

TEAM Pay and Benefits Committee Report

Bob Linsdell
November 15, 2010

Health and Insurance Plans

- **JBC Meeting:** The last Joint Benefits Committee meeting was held on May 3, 2010. The next meeting has not been scheduled.
- **Blue Cross Plans**
 - Darlene Buan will be attending a CBPI breakfast seminar on Prescription Drug Reform.
- **Dental Plan**
 - At the last JBC meeting it was announced that Brenda McInnes had said that the plan had a significant surplus, and that we should all take a contribution holiday to burn up said surplus.

We understand that IBEW and CEP are still waiting to have a meeting with MTS as the dental plan is referenced in their respective Collective Agreements, and this may give them some input on the use of surplus.

MTS DB Pension Plan

- **Pension Committee Meetings**
 - The DB pension plan committee meeting is scheduled for November 30th.
- **Pension Formula**
 - MTS said they have been advised by legal counsel to put discussions on this matter on hold until the pension lawsuit appeal process has been concluded.
 - I will be consulting with our legal counsel about next steps.
- **Pension Lawsuit**
 - Appeal Process Status: Appeal, Cross Appeal, and our reply facta have been filed. Next week, MTS will file their reply factum to the plaintiffs' cross-appeal. All facta will be posted on the TEAM website.

The Appeal hearing will take place December 13th to December 15th.

- Quantification of Judgment (\$100M or \$90M?): MTS stated that it was \$100 million, but now says it is \$90 million! A hearing will be necessary; in the meantime we are engaging an actuary with respect to our position.

- MTS' Stay Application: MTS were successful in their application. Justice Bryk was not inclined to enforce the judgement at this point. Although he didn't provide written reasons, we believe the uncertainty in the amount of the judgement and the fact that MTS is a strong business played into his decision making process (Justice Bryk's decision attached).

- **Pension Award Implementation**

- The next meeting to discuss implementation of the award will be held the afternoon of December 1st. CEP will be presenting a report from their actuary. Misty and I will be attending.
- **Board Direction Request**: I am seeking general guidance on which category of plan member/former plan member should receive a share in the \$100M award, and the manner in which they receive it e.g. benefit improvement, lump sum payout, or perhaps a combination of the two.

Misty and I will take the Board's direction to the implementation committee; however, the implementation process will be long and complex, with five parties, several actuaries, legal counsel, and probably a judge at some point.

MTS DC Pension Plan

- **Pension Plan Committee Meeting**

- The DC pension plan committee meeting is scheduled for November 30th.



THE HONOURABLE MR. JUSTICE
DONALD P. BRYK

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OCT - 7 2010

October 5, 2010

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Dear Counsel:

RE: TEAM et al. v. MTS et al.;
Queen's Bench File No. CI 99-01-14589

I have now received responses to my September 23, 2010 correspondence from Mr. K. Williams (September 23, 2010) and Mr. B. Meronek, Q.C. (September 28, 2010).

At our September 13, 2010 meeting, all parties agreed that the issue of implementation would be deferred until after the hearing in the Court of Appeal. I took that to mean that implementation would be deferred until after the Court of Appeal renders its decision.

All parties now have agreed to defer the issue of quantification until after the Court of Appeal hearing. Determination of that issue need not await the decision of the Court of Appeal and can proceed early in the New Year subject to the availability of counsel and a hearing date.

I am unable to fix hearing dates as the rota is determined by the Trial Coordinator in consultation with the Chief and Associate Chief Justices. I leave it to counsel to make the necessary arrangements.

Finally, I reserved my decision on the defendants' motion which I heard on June 22, 2010. It had been my expectation that the issue of quantification would have been resolved by this time. Since it has not and the parties have agreed to defer the issue of implementation until after the Court of Appeal reaches its decision, I am making an order that the judgment is not currently enforceable by way of traditional enforcement proceedings and that it will require either agreement between the parties or further directions from this court before it becomes enforceable. The plaintiffs have not persuaded me that it is necessary to attach any conditions such as securing payment of the judgment in some fashion. The parties have agreed to defer implementation pending the decision from the Manitoba Court of Appeal.

I am prepared to provide reasons for this decision if requested although under the circumstances, I do not see a need for same.

I would request that Mr. Williams prepare the appropriate order and have it properly endorsed by counsel for the plaintiffs.

If any questions or issues arise from any of the above, as always, I am pleased to participate in further discussion.

Yours truly,

Donald P. Bryk

DPB/cc