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**Letter of Agreement  
Sales Incentive Program**

1. There will be a Sales Incentive Program which applies to Consumer Service Representatives (CSRs) in the Consumer Inbound Queue, Business Service Representatives (BSRs) in the Provincial Business Queue, and Telesales Representatives.
2. The Sales Incentive Program will provide an annual financial payment to participants who meet certain sales criteria, provided that the company achieves certain revenue criteria.
3. The plan will be based on the calendar year (January 1-December 31.) The annual payout will be made no later than February 28 with respect to incentives earned during the previous year.
4. The parties acknowledge that any payout earned under the plan is considered taxable income and pensionable earnings for the year in which it is paid.
5. The plan will be in addition to any other short-term incentive campaigns which the Company implements.
6. Eligibility:
  - a. Participation in the plan will be voluntary on the part of the employee;
  - b. In order to be eligible for any annual payment under the plan, the employee must have met or exceeded all annual performance targets (KPIs), which will be set by the Company annually;
  - c. Where an employee, after investigation, is found to have inappropriately manipulated their performance results, the Company may determine that the employee is ineligible to participate in the plan in the future (in addition to any other discipline.) Such a decision by the Company will be considered disciplinary and is grievable.
  - d. Any employee who
    - i. leaves the Company during the year other than by termination for just cause;
    - ii. transfers during the year to a position which is not eligible to participate in the plan;
    - iii. during the year, enters a position which is eligible to participate in the plan;

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iv. is in a position which is eligible to participate in the plan, and for two (2) or more months serves in a position which is ineligible to participate;

is entitled to participate in the plan on a pro-rated basis reflecting the part of the year that they were in an eligible role.

7. Employee Sales Criteria, Targets, & Payout:

- a. The Company will, on an annual basis for each relevant classification, set:
  - i. The criterion or criteria on which each employee will be assessed;
  - ii. The target (or series of targets) which each employee has to meet with respect to that criterion or criteria in order to be eligible for any payout;
  - iii. The amount of the payout corresponding to each target (or series of targets.)
- b. The Company intends to use the following criteria for assessment, and will not use any other basis without the consent of the Council:
  - i. For CSRs and BSRs: Revenue Per Call, assessed as an annual result but with results for the employee's two lowest months removed.
  - ii. For Telesales Representatives: % Achievement of Revenue Target
- c. The Company will set three tiers of targets, each with an associated payout. Each tier of targets will be based on a range.
- d. The Company intends to set payouts of \$5000, \$3500, and \$2500, depending on the tier. The Company will not set any different payout amounts without the consent of the Council.

8. Company Revenue Criteria:

- a. The Company will, on an annual basis for each relevant classification, set a Company Revenue Criterion which must be met in order for any payout under the plan to be made for that year.

9. The Company will notify the Council of the Employee Sales Criteria, Targets, Payout, and Company Revenue Criteria no later than December 1 of each year, and will notify employees no later than December 15.

10. Implementation

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- a. There will be a 3 month pilot phase, to take place no later than the second quarter of 2011, where the plan will be implemented only for eligible CSRs.
  - b. During the pilot phase, the terms of the plan will be pro-rated to reflect the three-month term.
  - c. At the end of the pilot phase, the Company and the Council will, through the CIF process, review:
    - i. Whether the plan successfully incented more sales from participating employees;
    - ii. Whether the employee sales criteria, targets, and payouts were appropriate;
    - iii. Whether the administration of the plan was effective;
    - iv. Whether the plan was subject to unexpected manipulation by employees;
    - v. Any other relevant questions arising from the pilot.
  - d. If after review, the Company and the Council agree that the full implementation of the plan is appropriate, full implementation will occur within two months. The parties intend that full implementation will take place no later than September 1, 2011.
  - e. For the remainder of 2011, the terms of the plan will be pro-rated to reflect the time remaining in the year.
11. If the Company or the Council is of the view that the Plan is no longer working, the parties may come to an agreement through CIF to cancel the plan.