Boxes contain additional information and explanations.

Yellow highlighting shows new or revised wording.

MEMORANDUM OF AGREEMENT

BETWEEN

MTS INC.

-and-

The Telecommunications Employees Association of Manitoba (TEAM-IFPTE Local 161)

The TEAM-IFPTE Local 161 negotiating committee agrees to unanimously recommend to the TEAM-IFPTE Local 161 Executive Board that the provisions appended hereto be presented to the TEAM-IFPTE Local 161 membership for a ratification vote and that the TEAM-IFPTE Local 161 Executive Board recommends acceptance of the tentative agreement. TEAM shall notify the Company of the ratification result by July 29, 2013.

The MTS Allstream negotiating committee agrees to unanimously recommend to the Board of Manitoba Telecom Services Inc. the ratification of the provisions appended hereto.

It is understood that this Memorandum of Agreement represents resolution of all agreed to bargaining issues and is subject to ratification. The agreed to changes outlined in the Memorandum of Agreement shall be the only revisions to the current collective agreement.

For MTS Inc.

For TEAM-IFPTE Local 161

Were 7.

Man: Man.

Signed this 17 day of _____

2013

Errors and Omissions Excepted

ARTICLE 2

DURATION OF AGREEMENT

Three (3) year Collective Agreement

2.01

Revise as follows:

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 biweekly pay period immediately following the date it is executed and shall continue in full force and in effect up to and including February 19, 2016.

16.01.13 M.

ARTICLE 6 – ARBITRATION

Revise as follows:

- 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 **Subject to Article 6.04**, 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.
- Where the parties agree to a single Arbitrator, he or she shall be selected by mutual consent. In the event the parties cannot agree on a single Arbitrator within fourteen (14) working days of the notice provided in Article 6.02, the Arbitration will revert to a Board of Arbitration as set out in Article 6.03. The fourteen (14) working day timeframe to select an single Arbitrator may be extended by mutual agreement.
- 6.05 The Board of Arbitration **or Arbitrator** 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.
- 6.06 The Board of Arbitration **or Arbitrator** may, before the hearing, require the representative of the parties to attend **a preliminary hearing** before it to define the issue(s) to be arbitrated and to establish the procedure to be followed at the hearing.
- The Board of Arbitration or Arbitrator shall hold the hearing and issue the award as promptly as possible. complete its sittings and hand down its award within thirty (30) days of the appointment of the Chairperson, except that his time limit may be extended with the mutual consent of the Union and the Company.
- 6.08 In the case of a Board of Arbitration, 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.
- 6.09 The decision of the Board of Arbitration **or Arbitrator** shall be final and binding on the parties.
- 6.10 In the case of a Board of Arbitration, 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. In the case of a single Arbitrator, each party shall pay one-half the fees and expenses of the Arbitrator.

20.02.13 Describes of the Arbitrator.

Article 7 - Definitions

Student Employee Definition (new)

Student Employee – is an employee who is enrolled in a college or university who may work during the summer months and/or academic year and may work less than the basic weekly hours of work.

13-04-13 Marian.

Article 8 - Postings, Promotions, Lateral Transfers and Demotions

Graduate Recruitment - New

Establish as new Article 8.06 and renumber remainder of Article.

Proposed wording:

As part of the Company's annual initiative to recruit university and college graduates, the Company shall first post the Salary Group 302 rated Associate positions internally a minimum of once per calendar year. Internal applicants shall be selected consistent with Article 8 of the Collective Agreement.

Should the requirement not be filled internally, the Company shall be at liberty to fill the remaining vacancies throughout the calendar year in any manner it considers best.

for MTS Inc.

for TEAM - IFPTE

Signed this State day of

, 2013

Housekeeping

Article 8 - Postings, Promotions, Lateral Transfers and Demotions

Article 8.03

Update to reflect an electronic Lateral Transfer request process.

Proposed wording:

An employee requesting to be considered for a lateral transfer or a fransfer to a lower rated position shall submit his/her request electronically via the Lateral Transfer Request Form and shall attach a current resume. A copy of the request will be sent to Human Resources, the immediate Manager and TEAM. All requests will be acknowledged 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 time frame.

for MTS Inc.

for TEAM - IFPTE

Signed this 2017 day of Fornan; 2013

MTS Inc. – TEAM Negotiations Housekeeping

Article 9 – Acting Appointments

Article 9.07

Update to reflect an electronic Acting Appointment rotation process.

Proposed wording:

Where an Acting Appointment which was not posted at the commencement of the assignment extends beyond 12 months, the Company shall rotate qualified employees through the assignment every 12 months in order to give a greater number of employees developmental opportunities for Acting Appointments except in the case of project related assignments or where the parties agree to an extension. An employee interested in being considered for a rotation in an Acting Appointment shall submit his/her request electronically via an Acting Appointment Rotation Request form and shall attach a current resume. A copy of such request shall be sent to Human Resources and the immediate Manager. All requests will be acknowledged. Should there be no requests for rotation on file from a qualified candidate the existing Acting Appointment shall remain in place.

for MTS Inc.

for TEAM - IFPTE

Signed this day of from And, 2013

Article 9 – Acting Appointments

Article 9.09 - Pay Treatment and Hours of Work

Revise as follows:

Effective the second full pay period following the date of ratification.

An employee in an Acting Appointment shall receive the following pay treatment:

Employees in TEAM's Jurisdiction

When an employee in TEAM's jurisdiction is placed in an Acting Appointment in a position in 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.

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.

Employees Outside TEAM's Jurisdiction

An employee from outside TEAM's jurisdiction placed in an Acting Appointment shall receive the salary in the new salary group which represents a minimum increase of at least four percent (4%) over their hourly wage in their previous jurisdiction and shall commence working the hours of work in TEAM's jurisdiction.

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

Under no circumstances shall an employee receive more than the maximum salary of the applicable salary group.

- 9.10 Acting pay will become effective from the first day of the acting assignment.
- 9.11 Upon expiry of the acting or temporary appointment, the employee will return to his/her former position or equivalent position and rate of pay.

FS Inc. for TEAM – IFPTE

Signed this 3 day of 4, 2013

Housekeeping

Article 11 - Maternity, Parental and Child Birth Leave

Article 11.13

- Replace "Director Attraction and Retention" with "Director Talent Management".
- Revise to reflect that upon request, employees shall receive "notification" of the posted vacancies.

Proposed wording:

Notice of Employment Opportunities

An employee who takes a leave of absence from employment under this article, is entitled to receive, upon written request to the **Director Talent Management**, **notification** 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.

for MTS Inc.

for TEAM - IFPTE

Signed this day of ______, 2013

The first year's increase is retro to February 20, 2013. The retro pay will be paid out on a normal payday a short time after ratification.

ARTICLE 17 SCHEDULE OF WAGES

Revise as follows:

17.03 First Year:

Effective February 20, 2013, 2% will be applied to Appendices

B, C & D.

17.04 Second Year: Effective February 20, 2014, 2% will be applied to Appendices

B, C & D.

17.05 Third Year:

Effective February 20, 2015, 1.75% will be applied to Appendices

B. C & D.

(Salary increases will be SAP calculated and rounded.)

Subject to prior agreement regarding changes to schedule names

16.07.13 Moder va

ARTICLE 21 - OVERTIME

Without Prejudice to any grievance that MTS is estopped from changing the ITSM practice or to the judicial review of the Call-Out Grievance Arbitration decision.

Establish as new Article 21.04 and renumber the remainder of the Article

Notwithstanding the provisions of 21.03.1 and 21.03.2, where an employee is called out to perform work which does not necessitate reporting to the workplace, but instead can be performed remotely or at the employee's residence, the employee will be paid at the applicable overtime rate as follows:

If the call occurs

- Monday to Friday between 5pm and 11pm a minimum of 15 minutes or the total time worked whichever is greater;
- Monday to Friday between 11pm and 7:00am a minimum of one (1) hour or the total time worked (no overlapping claims in a one-hour period) whichever is greater;
- Weekends/Holidays between 7:00am and 11:00pm a minimum of 15 minutes or the total time worked whichever is greater;

Weekends/Holidays between 11:00pm-7:00am - a minimum of one (1) hour or the total time worked (no overlapping claims in a one-hour period) whichever is greater.

Note: The many four flower of pudicing for the following form out for a flower of the following form of the following form of the following form of the following form of the total time worked (no overlapping claims in a one-hour period) whichever is greater.

16.07.13 M.

Article 22 - Vacations

Effective the 2014/2015 Vacation year:

22.06. Revise as follows:

Current employees with less than two years of Net Credited Service will not be impacted by this change.

An employee who has completed **two (2)** years of Net Credited Service as of April 30th, will be allowed three (3) weeks of vacation with pay in the following year and each year thereafter.

22.06.6 Revise to reflect the deletion of the seven week vacation entitlement for new employees.

The wording in the Collective Agreement will read as follows:

- **22.06.1** An **existing** employee **hired prior to July 29, 2013 who has** 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 and second vacation years for each week of service as of April 30th of the respective year. Two and one half (2½) 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 existing employee hired prior to July 29, 2013 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 hired on or after July 29, 2013 who has less than two (2) years of Net Credited Service as of April 30th, will be allowed .196 of a day as vacation with pay during the first and second vacation years for each week of service as of April 30th of the respective year. Two and one half (2½) 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.
- .4 An employee hired on or after July 29, 2013 who has completed two (2) years 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.

Existing 22.06.3 and forward renumbered accordingly.

22.06.8 An employee **hired prior to July 29, 2013** will, in the vacation year in which his/her thirty-fourth (34) net credit anniversary date falls and in each succeeding vacation year, be allowed seven (7) weeks vacation with pay.

ARTICLE 24 - DUTY MANAGER

Without Prejudice to any grievance that MTS is estopped from changing the ITSM practice or to the judicial review of the Call-Out Grievance Arbitration decision.

Establish as new Article 24.03 and renumber the remainder of the Article.

24.03 Notwithstanding the provisions of 24.02.1 and 24.02.2, where an employee is called out to perform work which does not necessitate reporting to the workplace, but instead can be performed remotely or at the employee's residence, the employee will be paid at the applicable overtime rate as follows:

If the call occurs

- Monday to Friday between 5pm and 11pm a minimum of 15 minutes or the total time worked whichever is greater;
- Monday to Friday between 11pm and 7am a minimum of one (1) hour or the total time worked (no overlapping claims in a one-hour period) whichever is greater;
- Weekends/Holidays between 7am and 11pm a minimum of 15 minutes or the total time worked whichever is greater;
- Weekends/Holidays between 11pm-7am a minimum of one (1) hour or the total time worked (no overlapping claims in a one-hour period) whichever is greater.

Note: TEAM to withdraw Judicia Review and two outs kinding grievous.

16.07.13 M

Existing employees moving into TEAM positions will be impacted by this change.

MTS Inc. - TEAM Negotiations

Article 28 – Personal Leave Days

Revise Article 28 – Personal Leave Days to reflect that as of date of ratification, employees entering TEAM's jurisdiction will be entitled to three Personal Leave Days January 1st of each calendar year.

Nesse a

New Article – Eye Exams

Eye Exam

The Company shall provide all employees reimbursement to a maximum of \$80.00 for one eye exam every two years upon the production of a receipt from a qualified practitioner. Eligibility shall be based on six months service with the Company for Regular Full-time employees or the equivalent of 6 months service for Part-time employees

16.07.13 /. Weden

Letter of Understanding

Compressed Work Week

Compressed Work Week arrangements may be implemented by mutual agreement between the employee and the Manager to meet personal and/or business needs. Such arrangements must be consistent with operational requirements and maintain or improve current levels of customer service and productivity.

Compressed Work Week arrangements must be approved by the Manager and TEAM. Either party can terminate the arrangement by providing 30 days written notice or less by mutual agreement. Prior to implementing a compressed work week arrangement, TEAM shall be advised.

e.g. A work week in which the hours worked in each day are longer in order to reduce the number of days in the work week.

Her 152.

04.01.13 .

This is a new LOU. It replaces the LOU "Union Dues - Engagees Performing Bargaining Unit Work"

Letter of Understanding

Contracting-in

THE PARTIES recognize that TEAM bargaining unit work should be performed by employees covered by Canada Industrial Relations Board Certification Order Number 8516-U;

THE PARTIES acknowledge that in particular circumstances it may be in MTS's business interest to temporarily use contractors to perform TEAM bargaining work;

THE PARTIES further acknowledge that for the purposes of this agreement such contractors are not covered by the TEAM Collective Agreement;

THE PARTIES further acknowledge that this Letter of Understanding does not apply to legitimate contracting out situations;

THEREFORE the following shall confirm the understanding and agreement between the parties with respect to such contractors.

1. Where there is a need for a temporary assignment of TEAM bargaining unit work, and where the contract will be for a term of 12 months or less, the assignment may be filled by a contractor in accordance with this agreement.

Where there is a need for a temporary assignment of TEAM bargaining unit work, and where the contract will be for a term in excess of 12 months, the Company shall post the position in accordance with the Collective Agreement. If there are no qualified internal candidates, the assignment may be filled by a contractor in accordance with this agreement.

A contractor's temporary assignment shall not exceed 24 months except by mutual agreement between the parties. The Company agrees to advise the Union in writing, if an extension is necessary and provide reasons for the extension.

- 2. The number of contractors performing TEAM bargaining unit work shall not exceed 6% of the total bargaining unit, calculated on the basis of the bi-weekly dues report for TEAM.
- 3. The Union and the Company shall meet quarterly through the existing Labour Management Committee process to review and discuss the use of contractors retained under this Letter of Understanding, their numbers, locations and the work performed by the contractors.

Lost Union Dues

4. As compensation for lost union dues, the Company shall remit monthly, the equivalent of one hour's salary calculated bi-weekly on the basis of the top step of Salary Group 305, Appendix D, for every contractor performing TEAM bargaining unit work.

Reporting Obligations

- 5. A list of contractors retained under this Letter of Understanding will be provided to TEAM on a monthly basis along with compensation for lost union dues amounts and shall contain the following information:
 - the total number of contractors:
 - the names of the contractors:
 - the position title which best matches the duties of the contractor;
 - the expected duration of each contractor's work assignment;
 - the applicable Vice President group designation for each contractor;
 - the location of each contractor; and
 - the reason for each work assignment using contractors i.e. specialized skills, knowledge and expertise, project/program name, workload.

Remedies

- 6. While this Letter of Understanding is in force, TEAM will not grieve MTS's use of contractors to perform TEAM bargaining unit work. However, TEAM may grieve a breach of this Letter of Understanding.
- 7. If the number of contractors performing TEAM bargaining unit work exceeds the 6% cap, unless otherwise agreed to, the Company shall remit monthly, the equivalent of one hour's salary calculated bi-weekly on the basis of the top step of Salary Group 308, Appendix D, for every contractor performing TEAM bargaining unit work.
- 8. If after six months, the number of contractors performing TEAM bargaining unit work continues to exceed the 6% cap, TEAM may, at its sole discretion, notify the Company that this Letter of Understanding has been terminated and grieve the use of contractors to perform TEAM bargaining unit work.

Special Projects

9. In exceptional circumstances, caused by a large special project (such as the APEX project), the Company shall seek TEAM's concurrence to exceed the 6% cap for a defined period of time without triggering any of the remedial provisions herein. TEAM's concurrence shall not be unreasonably withheld.

Prior Agreement Revoked

10. This Letter of Understanding shall replace the Letter of Understanding Union Dues – Engagees Performing Bargaining Unit Work and all references related thereto in the Collective Agreement.

No Automatic Renewal of This Agreement

11. This letter of Understanding is not a settlement of a grievance. It forms part of the Collective Agreement between TEAM and the Company and as such it comes into effect on ratification of the revised Collective Agreement and will expire concurrently with the Collective Agreement in accordance with the Canada Labour Code.

for MTS Inc.

for TEAM-IFPTE Local 161

Signed this 267 day of April 2013

Letter of Understanding

Job Evaluation

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

Where the jeb content of a job has significantly changed and the job description no longer reflects the actual responsibilities of the **job**, a revised job description may be written for review by the Rewards **team**. The revised job description shall be prepared in conjunction with the affected employee(s). The job description shall be completed within 8 weeks of the initial discussion between the Manager and the affected employee(s).

Revised job descriptions shall be submitted to the **Human Resources Business Partner** who shall arrange to have the job re-evaluated. All job descriptions submitted for re-evaluation will be evaluated within 8 weeks of submission. If there are any delays in processing the evaluation, the applicant will be notified accordingly.

Any affected employee having concerns regarding a re-evaluation can contact his/her Manager for a debriefing.

TEAM shall be advised of the salary band of the re-evaluated position prior to the affected employee(s) being notified.

Note: The Company uses the Hay Guide Chart method for job evaluation. The Company reserves the right to change the job evaluation methodology at its sole discretion.

for MTS Inc.

for TEAM - IFPTE

Signed this 67th day of Manch, 2013

Letter of Understanding - Sales Bonus/Commission Plans

Revise as follows:

The Union 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 are to be **made** in good faith and in a fair and reasonable manner **and the** Company will meet with TEAM to review the Sales Bonus/Commission Plans prior to the distribution.

At the end of the sales year, the Company shall provide the Union with a report detailing the name of the employee, name of the plan and the amount of bonus/commission paid.

All eligible employees will have the option to continue to receive sales bonus payments in installments or elect to receive their entire sales bonus in the first quarter of the following year upon the actual sales figures being finalized.

04.07.13 Mal Wesh L

Appendix A - Exempt Management Positions

Revise as follows:

Notes:

- 1. The Company shall notify the Union 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 Union dues from the employee's salary.
- 4. In the event MTS Inc. creates a new position which it asserts should be added to Appendix A, TEAM shall be advised and will be provided with applicable information such as but not limited to: incumbent name, position title, primary duties, organizational unit, reporting relationships and the Company's rationale for claiming exempt status, to make a determination whether the new position should be exempt. Should TEAM concur with the exempt status, it will provide the Company with written confirmation. 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 Adustrial Relations Board determines that the position in question falls within the scope of the bargaining unit, the Company shall reimburse the Union for past dues retroactive to the date the new position was created.

5. **Delete**

For MTS Inc.

for TEAM - IFPTE

Signed this May of Mand . 2013

Wage Schedules to be Deleted

Delete the following wage schedules:

- Acting Rate for Maximum of Group in Appendix B, C, & D
- Hiring Rates University Graduates/Community College in Appendix B, C, & D
- Traffic, Engineering, Sales, Technical Pay Guide in Appendix B

These wage schedules will no longer be in effect. TEAM members currently on a Graduate Pay schedule will be transitioned to a regular rated pay schedule. There will be no loss of pay.

for MTS Inc.

for TEAM-IFPTE

Signed this 2nd day of May, 2013

Salary Schedules

The parties agree to:

- Eliminate Appendix 'C' by moving existing Appendix 'C' Salary Groups 301 303 to Appendix 'B' thereby replacing the existing Appendix 'B' Salary Groups 301 303.)
- Employees presently being paid according to Appendix 'B' Salary Groups 301-303 shall be Blue Circled a those rates.
- Appendix "D" shall be renamed Appendix "C".

For MTS Inc.

for TEAM - IEPTE

Signed this 17 day of 31, 2013

Changes concerning Student pay schedules.

APPENDIX B

CO-OP/INTERN STUDENT SCHEDULE

Effective: February 20, 2012 **WORK TERM LEVELS**

BCOOP

	1	2	3	4	5	6
Bi-Weekly	\$ 1,370.15	\$ 1,425.10	\$ 1,482.20	\$ 1,541.60	\$ 1,603.25 \$	1,667.30
Annually	35,761.00	37,195.00	38,685.00	40,236.00	41,845.00 43	,517.00

ADMINISTRATIVE NOTES:

- 1. Starting rates are subject to review by the Company each year. Progression rates may be adjusted to remain consistent with any revisions to starting rates.
 - 2. The Company reserves the right to hire an employee at a rate higher than the stated hiring rate.

3. This pay guide applies to students of Colleges and (Undergraduate students of Universities) which that grant diplomas or degrees on completion of two three or more years after senior matriculation who are student in a co-operative education work placement program.

APPENDIX "B"

PAY GUIDE - GRADUATE TRAINING PROGRAM

SUMMER-STUDENT EMPLOYMENT

Effective: February 20, 2012

College or University Years Completed

After Sr. Matriculation

			0	1	2
1	BUGTF 1	PSUM Bi-Weekly Annually	\$ 1,140.75 29,774.00		
ı	2	Bi-Weekly Annually	\$ 1,193.95 31,162.00	\$ 1,253.95 32,728.00	
	3 <u>&4</u>	Bi-Weekly Annually	\$ 1,316.50 34,361.00	\$ 1 ,382.40 3 6,081.00	\$ 1,451.60 37,887.00

It is desirable that positions requiring University Graduates be filled with individuals having previous experience with the Company. For this reason, a wage scale has been established to apply to Undergraduates being trained as potential candidates for employment pon graduation. Initially Scholarship Program individuals will be placed in this scale.

The following pay guide a Applies to Undergraduates students of colleges and Universities which grant diplomas or degrees on completion of three-two or more years after senior matriculation.

These rates apply only to employment in the years indicated prior to graduation. and are authorized for those students who are potential candidates for regular employment on graduation. Normal job rates 037 - 01(- 13) apply to other students engaged for temporary summer work. Students engaged on a job rate basis are not considered as part of the Graduate Training program.

03.04.13

This agreement defines the Company's contribution to the Blue Cross Health plan. The amount is unchanged from the previous agreement. It is subject to the agreement of CEP & IBEW.

AGREEMENT

Between

MTS Inc.

(hereinafter referred to as "the Company;)

-and-

Telecommunications Employees Association of Manitoba (TEAM-IFPTE), Communication, Energy & Paperworkers Union Local 7 (CEP); and the International Brotherhood of Electrical Workers Union Local 435 (IBEW) (hereinafter collectively referred to as "the Unions")

RE: EMPLOYEE BENEFITS

WHEREAS MTS Inc. (MTS) and TEAM-IFPTE are engaged in collective bargaining for the purposes of renewing the collective agreement;

AND WHEREAS MTS - CEP collective bargaining will commence in the fall of 2013;

AND WHEREAS MTS - IBEW collective bargaining will commence in the fall of 2014;

AND WHEREAS TEAM has introduced a proposal at collective bargaining concerning employee benefits;

AND WHEREAS the Company wishes to resolve all outstanding issues with TEAM concerning employee benefits and all future collective bargaining issues with the CEP and IBEW concerning employee benefits;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements hereinafter contained, the Company and the Unions hereby covenant and agree to fully and finally resolve all outstanding bargaining issues concerning employee benefits for the following consideration:

 Upon agreement by TEAM, CEP and IBEW, the Company agrees to make available \$300,000 on a one time basis, for the purposes of offsetting existing costs or for funding enhancements relating to current Ambulance, Hospital Semi-Private Benefits and Extended Health Care Benefits. 2. The \$300,000 will be allocated based on the following schedule:

The first contribution is delayed to align with the IBEW negotiations.

Winter 2015 - \$100,000.00 July 2015 - \$100,000.00 July 2016 - \$100,000.00

- 3. The Joint Benefit Committee as presently constituted shall be the forum used to determine the manner in which the above funds will be disbursed.
- 4. This Agreement shall come into effect on execution and upon each of the Unions reaching a revised collective agreement.

For the Company	For the Unions
Don Rooney Director Labour Relations	Rundall Bob Linsdell Executive Director - TEAM
Date:	Date: <u>July 16, 2013</u>
Jim Cooper Director Rewards	Bruce Krause Business Manager - IBEW
Date:	Date:
	Diane Shaver President – CEP Local 7
	Date:

Housekeeping

The following sign-offs are for changes that do not affect pay, benefits or conditions of work, including:

- Changes to the company and division name changes.
- Removal of obsolete wording e.g. forms no-longer in use, stale VPP provisions, lump sum payment Letter of Understanding, and changes to pay schedule Appendix references.
- Re-ordering of article wording, Human Resources position title changes, and correction of typos.

Housekeeping

General

0	Change	"MTS	Allstream	Inc.",	"MTS	Allsti	ear	n", "N	MTS	Business	Unit"	and	"MTS
	Allstrean	n Inc.	Consumer	Marke	ts Div	ision"	to	<mark>"MTS</mark>	Inc.	" througho	out the	Coll	ective
	Agreeme	ent.											

for MTS Inc.

for TEAM - IFPTE

Signed this 20 day of Feb, 2013

Housekeeping

Article 1 – Recognition and Scope

Article 1.01

- Delete reference to "Valley Cable Vision Ltd. (1997)";
- Change "MTS Allstream Inc." to "MTS Inc."; and
- Delete "Consumer Markets Division".

Proposed wording:

MTS Inc. recognizes the Union 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 Inc.** specifically excluding employees of other corporations reporting through **MTS Inc.** which presently **includes** AAA Alarms Systems Ltd.

for MTS Inc.

FOR TEAM - IEPTE

Signed this day of ______, 2013

Article 7 - Definitions

Article 7.03 Note 1

Revise as follows:

Term employment may be terminated at any time due to a reduction of workload or completion of a project.

The above wording exists in our current Collective Agreement. The following text has been removed because the form is no longer used:

"as indicated on the Term Employment Acknowledgment Form 1126"

For MTS Inc.

Tout

for TFAM - IFPTE

Signed this 20 day of forman, 2013

Housekeeping

Article 9 – Acting Appointments

Article 9.01

Re-order by moving "Acting Appointments" to the beginning of the Article.

Proposed wording:

For the purposes of this Article,

"Acting Appointments" shall mean the assignment of employees to an Existing Vacancy or Temporary Vacancy.

"Existing Vacancy" shall mean a vacancy in an existing position for reasons such as sick leave, vacation relief, workers compensation or leave of absence.

"Temporary Vacancy" shall mean a newly created position of a non-permanent nature for reasons such as a special project or assignment.

for MTS Inc

for TEAM - IFPTE

Signed this had day of his day of ______, 2013

MTS Inc. – TEAM Negotiations Housekeeping

Article 24 – Duty Manager

Article 24.03

• Replace "Standby" with "Duty Manager".

Proposed wording:

Every effort shall be made to equitably distribute the **Duty Manager** requirements among all qualified employees.

Dyly.

for MTS Inc.

for TEAM - IFPTE

Signed this May of Leb, 2013

MTS Inc. – TEAM Negotiations Housekeeping

Article 27 - Layoff

Article 27.04.1

Replace "of" with "off".

Proposed wording:

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.

for MTS Inc.

for TEAM - IFPTE

Signed this day of Fel, , 2013

These changes do not affect the existing Variable Pay Plan. It remains at 2% for 301-305 positions, and at 7% for 306-308 positions.

MTS Inc. – TEAM Negotiations Housekeeping

Letter of Understanding Variable Pay Plan, Salary Groups 306, 307, 308

- Delete stale provisions regarding the 6% plan as follows:
 - Letter of Understanding, Variable Pay Plan, Salary Groups 306, 307, 308
 - Delete wording (Effective January 1, 2011) in the 7% Plan

Letter of Understanding

Variable Pay Plan, Salary Groups 301, 302, 303, 304, 305

- Delete stale provisions regarding the 1% plan as follows:
 - Letter of Understanding, Variable Pay Plan, Salary Groups 301, 302, 303, 304, 305
 - o Delete wording (Effective January 1, 2011) in the 2% Plan

for MTS Inc. for TEAM—IFPTE

Signed this M day of ______, 2013

This LOU will be deleted because the pay increase is retroactive.

Housekeeping

Letter of Understanding Lump Sum Payment

Delete

Def ,

for TEAM - IFPTE

Signed this day of , 2013