

MEMORANDUM OF AGREEMENT

Between the

**Communications Energy and Paperworkers Union of
Canada, Locals 401, 410, 506 and 2289**

Members of the

CEP Atlantic Communications Council (Council)

and

**Bell Aliant Regional Communications,
Limited Partnership (Company)**

Whereas the Parties recognize that there has been a significant decline in the number of employees in the CSR classification as a result of economic forces;

And whereas the Parties agree on the need for a sustainable way to ensure that the Company continues to have employees in the CSR role, rather than relying exclusively on outsourced labour for that function;

And whereas the Parties agree that modifications to the Collective Agreement with respect to new CSR hires will contribute positively to the long-term viability of the CSR role;

And whereas the Parties believe that securing more CSR's in the bargaining unit will benefit the Company and the bargaining unit as a whole;

And whereas the Parties have made similar modifications with respect to the CST role, which has benefited both the Company and the workers;

And whereas the Parties have the power to enter into Agreements modifying the rights set out in the Collective Agreement;

And whereas the Parties have are committed to a trial arrangement, after which the Council will pursue ratification no later than June 30, 2013;

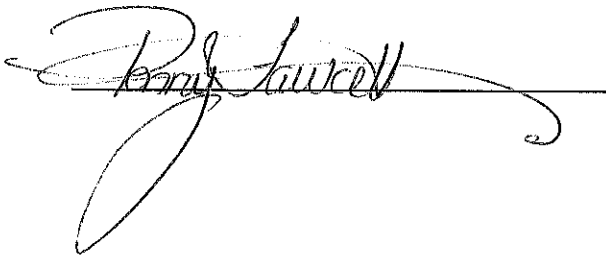
Therefore the Parties agree as follows:

1. Beginning on January 21, 2013, the Company may hire employees into the CSR role under the terms and conditions set out in Schedule A to this Agreement. Such hires will be referred to as "New CSRs".

2. New CSRs will be hired as Regular Employees, and any Collective Agreement provisions which apply to Regular Employees apply to New CSRs, except where they conflict with or are modified by the provisions of this Agreement. New CSRs will continue their status as Regular Employees unless this Agreement is rejected in a ratification vote.
3. This agreement will not apply to any individual who is an employee before January 21, 2013 and is awarded a CSR role subsequent to that date.
4. This Agreement takes effect as of January 21, 2013, and will continue in effect subject to being put to members for ratification no later than June 30, 2013. If the vote is not successful, the Parties will meet to discuss the issue further.

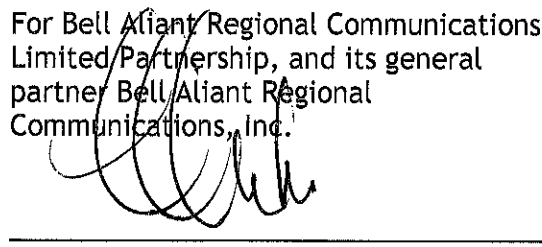
Signed at Halifax, NS on January 18, 2013.

For the Council



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For Bell Aliant Regional Communications,
Limited Partnership, and its general
partner Bell Aliant Regional
Communications, Inc.



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**Schedule A to Memorandum of Agreement
Terms and Conditions for New CSRs**

- a. Wages will be as follows, with step progressions every six months:

New CSR	
Step	Hourly rate
1	\$13.00
2	\$13.33
3	\$13.67
4	\$14.00
5	\$14.33
6	\$14.67
7	\$15.00
8	\$15.33
9	\$15.67
10	\$16.00

- b. An incentive plan will be put in place based on revenue-generating units sold per day and per month (and performance factors). The payments will effectively amount to \$4/hour for an employee who meets 100% of all targets. (For greater clarity, some employees may make more than \$4/hour in incentive, and some may make less, depending on their success in meeting or exceeding targets.)
- c. New CSRs will be treated as one separate work scheduling group.
- d. Article 23.01 will not apply, but overtime will be paid at the rate of one and one half (1.5) times the basic rate for every hour worked in excess of seven-and-a-half (7.5) hours in one day or thirty- seven-and-a-half (37.5) hours in one week.
- e. Article 23.08 of the Collective Agreement will apply with the modification that pay will be at the Basic Wage Rate and not on an overtime basis, unless the employee is otherwise entitled to overtime for those hours on the basis of hours worked during the week. Article 23.09 will not apply, and any overtime will be paid out in the employee's next pay period.

- f. All leaves provided for in the Collective Agreement will be available to New CSRs on the same terms as for Regular Employees, with the exception that leaves will be unpaid unless required to be paid under the Canada Labour Code or otherwise by law.
- g. Articles 24, 29.10, and 29.11 of the Collective Agreement will not apply.
- h. Article 25 of the Collective Agreement will apply with the modification that there will be no entitlement to Floating Holidays (or the July 12 holiday in NL).
- i. Vacation entitlement and scheduling will follow the Collective Agreement.
- j. Article 27.03 of the Collective Agreement will apply to the posting of schedules, with the modification that two (2) weeks notice is required.
- k. Article 27.04 of the Collective Agreement will apply to changing the posted schedule, with the modification that seventy-two (72) hours notice is required for full-time employees and forty-eight(48) hours notice is required for part-time employees.
- l. Article 28 of the Collective Agreement applies. However, under 28.08, where a New CSR has any absence less than eight (8) calendar days due to illness or injury, they will be paid at Basic Wage Rates for up to three (3) incidental sick days in total per year, to be taken during that calendar year; any other incidental absence under Article 28.08 will be unpaid.
- m. The Company has the discretion to terminate a New CSR during the first year of their employment on the basis that they are not suitable for work. The employee may grieve that the decision is arbitrary, discriminatory, or in bad faith. The replacement of any employee so dismissed will be at the Company's discretion.
- n. After the first year of employment, a New CSR will not be terminated without just cause. The parties agree that, for these employees, just cause will include a failure to meet minimum performance expectations in two subsequent quarters. For greater certainty, no employee will be terminated for just cause based on performance concerns unless the employee has been given a clear indication of the need to improve performance, a minimum of three months to effect improvement, and a clear warning that termination may result from a failure to improve, in addition to all necessary management support & training.
- o. The Remote Call Monitoring Program as outlined in Appendix K will apply to New CSRs, and in addition, management will have the discretion to review

recorded calls and use them for the purposes of coaching and performance management.

- p. A New CSR will not be eligible to post to a new role until they have worked in the New CSR role for 3900 hours, including overtime hours.