

SCHEDULE II

MEMORANDUM OF AGREEMENT
LIMITED RETIREMENT OFFER

B E T W E E N:

BELL ALIANT REGIONAL COMMUNICATIONS, L.P.
(the “Company”)

- and -

UniforACL
(the “Council”)

Whereas the Company and the Council through the Common Interest Forum have explored the issues of workforce demographics and career advancement opportunities for bargaining unit employees;

And whereas the Company and the Council agree that it would be mutually beneficial to provide a limited retirement offer for retirement-eligible bargaining unit employees in order to:

- provide those employees interested in retiring the chance to do so earlier than they might otherwise have been able to; and
- plan an orderly transition of the workforce.

And whereas the Collective Agreement signed between the parties allows them to negotiate and agree in writing upon voluntary severance initiatives, in the form of a limited retirement offer;

And whereas the Company and the Council through the Common Interest Forum have settled on the elements of a limited retirement offer open to all unionized employees who are now or will be retirement-eligible by the end of 2017;

Now therefore the parties agree as follows:

1. Eligibility:

- a. The Company will offer a Limited Retirement Offer that will be open to all unionized employees who are now or will be retirement-eligible by the end of 2017 except those employees described in s.1(d).
- b. “Retirement-eligible” means eligible to retire with an unreduced pension under the Defined Benefit (DB) Pension Plan or at age fifty (50) under the Defined Contribution (DC) Pension Plan. No bridging of service will be permitted under the terms of the Limited Retirement Offer.

- c. Current unionized employees who, as of the date of signing of this Agreement, have an approved or pending retirement application for a Departure Date before December 31, 2014 and who are or will be retirement-eligible before the end of 2017 are also eligible for the offer, provided that they would otherwise be selected based on their seniority compared to other applicants given the cap of 450 employees. The terms applicable to other employees as set out in s.2 will apply to any such employee but such employee will not be included in the maximum number of approved applicants (450) as set out in s.2(f).
- d. Employees will not be eligible for the Limited Retirement Offer if at the time of the signing of this Agreement or at the time of the application they are:
 - i. in receipt of LTD benefits,
 - ii. on an approved Leave of Absence of more than 12 months; or
 - iii. in receipt of WCB income benefits for more than 12 months.

2. Retirement Offer:

- a. Applications for the limited retirement offer will be accepted on a date to be announced, which will be as soon as practical after ratification. Eligible employees will have until December 12, 2014 at 5:00 p.m. Atlantic time to apply for the limited retirement offer. There will be no extensions to this deadline.
- b. The choice to apply for the Limited Retirement Offer will be permanent and irreversible once the application is submitted.
- c. In order to apply for the Limited Retirement Offer, employees will be required to indicate a Preferred Departure Year. The Preferred Departure Year can be no earlier than the year in which the employee becomes retirement-eligible.
- d. The incentive payment will vary depending on the employee's Preferred Departure Year:
 - i. Where the employee's Preferred Departure Year is 2015, the incentive payment will be a lump sum payment of 52 weeks of pay.
 - ii. Where the employee's Preferred Departure Year is 2016, the incentive payment will be a lump sum payment of 39 weeks of pay.
 - iii. Where the employee's Preferred Departure Year is 2017, the incentive payment will be a lump sum payment of 26 weeks of pay.
- e. The Company will, in its sole discretion, assign the employee a Departure Date.

- i. The Departure Date will not fall before the date on which the employee becomes retirement-eligible.
 - ii. The Departure Date may fall after the employee's Preferred Departure Year. In such a case, the amount of the employee's incentive payment will be based on the Preferred Departure Year, and not the actual Departure Date.
 - iii. The Departure Date will be no earlier than December 19, 2014, and no later than April 30, 2018.
 - iv. An eligible employee who turns age 55 in 2017, and who applies for a Preferred Departure Year of 2017 as part of this retirement offer, will be assigned a Departure Date in 2017 that is no earlier than their 55th birthday.
 - f. A maximum of 450 qualified applicants will be accepted for this Limited Retirement Offer. If there are more than 450 qualified applicants, applicants will be selected on the basis of seniority.
 - g. No later than January 12, 2015, the Company will notify employees who apply for the Limited Retirement Offer of the Departure Date assigned by the Company.
 - h. Employees who retire under the Limited Retirement Offer will be paid out for any unused vacation entitlement at the time of their retirement.
 - i. Employees who are considering the Limited Retirement Offer and who consult with a financial advisor are eligible to be reimbursed for up to \$200 for financial planning services, upon producing a receipt for services received from a financial planning professional. They will be reimbursed either through their final financial settlement package upon retirement from the Company, by submitting a claim through Ariba, or through their manager.
 - j. Retirement-eligible employees in the Defined Benefit Pension Plan will have access to the PeopleSoft Self Service Pension tool in order to prepare pension estimates in considering the Limited Retirement Offer. These employees will not receive pension estimates from the Company. Employees in the Defined Contribution Pension Plan will have access to their pension details using the SunLife tools and statements available to participants in the Defined Contribution Plan.
3. Recognizing that current and anticipated workload will require that the company fill a portion of the vacancies created by this Limited Retirement Offer, the Company commits as follows:

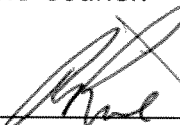
- a. The Company will, by end of May 2018 at latest, post and fill positions totaling at least 60% of the total number of employees who depart under this retirement offer.
4. In order to ensure minimal cost and disruption of the workforce as a result of retirements under this Limited Retirement Offer, the parties agree that the following terms will apply to all postings which result directly from a retirement under this Limited Retirement Offer:
 - a. Notwithstanding Article 13.01 of the Collective Agreement, vacancies will be posted for 5 business days.
 - b. Applications for postings will be binding, which means that the successful applicant will automatically be awarded the job with no right of refusal.
 - c. Employees are permitted to apply for more than one posted position, but in doing so, must rank the applications in order of preference.
 - d. Where an employee would be the successful applicant for more than one position, the employee will be awarded the job which the employee ranked as the highest preference, and removed from consideration for other postings.
 - e. Any employee who is a successful candidate for a job under this process will be placed in the new role within 6 months of being awarded that role.
 - f. The successful candidate for a job under this process will be required to remain in the new job for a minimum period of 104 weeks from the date the candidate starts work in the new role. However, such an employee will be eligible to submit applications for new job postings beginning the 97th week of that 104 week period.
 - g. Successful candidates under this process will be eligible for a limited portion of the relocation costs normally available under the Bell Aliant Atlantic Relocation Policy, namely eligible expenses under the following categories of Part I of the Policy:
 - i. Eligible transportation and living expenses reimbursed
 - ii. Eligible Moving Expenses Paid Directly by Brookfield Global Relocation Services
 - iii. Settling Allowance Paid by Bell Aliant Payroll

- h. If this modified process is not sufficient to ensure minimal disruption of the workforce as a result of the retirement offer, the parties agree to work together on any necessary modifications to the process.
 - i. Employees who apply for the Limited Retirement Offer will not be eligible to apply for any other job postings, commencing on the date their retirement application is submitted.
5. The Company confirms that it has no intention to offer any further retirement offer to unionized employees during the life of the Collective Agreement. However, should any other retirement offer be presented to bargaining unit employees in Atlantic Canada on or before December 31, 2017, and an employee who retires under this limited retirement offer would have received a larger incentive payment if the employee had been eligible to participate in that later retirement offer, such an employee will be entitled to the difference between the payment in this Limited Retirement Offer and the greater payment. (A "greater payment" refers to a comparison of the number of weeks' pay, and not the monetary amount of the payment).
6. The Company will not allow any contractor to assign bargaining unit work to an employee who has retired from the Company under this Limited Retirement Offer:
 - a. within the first twelve (12) months of their retirement; or
 - b. if the retiree received a severance from the Company, for the period reflected in the severance, whichever is greater.
7. The parties agree that, if anything in this Memorandum of Agreement is in conflict with the Collective Agreement, this Memorandum of Agreement overrides and there will be no grievances. However, any alleged violation of this Memorandum of Agreement may properly be the subject of a grievance.

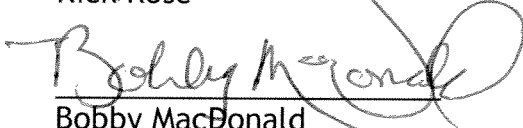
8. This Memorandum of Agreement is the entire agreement and contains all of the terms and conditions and understandings between the Parties with respect to the Limited Retirement Offer and supersedes all prior agreements, understandings, negotiations and discussions whether oral or written between the Parties with respect to the Limited Retirement Offer.

AND THE PARTIES HAVE SIGNED:


For the Council



Rick Rose



Bobby MacDonald



Lynn Briggs



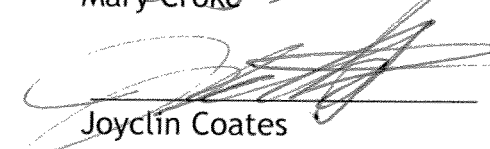
Steve Howlett



David Gates




Mary Croke



Joyclin Coates

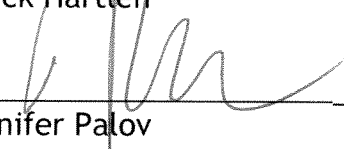
For the Company



Fred Crooks



Chuck Hartlen




Jennifer Palov



Helena Cain



Cindy MacDougall



Dale Grimes



Pat O'Brien



Cari Duggan-MacNeil

In Halifax, Nova Scotia, as of October 2, 2014

