reasonable.**
- .4 Annual vacations shall not be accumulated over a period of **years** and **then** taken consecutively. Each year's vacation must normally be taken before April 30th of that vacation year. Where exceptional circumstances arise, the Company may defer vacation, or **at** its sole discretion, may approve the carry over of vacation to the following vacation year. Vacations of one (1) week to three (3) weeks will normally commence on a Monday and will be taken in one unbroken period, unless under special arrangements with the Department.
- 22.08 When an employee is taken ill, meets with an accident, is confined by quarantine regulations, or is called for jury duty:
 - (a) Before **leaving to go on vacation, where** the **employee is prevented** from taking the vacation, the Company will re-schedule the vacation at a later date in the same vacation year or in exceptional cases, in the next vacation year;
 - (b) After leaving work to go on vacation, the employee's vacation will not be rescheduled.

ARTICLE 23 - COMPANY HOLIDAYS

23.01 The following shall be recognized as Company holidays for which employees shall suffer **no** reduction in pay on account of the closing of the Company's offices:

New Year's Day	Labour Day
Louis Riel Day	Thanksgiving Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	Floating Holiday

The **Floating Holiday** shall be arranged by the Company and the employee in accordance with the requirements of service. The Company reserves the right to deny any dates requested by employees.

Any additional holiday proclaimed by the Government of Manitoba, or the Government of Canada as a holiday for the general public shall be recognized as a Company holiday.

23.02 **A** holiday **falling** on a day **between** Sunday and Saturday inclusive, shall be included in the weekly schedule for **all** employees for **that week**, but not including employees who **are** absent **on** leave without pay. However, an employee on such leave **who** works fifteen (15) days during the thirty (30) days immediately preceding a Company holiday will **receive holiday pay** for that holiday.

- 23.03** An employee working on a Company holiday is entitled to receive holiday pay, whether or not he/she is scheduled to work unless he/she is absent from work without authorization on the scheduled work day prior to or following such holiday.
- 23.04** When any of the above holidays falls on a Saturday or Sunday, which is normally a non-scheduled working day for an employee, the following working day(s) shall be observed as the holiday unless the service demands require otherwise,
- 23.05** An employee who works on a Company holiday shall receive double time for all hours worked in addition to his/her holiday pay.

ARTICLE 24 - DUTY MANAGER

- 24.01** Due to the nature of its operation, the Company may direct an employee to be available for work outside normal working hours, and he/she shall receive Duty Manager pay at the rate of two (2) hours pay per day for each day he/she is required to be available.
- 24.02.1** In addition to the monies paid in Article 24.01 above, a call-out for immediate reporting to the workplace will be paid at the applicable overtime rate from the time the employee is called and shall continue after completion of the job for such period as reasonably necessary to travel home.
- .2** A minimum of two (2) hours shall be paid for call-out overtime.
- 24.03** Every effort shall be made to equitably distribute the standby requirements among all qualified employees.

ARTICLE 25 - TRAVELLING REIMBURSEMENT

- 25.01** When an employee is required to travel on Company business, other than to and from his/her daily work, the Company shall furnish transportation, accommodation and meals. Such employee whose accommodation and meals are furnished by the Company may, subject to his/her Manager's approval, be allowed a transportation expense allowance to and from his/her normal place of residence in lieu of such accommodation and meals.
- 25.02** An employee who is temporarily assigned outside his/her headquarters zone may return to his/her home on weekends or authorized periods and be reimbursed costs at prevailing Company policy rates, providing that cost does not exceed the meals and accommodation costs thereby saved by the Company.
- 25.03** Under extraordinary circumstances, where an employee is required to stay overnight in a switching center or radio shack, a subsistence allowance of \$100.00 or a pro rata portion thereof will be granted.
- 25.04** Travelling time during normal working hours from an employee's assigned headquarters to the job and return shall be considered as time worked.
- 25.05** Travelling time when starting or completing a job in a city, town or district away from the employee's headquarters zone will be on Company time. Notwithstanding Article 21.01, if travelling extends outside the employee's scheduled normal work day a rate of time and one-half will apply for those hours in excess of 7.5 hours per day or 37.5 hours per week.
- 25.06** Notwithstanding Article 21.01, travelling time to attend training courses and joint initiatives outside the employee's scheduled normal working day shall be paid a rate of time and one-half for those hours in excess of 7.5 hours per day or 37.5 hours per week.
- 25.07** Travelling time associated with an emergency call-out shall be considered as time worked at the applicable overtime rates.
- 25.08** Notwithstanding Article 21.01, when travelling by air outside the employee's scheduled normal working day, compensation at a rate of time and one-half will apply for those hours in excess of 7.5 hours per day or 37.5 hours per week. Under these circumstances, time and one-half begins one (1) hour prior to flight time, including flight time, and one (1) hour after flight arrival.

25.09 Northern Region employees may be reimbursed for the cost of two (2) return trips for the employee and his/her immediate family travelling by private vehicle, as per Corporate Policy 204.21.

25.10 Where the Company initiates the relocation of a regular employee to a new headquarters and their former headquarters is within one hundred (100) kilometers in each direction, (city limit to city limit) of their new headquarters, they shall be allowed Company mileage rates (city limit to city limit) to commute for a period of up to one (1) year. This provision does not apply to employee initiated relocations and is in lieu of moving expenses.

Where an employee initially elects to commute to their new headquarters and subsequently, but within the one (1) year period, decides to relocate, all monies paid for mileage reimbursement shall be deducted from eligible monies payable for moving costs.

Note: Mileage reimbursement under Article **25.10** is considered a taxable benefit by the Canada Revenue Agency.

ARTICLE 26 - SAFETY

26.01 It shall be the responsibility of the Company to provide a safe working environment, proper and adequate tools, equipment and protective and safety devices for all employees.

26.02 The provisions of the Canada Labour Code shall apply to all **MTS** Allstream Inc. job sites and activities.

ARTICLE 27 – LAYOFF

27.01 The Association acknowledges that the Company has the right to determine affected positions for **layoff**.

27.02 Prior to providing layoff notice, the Company shall meet with TEAM and seriously discuss further ways to minimize or avert layoffs by reviewing issues such as redeployment opportunities, lateral transfer opportunities, vacancies, etc. The discussions shall be kept confidential and the Company shall have the sole discretion whether or not to act upon any suggestions. The Company shall provide the number, position title, name and salary classification of the affected employees.

27.03 Notice

.1 In the event of layoff, the Company agrees to meet with the Association to discuss said layoffs and to provide notice, fourteen (14) calendar days in advance of affected employees being so notified. Such notice shall include the date of **layoff**, number, position title, name and salary classification of the affected employees. The Association agrees not to disclose the layoff or any details pertaining to the notice provided until affected employees have received individual notice from the Company.

.2 Affected employees shall receive a minimum of **two (2)** weeks written notice of layoff or two (2) weeks pay in lieu thereof, or an equivalent combination of notice and pay in lieu of notice equalling two (2) weeks.

27.04 Procedure

.1 **For the purpose of** determining employees affected by a **layoff**, an employee identified for layoff in a single incumbent position will be assessed with employees in a multiple incumbent **position(s)** which In the Company's **opinion**, compares closest to the single incumbent position on the basis of duties and responsibilities. In assessing employees for the purpose of layoff within the combined multiple incumbent **position(s)**, where incumbents are deemed by the Company to be relatively equal on the basis of skill, ability, performance and qualifications, the junior incumbent, according to Net Credited Service (**NCS**) date, shall **be** laid off first. **In the case of** multiple incumbent positions, where incumbents are deemed by **the** Company to be relatively equal on the basis of **skill, ability, performance and qualifications**, the junior

incumbent, according to Net Credited Service (NCS) date, shall be laid off first. The Company maintains the right to determine the location of the layoff.

- .2 Affected employees **shall** not have the right to bump or otherwise move, into any other position under the provisions of this Article, except as expressly set out below.
- .3 Where an employee in TEAM's jurisdiction has been identified for layoff, and where such employee has the necessary ~~skills~~ and ability to satisfactorily perform an equally or lower rated position being filled by a CEP and/or IBEW member on an acting basis, the affected employee shall have the right to displace the CEP or IBEW member prior to being laid off **where there is over two (2) months remaining in the acting position.**
- .4 The above shall not apply to Temporary positions pursuant to Article ~~9.08~~ and ~~9.09~~ and shall only apply to existing **TEAM** positions. The Company will provide a list of TEAM positions being filled by a CEP and/or IBEW member on an acting basis to the affected employees in TEAM's jurisdiction designated for layoff.
- .5 Affected employees must, within two (2) weeks of receiving notice of layoff, identify in writing, along with a current resume, which equally or lower rated positions they believe they have the necessary skills and abilities to satisfactorily perform.
- .6 **The Company shall review the duties and required skill, ability, qualification and experience of all current Engagees as per the Letter of Understanding Union Dues – Engagees Performing Bargaining Unit work within the VP Group(s) of the employee(s) targeted for layoff. Where it is expected an Engagees assignment will continue for a minimum of six months from the date of layoff and where an employee identified for layoff in the same VP Group has the necessary skill, ability and required qualifications to satisfactorily perform the role of an Engagee with four (4) weeks training, the employee shall have the right to displace the Engagee prior to being laid off.**
- .7 Any required moves or associated travel/transportation expenses associated with the above shall be borne solely by the employee. Affected employees must commence the equally or lower rated position within seven (7) calendar days of being selected for the position.

27.05 Recall

- .1 Laid off employees **shall** have the right to be recalled for up to **one hundred and eighty (180)** calendar days, in order of NCS, to the position and salary classification from which they were laid off, providing Regular Full-Time work becomes available during this time
- .2 The right of recall for laid off employees shall expire **at** the end of **one hundred and eighty (180)** calendar days from the date of layoff, **at** which time the laid off employee shall be deemed to be permanently laid off, and therefore terminated
- .3 During recall, an employee may make application **in** accordance with Article **8** to any vacant position covered by the Collective Agreement.
- .4 Recall may be done by telephone, or if not contacted by telephone, by registered letter to the employee's last recorded address, at any time within **one hundred and eighty (180)** calendar days from the date of layoff.
- .5 It is the responsibility of laid off employees to keep the Company informed, in writing, of their current address and telephone number.
- .6 The employee shall advise **the** Company within five (5) calendar days of the date of recall **as** to their decision.
- .7 Once recall has been accepted, the employee **shall** report for duty within fourteen (14) calendar days from the date of recall, unless otherwise agreed to.

27.06 Employment Status:

An employee will be permanently laid off and deemed terminated where:

- (a) the employee has rejected a recall, or,

- (b) the employee has failed to notify the Company of his/her decision within five (5) calendar days of being recalled, or
- (c) the employee has accepted but did not report for duty within fourteen (14) calendar days of recall or as otherwise agreed above, of,
- (d) pursuant to Article 27.06.3, the employee elects to take severance pay prior to the expiration of the **one hundred and eighty (380)** calendar day recall period, or,
- (e) the employee is not recalled within **one hundred and eighty (180)** calendar days from the date of layoff.

27.07 Severance

.1 A permanently laid off and therefore terminated employee shall receive severance pay as follows:

Category	Description	Severance
1	Age 55 or greater, plus years of service is equal to or greater than 80.	26 week lump sum payment
2	Age 55 or greater, plus 10+ years of service with age plus service less than 80.	26 week lump sum payment
3	Age less than 55, however, age plus service is equal to or greater than 80.	Bridging Allowance (up to a maximum equivalent of 52 weeks base salary) and a 26 week lump sum payment; OR If age is less than 53, at the employee's option, 65 week lump sum payment
4	All other regular full-time or regular part-time employees.	Two (2) weeks per year completed net credited years of service up to a maximum of 65 weeks.

Note: Severance will be prorated for Regular Part-time employees as follows:

For severance purposes, service is represented as the sum of (i) any period or periods of Regular Full-time employment and (ii) any period or periods of Regular Part-time employment, pro-rated accordingly.

- .2 All severance amounts noted above are inclusive of notice and severance pursuant to the Canada Labour Code.
- .3 Through written agreement between the Company and employee, a laid off employee may elect to forfeit their **one hundred and eighty (180)** calendar day recall period to receive their severance pay upon their date of layoff. In this event, the employee would be permanently laid off and terminated.

ARTICLE 28 - PERSONAL LEAVE DAYS

Effective January 1st of each calendar year, all Regular Full-Time employees, excluding those from the CEP or IBEW jurisdiction, acting in TEAM's jurisdiction shall be credited with five (5) Personal Leave Days annually. Regular full time employees from the CEP or IBEW jurisdiction acting in TEAM's jurisdiction for six (6) months or longer, shall accrue PLD's on a pro-rated basis.

Employees commencing Regular Full-Time employment subsequent to January 1st, and Regular Part-Time employees, will be credited with Personal Leave Days on a pro-rated basis.

Employees will receive their basic rate of pay for each Personal Leave **Day**. Personal Leave Days shall be taken in accordance with the requirements of service. The Company **reserves** the right to **deny** any dates requested by employees.

There shall **be no** carrying over of Personal Leave Days beyond December **31st** of each year, nor will there be **a cash** payment in lieu of unused Personal **Leave** Days under **any** circumstances

LETTER OF UNDERSTANDING
BANKING OF VACATION/VACATION OVERTIME CREDITS

This will serve to confirm our agreement during negotiations in regards to the banking of vacation credits and the banking of vacation overtime credits **as** follows:

1. Employees shall be allowed to bank **up** to five **(5)** days of vacation credits or up to five **(5)** days of vacation overtime **credits** in a vacation year.
2. Employees age fifty-one (51) and over shall be allowed to bank **up** to ten (10) days of vacation credits or **up** to ten **(10)** days of vacation overtime credits in a vacation year.

In any event, the maximum combined total of vacation/vacation overtime credits any employee **can bank** is fifty **(50)** days.

LETTER OF UNDERSTANDING BENEFIT STATUS DURING RECALL

The following information regarding the status of benefits during recall is for information purposes only and does not form part of the Collective Agreement.

Benefits:

Eligible employees will have the option of maintaining the following benefits during recall for a period of **one hundred and eighty (180)** calendar days:

(a) Dental Plan

Eligible employees will have the option of maintaining coverage under the Dental Plan, **providing** they continue to pay their portion of the premium.

(b) Group Life Insurance

Eligible employees will have the option of maintaining coverage under the Group Life Insurance Plan, providing they continue to pay their portion of the premium.

(c) Voluntary Accident Insurance

Eligible employees will have the option of maintaining coverage under **the Voluntary** Accident Insurance Plan.

(d) Blue Cross Benefit Plan

Eligible employees will have the option of maintaining coverage under the Blue Cross Benefit Plan.

LETTER OF UNDERSTANDING NORTHERN RETENTION PREMIUM

This will confirm our understanding of the above subject as agreed during negotiations between the Association and the Company as follows:

All regular employees, regularly employed and who permanently reside north of the 53rd parallel shall be entitled to receive an annual Northern Retention premium of 5% of regular wages (excluding overtime and differentials, etc.), subject to the following terms and conditions:

An employee must complete twelve (12) consecutive months of employment north of the 53rd parallel to be entitled to the premium. Upon completion of each twelve (12) month period, the employee shall be paid the Northern Retention premium. The twelve (12) month period shall run from October 20th of the previous year to October 20th of the following year.

Employees hired into the North shall be eligible to receive a prorated premium for time worked between October 20th of the previous year to October 20th of the following year.

Where an employee is temporarily assigned by the Company to work south of the 53rd parallel, the Northern Retention premium shall continue as if said employee did not leave the north.

It is understood by the parties that the Northern Retention Premium shall take the form of a lump sum payment, not to be folded into the regular base rate of pay and shall not be considered pensionable earnings.

This Letter of Understanding shall terminate upon the expiry of the Collective Agreement on **February 19, 2010**.

LETTER OF UNDERSTANDING
VARIABLE PAY PLAN
Salary Groups 306, 307, 308

The following will confirm the understanding and agreement between the parties during negotiations regarding a Variable Pay Plan for salary groups 306, 307 and 308 as follows.

1. Effective January 1st, **2007**, incumbents of bargaining unit positions in salary groups 306, 307 and 308 **will** be eligible to participate in a Variable Pay Plan and receive a Target bonus of up to **5% based** on regular wages, payable in the following calendar year. Bonus payments are non-pensionable.
2. It **is** understood and agreed that it shall be the Company's sole and exclusive right to design the Variable Pay Plan. Further, TEAM agrees that the Company **shall** have the sole and exclusive right to redesign the Variable Pay Plan prior to the beginning of a new Plan year. Upon completion, the Company shall provide a copy of the Variable Pay Plan to TEAM **for** information purposes.
3. It is understood and agreed that it shall be the sole and exclusive function **of** the MTS Internal Audit Department to determine whether the Financial Targets of the Variable Pay Plan have been **met**. Such determination shall normally be completed by March 31st of the following calendar year and shall be final.
4. It is agreed and understood that this **Letter** of Understanding **is** not subject to **any** term or condition **of** the Collective Agreement, including Article **5** – Grievances and Article **6** – Arbitration.
5. Incumbents from 301 through 305 **positions who are** promoted into 306, 307 or 308 **level** positions during a calendar year will be eligible to participate in the Variable Pay Plan effective the beginning of the next calendar year.
6. This Letter of Understanding **shall** be a trial for the duration **of** the Collective Agreement and may be terminated upon the **service** of thirty (30) days notice **by** either party.

LETTER OF UNDERSTANDING
VARIABLE PAY PLAN
Salary Groups 306, 307, 308`
(Effective from January 1, 2009)

The following will confirm the understanding and agreement between the parties during negotiations regarding a Variable Pay Plan for salary groups 306, 307 and 308 as follows:

1. Effective **January 1st, 2009**, incumbents **of** bargaining unit positions in **salary** group 306, 307 and 308 will be eligible to participate in a Variable Pay Plan and receive a Target bonus of up to **6%** based on regular wages, payable in the following calendar year. Bonus payments are non-pensionable.
2. It is understood and agreed that it shall be the Company's sole and exclusive right to design the Variable Pay Plan. Further, TEAM **agrees** that the Company shall have the sole and exclusive right to redesign the Variable Pay Plan prior to the beginning of a new Plan year. Upon completion, the Company shall provide a copy of the Variable Pay Plan to TEAM for information purposes.
3. It is understood and agreed that it shall be the sole and exclusive function **of** the MTS Internal Audit Department to determine whether the Financial Targets of the Variable Pay Plan have been met. Such determination shall normally be completed by March 31st of the following calendar year and shall be final.

4. It ~~is~~ agreed and understood that **this** Letter of Understanding is not subject to any term or condition of the Collective Agreement, including **Article 5 – Grievances** and **Article 6 – Arbitration**.
5. Incumbents from **301** through **305** positions who are promoted into **306, 307** or **308** level positions during a calendar year will **be** eligible to participate in the Salary Group **306, 307, 308** Variable **Pay Plan** effective the beginning of the next calendar year.
6. This Letter of Understanding shall **be** a trial for the duration of the Collective Agreement and may be terminated upon the service of thirty (30) days notice by either party.

LETTER OF UNDERSTANDING
VARIABLE PAY PLAN
Salary Groups 301, 302, 303, 304, 305
(Effective from January 3,2009)

The following will confirm the understanding and agreement ~~between~~ the parties during negotiations regarding the introduction of a Variable Pay Plan for Salary Groups **301, 302, 303, 304** and **305** as follows:

1. Effective January 1st, 2009, incumbents of bargaining unit positions in salary groups **301, 302, 303, 304** and **305** will be eligible to participate in a Variable Pay Plan and receive a Target bonus of up to 1% based on regular wages, payable in the following calendar year. **Bonus** payments are non-pensionable.
2. It is understood and agreed that it shall be the Company's sole and exclusive right to design the Variable Pay Plan. Further, TEAM agrees that the Company **shall** have the sole and exclusive right to redesign the Variable Pay **Plan** prior to the beginning of a new Plan year. Upon completion, the Company shall provide a copy of the Variable Pay Plan to TEAM for Information purposes.
3. It is understood and agreed that it shall **be the** sole and exclusive function of the MTS Internal Audit Department to determine whether the Financial Targets of the Variable Pay Plan have been met. Such determination shall normally be completed by March 31st of the following calendar year and shall be final.
4. It is agreed and **understood** that this Letter of Understanding is not subject to any term or condition **of** the Collective Agreement, including **Article 5 – Grievances** and **Article 6 – Arbitration**.
5. **Employees** promoted into **301, 302, 304** or **305** level positions during a calendar year will be eligible to participate in the **301, 302, 303, 304** or **305** Variable Pay Plan effective the beginning of the next calendar year.
6. **This** Letter of Understanding shall **be a** trial during the **last** year of the Collective Agreement and may be terminated upon the service of thirty (30) days notice by either **party**.

LETTER OF UNDERSTANDING
RETROACTIVE PAYMENT OF WAGES

By one (1) month following the date of the ratification of the new Collective Agreement, retroactive payment of regular wages (exclusive of overtime), at new wage rates as set out in the Appendices of the new Collective Agreement shall be paid retroactively to **February 19, 2007**, to those employees who are on staff as of the **date** of ratification of *the* new Collective Agreement.

LETTER OF UNDERSTANDING
EMPLOYMENT EQUITY

This will confirm our understanding of the above subject **as** agreed during negotiations between the Company and the Association, **as** follows:

Both the Company **and** the Association agree **to** the principle of Employment Equity and agree, as required, to provide representation to the Employment Equity Committee.

**LETTER OF UNDERSTANDING
JOB EVALUATION/RECLASSIFICATION
HAY JOB EVALUATION PLAN**

This will confirm our understanding of the above subject as agreed between the Company and the Association as follows:

Appeal Process

All employees shall have the right to appeal as follows:

1. Review job description with immediate Manager to ensure the job description is complete, accurate and approved.
2. Request a review of the job description with the immediate Manager and a representative from the Compensation Group to determine overall appropriateness.
3. **If** the employee is still not **satisfied**, he/she may appeal his/her concerns in writing to the Compensation Manager who shall arrange to have his/her **job** re-evaluated by the **Job** Evaluation Committee.

**LETTER OF UNDERSTANDING
SALES BONUS/COMMISSION PLANS**

Effective the date of signing the Association recognizes the right of the Company to make **adjustments** to sales bonus/commission plans from time to time during the life of the Collective Agreement. Adjustments **made** are to be done **in good faith and in a fair** and reasonable manner. **The** Company agrees to **advise** the **Association** of any such adjustments.

**LETTER OF UNDERSTANDING
NET CREDITED SERVICE (NCS)**

Where an employee resigns from the **employment** of one of the **MTS Group of Companies** to accept a new position within another one of the **MTS Group of Companies**, his/her **Net Credited Service** shall **be** recognized.

**LETTER OF UNDERSTANDING
VOLUNTARY RETIREMENT INCENTIVE PROGRAM (VRIP)**

Program Details

1. Retirement Incentive

To be eligible for the retirement incentive employees must:

- **Be** Regular Full-time or Regular Part-time*
- Be at least 55 years of age and have a minimum of 10 years of service.

Eligible employees will receive a lump sum payment based upon the schedule below:

Age & Service	Lump Sum Payout
Below 80	52 weeks
80-81	52 weeks
82-83	48 weeks
84-85	44 weeks
86-87	40 weeks
88+	36 weeks

Lump sum payment for Regular Part-time employees shall be prorated as follows:

For severance purposes, service is represented as the sum of (i) any period or periods of Regular Full-Time employment and (ii) any period or periods of Regular Part-Time employment, pro-rated accordingly.

2. Bridging incentive

To be eligible for the bridging incentive employees must:

- Be Regular Full-time or Regular Part-time
- Be less than 55 years of age, however, age plus service is equal to or greater than 80.

Eligible employees will receive:

- A bridging allowance, up to a maximum equivalent of 52 weeks base salary"
- A 26 week lump sum payment
- A bridging allowance top up (lump sum payment)
 - The purpose of the bridging allowance top up is to reduce the impact on an employee's pension where the employee chooses to depart the Company under the bridging incentive.
- The bridging allowance top up will be calculated based on the number of months remaining before an employee reaches age 55 at the time of departure over a maximum bridging period of twenty-four (24) months multiplied by 26 weeks base salary. In any event, the value of the bridging allowance top up will be capped at twenty-six (26) weeks salary.

* Lump sum payment for Regular Part-time employees shall be prorated as follows:

For severance purposes, service is represented as the sum of (i) any period or periods of Regular Full-Time employment and (ii) any period or periods of Regular Part-Time employment, pro-rated accordingly.

** The Bridging Allowance to be calculated pursuant to current monthly bridging formula in a manner consistent with the calculation of the Bridging Allowance in Category 3 of Article 27.06.1 – Severance.

Bridging Allowance Top up Formula:

$$\frac{\text{\# of months remaining to age 55}}{24 \text{ months}} \times 26 \text{ weeks base pay} = \text{Top up allowance}$$

The following examples illustrate the calculation of the Bridging Allowance Top up:

Example 1 – Employee age 53 with a \$60,000.00 base salary

$$\frac{24}{24} \times \$30,000.00 = \$30,000.00$$

Example 2 – Employee age 54 with a \$60,000.00 base salary

$$\frac{12}{24} \times \$30,000.00 = \$15,000.00$$

Example 3 – Employee age 50 with a \$60,000.00 base salary

$$\frac{24}{24} \times \$30,000.00 = \$30,000.00$$

Terms & Conditions

1. This VRIP Program shall be offered on a Vice President (VP) Group basis during the life of the renewed Collective Agreement prior to invoking Article 27 – Layoffs.
2. Under the Voluntary Retirement Incentive Program it shall be the Company's sole and exclusive right to determine:
 - a. The VP Group to which the VRIP Program will be offered.
 - b. The number of reductions required within the VP Group.
 - c. The specific position(s) affected and the number of corresponding reductions.

For the purpose of determining the specific positions affected by a VRIP, any single incumbent position(s) identified will be combined with a multiple incumbent position(s) which in the Company's opinion, compares closest to the single incumbent position on the basis of duties and responsibilities. The Company maintains the right to determine the location of the reduction.

Employees within the VP Group who are not in an affected position(s) may also make application to the VRIP.

Nothing in this Letter of Understanding shall restrict the Company's right to layoff within the affected position(s) should the required reductions in the affected position(s) not be achieved through the VRIP.

It is understood and agreed that the final approval of all applications rests solely with the Company.

3. Employees in affected VP Groups will be provided with a thirty (30) calendar day window of opportunity to make application to the Voluntary Retirement Incentive Program (VRIP).
4. Departure dates for approved applicants will be established by the Company based on business and operational requirements.
5. Category eligibility will be determined by the employee's approved departure date. As a result, some employees may qualify under a different category incentive at their approved date of departure as opposed to their date of application. Where the employee's departure date is delayed by the Company beyond the program departure date, the employee's incentive payout will not be reduced as a result of such delay.

6. Employees eligible for the Retirement Incentive (#1) who do not make application to the first offering of the Voluntary Retirement Incentive Program, shall be eligible to reapply to subsequent offers with the understanding that their incentive shall be capped at 30 weeks maximum. Where the Company does not approve applications from employees eligible for the Retirement Incentive (#1) who apply to depart within the timeframes pursuant to the VRIP offering, the employee **shall be** eligible to apply to subsequent offers, and if approved, receive an incentive in accordance with the schedule outlined above.
7. Any employee that departs the Company under the Voluntary Retirement Incentive Program (VRIP) shall be required to execute, **as** a condition of receiving the Incentive, a Confidentiality and Non-Compete Agreement in **a** manner **as** prescribed by the Company.
8. Upon the expiry of the Collective Agreement this VRIP Letter of Understanding shall terminate and therefore have no effect.

LETTER OF UNDERSTANDING
SELF-IDENTIFICATION/VOLUNTARY DEPARTURE

At any time during the life of the **Collective** Agreement, an employee may apply for an incentive under the Voluntary Retirement Incentive Program or for a voluntary severance payout pursuant to the amounts prescribed in Article 27 of the Collective Agreement

The Association acknowledges that the approval of such applications rests solely with the Company.



LETTER OF UNDERSTANDING

UNION DUES – ENGAGEES PERFORMING BARGAINING UNIT WORK

The following shall confirm the understanding and agreement between the parties with respect to the remittance of union dues for Engagees performing work within the TEAM bargaining unit:

1. Effective the first (1st) pay period following the ratification date of the new Collective Agreement, union dues will be capped at **(build in current dues structure)** for the TEAM bargaining unit plus \$1.00 per Engagee, paid bi-weekly, subject only to a percentage increase in keeping with the annual salary percentage increase as set out in the Collective Agreement. A list of said Engagees will be provided to the Union along with the bi-weekly dues.
2. **MTS Allstream typically engages Engagees to provide specialized skills, knowledge and expertise, or to supply resources for specific business objectives or initiatives for a defined term.** If the Company engages more than ninety (90) Engagees doing work within the TEAM bargaining unit, TEAM may, in its sole discretion, notify the Company this agreement has terminated. This Letter of Understanding will have been in full force and effect with respect to all issues concerning contractors up until that time. From date of termination forward, TEAM shall be free to grieve the ongoing circumstances concerning contractors/employees, and, in such a case, this Letter of Understanding will be without prejudice to either party and any payment of dues by the Company up to that date cannot be used as evidence in any such grievance relating to contractors.
3. If the Company enters into contractual arrangements for work within the TEAM bargaining unit which it asserts should not result in the payment of dues to TEAM, it will provide to TEAM the name and work location of any individual engaged. If TEAM contests the exclusion of such a person, the Company will provide the reasons therefore.
4. The Union understands that there is present training of existing employees within TEAM for information technology work being done by the Engagees and understands that this training will continue.

Effective June 1, 2008 revise paragraph 2 as follows:

2. **MTS Allstream typically engages Engagees to provide specialized skills, knowledge and expertise, or to supply resources for specific business objectives or initiatives for a defined term.** If the Company engages more than **eighty (80)** engages doing work within the TEAM bargaining unit, TEAM may, in its sole discretion, notify the Company this agreement has terminated. This Letter of Understanding will have been in full force and effect with respect to all issues concerning contractors up until that time. From date of termination forward, TEAM shall be free to grieve the ongoing circumstances concerning contractors/employees, and, in such a case, this Letter of Understanding will be without prejudice to either party and any payment of dues by the Company up to that date cannot be used as evidence in any such grievance relating to contractors.

Effective June 1, 2009 revise paragraph 2 as follows:

2. **MTS Allstream typically engages Engagees to provide specialized skills, knowledge and expertise, or to supply resources for specific business objectives or initiatives for a defined term.** If the Company engages more than **seventy (70)** engages doing work within the TEAM bargaining unit, TEAM may, in its sole discretion, notify the Company this agreement has terminated. This Letter of Understanding will have been in full force and effect with respect to all issues concerning contractors up until that time. From date of termination forward, TEAM shall be free to grieve the ongoing circumstances concerning contractors/employees, and, in such a case, this Letter of Understanding will be without prejudice to either party and any payment of dues by the Company up to that date cannot be used as evidence in any such grievance relating to contractors.

LETTER OF UNDERSTANDING ALLSTREAM ACQUISITION

During the life of the Collective Agreement, at the written request of the Association, the Company agrees to meet with representatives of the Association to review concerns and to provide updates regarding the impact that the Allstream acquisition may have on the TEAM bargaining unit.

Unless circumstances dictate otherwise, these meetings will be convened on a quarterly basis. The Association agrees to forward agenda items one week in advance of the meeting.

The Company agrees to make available appropriate Senior Management representatives to attend such meetings.

It is understood that the Company will take no steps to implement any changes which will impact the Association's bargaining unit until the Association is first advised.

The Company shall not direct a forced move outside of Manitoba of any employee covered by the Collective Agreement.

LETTER OF UNDERSTANDING LABOUR MANAGEMENT COMMITTEE

In the spirit of fostering a positive labour relations environment and for the purpose of maintaining effective communications, the Company and the Union shall meet for the purpose of discussing issues of mutual interest and concern. Unless circumstances dictate otherwise, these meetings will be convened on a quarterly basis. Meetings shall be attended by a Union committee to be comprised of not more than five (5) members. Both parties shall submit an agenda seven (7) calendar days prior to such meetings. The Company agrees to make available appropriate Senior Management representative to discuss the Union's issues and concerns.

Union committee members shall be allowed time off with pay to attend such meetings. The Union shall be responsible for all transportation, meals, accommodation and all other expenses for Union Committee members.

LETTER OF UNDERSTANDING
OUTSOURCING

In the event the Company engages a third party to perform work presently being performed by bargaining unit members and where employees will no longer be offered work by the Company as a result thereof, affected employees may exercise any rights they may have under the terms of the Collective Agreement if they elect not to be an employee of the third party or are not offered continued employment with the third party.

LETTER OF UNDERSTANDING IT PROGRESSION OPPORTUNITIES

WHEREAS the Company has a desire to fill Software Specialist 2 (303IT) positions by way of the progression of Software Specialist 1s (302IT) and to fill Software Specialist 3 positions (304IT) by way of progression of Software Specialist 2s (303IT) and:

WHEREAS the parties agree that the method outlined below for filling Software Specialist 2 and Software Specialist 3 positions shall be an alternative to the posting process as outlined in Article 8 of the Collective Agreement.

Now therefore in consideration of the execution of this Agreement, the parties agree as follows:

1. Except to the extent as otherwise provided for in this Letter of Understanding, the terms and conditions of the present Collective Agreement shall apply to those employees affected by this Letter of Understanding.
2. When the Company determines that a Software Specialist 2 or Software Specialist 3 requirement exists, the Application Services Managers shall meet to discuss the progression of individuals from within the Software Specialist 1 and Software Specialist 2 classifications. Individuals may identify themselves for consideration by submitting a written request through their Manager to the Application Services Managers Group. The written request shall include specific documented examples of work-related performance and the results.
3. The criteria used as the basis to promote individuals shall be as follows:
 - Above average performance as a Software Specialist 1 or Software Specialist 2 over a period of two (2) years or more?
 - A demonstrated interest to accept the additional responsibility of a Software Specialist 2 or Software Specialist 3 and the opportunity to demonstrate the ability to successfully perform a Software Specialist 2 or Software Specialist 3 function.
 - Demonstrated technical leadership.
4. Individuals recommended for progression by the Application Services Managers Group will be forwarded to the appropriate IT Director for final confirmation. The Company will advise all Software Specialist 1s of individuals promoted to Software Specialist 2 and all Software Specialist 2s of individuals promoted to Software Specialist 3 positions. Individuals who were not approved for progression shall be advised of the reasons by a member of the Application Services Managers Group.
5. It is understood between the parties that the Company has the sole discretion to:
 - Determine the number of Software Specialist 2 and Software Specialist 3 positions to be filled.
 - Determine which individuals will be promoted based on the aforementioned criteria.
6. The Company agrees to consider all internal Software Specialist 1s for Software Specialist 2 positions and all internal Software Specialist 2s for Software Specialist 3 positions prior to considering external applicants.
7. Upon request of either party, the parties agree to meet to discuss matters of concern relating to the Letter of Understanding and implement, as necessary, changes as mutually agreed.
8. This Letter of understanding shall continue in full force and effect unless terminated by either party. In the event that either party exercises its right to terminate this Letter of Understanding, it shall provide the other party with thirty (30) days prior written notice.

LETTER OF UNDERSTANDING
UNIVERSITY GRADUATES/COMMUNITY COLLEGE SALARY SCHEDULES

The following will confirm the understanding and agreement between the parties concerning the application of the University Graduates/Community College Salary Schedules as set out in the appendices to the Collective Agreement.

1. The University Graduate/Community College Salary Schedules (Grad Payscales) are for Graduates who the Company determines are not yet qualified for a rated management position and are hired on the basis that they will progress towards a rated management position.
2. Employees placed on the Grad Payscales shall be provided training, mentoring or other like development. The employee shall be provided an individual development plan in writing which shall be reviewed with the employee upon commencement of employment. The development plan will identify the type and length of training or mentoring, type of supervision, matters of rotation where applicable and expectations of and/or goals or objectives set for the employee.
3. The Grad Payscales shall be used only for external new hires and will not be used for internal applicants.
4. The parties recognize that the issue of whether the employee was fully qualified for the rated management position when placed on the Grad Payscales may be grieved. Further, the issue of whether an employee placed on the Grad Payscales is in fact being trained/mentored consistent with paragraph two (2) rather than performing the full functions of the rated management positions without training/mentoring, may also be grieved.
5. This Agreement does not alter the requirement of the Company to post positions under Article 8. After posting, if Graduates are hired and placed on the Grad Payscales pursuant to this Letter of Understanding, when the Graduates referred to herein have successfully progressed to a rated management position they shall be placed in that position without the requirement for further posting.

LETTER OF UNDERSTANDING
MTS CONTRIBUTION TO BLUE CROSS HEALTH PLAN PREMIUMS

This will serve to confirm the agreement between the parties that should the Communications, Energy and Paperworkers Union or the International Brotherhood of Electrical Workers Union be successful in gaining a Company contribution to the Blue Cross Health Plan through the collective bargaining process, TEAM-IFPTE members shall also benefit from the arrangement.

APPENDIX "A"
EXEMPT MANAGEMENT POSITIONS
MTS ALLSTREAM

<u>Position Title</u>	<u>Job Number</u>
Chief Information Officer	1228
Manager Consumer Marketing	1233
Site Architect Consumer Markets	1252
VP Operations Consumer Markets	1255
Director Property Management	1265
Director Operational Efficiency	1272
Director Sates Operations	1273
Director Program Management Application Services	1275
Human Resources Business Partner	1290
Director NSBM Marketing	1294
VP National Small Business Markets	1295
Director Eastern Region Operations	1501
Director Northwest Region Operations	1613
Director Ntwk Svcs Bus Plng & Operational Performance	1750
President Consumer Markets	1803
Vice President Marketing	1850
Gateway Marketing Manager	1852
Director Voice & IP Services Product Marketing	1853
Director Service Development & Implementation	1860
Manager Business Marketing	1862
Director Ad & Marketing Communications	1863
Director Market Knowledge	1864
VP Sales	1870
Director MB Enterprise Commercial Accounts	1872
Director MB Enterprise GEM Accounts	1873
Director Go-to-Market. Enterprise Solutions	1874
Director Carrier Services	1a75
VP Customer Care	1880
Director Business Sales & Services	1882
Director Retail Alt Dist Channel	1883
Director Supply Services	1962
Director Property Services	1963
Director Corporate Security	1964
VP Application Services Consumer Markets	1967
VP Finance Consumer Markets	1970
Director Financial Reporting & Planning	1971
Director Financial Operations	1972
Manager Capital Management & Reporting	2062
Director Business Decision Support	2901
Senior HRIM Analyst & Team Lead West	2285
Manager Wireless Products	2311
Manager Wireless Application Development	2311
Director Consumer Retail Sales	2338
Manager Workstation Support	2405
Manager Client Security Services	2559
Manager Information Systems & Net Security	2562
Security Representative	2563
Information Technology & Security Specialist	2564
Manager Corporate Emergency Planning	2597
Corporate Emergency Planner	2598
VP Retail Sales	2821

APPENDIX "A"

EXEMPT MANAGEMENT POSITIONS

MTS Allstream Inc., Consumer Markets Division

<u>Position</u>	<u>Job Number</u>
Director Market Management.....	2830
Director Consumer Sales & Service.....	2869
Director Internet Product Management.....	2920
VP Network Planning & Engineering.....	3029
Director HR Shared Services Systems & Planning.....	3118
Manager Financial Reporting.....	3232
Director Planning & Technology.....	3239
Director Retail Planning & Development.....	3244
Director Architecture & Consumer Technical Solutions.....	3281
Director Program Control & Implementation.....	3283
HR Specialist Attraction & Retention.....	3401
Director Network Implementation.....	3447
Strategic Planning Mgr & Exec Assistant to the President.....	3481
Director IT Technical Services.....	3939
Director Network Planning.....	3543
Director ITSM & Corporate Processing Management.....	3576
Director Solutions Management Application Services.....	3634
Leadership & Org Effectiveness Associate.....	3654
Director Retail Business Solutions.....	3667
Labour Relations Specialist.....	3703
Labour Relations Analyst.....	3704
Manager Wellness, Environment & Disability Management.....	3705
Senior HRIM Analyst Org Management.....	3713
Director Network & Enterprise Services.....	3800
Director Workforce & Service Control Centre.....	3801
Director Network Assurance.....	3802
Director Customer Provisioning & Assurance.....	3803
Director Customer Care Support.....	3849
Regional VP Enterprise Solutions AB/BC.....	3853
Director Wireless Product Management.....	3869
Manager Finance - Financial Planning.....	3872
Director Marketing & Service Development.....	3884
Director PSI Program Management Application Services.....	3885
IT Security Policy & Compliance Specialist.....	3913

Notes:

1. The Company shall notify the Association of Appendix "A" vacancies, title changes, incumbent changes or when an Appendix "A" position is filled.
2. Existing bargaining unit positions shall remain In-scope unless otherwise agreed to between the parties.
3. When an employee vacates an Appendix "A" position and returns to a bargaining unit position, the Company shall in accordance with Article 3 of the Collective Agreement deduct Association dues from the employee's salary.
4. In the event MTS Allstream creates a new position which it asserts should be added to Appendix A, TEAM shall be advised. Should the parties not reach agreement with respect to the exempt status of the position in question, the matter will be referred to the Canada Industrial Relations Board for final resolution. It is understood that the position in question shall be treated as exempt while the issue is being adjudicated. In the event that the Canada industrial Relations Board determines that the position in question falls within the scope of the bargaining unit, the Company shall reimburse the Association for past dues retroactive to the date the new position was created.

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5. The Company agrees to internally advertise Appendix "A" vacancies for a period of ten (10) working days for information purposes only. It is understood and agreed to by the Association that the filling of such vacancies is not subject to Articles 5 & 6, Grievances/Arbitration.

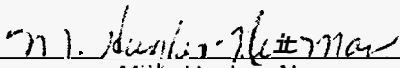
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives the _____ day of _____ 2008.

FOR MTS ALLSTREAM INC.

**FOR THE TELECOMMUNICATIONS
EMPLOYEES ASSOCIATION OF
MANITOBA
(TEAM-IFPTE Local 161)**



Kelvin Shepherd
President, Consumer Markets



Misty Hughes-Newman
President, TEAM-IFPTE Local 161




Pat Solman
Vice President Customer Care



Louie Haklar
1st Vice President



Rick McMillin
Vice President Retail Sales




Ed Maxwell
2nd Vice President



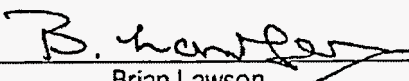
Graham Fisher
Vice President Human Resources Business Partners




Bob Linsdell
Business Manager



Don Rooney
Director Labour Relations



Brian Lawson
IFPTE National Counsel



Jamie Barbour
Treasurer



Pat Basarowich
Board Member



Larry Trach
Business Manager (retired)