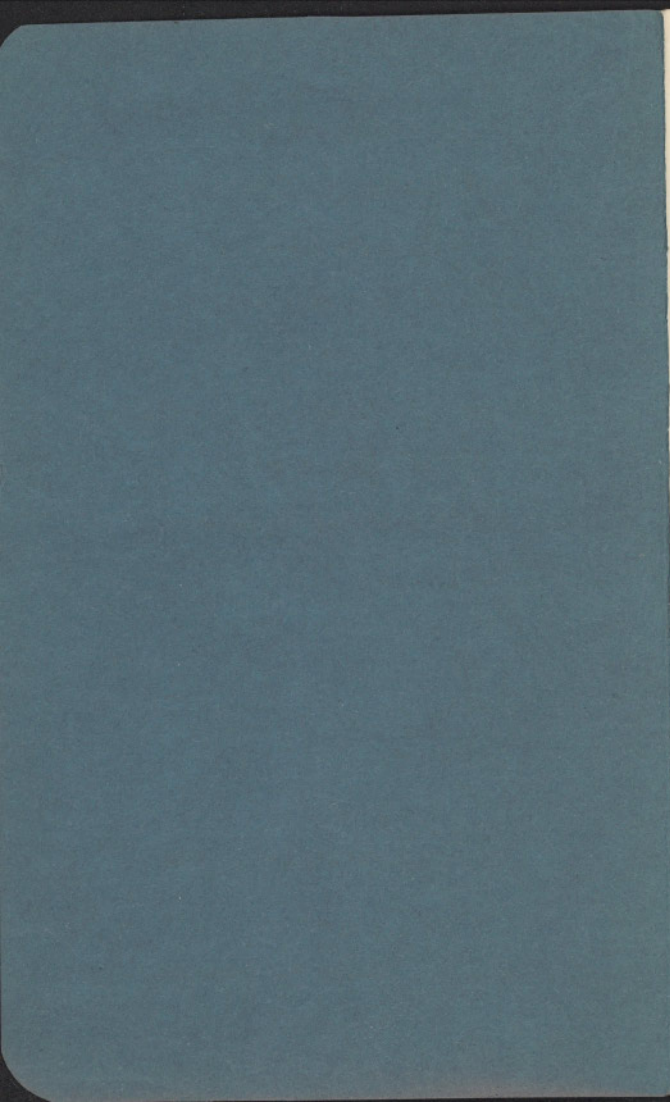


**SUMMARY OF
REGULATIONS**
Covering
Plans Adopted for
The Benefit of Employees
of
Maritime Telegraph & Telephone
Company, Limited
and Associated Companies

REVISED JANUARY 1st, 1939

Keep this booklet for reference.



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1911

THE HISTORY OF THE

REPUBLIC OF THE

UNITED STATES OF AMERICA

BY

THE

AMERICAN PEOPLE

THE

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FOREWORD

The pages of this booklet contain a summary of the following Plans which have been established by the Company for the benefit of its employees:

Employees' Benefit Plan

Employees' Pension Plan

Employees' Stock Savings Plan

Employees' Group Insurance Plan

Official copies of the full text of the Regulations governing the Benefit and Pension Plans are on file in each exchange, where any employee may have reference to them.

Address all communications to the Secretary, Maritime Telegraph & Telephone Company, Limited, Halifax, N. S.

FOREWORD

The pages of this booklet contain a summary of the following Plans which have been established by the Company for the benefit of its employees:

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Address all communications to the Secretary, Maritime Telegraph & Telephone Company, Limited, Hallway, N. 2.

EMPLOYEES' BENEFIT PLAN

This Plan covers the payment of Sickness Disability Benefits and Death Benefits.

It was originally framed to include disability and death from accident arising out of, and in the course of employment by the Company.

Such cases however are now covered by the "Workmens' Compensation Act" and therefore do not come within the provisions of the Plan.

Disability from accident sustained when not on duty is provided for under Sickness Disability Benefits.

SICKNESS DISABILITY BENEFITS

All regular employees who have completed 2 years service are eligible to receive Sickness Disability

Benefits, the scale of which is as follows:—

| | Service (Years) | Full Pay (Weeks) | Half Pay (Weeks) |
|-----------------|--------------------|---------------------|---------------------|
| 2 but less than | 3 | 4 | 9 |
| 3 | 4 | 5 | 13 |
| 4 | 5 | 6 | 17 |
| 5 | 6 | 7 | 21 |
| 6 | 7 | 8 | 25 |
| 7 | 8 | 9 | 29 |
| 8 | 9 | 10 | 33 |
| 9 | 10 | 11 | 37 |
| 10 and over | | 13 | 39 |

Sickness Disability Benefits begin on the eighth calendar day of absence on account of disability.

Successive periods of sickness disability are counted together as one period in computing the period during which the employee shall be entitled to benefits except that any sickness occurring after an employee has been continuously engaged in the performance of a duty for thirteen weeks, shall be considered as a new sickness and not part of any disability which preceded such period of thirteen weeks.

Sickness disability includes disability from accident other than accident arising out of and in the

course of employment by the Company.

All claims for Sickness Disability Benefits to be valid must be made within sixty days from the first date of absence on account of sickness and must be accompanied by a Physician's Certificate.

The Committee will be unable to consider any case submitted unless a regular Physician's Report accompanies the forms.

Disability Benefits may be suspended or terminated, at the discretion of the Committee, in cases of gross misconduct or of any conduct prejudicial to the interests of the Company.

Every employee who shall be absent from duty on account of sickness or injury must at once notify his immediate superior, and the employee shall not be entitled to benefits for time previous to such notice, unless delay shall be shown to have been unavoidable and satisfactory evidence of disability is furnished.

Disabled employees wishing to leave home shall obtain from the Committee written approval of ab-

sence for a specified time, and furnish it satisfactory proof of disability while absent, otherwise no benefits shall be paid for such period of absence.

DEATH BENEFITS

Death Benefits are provided for employees whose term of employment has been five years or over, the scale of which benefits is as follows:—

| | |
|------------------|-------------------|
| 5 yrs employment | 6 months full pay |
| 6 " " " | 7 " " " |
| 7 " " " | 8 " " " |
| 8 " " " | 9 " " " |
| 9 " " " | 10 " " " |
| 10 " and over | 12 " " " |

No Death Benefit shall be calculated on a higher rate of pay than \$2000.00 per annum.

Claims for Death Benefits to be valid must be made in writing, within one year from the date of the death upon which the claim is based.

Death Benefits shall be paid only to the wife (or husband) or dependent relatives of the employee.

LEAVE OF ABSENCE

The Company may grant any employee Leave of Absence for any period not exceeding one month, for which absence the sanction of the Committee is not necessary, but if the period of absence is to exceed one month, or if through the original absence being extended the absence exceeds that period, the approval of the Committee in writing must be obtained, otherwise the employee's continuity of service shall be deemed to have been broken, and thenceforth his term of employment shall be reckoned from the date of his return to duty.

Employees who have been granted Leave of Absence for any period in excess of one month should see to it that the proposed absence has been approved by the Committee, or they may learn later on, in case of sickness or other infirmity, that they are not qualified to receive the benefits that might otherwise be forthcoming.

Regular Leave of Absence shall not break the continuity of service,

but if an employee on Leave of Absence indulges in anything which in the judgment of the Committee is prejudicial to the Company, approval of the Leave of Absence may be cancelled and the continuity of service shall be deemed to have been broken.

No Leave of Absence shall exceed two years in duration except in very special cases.

GENERAL

Neither the action of the Board of Directors in establishing the Plan for Employees' Disability Benefits and Death Benefits, nor any action hereafter taken by the Board or the Committee shall be construed as giving to any officer, agent or employee a right to be retained in the services of the Company or any right or claim to any benefit or allowance after discharge from the service of the Company, unless the right to such benefit has accrued prior to such discharge.

Assignment of benefits under these Regulations will not be permitted or recognized.

Lay off on account of reduction of force is not considered as Leave of Absence and does not break the continuity of service, unless the duration of the lay off continues for a period in excess of two years; however, when the period of absence from such cause exceeds three months in any twelve consecutive months, the entire period of absence shall be deducted in computing the term of employment.

In case of disability or death directly or indirectly due to intoxication or to the use of alcoholic liquors as a beverage or to the use of stimulants or narcotics or to unlawful acts or immoralities or to fighting, unless in self-defence against unprovoked assaults, or to other encounter, such as wrestling or scuffling or to injury received in any brawl or in any liquor saloon gambling house or other disreputable resort, or to the wilful intent of the employee to injure himself or another, or to venereal disease, no right to benefits under these regulations shall exist except at the discretion of the Committee.

The provisions of the Plan do not call for any contribution to the Fund by the employees, the entire cost being borne by the Company and those Companies associated with it in the undertaking.

The Committee may from time to time, with the approval of the Board of Directors amend or modify the Rules and Regulations and benefits in any respect and it shall be distinctly understood that the plan is voluntary with respect to the Company, and no employee shall have any legal claim against the Company or the Committee with respect to the Fund.

EMPLOYEES' PENSION PLAN

This Plan was established on July 1st, 1917 as part of the Employees' Benefit Plan. On January 1st, 1937, however, it was considered advisable for certain reasons, to separate pensions from other benefits and to administer the former under the Employees' Pension Plan. No changes have been made in the conditions under which employees qualify for pensions or in the scale of payments except as hereinafter provided.

CLASS "A" PENSIONS

Under Class "A", pensions are provided for all male employees of 60 or more years of age or female employees of 55 or more years of age, and who have had 20 or more years of service. These employees may be retired either at their own request, or at the discretion of the Board of Directors.

The only employees who may be retired on pensions at their own request are those covered by Class "A".

The Annual Pension allowance for each employee retired on pension shall be computed as follows:—

For each six months of his or her term of employment $\frac{3}{4}$ of 1% of the average annual pay during the 10 years next preceding retirement; the Trustees however have the power at their discretion to base the pension upon the average annual pay of the 10 consecutive years during which the employee was paid the highest rate of wages.

In this class, the minimum pension for male and female employees is \$360.00 per year or \$30.00 per month with the proviso that (with the exception of any pension that may have been granted prior to January 1st, 1926) no pension shall exceed a sum equal to 80% of the average annual pay as computed above.

CLASS "B" PENSIONS

Under Class "B", pensions are provided for all employees male or female who have had 30 or more years of service, regardless of age, or any male employee who has reached the age of 55 years, or any female employee who has reached the age of 50 years, and who has had 25 or more years of service.

These employees may be retired on pension only at the discretion of the Trustees, together with the approval of the Board of Directors.

The Annual Pension allowance in Class "B" is computed on the same basis as under Class "A" in all particulars.

CLASS "C" PENSIONS

Under Class "C", provision is made for granting a temporary pension to any employee male or female who has had 15 or more years service and who has become totally disabled through sickness or injury (other than by accidental in-

jury arising out of and in course of employment by the Company).

In such cases the Trustees shall determine the period during which such pension is to be paid and if the employee recovers and is able to return to work, the pension shall be discontinued and the period of absence treated as Leave of Absence and not as a break in the continuity of service.

In this class the minimum pension for male employees is \$240.00 per year or \$20.00 per month and for female employees \$180.00 per year or \$15.00 per month, with the proviso that (with the exception of any pension that may have been granted prior to January 1st, 1926) no pension shall exceed a sum equal to 80% of the average annual pay as computed above.

CLASS "D" PENSIONS

Under this class provision is made for granting a pension to any employee who has reached the retiring age but whose normal service has not been adequate to constitute full-time service.

In such cases the pension shall be of such amount as the Trustees deem to be just but in any event not less than the pension computed under Section 5, (2) (a) of the Regulations.

GENERAL CONDITIONS

Pensions shall be payable monthly or at such shorter periods as the Trustees may determine.

In case of the death of a pensioner, the pension payments may, at the discretion of the Committee be continued to dependent relatives for a period not exceeding 12 months; the total amount so paid to all such dependent relatives however shall not exceed the sum of \$2,000.00 in any one case.

Assignment of pensions granted under these Regulations will not be permitted or recognized.

Pensions may be suspended or terminated at the discretion of the Trustees in cases of gross misconduct or of any conduct prejudicial to the interests of the Company.

It shall be distinctly understood that the Pensions provided in the foregoing sections are voluntary in so far as the Company is concerned. The Trustees may from time to time with the approval of the Board of Directors, amend or modify these rules or regulations and scale of pensions in any particular.

EMPLOYEES' STOCK SAVINGS

PLAN

From time to time suggestions had been received requesting the Company to provide some form of monthly savings for the employees, by means of which their pension on retirement under the Employees Pension Plan, might be augmented. Studies extending over a period of nearly two years were made, with the object of devising some plan by which this could be accomplished and it was decided finally that the most satisfactory arrangement would be for each employee, desiring to contribute to such a savings plan, to authorize a monthly deduction from his or her pay, the amounts so deducted to be applied to the purchase of common shares of the Company.

The object of the plan is, to encourage thrift; and to provide a competence for old age.

The Plan was designed to cover a long period of years during which

the benefits of compound interest will have an opportunity to show themselves. Monthly deductions shall be in sums of One Dollar (\$1.00) or any multiple thereof, up to 10% of the monthly wage. In order that Employees may realize the benefit of regular savings over a long period, the following table showing approximate results from a deduction of \$1.00 per month is submitted. This table is computed on a basis of 7% dividend payable quarterly.

| | Amount Deducted | Amount of Dividends Accrued | Total Savings |
|-------------|--------------------|--------------------------------------|------------------|
| At end of:- | | | |
| 10th year | \$120.00 | \$ 49.44 | \$ 169.44 |
| 20th year | 240.00 | 266.64 | 506.64 |
| 30th year | 360.00 | 827.70 | 1,187.70 |
| 40th year | 480.00 | 2,066.31 | 2,546.31 |

Monthly deductions of larger sums than \$1.00 per month naturally show more rapid growth.

It is to be understood of course that no dividends are drawn by the employee in cash. Dividends are credited to the employee's account and used together with the monthly deductions to acquire additional shares.

The shares are to be held by the Trustees in trust for each employee who shall in turn receive at the end of each calendar year, a statement of his or her account showing the total amount credited during the year (either in the way of deductions or dividends, or both) and the number of shares acquired during the period, together with the total shares held at such time.

In the event of an employee leaving the Company's service a regular Stock Certificate shall be issued to such employee for the number of shares to his credit at such time, and such amount as may be to his credit still un-invested shall be returned to him in cash.

In the event of the death of an employee while participating in the savings plan, the shares to his credit, together with any un-invested balance, shall be transferred to his legal representative.

Any employee may cease contributing to the savings plan at any time but shall thereby be debarred from resuming payments at any future date, except at the discret-

ion of the Trustees. In the event of an employee ceasing to contribute, the shares then standing to such employee's credit shall either continue to be held by the Trustees, in trust, to be increased by accrued dividends thereon until such time as the employee retires on pension, or may be transferred to such employee. This matter is entirely at the discretion of the Trustees.

In the event of some very grave **emergency** arising whereby an employee finds himself in the position of requiring a certain sum of money, the Trustees shall have the power at their discretion to grant such an employee a loan of any sum up to an amount not exceeding 75% of the par value of the shares at such time standing to the credit of said employee, to be repaid in such a manner as the Trustees shall decide, but not less than 5% of the amount of the loan each month.

The plan is open to all employees who have completed 2 years service with the Company and/or the Companies associated with it in the undertaking.

GROUP INSURANCE PLAN

In May 1927 this Company and the Companies associated with it inaugurated a Group Insurance Plan for employees.

For some time previous to that date the Management had under consideration various methods by which the amount of Benefits provided under the Employees' Benefit Plan, in case of death of an employee, might be augmented. Finally an arrangement was made with the Travelers Insurance Company by which a Group Insurance Policy was issued to the Company on the lives of all employees who desired to participate, the Company bearing the major portion of the cost. Later on this insurance was taken over by the Sun Life Assurance Company of Canada, by whom it is now operated.

In July 1937, payments by employees were discontinued, the whole cost of this insurance being assumed by the Company.

PLAN

The Group Insurance Plan is available to every permanent employee of this and associated Companies

Each new employee qualifies for this insurance as soon as he or she shall have completed **three months** service. No medical examination is required. Application, however, must be made within **two months** from the time such employee qualifies, otherwise evidence of insurability must be furnished.

It is to be noted that the Plan permits any qualified employee to obtain life insurance irrespective of physical condition.

COVERAGE

The following schedule indicates the basis on which each covering is made.

| | Insurance Covering |
|---|-----------------------|
| Employees whose earnings do not exceed \$500 per year will be entitled to | \$ 500 |
| Those earning over \$500 and not exceeding \$1000. | \$1000 |
| Those earning over \$1000 and not exceeding \$2000. | \$2000 |
| Those earning over \$2000 and not exceeding \$3000. | \$3000 |
| Those earning over \$3000 and not exceeding \$4000. | \$4000 |
| Those earning over \$4000. | \$5000 |

TOTAL AND PERMANENT DISABILITY

In the event of an employee becoming totally and permanently disabled (before reaching the age of 60 years) while covered by the Insurance Plan provided satisfactory proof be furnished of such disability the amount of insurance in such case becomes at once payable either in full or in monthly instalments.

CANCELLATION

In the case of an employee leaving the Company's service, or retiring on pension, the insurance ceases; but he or she may at any time within 30 days thereafter effect an equal amount of insurance with the Insurance Company on any of its regular plans, **without medical examination.**

CONTINUATION OF COVERAGE

In the case of lay-off, the Company will continue the group insurance covering for a period not exceeding **two months** from the first of the month next following that in which said lay-off occurs. After the expiration of said period, if employee has not been re-engaged, the covering will be reported to the Insurance Company for cancellation, the employee to have the usual thirty-day option of effecting an equal amount of insurance as described in preceding paragraph.

RE-INSTATEMENT

On the return to duty of an employee laid off (provided such re-

turn is within six months from the original date of lay-off) such employee will be permitted to re-enter the group insurance plan at once, without waiting the usual probationary period of three months from date of such re-engagement. If, however, the employee is away longer than six months he or she will be required to work for a period of three months before being covered again under the Group Insurance Plan.

BENEFIT OF PLAN

Payments to beneficiaries under the Group Insurance Plan are of course, in addition to whatever benefits may accrue under the Employees' Benefit Plan.

The class of insurance provided under a Group Insurance policy is known as "Ordinary Straight Life" and has no paid-up, cash surrender or loan value at any time.

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original date of lay-off) each em-
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his group insurance plan at once
without waiting the usual proba-
tionary period of three months from
date of such re-employment. If
the employee re-employs for any
longer than six months he or she
will be required to wait the
period of three months before he
can re-engage again under the Group
Insurance Plan.

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TERMINATION

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On the date of termination of an em-
ployee's service under this plan, the



FORM S T 69