

Subject to ratification by the employees in all of the Inside Workers Agreement and subject to the Company obtaining satisfactory financing sufficient for the purchase of new equipment deemed necessary by the Company, the parties agree as follows:

LETTER OF UNDERSTANDING

BETWEEN

WINNIPEG FREE PRESS

AND

**CEP
LOCAL 191**

Re: Voluntary Termination Program

1. This Agreement is applicable to employees covered by the Pressroom Collective Agreement and Creative Services Department employees and Mailroom employees covered by the Inside Workers Collective Agreement, excluding retirees employed by the Company, whose job function or classification is reduced or eliminated by the Company as a direct result of the implementation by the Company of a new press.
2. Should the Company determine that it is necessary to reduce the force, the Company may make application for the Voluntary Termination Program (the "VTP") available to full time and/or part time employees in the job function or classification in which a reduction or elimination has been determined necessary by the Company.
3. Should the Company make application for the VTP available in accordance with paragraph 2 above, full time and/or part time employees in the affected job function or classification may apply to participate in the VTP by submitting to the Human Resources Department, within the time period specified by the Company, a written application confirming the employee's request to participate in the VTP.
4. In the event that the number of employees in the affected job function or classification who apply to participate in the VTP is greater than the number of positions being eliminated by the Company, participation in the VTP shall be based on seniority, starting from the longest continuous employment, based on employees' most recent dates of hire, with the Company.
5. An employee who participates in the VTP shall terminate his/her employment with the Company effective the date established by the Company (the "Termination Date") and shall, upon termination on the Termination Date, receive a VTP lump sum payment based on the following, which payment is inclusive of any notice of termination or pay in lieu thereof to which the employee may be entitled under *The Employment Standards Code* (Manitoba) and any severance pay to which the employee may be entitled under the Collective Agreement:

- (a) **Group A**
Employees age 62 and over who are eligible for an unreduced pension shall be provided with a severance payment equal to two and one-half (2.5) weeks' earnings for each complete year of continuous service from the employee's most recent date of hire with the Company (subject to paragraphs 6 and 7 below), to a maximum of forty (40) weeks' earnings.
- (b) **Group B**
Employees younger than age 62 who are not eligible for an unreduced pension shall be provided with a severance payment equal to two and one-half (2.5) weeks' earnings for each complete year of continuous service from the employee's most recent date of hire with the Company (subject to paragraphs 6 and 7 below), to a maximum of seventy-eight (78) weeks' earnings. The minimum severance payment to full time employees under this Group B shall be twenty (20) weeks' earnings. This minimum shall not apply to part time employees under this Group B.

Earnings for the purposes of the above will be based on the employee's regular wage rate immediately prior to the Termination Date plus:

- (a) the night differential if fifty percent (50%) of the employee's scheduled shifts in the twelve (12) month period immediately preceding the Termination Date started before 6 a.m. or after 1 p.m.; and
- (b) the man in charge premium if the employee was appointed man in charge for fifty percent (50%) of his/her scheduled shifts in the twelve (12) month period immediately preceding the Termination Date.

6. For the purpose of the VTP and paragraph 5 above, continuous service for part time employees shall be based on hours worked by the employee since his/her most recent date of hire with the Company, with 1,950 hours worked being equal to one (1) year of continuous service.

7. For the purpose of the VTP and paragraph 5 above, employees shall be credited with hours worked as a part time employee/substitute where such service was continuous with his/her becoming a full time employee, with 1,950 hours worked being equal to one (1) year of continuous service.

8. Should an employee who applies to participate or is required by the Company to participate in the VTP subsequently resign from his/her employment with the Company prior to the Termination Date or should his/her employment with the Company be terminated for just cause prior to the Termination Date, the employee shall not be eligible for or entitled to participate in the VTP or to receive the payment referred to in paragraph 5 above.

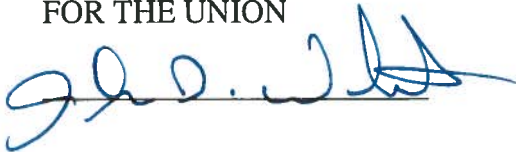
9. The seniority of an employee who participates in the VTP shall cease and any recall rights of the employees shall expire effective the Termination Date.

10. Should the number of employees who apply and are approved by the Company to participate in the VTP be less than the number of positions being eliminated by the Company, remaining employees in the affected job function or classification shall be required to participate in the VTP in reverse order of seniority (beginning with part time employees/substitutes), starting from the shortest continuous employment, based on employees' most recent dates of hire, with the Company.

11. This Agreement shall not form part of the Collective Agreement, but shall nonetheless be subject to the grievance procedure and arbitration provisions of the Collective Agreement, and shall expire six (6) months following the installation of a new press and decommissioning of the existing presses.

SIGNED ON THIS 8th DAY OF MAY, 2013

FOR THE UNION



FOR THE COMPANY

