

LETTER OF UNDERSTANDING

BETWEEN:

**YELLOW PAGES GROUP
(The "Company")**

AND

**CANADIAN OFFICE AND PROFESSIONAL EMPLOYEES UNION, LOCAL 131
(The "Union")**

Effective: October 1st, 2011
Expires: Nov. 30, 2012

Subject: Extension of the Collective Agreement 2007-2011

Considering the willingness of the parties to have all of the terms of the prior collective agreement that was effective May 17, 2007 until September 30, 2011 ("Collective Agreement") continue in force beginning October 1, 2011 to November 30, 2012 (14 months) (the "Term")

The parties agree to the following modifications:

1. Base salary

The Employer will provide each active employee with a base salary increase of \$2,500. This base salary increase (over and above the salary schedule detailed in Appendix "A" of the Current CBA) will only be paid to active employees for the Term, as well as for the duration of any applicable statutory freeze period.

- A. It is not retroactive (example: new employee starting in January 2012 will be paid the bi-weekly amount starting at integration date, on a prorated basis).
- B. For an employee returning from LTD, STD or Maternity Leave after October 1st, 2011, the employee will receive above-mentioned benefits, not retroactively, commencing upon their return.
- C. For an employee that goes on STD or Maternity Leave during the term, they will continue to receive their salary increase while on leave.

2. Active Rep Incentive (ARI)

An Active Rep Incentive of \$5,500 will be provided to each active employee in the Elite and Signature Channels and \$4,500 will be provided for each active employee in all other Channels. The Active Rep Incentive is to be paid on a bi-weekly basis to active employees for the Term.

- A. This bonus is not retroactive (for example: new employee starting in January 2012 will be paid the bi-weekly amount starting at integration date, on a prorated basis).
- B. For an employee who goes on Mat Leave during the Term, the bi-weekly amount will be taken into account into the calculation of the Supplemental Allowance for the duration of the Mat Leave.

- C. For an employee who goes on Short Term Disability (STD) during the Term, the bi-weekly amount will be taken into account into the calculation of the Salary Benefit for the duration of the STD leave.
- D. For an employee returning from LTD, STD or Maternity Leave after October 1st, 2011, the employee will receive above-mentioned benefits, not retroactively, commencing upon their return.

3. New Bonus Thresholds

Signature	NG required	Fixed amount		Elite non GTA	NG required	Fixed amount
T1	0,00%	\$1,000		T1	3,00%	\$1,000
T2	2,00%	\$3,000		T2	5,00%	\$3,000
T3	4,00%	\$8,000		T3	7,00%	\$8,000
T4	6,00%	\$15,000		T4	9,00%	\$15,000

Elite GTA	NG required	Fixed amount		Advantage	NG required	Fixed amount
T1	2,00%	\$1,000		T1	4%	\$1,000
T2	4,00%	\$3,000		T2	6%	\$3,000
T3	6,00%	\$8,000		T3	8%	\$6,000
T4	8,00%	\$15,000		T4	11%	\$11,000

4. Modification of the Article 13 (lay-off) of Collective Agreement in the following manner:

13.01 **In the event of a lay-off, a ten (10) days notice shall** be given to an employee and to the Union prior to the **effective date of the lay-off. An employee with at least five (5) years of net credited service**, but less than ten years of net credited service shall be entitled to a separation payment of two weeks average rate of earnings for each year of service. An employee with at least ten years of net credited service shall be entitled to a separation payment of three weeks average rate of earnings for each year of service to a maximum payment of **seventy-five (75) weeks**. To be entitled to this separation payment, the employee:

- (a) has been terminated within the meaning of the *Employment Standards Act* due to a lack of work; and,
- (b) is not entitled to receive a pension on the effective date of the termination.

13.02 The separation payment referred to in Article 13.01 includes all amounts which may be owing under the *Employment Standards Act*. If a terminated employee does not qualify for the payment identified in Article 13.01, or if the *Employment Standards Act* provides a greater benefit than Article 13.01, then the provisions of the *Employment Standards Act* shall apply and the Article 13.01 payment shall not be made.

5. The parties agree that the Memorandum of Agreement shall constitute the full settlement of all matters in dispute.

6. Duration

This Letter of Understanding shall become effective on October 1st, 2011 and shall remain in force until November 30, 2012.