



## THE FOLLOWING APPLIES TO ALL ACTIVE NON-UNION FULL-TIME EMPLOYEES

### **Pension**

#### **Employees currently participating in a defined benefit (“DB”) pension plan**

We will be ceasing pension accruals for employees under all of Postmedia’s existing DB pension plans effective the last pay in August 2017 (the “DB Cessation Date”). More specifically, all employees currently participating in the DB provisions of Postmedia Network Inc. Retirement Plan or in the National Post Retirement Plan will cease to accrue “Credited Service” on the DB Cessation Date (or earlier if an employee ceases employment prior to this date). Earnings for benefit calculation purposes will also be frozen under these DB plans effective the DB Cessation Date (except for members in Quebec). DB benefits accrued prior to DB Cessation Date are not impacted. A member’s DB benefits accrued prior to the DB Cessation Date will remain in the plan with the Trustee (RBC Investor Services) until the member terminates or retires from the organization.

Commencing on the day following the DB Cessation Date, employees currently earning DB benefits will be eligible to enroll in the defined contribution (“DC”) component of the Postmedia Network Inc. Retirement Plan, with an employee and employer contribution rate of 3% of earnings. Employees will have the option to make additional voluntary contributions in excess of the 3% of earnings however the voluntary contributions will not be matched by the Company.

#### **Employees currently participating in a defined contribution (“DC”) pension or retirement savings plan**

For employees currently enrolled in a DC pension plan, RRSP or DPSP maintained by the Company with a contribution rate greater than 3% of earnings, effective the last pay in August 2017, the Company’s contribution rate to the plan will be capped at 3% of earnings. Employees will contribute 3% of earnings and will have the option to make additional voluntary contributions but they will not be matched by the Company.

Further information about the pension changes will be provided directly to impacted plan participants over the coming months.

### **Benefits**

The new benefits plan is designed to provide consistent coverage to all employees across our operations. The following provides a summary of the new plan that will be in place on or around **September 1, 2017** (except otherwise noted):

## **Insured Benefits**

### **Long Term Disability Insurance (“LTD”)**

- Employees will be required to pay 100% of the LTD insurance premiums. The premium rate is based on your salary and will be provided in future communication. Should you become disabled, the LTD benefit will be non-taxable. Under the new policy, on and after **September 1, 2017**, the benefit formula is as follows:
  - 60% of the first \$2,500 of monthly earnings, plus 40% of the excess to a \$12,000 maximum monthly benefit.

### **Basic Group Life Insurance**

- The Company will pay the group life insurance premiums. This is a taxable benefit to you. The benefit available to your beneficiary will be either one or two times your salary depending on your position in the Company.

### **Accidental Death & Dismemberment Insurance**

- You will have the option to purchase employee paid accidental death and dismemberment insurance.

### **Optional Life, Optional Spousal and Child Life Insurance**

- You will have the option to purchase employee paid, optional additional life benefits for yourself, your spouse and your children.

## **Extended Health**

**The premium for Extended Health will be paid 100% by the Company.**

### **• Drug Benefits and Reimbursement**

- A Pay Direct Drug Card (the “Card”) used to pay for prescriptions at point of purchase will be provided instead of receipts being submitted to the carrier for prescription payments.
- The plan will provide coverage at 80% of the cost of the prescription and you pay 20% plus a \$6 per prescription deductible payable directly to the pharmacy.
- A customized formulary will be based on the lowest-priced generic equivalent. A generic equivalent is a pharmaceutical drug that is equivalent to a brand-name product in dosage, strength, route of administration, quality, performance, and intended use. Brand name drugs if prescribed and at your choice can still be purchased however the cost difference between the generic equivalent and brand-name drug will be paid by you.
- A maximum of five dispensing fees per medication per year for maintenance drugs will be applied.
- Prior Authorization will be required for all specialty drugs or high cost drugs (both biologic and non-biologic) as well as non-specialty drugs where utilization needs to be assessed on a case-by-case basis based on pre-approval by an independent third party pharmacist not affiliated with Postmedia or the carrier to ensure safe, responsible and cost effective utilization.
- Pre-approval is required for diseases including: Asthma, Cancer (all diagnoses), Chronic Hepatitis C, Crohn’s Disease/Colitis, Hypercholesterolemia, Multiple Sclerosis, Psoriasis, Rheumatoid Arthritis and genetic disorders such as Cystic Fibrosis, Hunter Syndrome and others. More information will be provided on this aspect of the plan over the coming months.

## **Paramedical Reimbursement – Company Paid**

- Paramedical reimbursement for the following services:
  - \$300 annual reimbursement for each:
    - ☐ Massage
    - ☐ Chiropractor
    - ☐ Podiatrist
    - ☐ Naturopath
    - ☐ Speech Therapist
  - \$300 annual reimbursement for Psychologist/Social Worker, combined
  - \$500 annual reimbursement for Physiotherapy

## **Vision Care – Company Paid**

- \$300 vision care reimbursement and \$50 eye exam reimbursement every 24 months

## **Hospital Coverage – Company Paid**

- Reimbursement for Hospital coverage for a semi-private room

## **Dental Plan Design & Reimbursement**

- 60% of the premium will be paid by the Company and 40% of the premium will be paid by you. There are no deductibles.
- Reimbursement level by category:
  - ☐ Basic 80%
  - ☐ Preventive 80%
  - ☐ Major 50%
  - ☐ Orthodontia 50% (for children only)
  - ☐ The current year fee guide will be used (this sets the coverage cap)

### **Maximums are as follows:**

- Basic and Major combined - \$1,000 combined per year
- Orthodontics - \$2,000 lifetime (for children only)
- Recall frequency for preventative dental treatments and oral exams will be every 9 months
- Dental scaling will be limited to 12 units per year

**This is not intended to be an exhaustive list of the new Extended Health and Dental coverage plan. Further details will be provided in plan booklets and will be made available to employees along with educational sessions to better explain the plans.**

## Other Program Changes

### Discontinuation of Retiree Benefits

Employees currently eligible for retiree benefits who retire on or **after August 31, 2017** will no longer be provided with Company paid retiree benefits.

### Discontinuation of the Employee Assistance Program (“EAP”) for Counseling Services

Effective **April 30, 2017**, employees will no longer have access to EAP services. **There will be a transition plan for any employees currently receiving services through the existing program.**

### Discontinuation of Maternity/Parental Leave Top-Up Payments

Employees currently eligible for maternity or parental leave top-up payments will no longer receive such payments for leaves commencing on and after **August 31, 2017**.

## Human Resources Policies

### Vacation Leave Policy

Effective September 1, 2017, a standard vacation policy will be introduced as follows:

Service	Vacation Entitlement Based on Years of Service
Less than 1 year	accrue at a rate of 1.25 days/month
1 to 6 years	accrue at a rate of 1.25 days/month (3 weeks/year)
7 to 14 years	accrue at a rate of 1.67 days/month (4 weeks/year)
15 years and greater	accrue at a rate of 2.08 days/month (5 weeks/year)

If your entitlement is 5 weeks or greater as of September 1, 2017, you will be grandfathered and remain at your current entitlement. If as of September 1, 2017, you have a greater entitlement than in the chart above and have less than 15 years of service, you will maintain that entitlement and then go to the next level in accordance with the chart.

All employees must take their minimum provincial employment standards entitlement of vacation time by the end of each fiscal year (August 31). **You will no longer be able to carry vacation days to the next fiscal year** unless you have prior approval and have submitted a Carry Forward Form (the “Form”). The Form must be sent to your manager and Human Resources. Carrying forward vacation days into the new fiscal year may be requested and, if approved, must be taken prior to the end of November in the new fiscal year. If a Form has not been approved by your manager and Human Resources, your vacation bank will be forfeited on the last pay in the fiscal period (closest pay period to August 31). **No exceptions will be made without the submission of the Form and receipt of approval.**

For those employees who currently accrue vacation on a calendar year, the accrual will be based on the fiscal year September 1 to August 31. This does not impact entitlement. It impacts the timing of when an employee must use up their vacation i.e. moving from December 31 to August 31.

**Float Day**

Effective **September 1, 2017**, employees will be eligible for one Float Day per fiscal year which cannot be carried forward into the new fiscal. This should be scheduled with your immediate manager and may be taken once all vacation has been taken. No other additional days outside of statutory holidays will be designated as additional days off other than the Float Day.