MEMORANDUM OF AGREEMENT

BETWEEN:

CEP ATLANTIC COMMUNICATIONS COUNCIL (the "Council")

- and –

BELL ALIANT REGIONAL COMMUNICATIONS LP ("Bell Aliant")

Re: Grievance regarding 10% Vacation Calculation

Whereas the Council filed a grievance alleging that the 10% Vacation entitlement referenced in Article 26.06 (e) of the Collective Agreement required the employer to round up the amount in all circumstances;

And whereas Bell Aliant took the position that the 10% figure should be rounded up or rounded down depending on the circumstances for each vacation scheduling group;

And whereas this matter was scheduled for arbitration;

And whereas the parties have agreed to resolve this grievance on the following terms and conditions;

Now therefore the parties agree as follows:

- Effective for the 2009 and subsequent vacation scheduling years (scheduling begins on October 1 of the prior year), Bell Aliant will use normal mathematical rounding principles for vacation scheduling groups of 25 or fewer employees. For example, a group of 11 employees would get 1 person on vacation at any given time, as would a group of 14. A group of 15 would be rounded up to 2. A group of 24 would be rounded down to two employees on vacation and a group of 25 would be rounded up to 3 employees on vacation.
- Effective for the 2009 and subsequent vacation scheduling years (scheduling begins on October 1 of the prior year), for vacation scheduling groups of 26 or more employees, the 10% minimum

will always be rounded up to the next nearest whole number. For example, a group of 32 employees would have 4 persons able to schedule vacation at any given time.

3. The union will withdraw the grievance.

3. There will be no compensation paid to any employee or the Council and no adjustment will be made to the current vacation schedules for 2008.

4. This Agreement is made without prejudice or precedent with respect to any other matter between the parties.

AGREED TO this ___ day of May, 2008.

CEP ATLANTIC COMMUNICATIONS COUNCIL

BELL ALIANT REGIONAL COMMUNICATIONS LP

per:

per: