Appendix "C"

MEMORANDUM OF UNDERSTANDING NO. XX

<u>Between</u>

B.C. HYDRO & POWER AUTHORITY (the "Employer")

<u>And</u>

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL UNION 258 (IBEW 258) (the "Union")

Re: GAINSHARING - FISCAL 2020 to 2022

The Employer agrees to continue a Gainsharing Program for the fiscal years commencing April 1, 2019 to March 31, 2022. The objective of the Gainsharing Program is to establish an incentive framework that will focus on specific performance objectives aligned to the success of the organization. The following outlines the terms and conditions for the Gainsharing Program for eligible IBEW affiliated employees:

- <u>The Gainsharing Program will provide a maximum potential value of five percent</u> (5%) to each eligible employee based on that employee's salary (including temporary promotion pay and floor-rates) paid in the fiscal year.
- <u>The Gainsharing Program may be focused on a combination of Corporate, Lines of</u> <u>Business, and/or Key Business Unit and/or department, team and/or individual</u> <u>measures, as determined by the Employer.</u>

Other Considerations

- <u>New employees will have to work a minimum of three (3) months [sixty-three (63) working days] in order to be eligible for a Gainsharing pay out for the fiscal year.</u>
- Regular and temporary employees will receive a pro-rated Gainsharing pay out based on the number of full months worked during the fiscal year. For example, an employee who works 7 full months will receive 7/12 of the total award.
- <u>Retirees, including those on pre-retirement leave, employees laid off to the recall list, employees released from a temporary job, employees on approved leaves of absence with or without pay, or on LTD during the fiscal year will be eligible to receive a pro-rated award during the fiscal year based on time actually worked. For example, an employee who starts a leave of absence on 1 January would be eligible to receive 9/12 of the total award.
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- o Employees will have the option of taking their Gainsharing award in the

form of a lump sum payment or they may choose to direct the full amount toward the BC Hydro Group RRSP as long as they are members of such a plan and have the RRSP room to do so.

- <u>Employees who are terminated for cause or who voluntarily terminate their</u> <u>employment prior to 31 March of the fiscal year are not eligible for this</u> <u>award.</u>
- <u>A communication package will be assembled and communication updates will be provided throughout the year.</u>