

Note: Revisions have been highlighted in yellow.

MEMORANDUM OF AGREEMENT

BETWEEN

MTS Inc.

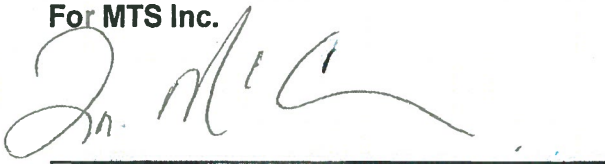
-and-


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

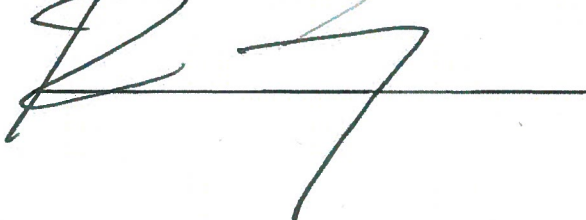
The parties agree to unanimously recommend to their respective principals the ratification of those provisions appended which will be incorporated into the revised Collective Agreement. TEAM agrees to complete the ratification process and advise the Company of the result no later than June 3, 2016.

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











Signed this 6th day of May, 2016

Errors and Omissions Excepted

ARTICLE 2

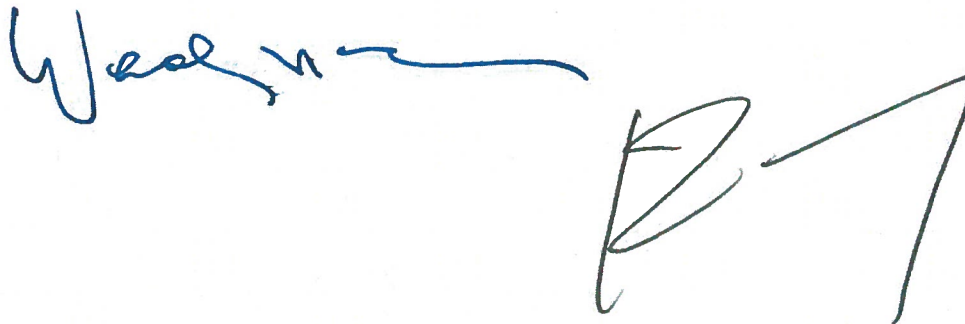
DURATION OF AGREEMENT

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 bi-weekly pay period immediately following the date it is executed and shall continue in full force and in effect up to and including **February 19, 2019.**

Two handwritten signatures in blue ink. The first signature on the left is cursive and appears to read 'W. ...'. The second signature on the right is more stylized and blocky.

Article 5 - Grievances

Article 5.08

Proposed wording:

Grievances filed in relation to the selection of employees on job postings shall commence at Step 2 and shall be filed with the **Senior Director Talent Growth & Organizational Effectiveness.**



for MTS Inc.

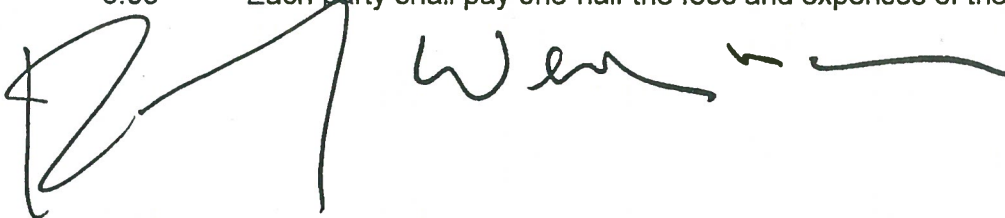


for TEAM – IFPTE

Signed this 15th day of March, 2016

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 **The parties shall appoint a single Arbitrator** within seven (7) working days of notice being provided as in Article 6.02. **If the parties** are unable to agree on a **single Arbitrator** within fourteen (14) working days of the service aforesaid, they shall request the Federal Minister of Labour to appoint **an Arbitrator**. The fourteen (14) working day timeframe to select an Arbitrator may be extended by mutual agreement.
- 6.04 The 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 a decision, shall be bound by the terms and provisions contained herein.
- 6.05 The Arbitrator may, before the hearing, require the representative of the parties to attend a preliminary hearing to define the issue(s) to be arbitrated and to establish the procedure to be followed at the hearing.
- 6.06 The Arbitrator shall hold the hearing and issue the award as promptly as possible.
- 6.07 The decision of the Arbitrator shall be final and binding on the parties.
- 6.08 **Where the grievor has been terminated or laid off, or has received a disciplinary suspension without pay for more than thirty (30) days, the Union may use the following process:**
- a) **Within seven (7) working days of notice being provided under Article 6.02, one of the following Arbitrators will be appointed: Diane Jones, Colin Robinson, Michael Green.**
 - b) **Within fourteen (14) days of the Arbitrator being appointed under Article 6.08(a), the Union shall notify that Arbitrator of his or her appointment and request a conference call with the parties or their representatives to schedule the arbitration hearing.**
 - c) **The Arbitrator appointed under Article 6.08(a) shall complete the hearing and hand down the award within one hundred and twenty (120) days of the day he or she was contacted under 6.08(b), provided the time limits in Article 5, Article 6.02 and Article 6.08(a) and (b) have been complied with.**
- The one hundred and twenty (120) day time limit the Arbitrator has to complete the hearing and hand down the award may be extended with the mutual consent of the Union and the Company.**
- 6.09 Each party shall pay one-half the fees and expenses of the Arbitrator.

Handwritten signatures and initials in blue ink. On the left, there is a large, stylized signature. To its right, there are several smaller, more legible signatures and initials, including one that appears to be 'Wen'.

ARTICLE 8

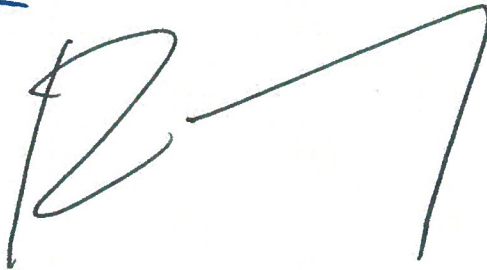
POSTINGS, PROMOTIONS, LATERAL TRANSFERS AND DEMOTIONS

Revise as follows:

Lateral Transfers

- 8.02 The Company may ~~fill vacant positions by the laterally~~ 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. A forced permanent transfer between headquarters may constitute a termination of employment at the discretion of the employee, entitling the employee to severance in accordance with Article 27.07.

Wagner

A large, stylized handwritten signature in black ink, consisting of a large 'R' followed by a long horizontal stroke that curves upwards at the end.

Article 11 – Maternity, Parental and Child Care Leave

Article 11.13

Proposed wording:

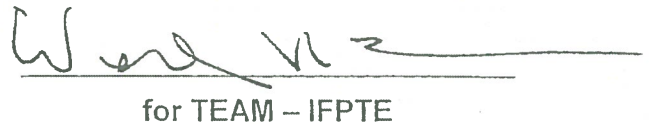
Notice of Employment Opportunities

11.13 An employee who takes a leave of absence from employment under this article, is entitled to receive, upon written request to the **Senior Director Talent Growth & Organizational Effectiveness**, 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

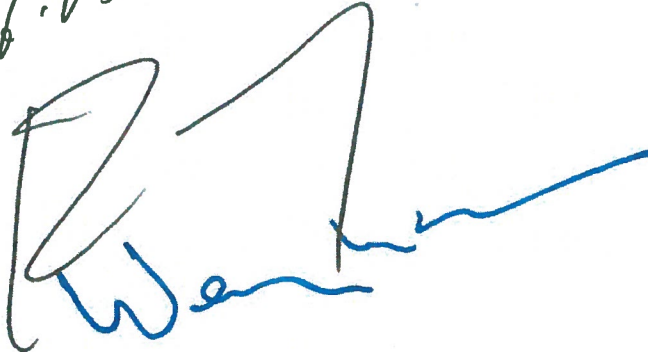
Signed this 15th day of March, 2016

**ARTICLE 17
SCHEDULE OF WAGES**

Revise as follows:

- 17.03 First Year: Effective February 20, **2016, 1.5%** will be applied to Appendices B & C.
- 17.04 Second Year: Effective February 20, **2017, 2%** will be applied to Appendices B & C.
- 17.05 Third Year: Effective February 20, **2018, 2%** will be applied to Appendices B & C.

(Salary increases will be SAP calculated and rounded)

06.08.16


**LETTER OF UNDERSTANDING
NORTHERN RETENTION PREMIUM**

Effective October 2016

This will confirm our understanding of the above subject as agreed during negotiations between the Union 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 **7%** of regular wages (excluding overtime and differentials, etc.), subject to the following terms and conditions:

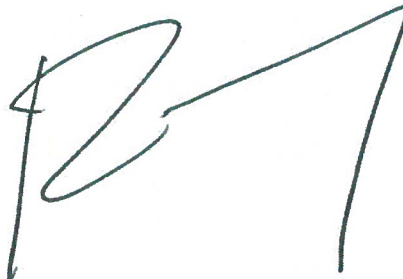
An employee must complete twelve (12) consecutive months of employment north of the 53rd parallel to be entitled to the premium. Upon completion of each twelve (12) month period, the employee shall be paid the Northern Retention premium. The twelve (12) month period shall run from October 20th of the 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, 2019**.



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. 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 7% based on regular wages, payable in the following calendar year. Variable Pay Plan 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. This notwithstanding, an employee can grieve his/her Variable Pay Plan entitlement based on **their** personal performance **rating**.
5. Employees in 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 **for that calendar year on a prorated basis**.

"their" has been replaced with "his/her"

his/her

Wendy

PT

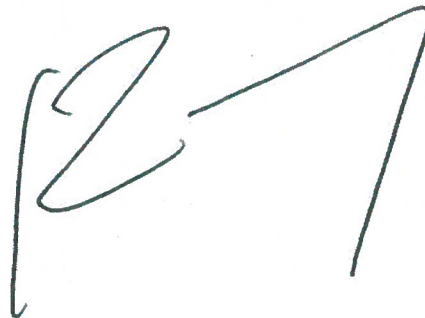
LETTER OF UNDERSTANDING
VARIABLE PAY PLAN
Salary Groups 301, 302, 303, 304, 305

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

1. 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 2% based on regular wages, payable in the following calendar year. Variable Pay Plan 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. *UJR* 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. This notwithstanding, an employee can grieve his/her Variable Pay Plan entitlement based on *hi/ha* **their** personal performance rating.
5. Employees promoted into 301, 302, 303, 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 **for that calendar year on a prorated basis.**

"their" has been replaced with "his/her"

Wade



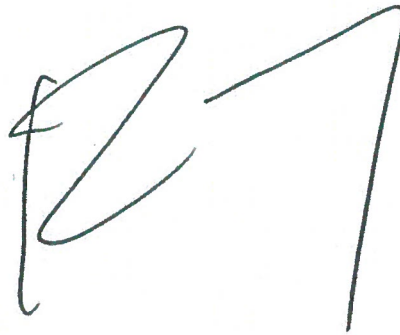
Letters of Understanding

Variable Pay Plan - Salary Groups 306 to 308

Variable Pay Plan - Salary Groups 301 to 305

Revise paragraph 4 as follows:

This notwithstanding, an employee can grieve his/her Variable Pay entitlement based on his/her personal performance rating."



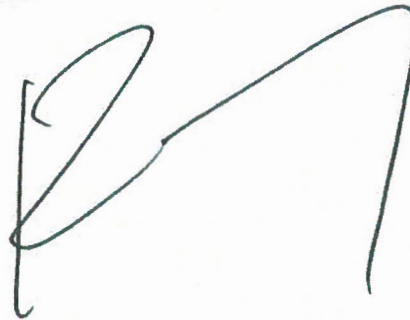
Letters of Understanding

Variable Pay Plan - Salary Groups 306 to 308

Variable Pay Plan - Salary Groups 301 to 305

- Replace "Variable Pay Plan" with "Variable Performance Pay" throughout the Variable Pay Plan Letters of Understanding.

Wesley

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

TEAM Counter Proposal

LETTER OF UNDERSTANDING

VOLUNTARY RETIREMENT TERMINATION INCENTIVE PROGRAM (VRTIP)

Revise as follows:

Any employee that departs the Company under the VRTIP 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. The term of the Agreement shall not exceed the number of weeks of the incentive, with a maximum term of 52 weeks. **The Company maintains its confidentiality rights under the common law beyond the expiry of this Agreement.**

05/05/16
Wase [Signature]

Letter of Understanding

Voluntary Retirement Termination Incentive Program (VRTIP)

Proposed wording:

From:

26 week lump sum payment and a

Bridging Allowance
(up to a maximum equivalent of 52 weeks base salary)

OR

If age is less than 53, at the employees option, 65 week lump sum payment

To:

Reworded to be consistent with wording in Article 27 - Layoff. There is no change to the amount of payout.

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



for MTS Inc



for TEAM - IFPTE

Signed this 15th day of MARCH, 2016

Letter of Understanding

Allstream Acquisition

Delete



for MTS Inc



for TEAM - IFPTE

Signed this 15th day of MARCH, 2016

LETTERS OF UNDERSTANDING

The parties hereby agree to renew the following Letters of Understanding:

- Banking of Vacation/Vacation Overtime Credits
- Benefit Status During Recall
- Job Evaluation
- Sales Bonus/Commission Plans
- Net Credited Service (NCS)
- Self-Identification/Voluntary Departure
- Contracting-in
- Labour Management Committee
- Outsourcing
- IT Progression Opportunities

The Compressed Work Week LOU was not renewed.

For clarity, the following Letters of Understanding have been revised:

- Northern Retention Premium
- Variable Pay Plan Salary Groups 301 to 305
- Variable Pay Plan Salary Groups 306 to 308
- Retroactive Payment of Wages
- Voluntary Retirement Termination Incentive Program

06/09/16





PO Box 6666
Rm MP16A, 333 Main St.
Winnipeg, MB, Canada R3C 3V6

mts.ca

May 3, 2016

Mr. Wesley Emerson
Labour Relations Officer
TEAM-IFPTE Local 161
200 – 1 Wesley Ave.
Winnipeg MB R3C 4C6

Dear Mr. Emerson:

Re: Parking Benefits

As you are aware, MTS has been either reimbursing certain TEAM members for parking expenses or providing them with parking spaces at no charge for their personal vehicle at their work location. On February 8, 2016, MTS advised TEAM that providing parking spaces or parking reimbursement for personal vehicles at work locations is not required by the collective agreement and that it would be discontinuing those practices upon the expiry of the statutory freeze period or the ratification of a renewed collective agreement.

This letter confirms, without retracting the aforementioned notice that our past practice with respect to paying parking benefits is going to discontinue, that MTS intends to conduct a company-wide review of its aforementioned parking arrangements. The purpose of MTS' review is to determine which employees are required to use their personal vehicles in the performance of their duties on a regular basis and how best to provide parking at their work location. This review may result in some TEAM members having their parking benefits discontinued and some TEAM members continuing to receive parking benefits that are not required by the collective agreement.

Sincerely,

A handwritten signature in black ink, appearing to read 'Don Rooney', is written over a large, stylized, handwritten flourish that extends across the page.

Don Rooney
Director Labour Relations