

Canadian Press 2014 Voluntary Departure Program (VDP) Terms and Conditions

Introduction

Canadian Press is introducing a Voluntary Departure Program (VDP) for a defined group of employees. The terms of the VDP are outlined below. The VDP is a completely voluntary option for interested and eligible employees.

Eligibility

- All guild employees in the following groups are eligible to apply for participation in the VDP:
 - (a) Montreal Bureau (Including Quebec City)
- Staff in the following groups are not eligible to apply:
 - (a) All other Bureaus (excluding Montreal);
 - (b) All Excluded Staff
 - (c) Employees in receipt of short-term or long-term disability benefits without a declaration of fitness to work as of their release date.

Application

- Interested employees must apply in writing, stating that they wish to participate in the VDP.
- Applications to participate in the VDP must be received by Human Resources no later than **5:00 p.m. on June 19, 2014.**
- Canadian Press will advise employees regarding whether they are approved to participate in the VDP on or before June 26, 2014.
- Canadian Press reserves the right to determine which employees are approved to participate in the VDP and how many employees are approved to participate in the VDP based on the Company's operational needs, interests and requirements. Subject to such operational requirements, in the event that the Company does not approve all applications within a classification, the Company will select applicants on the basis of seniority, with preference given to the applicant(s) with the greatest seniority.

Conditions

- Release dates will be determined by Canadian Press and will be communicated to approved applicants; however, an employee's release date may be extended by Canadian Press subject to business and operational needs (collectively, the "release date"). In the event an employee's release date is extended by the Company, the employee will receive at least two weeks written notice of such extension.

- It is the Company's intention that the release dates for approved employees will be as early as possible and not be any later than August 31, 2014, subject to business and operational needs in the employee's work area requiring a later release date.
- All VDP applications are irrevocable.
- To participate in the Program, employees who are approved for the VDP must:
 - Remain in Canadian Press' employ until the employee's release date. If the employee resigns, quits or if employment is terminated for cause prior to the release date, the employee is not entitled to any of the entitlements provided under the Program and is disqualified from the VDP. Nothing herein would preclude Canadian Press and an individual employee from agreeing to an earlier release date so long as it is mutually agreeable to both parties.
 - Continue to perform their duties in a satisfactory and competent manner, and;
 - Sign a release in favour of Canadian Press, which includes, but is not limited to, a waiver of any recall or other rights.
- Approved employees will be paid any outstanding monies owed, including any accrued and unpaid vacation pay calculated as at the employee's release date, as well as any bonuses and/or incentive payouts as may be applicable. Vacation accrual ends as of the employee's last day of work and does not continue through the salary continuation period.
- Approved employees will be eligible for the principal repayment of the Employee Participation Plan under the terms of the amended deal sheet. Generally the payment will be made within one year of departure.

Voluntary Departure Payment Amount

- Employees who elect to take the VDP, and are approved to participate, will receive a voluntary departure payment of 2 weeks base pay for each year of continuous service, or prorated portion thereof, with a minimum of four (4) weeks base pay to a maximum of fifty-two (52) weeks base pay, less statutory deductions required by law.
- The following additional payments will be made to approved employees who are not eligible for an unreduced pension as of July 1, 2014:

Service	Additional Pay
1 to 9 years	2 weeks
10 to 19 years	4 weeks
20 to 24 years	8 weeks
25 years and over	10 weeks

- A sample chart is provided below.

Years of Service	Base VDP Payment	Additional VDP Pay	Total Payment
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1 year	4 weeks	2 week	6 weeks
15 years	30 weeks	4 weeks	34 weeks
22 years	44 weeks	8 weeks	52 weeks
26 years	52 weeks	10 weeks	62 weeks

- Calculations will be based on service and base pay as of the date of release.
- The voluntary departure payment will be paid through salary continuance.

Benefits, Pension & Post-Retirement Benefits

- Employee health and dental benefits will continue until the end of the employee’s salary continuation period.
- Notwithstanding the preceding paragraph, approved employees who are eligible to retire on either their last day of active employment or at the end of their salary continuance, and who are under age 65, will continue to receive employee health and dental benefits until the earliest of:
 - for up to 10 years;
 - Upon reaching age 65, whichever is earlier;
 - Becoming eligible for health and dental benefits with another Employer.
- All other benefits, including short-term and long-term disability coverage, for approved employees will cease effective the approved employee’s release date.
- Pension Plan entitlements will be determined by the terms of the applicable plan. Service in the applicable plan will continue to accrue through to the end of the salary continuation period. Approved employees who are eligible to retire as of their last day of active employment may opt to begin collecting their pension immediately, concurrent to receiving salary continuance, in which case pensionable service will cease to accrue as of the last day of active employment.
- Some approved employees who are close to a key pension milestone (age 65 or the “85-point rule”) may wish to consider extending their severance, at a lower rate of pay, over a longer salary continuance period, in order to maintain pension service and reach a key pension milestone. Employees in such circumstances can extend their salary continuation period by an additional period up to the total severance period, but at a correspondingly lower rate of pay, with pension service continuing through that additional period. By way of example, an employee who has 62 weeks of severance may wish to take this severance over a total salary continuation period of 124 weeks (two times 62weeks), with weekly severance pay at half their normal base pay rate. This will be allowed, with pension service credit continued throughout the 124 week severance period in this example, but with pensionable earnings during this 62 week period calculated based on the half-rate of pay that the employee is actually receiving during this period. Note: For added clarity, the total pension accrual can never be greater than the maximum severance entitlement of 124 weeks regardless of whether the employee extends their severance over a longer period of time.