

MEMORANDUM OF AGREEMENT BETWEEN
BELL CANADA
AND
THE COMMUNICATIONS, ENERGY AND PAPERWORKERS UNION OF
CANADA REPRESENTING CRAFT AND SERVICES EMPLOYEES

Subject: Conditions applicable to employees transferred to Transervice Lease Co. regarding the Bell Canada Pension Plan and Post-Retirement Benefits.

Whereas Bell Canada will transfer its mechanical vehicle maintenance operations to Transervice Lease Co. as of February 04, 2007;

Whereas by virtue of this transaction, Bell Canada employees working in the mechanical vehicle maintenance operations and represented by the CEP (the "Transferred Employees") will be transferred to Transervice Lease Co. on February 04, 2007;

Whereas the participation of the Transferred Employees in the Bell Canada Pension Plan will end as of November 30, 2007, that is, on the expiry of the collective agreement currently in force.

The parties hereto have agreed as follows:

Post-retirement benefits (February 4, 2007 to November 30, 2007)

- 1) The Transferred Employee who elects to retire is eligible to post-retirement benefits, under the rules applicable to all Bell Canada employees at the time of retirement

Special eligibility conditions (from December 1, 2007 to December 31, 2011)

- 2) The Transferred Employees will continue to accumulate service until December 31, 2011 or until the end of their employment with Transervice, whichever comes first, for the following purposes:
 - A. Acquisition of the right to an unreduced retirement pension (i.e. 85 points, adding age and service), under the Bell Canada Pension Plan;
 - B. Acquisition of the right to Post-Retirement Benefits (i.e. 80 points, adding age and service) under the rules applicable to all Bell Canada employees at the time of retirement. Any Transferred Employee who wishes to take advantage of the benefits described in this subparagraph must retire

according to the Bell Canada Pension Plan no later than December 31, 2011.

Pension Calculation

- 3) Calculation of retirement pension performed pursuant to this memorandum will be based on participant's pensionable earnings and pensionable service as of November 30, 2007.

Application

- 4) This memorandum of agreement becomes effective upon the signing of a collective agreement binding the CEP and Transervice Lease Co.
- 5) This memorandum of agreement is not an integral part of any collective agreement, is not arbitrable and may not be used as a precedent in any other file involving the parties hereto.
- 6) This memorandum of agreement constitutes a transaction under the *Civil Code of Québec*.

Raynald Wilson
Director-Industrial Relations
Bell Canada

Signed at _____ on _____, 2007.

John Edwards
Administrative Vice-President – Ontario Region
Communications, Energy and Paperworkers Union of Canada

Signed at _____ on _____, 2007.

Michel Ouimet
Vice-President – Québec Region
Communications, Energy and Paperworkers Union of Canada

Signed at _____ on _____, 2007.