

**THE QUEEN'S BENCH  
Winnipeg Centre**

BETWEEN:

**TELECOMMUNICATION EMPLOYEES ASSOCIATION OF MANITOBA INC. –  
INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL  
ENGINEERS LOCAL 161, COMMUNICATIONS, ENERGY AND PAPERWORKERS  
UNION OF CANADA LOCAL 7, INTERNATIONAL BROTHERHOOD OF ELECTRIC  
WORKERS, LOCAL UNION 435, HARRY RESTALL, ON HIS OWN BEHALF AND ON  
BEHALF OF CERTAIN RETIRED EMPLOYEES OR THE WIDOWS/WIDOWERS  
THEREOF OF MANITOBA TELECOM SERVICES INC., MTS COMMUNICATIONS  
INC., MTS MOBILITY INC. AND MTS ADVANCED INC., and LARRY TRACH, ON HIS  
OWN BEHALF AND ON BEHALF OF ALL UNIONIZED EMPLOYEES OF MANITOBA  
TELECOM SERVICES INC., MTS COMMUNICATIONS INC., MTS MOBILITY INC.,  
MTS ADVANCED INC. AND ALL UNIONIZED EMPLOYEES OF MTS MEDIA INC.  
WHO WERE TRANSFERRED TO YELLOW PAGES GROUP CO. PURSUANT TO A  
SALE ON OCTOBER 2, 2006**

plaintiffs,

- and -

**MANITOBA TELECOM SERVICES INC. and  
MTS ALLSTREAM INC. (as successor to MTS COMMUNICATIONS INC., MTS  
MOBILITY INC., and MTS ADVANCED INC.)**

defendants

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**ORDER**

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**D'ARCY & DEACON LLP**  
Barristers and Solicitors  
2200 – One Lombard Place  
Winnipeg, Manitoba R3B 0X7  
Solicitors for the plaintiffs,  
Excepting Unifor (formerly CEP)  
and IBEW

**MYERS WEINBERG LLP**  
Barristers and Solicitors  
724 – 240 Graham Avenue  
Winnipeg, MB R3C 0J7  
Solicitors for IBEW

**DEELEY FABBRI SELLEN  
LAW CORPORATION**  
Barristers and Solicitors  
903 – 386 Broadway  
Winnipeg, MB R3C 3R6  
Solicitors for Unifor (formerly CEP)

**TAYLOR McCAFFREY LLP**  
Barristers and Solicitors  
9<sup>th</sup> Floor – 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Solicitors for the defendants

THE QUEEN'S BENCH  
Winnipeg Centre

THE HONOURABLE  
MR. JUSTICE D.P. BRYK

)  
) Monday, the 3<sup>rd</sup> day of November, 2014  
)

BETWEEN:

**TELECOMMUNICATION EMPLOYEES ASSOCIATION OF MANITOBA INC. –  
INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL  
ENGINEERS LOCAL 161, COMMUNICATIONS, ENERGY AND PAPERWORKERS  
UNION OF CANADA LOCAL 7, INTERNATIONAL BROTHERHOOD OF ELECTRIC  
WORKERS, LOCAL UNION 435, HARRY RESTALL, ON HIS OWN BEHALF AND ON  
BEHALF OF CERTAIN RETIRED EMPLOYEES OR THE WIDOWS/WIDOWERS  
THEREOF OF MANITOBA TELECOM SERVICES INC., MTS COMMUNICATIONS  
INC., MTS MOBILITY INC. AND MTS ADVANCED INC., and LARRY TRACH, ON HIS  
OWN BEHALF AND ON BEHALF OF ALL UNIONIZED EMPLOYEES OF MANITOBA  
TELECOM SERVICES INC., MTS COMMUNICATIONS INC., MTS MOBILITY INC.,  
MTS ADVANCED INC. AND ALL UNIONIZED EMPLOYEES OF MTS MEDIA INC.  
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plaintiffs,

- and -

**MANITOBA TELECOM SERVICES INC. and  
MTS ALLSTREAM INC. (as successor to MTS COMMUNICATIONS INC., MTS  
MOBILITY INC., and MTS ADVANCED INC.)**

defendants

**ORDER**

THIS MOTION, made jointly by and with the consent of all parties to the within proceedings for an order providing for various representative orders, certain declaratory relief, an order providing for implementation of a certain document referred to as the "Implementation Agreement", hereinafter described, and various related relief was heard this day, at the Law Courts Building, 408 York Avenue, in the City of Winnipeg, in the Province of Manitoba.

ON READING the Notice of Motion for Settlement Approval of all parties; Trial Judgment signed on March 9, 2010; the Reasons for Decision delivered January 30, 2014; the Supreme Court of Canada Judgment entered January 30, 2014; Motions Brief of the Parties; the Affidavit of J. Larry Trach, sworn October 24, 2014; the Affidavit of Robert Linsdell, sworn October 17, 2014; the Affidavit of Thomas D. Levy, sworn October 24, 2014; the Affidavit of David J. Gnutel, sworn October 24, 2014; the Affidavit of Harry Restall, sworn October 24, 2014; the Affidavit of Paul A. Beauregard, sworn October 27, 2014; the Affidavit of Ari Kaplan, affirmed October 28, 2014; the Affidavit of Susan Bilyk, sworn October 28, 2014; the Supplemental Affidavit of Paul A. Beauregard, sworn October 31, 2014; the Motions Brief of D'Arcy & Deacon LLP; the Supplemental Affidavit of David J. Gnutel, sworn October 24, 2014; the Supplemental Affidavit of Harry Restall, sworn October 24, 2014 and the Supplemental Affidavit of Larry Trach, sworn October 24, 2014;

AND ON HEARING the submissions of counsel for all parties, and on hearing the submissions of the representative plaintiffs, Harry Restall and J. Larry Trach, and upon all parties to the within proceeding having consented to the pronouncement of the within Order, and upon hearing the submissions of those in attendance at the hearing wishing to provide their comments with respect to the Notice of Motion and the Implementation Agreement, and upon hearing further submissions of counsel:

1. THIS COURT ORDERS AND APPOINTS Harry Restall, Larry Trach and the Telephone Retirees Association of Manitoba Inc. ("TRAM") as representing all Non-Vested Members and Inactive Members of the Manitoba Telecom Services Inc. and Participating Subsidiaries Employee Pension Plan, OSFI Reg. 56972 (the "Plan"), as described in Appendix B of the Pension Surplus and Implementation Agreement, dated September 24, 2014, (the "Implementation Agreement"), i.e. Deferred, Retired, Beneficiaries, Deceased and Cashed-Out Members, pursuant to Queen's Bench Rule 10.01.

2. THIS COURT FURTHER ORDERS AND APPOINTS Telecommunications Employees Association of Manitoba Inc. – International Federation of Professional & Technical Engineers, Local 161 (formerly Telecommunications Employees Association of Manitoba Inc.) ("TEAM") as representing all of its current members who are also active members of the Plan, pursuant to Queen's Bench Rule 10.01.

3. THIS COURT FURTHER ORDERS AND APPOINTS International Brotherhood of Electric Workers, Local Union 435 ("IBEW") as representing all of its current members who are also active members of the Plan, pursuant to Queen's Bench Rule 10.01.

4. THIS COURT FURTHER ORDERS AND APPOINTS Unifor Local 7 (formerly The Communications, Energy and Paperworkers Union of Canada, Local 7) ("Unifor") as representing all of its current members who are also active members of the Plan, pursuant to Queen's Bench Rule 10.01.

5. THIS COURT FURTHER ORDERS AND APPOINTS the defendants, Manitoba Telecom Services Inc., and MTS Inc. (as successor to MTS Communications Inc., MTS Allstream Inc., MTS Mobility Inc., and MTS Advanced Inc.) (collectively hereinafter referred to as "MTS") as representing all Non-Union Members of the Plan as set out in Appendix "B" of the Implementation Agreement, pursuant to Queen's Bench Rule 10.01.

6. THIS COURT FURTHER ORDERS AND DECLARES that the Implementation Agreement, unanimously entered into by the parties, reflects a settlement between the parties which is fair, reasonable and in the best interests of all persons who have a past, present, future, contingent or unascertained interest in the Plan and who may be affected by this proceeding (collectively the "affected persons"); and that the Implementation Agreement is in compliance with the Judgments of the Court of Queen's Bench (Winnipeg Centre) and the Supreme Court of Canada in these proceedings.

7. THIS COURT FURTHER ORDERS AND DECLARES approval of the Implementation Agreement, which is attached hereto and forms part of this Order.

8. THIS COURT FURTHER ORDERS AND DECLARES that the Implementation Agreement is binding upon all parties to the subject action; and more particularly, all parties or affected persons or parties or persons potentially affected pursuant to the Judgment of the Court of Queen's Bench of Manitoba (Winnipeg Centre) and the Supreme Court of Canada in these proceedings.

9. THIS COURT FURTHER ORDERS AND AUTHORIZES MTS to distribute the funds referred to by way of the Implementation Agreement in keeping with the

provisions of said agreement, specifically that of the approximate \$140 million Distributable Surplus, approximately \$28 million will be paid directly by MTS (less any Court-approved expenses where applicable) in order to facilitate one or more lump sum payments to current employee members of the Plan and the remaining approximate \$112 million (less any Court-approved expenses where applicable) will be paid to recipients directly by the Plan (in the form of one or more lump sum payments or, for some Members [as said term is defined in the Implementation Agreement], enhanced benefits), with the resulting Plan deficit (along with other deficits in the Plan) to be funded by MTS into the Plan as and when required by the existing solvency funding rules in accordance with applicable pension legislation.

10. THIS COURT FURTHER ORDERS AND APPROVES the counsel fee requested by D'Arcy & Deacon LLP in paragraph 29(c) of the Implementation Agreement.

11. THIS COURT FURTHER ORDERS that subject to fulfilling the terms of Implementation Agreement, all parties to these proceedings are released, fully discharged and saved harmless from any and all liability in respect of any act or omission with respect to the Surplus (as said term is defined in the Implementation Agreement), the negotiation and signing of the Implementation Agreement, and any and all claims associated with the within litigation as set out and further particularized in paragraph 17 of the Implementation Agreement.

12. THIS COURT FURTHER ORDERS that, upon compliance of paragraph 28 of the Implementation Agreement by the parties of said agreement, including the filing by MTS of the Certificate of Completion (as said term is defined in the Implementation Agreement) with this Honourable Court, the parties to the Implementation Agreement are hereby released and fully discharged from each other and from any and all liability as set out and further particularized in subparagraph 28(d) of the Implementation Agreement.

Date: November 3, 2014

**D. BRYK**

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BRYK, J.

**CONSENTED TO AS TO FORM AND CONTENT**  
D'ARCY & DEACON LLP  
Per:

  
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**BRIAN J. MERONEK, Q.C. /**  
**KRIS M. SAXBERG / D. TOMAS MASI**  
Solicitors for the plaintiffs, excluding Unifor (formerly CEP) and IBEW

**CONSENTED TO AS TO FORM AND CONTENT**  
TAYLOR McCAFFREY LLP  
Per:

  
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**KEVIN WILLIAMS**  
Solicitors for the defendants

**CONSENTED TO AS TO FORM AND CONTENT WITH EXCEPTION TO PARAGRAPH 10 ABOVE WHICH IS CONSENTED AS TO FORM ONLY**  
DEELEY FABBRI SELLEN LAW CORPORATION  
Per:

  
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**ROBERT L. ZAPARNIUK**  
Solicitors for the plaintiff, Unifor (formerly CEP)

**CONSENTED TO AS TO FORM AND CONTENT WITH EXCEPTION TO PARAGRAPH 10 ABOVE WHICH IS CONSENTED AS TO FORM ONLY**  
MYERS WEINBERG LLP  
Per:

  
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**TONY MARQUES**  
Solicitors for the plaintiff, IBEW