

COLLECTIVE BARGAINING AGREEMENT

No. 04

BETWEEN



CANADIAN NORTH
seriously northern

CANADIAN NORTH INC.

AND

THE PILOTS IN THE EMPLOY OF
CANADIAN NORTH INC.

AS REPRESENTED BY THE



AIR LINE PILOTS ASSOCIATION, INTERNATIONAL

Effective February 01, 2015–January 31, 2017

CONTENTS

SECTION 1: PREAMBLE	1
1.1 COLLECTIVE AGREEMENT	1
1.2 INTERPRETATION	1
1.3 OBJECTIVES	1
1.4 OBLIGATIONS	1
1.5 NO CESSATION OF WORK	2
1.6 OBLIGATIONS OF SUCCESSOR AND CHANGE IN OPERATIONS	2
SECTION 2: GENERAL SCOPES	3
2.1 EFFECTIVE DATE	3
2.2 ASSOCIATION RECOGNITION	3
2.3 FLYING OF COMPANY AIRCRAFT	3
2.4 ISSUANCE OF AGREEMENT, LETTERS OF UNDERSTANDING (LOUs), OR AMENDMENTS	4
2.5 COLLECTIVE BARGAINING AGREEMENT AMENDMENTS, LOUs/COSTS OF ISSUANCE	4
SECTION 3: MANAGEMENT RIGHTS AND RESPONSIBILITIES	5
SECTION 4: ASSOCIATION DUES	6
SECTION 5: ASSOCIATION REPRESENTATIVES	7
5.1 REPRESENTATIVE RECOGNITION	7
5.2 COLLECTIVE BARGAINING DAYS	7
5.3 COLLECTIVE BARGAINING TRAVEL	7
5.4 ALPA DAYS/ASSOCIATION FLIGHT RELEASE	7
SECTION 6: PROBATION	9
6.1 TERM	9
6.2 DISCHARGE	9
6.3 LAYOFF/RECALL	9
6.4 PROBATIONARY PERIOD EXTENSION	9

SECTION 7: CLASSIFICATION AND PAY	10
7.1 GENERAL	10
7.2 OVERTIME PAY	10
7.3 PAY DAYS	10
7.4 CLASSIFICATION AND RATES	10
7.5 PAY DISCREPANCIES	12
7.6 VACATION PAY	12
7.7 CHANGE OF EQUIPMENT, POSITION, OR STATUS	12
7.8 INCENTIVE PROGRAM	13
SECTION 8: HOURS/WORK/SCHEDULING RULES	14
8.1 CREDIT DAY	14
8.2 HOURS OF SERVICE – NON-SPLIT DUTY DAY	15
8.3 HOURS OF SERVICE – SPLIT DUTY DAY	16
8.4 MIN DAY	16
8.5 DEADHEADING	16
8.6 PORTING – YOW/YFB/YZF	16
8.7 NOCTURNAL FLYING	18
8.8 SECTORS	18
8.9 SHIFT TRADES	18
8.10 CREW TRAVEL	18
8.11 RESERVE	19
8.12 DRAFTING	21
8.13 REASSIGNMENT	22
8.14 DUTY DAY EXTENSION	22
8.15 DH8 IQALUIT (YFB) OPERATIONS – SCHEDULING PARAMETERS	23

SECTION 9: FILLING OF POSITIONS	24
9.1 BASES	24
9.2 BASE TRADE	24
9.3 BIDDING ON PERMANENT/TEMPORARY POSITIONS	24
9.4 TEMPORARY POSITIONS	25
9.5 AWARDING OF POSITIONS	25
9.6 TYPES AND VARIANTS	26
9.7 EQUIPMENT FREEZES	26
9.8 BYPASS	27
9.9 MOVING POLICY	27
SECTION 10: TRAINING	28
10.1 GENERAL TRAINING	28
10.2 SCHEDULING	28
10.3 GROUND TRAINING	28
10.4 SIMULATOR TRAINING	28
10.5 TRANSPORTATION AND EXPENSES	29
10.6 NEW HIRE PILOTS (NHP) – EXPENSES	29
10.7 FAILURE TO QUALIFY	30
10.8 CONVERSION STATUS OR EQUIPMENT	31
10.9 LINE INDOCTRINATION	31
10.10 LINE CHECKS	31
10.11 TRAINING AGREEMENTS	32
10.12 TRAINING AGREEMENT	33
10.13 ONLINE TRAINING	34
SECTION 11: NEW EQUIPMENT	35

SECTION 12: REDUCED BLOCK PROGRAM	36
12.1 program objectives	36
12.2 REDUCED BLOCK PROGRAM AND PARENTAL LEAVE REDUCED BLOCKS OBJECTIVE	37
12.3 MONTHLY FLEXIBLE BLOCK PROGRAM	39
SECTION 13: SENIORITY	41
SECTION 14: MANAGEMENT PILOT FLYING	42
14.1 MANAGEMENT PILOTS	42
SECTION 15: LEGAL	43
15.1 INDEMNITY	43
15.2 ESTATE SETTLEMENT	43
15.3 PILOT FILES	43
SECTION 16: GRIEVANCE AND ARBITRATION PROCEDURE	44
16.1 GRIEVANCE AND ARBITRATION	44
16.2 SETTLING OF GRIEVANCES	44
16.3 ARBITRATION	45
16.4 EXTENSION	46
SECTION 17: DISCIPLINE OR DISCHARGE	47
17.1 DISCIPLINE OR DISCHARGE	47
SECTION 18: LAYOFF, REDUCTIONS, RECALL, AND LEAVES OF ABSENCE	48
18.1 LAYOFF AND REDUCTIONS	48
18.2 RECALL	48
18.3 LEAVE OF ABSENCE	49
SECTION 19: SICK DAYS/DISABILITY/PILOT HEALTH	50
19.1 GENERAL	50
19.2 ENTITLEMENT	50
19.3 APPLICATION	50
19.4 OCCUPATIONAL	50

19.5	SENIORITY	50
19.6	PHYSICAL EXAMINATIONS.....	51
19.7	STD/VACATION CREDITS	51
	SECTION 20: ALLOWANCES AND EXPENSES	52
20.1	PER DIEMS.....	52
20.2	PASSPORTS/VISAS	52
20.3	CELL PHONES	52
20.4	TRAVEL EXPENSES	52
20.5	FLIGHT CANCELLATION CREDIT	52
20.6	ALLOWANCES AND EXPENSES.....	52
20.6	HOTEL CREDIT(S).....	52
	SECTION 21: ACCOMMODATION	54
21.1	CREW REST FACILITIES.....	54
21.2	IQALUIT (YFB) ACCOMMODATIONS.....	54
	SECTION 22: BENEFITS	55
22.1	GROUP INSURANCE AND BENEFITS.....	55
22.2	PENSION	55
22.3	OTHER BENEFITS.....	55
22.4	LEAVES – QUICK REFERENCE GUIDE	56
	SECTION 23: VACATION	58
23.1	ENTITLEMENT	58
23.2	ANNUAL VACATION	58
23.3	VACATION SCHEDULING	58
23.4	STATUTORY HOLIDAYS	59
23.5	VACATION BIDDING	59
	SECTION 24: UNIFORMS	60

SECTION 25: DATA RECORDERS	61
25.2 FLIGHT DATA MONITORING PROGRAM (FDM)	61
SECTION 26: MISSING/HIJACKING/INTERNMENT/HOSTAGE/POW	68
26.1 GENERAL	68
26.2 BENEFIT ASSIGNMENTS	68
SECTION 27: ACCIDENT OR INCIDENT INVESTIGATION	69
27.1 ACCIDENTS OR INCIDENTS	69
27.2 STATEMENT	69
27.3 INVESTIGATION	69
27.4 ASSOCIATION PARTICIPATION	70
SECTION 28: DURATION	71
APPENDIX A: DEFINITIONS AND ABBREVIATIONS	73
APPENDIX B: PILOT SENIORITY LIST	81
APPENDIX C: LOUs	82

SECTION 1: PREAMBLE

1.1 COLLECTIVE AGREEMENT

- 1.1.1 This Collective Agreement (the “Agreement”) is entered into between Canadian North Inc. (the “Company” or “CNP”) and the Pilots employed by the Company as represented by the Air Line Pilots Association, International (the “Association” or “ALPA”) collectively known as the Parties.

1.2 INTERPRETATION

- 1.2.1 Throughout this Agreement when the MEC Chairman or any other Association representative and the Chief Pilot or any other Company representative is referenced it shall be understood to also include “or his designate.”
- 1.2.2 It is understood that any references contained in this Agreement, LOU, LOI, or amendments to the singular shall also pertain to the plural where appropriate.
- 1.2.3 It is understood that any references contained in this Agreement, LOU, LOI, or amendments to the masculine gender shall also pertain to the female gender.
- 1.2.4 It is understood that any references contained in this Agreement, LOU, LOI, or amendments to any interval of time (e.g., Calendar Days, Business Days, weeks or Calendar Months) shall be consecutive unless otherwise specified.

1.3 OBJECTIVES

- 1.3.1 The objectives of this Agreement is to recognize and promote air transport safety standards, the Company economic and efficiency objectives, protection of property, and the highest quality of customer service.
- 1.3.2 The Parties acknowledge that compliance with the terms of this Agreement and the development of a spirit of co-operation are essential to the pursuit of standards of excellence that shall be beneficial to both the interests of the public and the Parties concerned.
- 1.3.3 Pilots shall keep uppermost in their minds that the safety, comfort, and wellbeing of the customers who entrust their lives and property to them are their first and greatest priority.
- 1.3.4 Pilots shall conduct themselves so as to instill and merit the confidence and respect of customers, the Company, and their fellow employees.
- 1.3.5 The Company shall conduct themselves so as to instill and merit the confidence and respect of customers and their employees.

1.4 OBLIGATIONS

- 1.4.1 For the period of this Agreement, the Parties undertake to comply fully with the procedures set out in this Agreement and the *Canada Labour Code* (the “CLC”) with respect to peaceful settlements of disputes.

1.4.2 There shall be no discrimination on the basis of any prohibited ground set out in the Canadian Human Rights Act (CHRA), nor for membership in the Association or participation in Association functions and activities, nor for the proper exercise of a Pilot's rights, responsibilities, and obligations under the Canadian Aviation Regulations (CAR).

1.4.3 The Parties acknowledge the terms of the CLC per Section 88.1. For clarity, "Strikes and lockouts are prohibited during the term of a collective agreement" or as may be amended in the CLC.

1.5 NO CESSATION OF WORK

1.5.1 The Association undertakes not to cause or permit its Pilots to strike; nor shall any Pilot(s) take part in a strike or any kind of interference with, or stoppage, partial or total, of any of the Company's operations during the term of this Agreement.

1.5.2 The Company shall not lock out any Pilot bound by this Agreement during the duration of this Agreement.

1.6 OBLIGATIONS OF SUCCESSOR AND CHANGE IN OPERATIONS

1.6.1 Should the Company change ownership, merge with another Company, alter its corporate legal identity in any way whatsoever, including setting up of a subsidiary or combining with one (1) or more other airlines, sell or transfer its assets in whole or in part, this Agreement shall remain in full force and effect unless provisions to the contrary are contained in the applicable legislation, or imposed by the Canada Industrial Relations Board (CIRB).

1.6.2 The Company shall endeavour to notify the Association prior to any public announcement(s) and/or within ten (10) Calendar Days of the Company's written agreement with the intent to change ownership, merge with another Company, alter its corporate legal identity in any way whatsoever, including setting up of a subsidiary or combining with one (1) or more other airlines, sell or transfer its assets in whole or in part. The Company shall provide timely updates to the Association as significant information becomes available.

1.6.3 Any confidential information per Section 1.6.2 shared with the Association in relation to change ownership, merge with another Company, alter its corporate legal identity in any way whatsoever, including setting up of a subsidiary or combining with one (1) or more other airlines, sell or transfer its assets in whole or in part may be subject to Non-Disclosure Agreement (NDA) being executed by appropriate representatives of the Association.

SECTION 2: GENERAL SCOPES

2.1 EFFECTIVE DATE

2.1.1 Upon ratification, this Agreement in whole or in part shall be in effect from February 01, 2015.

2.2 ASSOCIATION RECOGNITION

2.2.1 In accordance with the Canada Industrial Relations Board (CIRB) order 10068-U dated July 07, 2011 (supersedes CIRB order 8167-U), the Company recognizes the Association, or as may be amended, as the sole and exclusive bargaining agent representing Pilots in its employ and that the Association has the power to bargain and conclude an Agreement with the Company.

2.2.2 This Agreement shall not cover Management Pilots, Chief Pilots, and Pilots above that rank unless specified in this Agreement.

2.3 FLYING OF COMPANY AIRCRAFT

2.3.1 Only Pilot(s) whose name(s) appear on the Pilot Seniority List (PSL) shall be assigned to any Company flying as Pilots on aircraft operated by the Company. Company flying shall include, without limitation, all revenue, nonrevenue, scheduled, unscheduled, passenger, cargo, placement, ferry, charter, training, maintenance test flights, and publicity flights. Such flying shall be in accordance with the terms and conditions of this Agreement.

2.3.2 Notwithstanding Section 2.3.1, wet-leases (i.e., contracting with another Company for the provision of an aircraft with Pilots) may be entered into by the Company under the circumstances listed in Section 2.3.2(a) and Section 2.3.2(b) provided such leases are not entered into with a Company(s) that has been declared as a single employer under the CLC.

a. To carry out flying on a temporary basis due to a lack of available aircraft for reasons beyond the Company's control (e.g., weather conditions, mechanical failures, acts of God, delay of aircraft delivery). This provision is not meant to allow the Company to maintain the Company fleet and/or Pilot staffing levels below those that would normally be required to maintain operational integrity.

b. If circumstances arise that require the wet-leasing of aircraft, the duration of the wet-lease shall be by mutual consultation between the Company and the MEC Chairman. Prior to entering into such wet-leases, the Company shall advise the MEC Chairman. Discussions shall be held to examine the feasibility of those Pilots whose names appear on the PSL operating the leased aircraft. In any event, there shall be no reductions in equipment, status, or base as a direct result of such wet-leases.

2.3.3 Notwithstanding Section 2.3.1, in the event new Types of aircraft are procured, Pilots with special qualifications may be contracted from outside the Company on a temporary basis for the purpose of qualifying Pilots whose names appear on the PSL.

2.3.4 The Company shall advise the MEC Chairman of the use of Contract Pilots as soon as practicable and in no case later than thirty (30) days.

2.3.5 Contract Pilots and their association with the Company shall not exceed one hundred twenty (120) Calendar Days unless mutually agreed upon by the Parties.

2.3.6 This Agreement assumes that Pilots shall devote their entire professional flying service to the Company, and shall not engage in any other professional flying without prior written authorization from the Company. Such authorization shall not be unreasonably withheld by the Company. A Pilot's private flying shall not require authorization from the Company unless it may affect his ability to carry out regular duties required by the Company.

2.4 ISSUANCE OF AGREEMENT, LETTERS OF UNDERSTANDING (LOUS), OR AMENDMENTS

2.4.1 The Company shall no later than thirty (30) Calendar Days after signing the Agreement electronically distribute the Agreement to the Pilots.

2.4.2 The Company agrees to electronically distribute all Letters of Understanding (LOU) or amendments to all Pilots within thirty (30) Calendar Days of their respective signing date.

2.5 COLLECTIVE BARGAINING AGREEMENT AMENDMENTS, LOUS/COSTS OF ISSUANCE

2.5.1 Any amendments to the Agreement, such as LOUs, agreed to during the term of this Agreement shall constitute part of the Agreement between the Parties.

2.5.2 Any changes deemed necessary to this Agreement may be made by mutual agreement in writing between the Parties at any time during the term of this Agreement through the use of an LOU. Unless cancelled or otherwise specified in the amendment, all such amendments to the Agreement shall remain in full force and effect per SECTION 28 – DURATION.

2.5.3 Working conditions that are not provided for in this Agreement shall be subject to negotiation and LOU. If an agreement cannot be reached within ninety (90) Calendar Days, then the matter shall be subject to arbitration per Section 16 GRIEVANCE AND ARBITRATION PROCEDURE, unless mutually agreed upon by the Parties.

2.5.4 Any agreement between the Company and a Pilot, made in accordance with the provisions of the Agreement, shall be subsequently followed up in writing within 5 (five) Business Days with the Pilot and a copy sent to the MEC Chairman.

2.5.5 Individual agreements on working conditions that differ from or are not provided for in this Agreement shall be deemed invalid.

2.5.6 All costs associated with the printing of the Agreement, including binders, shall be shared equally by the Parties.

2.5.7 All costs associated with the printing of LOUs or amendments shall be shared equally by the Parties.

2.5.8 All printing of the Agreement, LOU, LOI, or amendments shall be the responsibility of ALPA and be done by a unionized print shop and shall bear the print shop union label.

SECTION 3: MANAGEMENT RIGHTS AND RESPONSIBILITIES

- 3.1.1 Except to the extent provided in this Agreement, this Agreement in no way restricts the Company in the management and direction of the business.
- 3.1.2 The Company acknowledges that it shall exercise its management rights and responsibilities in a fair and reasonable manner.

SECTION 4: ASSOCIATION DUES

- 4.1.1 The Company shall deduct on the payroll for each Pay Period from wages due and payable to each Pilot coming within the scope of this Agreement, an amount equivalent to the normal dues of the Association and properly authorized assessments, subject to the conditions set forth hereunder.
- 4.1.2 The amount to be deducted shall be equivalent to the regular dues payment of the Association and shall not include initiation fees or fines.
- 4.1.3 The amount to be deducted shall not be changed during the term of the Agreement except to conform to a change in the amount of regular dues and properly authorized assessments of the Association in accordance with its constitutional provisions.
- 4.1.4 If the wages of a Pilot payable on the payroll for the pay period are insufficient to permit the deduction of the full amount of dues, no such deduction shall be made from the wages of such Pilot by the Company. The Company shall not, because the employee did not have sufficient wages payable to him on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in the previous month.
- 4.1.5 Only payroll deductions required by law, deductions of moneys due, or owing the Company, pension and benefits deductions and deductions for provident funds, where existent, shall be made from wages prior to the deduction of dues.
- 4.1.6 The amount of dues so deducted from wages, accompanied by a statement of deductions from Pilots, shall be remitted by the Company to the Association within fifteen (15) Calendar Days of the last day of the pay period in which the deductions were made.
- 4.1.7 The Company shall not be responsible financially or otherwise, either to the Association or to any Pilot, for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in the instance in which an error occurs in the amount of any deduction of dues from a Pilot's wages the Company shall adjust it directly with the Pilot.
- 4.1.8 In the event of any mistake by the Company in the amount of its remittance to the Association, the Company shall adjust the error on a subsequent remittance. The Company's liability for any and all amounts deducted, pursuant to the provisions of this Section, shall terminate at the time it remits payment to the Association.
- 4.1.9 In the event of any action at law against the Parties hereto resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to this Section of this Agreement, all Parties shall cooperate fully in the defense of such action. All costs including counsel fees shall be borne by the Association. The Association shall indemnify and save harmless the Company from any losses, damages, costs, liability, or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

SECTION 5: ASSOCIATION REPRESENTATIVES

5.1 REPRESENTATIVE RECOGNITION

5.1.1 The Company shall recognize Association Representatives appointed by the MEC Chair and/or Association to represent Pilots and matters associated with the administration of this Agreement and related responsibilities.

5.2 COLLECTIVE BARGAINING DAYS

5.2.1 Association Representatives shall be granted time off work with pay for attending collective bargaining for the renewal of this Agreement. Association Representatives may be temporary for the above purpose.

5.3 COLLECTIVE BARGAINING TRAVEL

5.3.1 When required, members of the Pilots' Negotiating Committee (PNC) shall be granted positive-space travel on applicable Company aircraft to attend collective bargaining. For clarity, positive-space travel shall be on Company-scheduled services.

5.4 ALPA DAYS/ASSOCIATION FLIGHT RELEASE

5.4.1 The Company agrees that it shall make reasonable efforts to provide Association Flight Release ("AFR" or "ALPA Days") and that such AFR requests shall not be unreasonably withheld. At no time shall there be less than the five (5) Calendar Days per blocking month made available to the Association.

5.4.2 Notwithstanding Section 5.4.1, the Association agrees that AFR requests shall be subject to Company operational requirements and be at the Company's discretion for AFR requests in excess of the five (5) Calendar Days per blocking month.

5.4.3 Throughout a rolling calendar year commencing October 01. The Company shall assign each Pilot covered by this Agreement one (1) additional day of flying and/or four (4) additional credit hours as follows:

a. B-737:

- i. A nineteen (19) day block; or,
- ii. Four (4) extra credit hours to eighty-nine (89) hour block.

b. DH8:

- i. One (1) extra credit day per Section 8.15 DH8 IQALUIT (YFB) OPERATIONS - SCHEDULING PARAMETERS, or
- ii. Four (4) extra credit hours per Section 8.15 DH8 IQALUIT (YFB) OPERATIONS - SCHEDULING PARAMETERS.

- 5.4.4 Notwithstanding the additional flying per Section 5.4.3, the calendar months of July, August, and December shall be exempt from any such additional flying.
- 5.4.5 Each credit day shall be on a one (1) for one (1) basis and shall not be ranked according to the Pilot's position or pay within the Company.
- 5.4.6 The one (1) credit day or four (4) credit hours per Section 5.4.3 shall receive four (4) credit hours credited back to the Association and shall be referred to as the Association Time Bank. (ATB)
- 5.4.7 For calculation purposes, all AFR days taken by the Association shall be equal to four (4) hours credit and shall be removed from the ATB.
- 5.4.8 Days requested for AFR shall be bid by the fifteenth (15th) of each calendar month and shall take priority for blocking purposes after training and vacation days have been blocked.
- 5.4.9 The timeline per Section 5.4.8 may be extended at the discretion of the Company.
- 5.4.10 AFR days requested and approved after the block has been issued shall be offered as overtime per Section 7.2 Overtime with six (6.0) credit hours being deducted from the ATB. Any AFR requests after the blocks have been issued must be made through the Manager Crew Planning, Tracking and Training and shall not be unreasonably withheld. For clarity, a Pilot shall be paid for a minimum day or hours flown, whichever is greater, at the overtime rate.
- 5.4.11 AFR days are not required for the Negotiating Committee, Scheduling Committee, FDM Committee, and Safety Committee. These days shall be paid for by the Company.

SECTION 6: PROBATION

6.1 TERM

- 6.1.1 Newly hired Pilot(s) shall be on probation for twelve (12) months of employment starting from their date of hire.
- 6.1.2 No Pilot shall be required to serve more than one (1) probationary period.

6.2 DISCHARGE

- 6.2.1 Should the Company, for just cause, discharge a probationary Pilot during his probationary period, he shall be notified in writing as to the reasons for his dismissal, with a copy to the Association. The Pilot in question shall not be entitled to have his dismissal subject to the arbitration procedure per SECTION 16 – GRIEVANCE AND ARBITRATION PROCEDURE but may be grieved to Step Two of the Grievance Procedure.

6.3 LAYOFF/RECALL

- 6.3.1 A Probationary Pilot who is laid off and then recalled for duty shall be credited with his previous period of employment in fulfilling his probationary period.

6.4 PROBATIONARY PERIOD EXTENSION

- 6.4.1 Under certain circumstances, the Company may extend the probationary period. In such cases, the Pilot and the Association shall be advised in writing. The affected Pilot shall be interviewed by the Company to discuss the reason for the extension. An Association Representative shall be present at the option of the Pilot. The Company shall provide the Pilot and the Association a reasonable amount of notice prior to any such interview. Due consideration shall be given as to the reason for the extension and may involve the Company or Association assistance programs.

SECTION 7: CLASSIFICATION AND PAY

7.1 GENERAL

- 7.1.1 All B-737 Pilots operating aircraft to a maximum seating capacity per Section 7.1.3, shall be paid in accordance with a minimum monthly salary based on eighteen (18) work days per Bid Period to a maximum of eighty-five (85) credit hours or per Section 8.9.14.
- 7.1.2 All DH8 Pilots operating aircraft to a maximum seating capacity per Section 7.1.3, shall be paid in accordance with a minimum monthly salary per Section 7 CLASSIFICATION AND PAY, Section 8.15 and Section 8.11.15.
- 7.1.3 The pay scales in this Agreement refer specifically to aircraft B-737 up to a maximum seating capacity of one hundred and forty-nine (149) and the de Havilland Dash 8 (DH8) up to a maximum seating capacity of thirty-seven (37).
- 7.1.4 Any time there is an aircraft-specific increase in pay, DH8 or B-737, the F1 pay scale shall be rebledened, by a mutually agreeable means, to prevent a split between the DH8 and B-737 F1 pay. The intent is to keep the F1 pay scale for the DH8 and B-737 equivalent for the first eighteen (18) months but also to keep the costs neutral for the Company.

7.2 OVERTIME PAY

- 7.2.1 A Pilot who works overtime shall be paid the greater of one eightieth (1/80th) of the Pilot's monthly salary multiplied by the number of credit hours for that day, multiplied by one point five (1.5), Hourly, or one eighteenth (1/18th) of the Pilot's monthly salary multiplied by one point five (1.5), Daily.
- 7.2.2 The formula per Section 7.2.1 applies to any credit hours over eighty-five (85) hours on the B-737 per Section 7.1.1, on the DH8 per Section 7.1.2, or any duty on a scheduled day off.

7.3 PAY DAYS

- 7.3.1 Pilots shall be paid twice per month on the tenth (10th) and twenty-fifth (25th). On the tenth (10th) of each month, the Company shall pay half (1/2) of the monthly salary earned the month prior, plus all earned overtime and expenses for that month. On the twenty-fifth (25th) of each month, the Company shall pay half (1/2) of the monthly salary.

7.4 CLASSIFICATION AND RATES

- 7.4.1 The contractual raise on February 01, 2016 shall be based on the Alberta Consumer Price Index (CPI) year over year annual rate, excluding energy, published in the monthly report in November 2015 and at no time shall be less than zero percent (0%). The source to be accessed to acquire the CPI rate to be used in adjusting pilot pay rates is the Stats Canada website. The website address to be used in accessing Stats Canada is <http://www.statcan.gc.ca/tables-tableaux/sum-som/l01/cst01/cpis01j-eng.htm>. For verification, when accessing the website today, we find the information reflects the January 2014 to January 2015 in the last column of data. In referencing the category "All Items Excluding Energy" the resulting percentage increase for the designated period is 2.4.

B-737 PAY RATES

B-737	2015	Hourly 1/80	Daily 1/18
C1 (0–18 months)	\$11,111.50	\$138.89	\$617.31
C2 (19–30 months)	\$11,547.24	\$144.34	\$641.51
C3 (31–42 months)	\$11,982.99	\$149.79	\$665.72
C4 (43–54 months)	\$12,418.73	\$155.23	\$689.93
C5 (55–66 months)	\$12,854.49	\$160.68	\$714.14
C6 (67–78 months)	\$13,127.44	\$164.09	\$729.30
C7 (79–90 months)	\$13,400.39	\$167.50	\$744.47
C8 (91+ months)	\$13,673.34	\$170.92	\$759.63

B-737	2015	Hourly 1/80	Daily 1/18
F1 (0–18 months)	\$3,896.79	\$48.71	\$216.49
F2 (19–24 months)	\$5,584.20	\$69.80	\$310.23
F3 (25–36 months)	\$5,972.66	\$74.66	\$331.81
F4 (37–48 months)	\$6,081.38	\$76.02	\$337.85
F5 (49–60 months)	\$6,191.37	\$77.39	\$343.96
F6 (61–72 months)	\$6,343.53	\$79.29	\$352.42
F7 (73–84 months)	\$6,475.47	\$80.94	\$359.75
F8 (84+ months)	\$6,607.40	\$82.59	\$367.08

DH8 PAY RATES

DH8	2015	Hourly 1/80	Daily 1/18
C1 (0–18 months)	\$6,302.31	\$78.78	\$350.13
C2 (19–30 months)	\$6,534.02	\$81.68	\$363.00
C3 (31–42 months)	\$6,765.71	\$84.57	\$375.87
C4 (43–54 months)	\$6,997.42	\$87.47	\$388.75
C5 (55–66 months)	\$7,229.12	\$90.36	\$401.62
C6 (67–78 months)	\$7,388.30	\$92.35	\$410.46
C7 (79–90 months)	\$7,547.48	\$94.34	\$419.30
C8 (91+ months)	\$7,706.66	\$96.33	\$428.15

DH8	2015	Hourly 1/80	Daily 1/18
F1 (0–18 months)	\$3,896.79	\$48.71	\$216.49
F2 (19–24 months)	\$3,896.79	\$48.71	\$216.49
F3 (25–36 months)	\$4,077.97	\$50.97	\$226.55
F4 (37–48 months)	\$4,263.32	\$53.29	\$236.85
F5 (49–60 months)	\$4,448.69	\$55.61	\$247.15
F6 (61–72 months)	\$4,639.44	\$57.99	\$257.75
F7 (73–84 months)	\$4,745.56	\$59.32	\$263.64
F8 (84+ months)	\$4,851.68	\$60.65	\$269.54

- 7.4.2 A new-hire Captain or First Officer with a current PPC or endorsement on type shall be paid C2 or F2 respectively on the pay scale for the first two (2) years of employment. Said Pilot shall be subject to an eighteen (18) month freeze per SECTION 9.7 – EQUIPMENT FREEZES.
- 7.4.3 Transport Canada Approved Check Pilots (ACPs) shall receive a premium based on the following, as applicable to SECTION 7.4 – CLASSIFICATION AND RATES.
- a. A B-737 Pilot shall receive ten percent (10%) of the applicable salary at his current B-737 pay scale.
 - b. A DH8 Pilot shall receive an amount equal to ten percent (10%) of the B-737 C1 pay scale.
- 7.4.3 Pilots designated as Training Pilots shall receive a premium of four (4%) percent of the applicable salary per SECTION 7.4 – CLASSIFICATION AND RATES.
- 7.4.4 Pilots not designated as ACP or Training Pilot per Section 7.4.2 and Section 7.4.3 shall receive the following:
- a. Line indoctrination (LI) seventy-five dollars (\$75.00) per day.
 - b. Line check (LC) One Hundred twenty five (\$125.00) per day.

7.5 PAY DISCREPANCIES

- 7.5.1 Any pay or expense discrepancies for which the Company is at fault for less than three hundred dollars (\$300.00) shall be paid on the next regular pay. Any discrepancies over three hundred dollars (\$300.00) shall have a separate cheque, or electronic banking issued within seven (7) consecutive Calendar Days of the discovery of the discrepancy.
- 7.5.2 In cases of an overpayment, a schedule of repayment by payroll deduction shall be arranged by mutual agreement between the Pilot and the Company. Where the Pilot is terminated or resigns, the balance of the overpayment shall be deducted from his final pay cheque.

7.6 VACATION PAY

- 7.6.1 A Pilot who works on a vacation day shall be paid overtime per SECTION 7.2 – OVERTIME PAY.

7.7 CHANGE OF EQUIPMENT, POSITION, OR STATUS

- 7.7.1 The pay transition date for Pilots who have been awarded a status upgrade shall be the date the Pilot completes his Pilot Line Check (LC) for the awarded position.
- 7.7.2 The pay transition date for Pilots who have been assigned a status reduction shall be the date the Pilot completes his LC for the awarded position.
- 7.7.3 When a Captain is temporarily assigned as a First Officer on the same aircraft type, he shall maintain his current rate of pay as a Captain for that type.
- 7.7.4 In the event of an equipment change for a First Officer, his current scale shall transfer over onto the new equipment type.
- 7.7.5 In the event of an initial equipment upgrade to Captain and/or status upgrade for a First Officer, they shall start at the C1 scale.

- 7.7.6 In the event of a forced downgrade from B-737 Captain to DH8 Captain, the Pilot shall enter the DH8 at his current C level pay. If the Pilot is able and successfully rebids a position on the B-737 less than twenty-four (24) months after completing the DH8 LC, he shall return to the B-737 at the same C level that was held prior to the downgrade. If more than twenty-four (24) months have elapsed, or the Pilot chooses to wait until that time, he shall return to the B-737 at his current C scale.
- 7.7.7 In the event of a downgrade from Captain to First Officer, the Pilot shall enter the scale based on his years of service.
- 7.7.8 Examples:
- a. DH8 First Officer at F3 scale shall transfer to B-737 F3 scale.
 - b. A third (3rd) year DH8 Captain (C3) transitioning to a B-737 First Officer position would start at the B-737 First Officer (F3) scale.
 - c. A third (3rd) year B-737 Captain (C3) downgrading to DH8 Captain position would maintain his Captain Status (C3) and pay progression through subsequent equipment transitions but at the scale for the equipment type being held, per SECTION 7.7.6.
 - d. A third (3rd) year DH8 or B-737 Captain (C3) downgrading to DH8 or B-737 First Officer position would enter the First Officer scale based on years of service with the Company.

7.8 INCENTIVE PROGRAM

- 7.8.1 The Association agrees to participate in any value-sharing program that the Company offers.

SECTION 8: HOURS/WORK/SCHEDULING RULES

8.1 CREDIT DAY

- 8.1.1 Pilots shall be credited for any day worked by the greater of either:
- A minimum of four (4.0) hours credit based on one-eightieth (1/80th) of the Pilot's monthly salary, known hereafter as a Min Day.
 - Actual flight hours flown.
 - One third (1/3) of the Pilot's duty day, in credit hours, from time of check-in to check-out with the assumption the Pilot is operating all or part of the flight, i.e., excludes days involving deadheading only.
 - During a split duty any duty between fourteen point one (14.1) duty hours to seventeen (17) duty hours shall be credited at the rate of three quarters (3/4) per duty hour.

NOTE: Due to current software tracking limitations, three quarters (3/4) duty shall be scheduled. A mutual agreeable credit penalty shall be added for all recurring instance (e.g., For 5T422/5T423 to compensate for the lower natural block growth).

- 8.1.2 Pilot blocks shall be built for each base/type/status. Pilots shall state preferred days off for the month. Blocks shall be bid on a seniority basis.
- 8.1.3 All pairings shall initiate and terminate in a Pilots Home Base.
- 8.1.4 Pilots shall be scheduled to a maximum of eighty-five (85) credit hours and/or eighteen (18) days and/or per Section 8.15 and/or Section 8.11.15.
- 8.1.5 Blocks shall be built to a maximum of six (6) consecutive days of duty.
- 8.1.6 Notwithstanding Section 8.1.5 New Hire Pilots or Pilots transitioning between aircraft types on an initial course may have their Blocks built beyond six (6) consecutive days of training as follows:
- Blocks built per Section 8.1.6 shall include two (2) days free of duty after each six (6) consecutive days of training; and,
 - The days off free of duty per Section 8.1.6 (a) may be scheduled away from a Pilots home base. These days are not considered part of a Pilots regular twelve (12) monthly bid days off.
- 8.1.7 Notwithstanding Section 8.1.6 (a) Pilots completing a differences course on a common type (e.g., B-737-200 to B-737-300) may have their Block built beyond six (6) consecutive days of training.
- Blocks built per Section 8.1.7 shall include one (1) day free of duty after each six (6) consecutive days of training.
 - The days off free of duty per Section 8.1.7 (a) may be scheduled away from a Pilots home base. These days are not considered part of a Pilot's regular twelve (12) monthly bid days off.

NOTE: The provisions contained in Section 8.1.6(a), Section 8.1.6(b), Section 8.1.7(a) and Section 8.1.7(b) shall only apply to the Pilot receiving the training. For clarity, Section 8.1.6(a), Section 8.1.6(b), Section 8.1.7(a) and Section 8.1.7(b) shall not apply to the Training Pilot.

- 8.1.8 For scheduling purposes, flight/credit hours for a sector are to be determined by realistically scheduled flight time.
- 8.1.9 Pilots shall submit monthly bid requests by the fifteenth (15th) of every month. The Company shall issue the schedule by the twenty-fifth (25th) of every month. In the event of unforeseen scheduling issues beyond the Company's control, the schedule may be delayed or reissued without penalty.
- 8.1.10 Pilots shall not be scheduled or required to report for a Duty Period more than once per Calendar Day, excluding deadheading.

Examples:

- a. A Pilot who checks in at 0500 LT and out at 1000 LT could not check in until 0000 LT the next day.
- b. A Pilot who checks in at 2000 LT and out at 0100 LT the next day could check in later that same day after a required rest period.
- 8.1.11 If a Pilot operating a pairing originally scheduled to terminate prior to 0000 LT at the Pilot's base and subsequently extending into the next Calendar Day, and that day is not already a day of work, the Pilot shall be deemed to have worked an additional day and shall be paid accordingly per SECTION 7 – CLASSIFICATION AND PAY.
- 8.1.12 For all schedule single duty period flights that span over two (2) consecutive Calendar Days the Company shall give credit at the greater of:
- a. One Third (1/3) of the Pilot's duty day, in credit hours, from time of check-in to the time of check-out for the duration of the duty period; or,
- b. Actual credit hours flown.
- 8.1.13 The Company shall block both days of work counted toward the monthly maximum as follows:
- a. B-737 —eighteen (18) days of work, maximum; or,
- b. DH8 — per Section 8.15.
- 8.1.14 For any multiday pairings that contain a single duty period over two (2) Calendar Days the minimum credit for the pairing shall not be less than the total days of the pairing multiplied by four (4) Hours. A pairing that is only one (1) single duty period of two (2) consecutive Calendar Days shall not be considered a multiday pairing.

8.2 HOURS OF SERVICE – NON-SPLIT DUTY DAY

- 8.2.1 The maximum scheduled Duty Period shall be fourteen (14) hours.
- 8.2.2 The minimum scheduled rest period at a Pilot's home base shall be twelve (12) hours.
- 8.2.3 The minimum rest period when a Pilot is away from home base shall be ten (10) hours.

8.2.4 Normal check-in time is sixty (60) minutes, seventy-five (75) minutes where aircraft repositioning is required, and ninety (90) minutes if U.S. customs preclearance is required at the airport/crew room at home base, or at the hotel away from home base. When away from home base, the Captain has the discretion to adjust the check-in time for the entire crew but must ensure that all pre-flight duties can be completed within the adjusted check-in time. The Association must be consulted and agree to any schedule change or deviation from the normal check-in time, except as provided for in this Section.

8.2.5 A Pilot who reports for a flight that does not operate or who performs any flight or other duty shall not be subject to further duty on that day, per SECTION 8.11 – REASSIGNMENT and SECTION 8.12 – DUTY DAY EXTENSION.

8.3 HOURS OF SERVICE – SPLIT DUTY DAY

8.3.1 The maximum scheduled split duty period shall be seventeen (17) consecutive hours.

8.3.2 The Company shall make best efforts in minimizing split duty days which involve two (2) consecutive calendar days.

8.3.3 Notwithstanding Section 8.3.2, flight numbers 5T422 (Edmonton “YEG”/Yellowknife “YZF”) and 5T423 (YZF/YEG) or as may be amended and the ensuing overnight shall be exempt.

8.3.4 Applicability of other flight numbers, other than identified in Section 8.3.3, which may be affected shall be decided upon a case-by-case basis by mutual agreement between the Parties and which shall not be unreasonably withheld. Such agreement shall also be based on the understanding that the Company shall make best efforts in keeping split duty days to a minimum.

8.4 MIN DAY

8.4.1 A Min Day includes any day a Pilot is required to spend his time, at the request of and on behalf of the Company, including but not limited to reserve and Company required training per SECTION 10 – TRAINING. This shall be equal to four (4.0) hours of credit.

8.4.2 A Pilot representing a committee, e.g., Health and Safety, Scheduling, or other such committees, as required by the Company, shall be credited a four (4.0) hour credit per day per Section 8.1.1(a).

8.5 DEADHEADING

8.5.1 Crew deadheading which involves deadheading only shall be paid a Min Day, four (4.0) credit hours for such a day. The total duty day shall be no greater than seventeen (17) hours.

8.6 PORTING – YOW/YFB/YZF

8.6.1 Section 8.6 PORTING – YOW/YFB/YZF shall only apply to those Pilots on the DHC 8 operation. For clarity this Section shall not apply to the B-737 operation.

8.6.2 The Pilot Base for all DHC Pilots shall remain as Edmonton, AB (“YEG”), unless mutually agreed upon by the Parties.

8.6.3 Ports shall consist of three (3) main cities, YOW, YFB and YZF.

- 8.6.4 For the purpose of this Section YOW and YFB shall be considered the Eastern Port and YZF shall be considered the Western Port combined with the YEG base.
- 8.6.5 A Pilot shall have the option, at his sole discretion, to live or port away from his base of YEG.
- 8.6.6 A Pilot choosing to port away from his base per Section 8.6.5 shall be responsible for costs associated with living in a port city.
- 8.6.7 All pairing shall be built out of YEG.
- 8.6.8 Porting Pilots shall be able to bid pairing specific flying.
- 8.6.9 Notwithstanding Section 8.6.7 and Section 8.6.8, flying duties for the Eastern Port shall originate in YFB.
- 8.6.10 At no time shall there be more than thirty-five percent (35%) of the total DHC 8 Captain complement and thirty-five percent (35%) of the total DHC 8 First Officer complement living in the Eastern Port. This percentage may be increased by mutual consent between the Company and the Association.
- 8.6.11 Pilots wishing to live in the Eastern or the Western Port shall be awarded such position(s) based on his Company seniority and is the senior Pilot being awarded a vacancy.
- 8.6.12 The Company shall book a Pilot who is deadheading to and from his base provided such travel is on Company services. For example: A Pilot porting from YOW and attending a ground school or any other Company required activity in YEG shall be booked by the Company and travel on 5T YOW – YFB then 5T YFB – YEG.
- 8.6.13 A Pilot required by the Company to deadhead from a port to a city at which his flying is to commence shall do so on Company services and shall be confirmed travel.
- 8.6.14 Notwithstanding Section 8.6.13, the Company may choose to have a Pilot travel on another carrier provided such travel is positive space.
- 8.6.15 A Pilot is responsible to be available for the commencement of his flying duties rested and fit to fly. If the first leg of a journey of the duty day in question consists of a deadhead, the Pilot is required to be available for duty at the same time as the remainder of the crew residing at the YEG base.
- 8.6.16 In order for a Pilot to be compliant with Section 8.6.15, the Pilot is responsible to advise OCC of any changes he may make to his scheduled deadhead travel.
- 8.6.17 When a Pilots pairing begins or ends with a deadhead to the city where the porting Pilot lives, the porting Pilot shall be on reserve the length of pairing for the original check-in/checkout time of the deadhead.
- For example: A porting Pilot lives in YZF and the original pairing and deadhead on 5T444 out of YEG to YZF, check-in for the DHC 8 is at 06:45 LT in YEG and lands in YZF at 09:40 LT, the porting Pilot shall be on reserve length of paring from 06:45 LT to 09:40 LT.
- 8.6.18 A Pilot may cover Reserve from any port city per Section 8.6.17 in which Section 8.11 normal reserve rules shall apply, regardless of the port.
- 8.6.19 Pilots wishing to port out of the cities per Section 8.6.3 shall fill out a Port Request Form (PRF).

8.6.20 Either party may terminate Section 8.6 Porting Agreement, with forty-five (45) days written notice. Such notice shall be given on or before the fifteenth (15th) of the month to allow sufficient time for adjustments to be made to operational requirements.

8.7 NOCTURNAL FLYING

8.7.1 Any pairings starting or operating through the hours 2300 LT and 0400 LT, city of departure, shall be considered a nocturnal flight and scheduled to a maximum of five (5) sectors.

8.7.2 In the event of crews being scheduled for multi-night pairings, they shall receive a minimum of thirty (30) hours off after arrival at their home base.

Example: (all times LT)

Monday morning: Deadhead to YWG

Monday evening: Operate YWG – YYT – YOW – YWG (depart 2310 LT; arrive 1045 LT)

Wednesday morning: Operate YWG – YDF – YYT – YOW – YWG (depart 0020 LT; arrive 1245 LT)

Thursday morning: Deadhead to YEG (arrive 0730 LT)

The next available check-in time shall be on Friday afternoon at 1330 LT.

8.7.3 In the event of a check-in occurring between the hours of 2300 MT and 0400 MT, the minimum subsequent rest period shall be increased to fourteen (14) hours at home base, eleven (11) hours away from base or ten (10) hours for a deadhead out.

8.7.4 If a pairing requires a deadhead in to a location followed by a rest period for nocturnal flying, then that rest period shall be scheduled at not less than twelve (12) hours.

8.8 SECTORS

8.8.1 The maximum number of scheduled sectors during any twenty-four (24) hour period shall be limited to eight (8).

8.9 SHIFT TRADES

8.9.1 Pilots shall be allowed to trade shifts after the release of the monthly schedule. Commercial Operations Control Centre (OCC) must be advised and approve the change. These approvals shall not be unreasonably withheld.

8.10 CREW TRAVEL

8.10.1 All Crew shall remain on their scheduled pairings, including all deadhead movement; there shall be no manipulation of deadhead travel without the expressed authorization from OCC. Any Pilot who is requesting any deviation from the published pairing must make the request for permission from OCC. Reasonable requests to cancel deadheads at the conclusion of the Pilot's pairing shall not be refused by OCC.

There are only two (2) exceptions to the above:

- a. If a Pilot lives in a location other than where the flying commences, the Pilot is solely responsible for his own transportation to the commencement point should he choose not to travel on the scheduled deadhead from his home base.
 - b. If a Pilot lives in a location other than where the flying terminates, the Pilot is solely responsible for his own transportation to where he lives should he choose not to travel on the scheduled deadhead to his home base.
- 8.10.2 Pilots who make their own arrangements to travel to/from must be in compliance with the required rest rules and the following:
- a. Pilots may not arrange to deadhead to a pairing which affords less than ten (10) hours upon their arrival to begin the pairing or creates a situation where they have a longer duty day than the rest of the crew.
 - b. Pilots who live in the city in which the flying commences or terminates, away from the Pilot's home base, must be able to be contacted by OCC while within the times of the scheduled pairing.
- 8.10.3 Shift trades involving Air Canada deadheads shall only be processed within three (3) consecutive Calendar Days of the flying blocks being issued.
- 8.10.4 Provided all criteria of Section 8.10 have been met, a Pilot may change his reservation/ticketed travel at the end of his Pairing. The Pilot shall assume all responsibility with respect to any and all additional charges (e.g., associated change fees or any additional fare charges).
- 8.10.5 In cases where the change being made results in a refund, all refunded amounts shall be credited to the company credit card on which the original booking was made.
- 8.10.6 A Pilot making flight modification per Section 8.10.4 shall be solely responsible for making any and all associated changes directly with the appropriate ticketed airline. For clarity, OCC shall not be contacted to make any changes identified in Section 8.10.4 and Section 8.10.5.

8.11 RESERVE

- 8.11.1 The Pilot shall only be contacted between the hours of 0500 LT and 1900 LT for a reserve pairing, which shall be printed on his schedule.
- 8.11.2 When more than one (1) Pilot is on Reserve for the same day and all else is equal, Pilots on Reserve shall be called in order of reverse Seniority. For clarity, the company reserves the right to call reserve outside of seniority order if it presents a demonstrable advantage. For example, pilots blocked for multiple days of consecutive reserve may not be called out to cover a single day of flying so as to preserve the multi-day reserve block. Such determinations will be at the discretion of OCC.
- 8.11.3 The normal rest period is defined as 1901 LT to 0459 LT. If, due to operational requirements, the rest period needs to be adjusted, at least twenty-four (24) hours' notice of commencement and duration of the rest period shall be provided by the Company. The new rest period cannot shift more than three (3) hours earlier or later than the preceding rest period, nor more than a total of eight (8) hours in any seven (7) consecutive days; or the Pilot shall be given a minimum of ten (10) hours' notice of the assignment and shall not be assigned any duty for these ten (10) hours.

- 8.11.4 Where the Company is unable to provide a Pilot with a rest period per Section 8.11.3 and the Pilot is notified to report for duty or the reporting time occurs between 2030 LT and 0600 LT:
- a. The maximum flight duty time shall be ten (10) consecutive hours; and,
 - b. The subsequent minimum rest period shall be increased by at least one-half (1/2) the length of the preceding duty time.
- 8.11.5 Check-in shall be ninety (90) minutes from the time the Pilot is contacted unless mutually agreed upon by the Pilot and OCC.
- 8.11.6 The maximum scheduled days of reserve in a row is six (6).
- 8.11.7 When a reserve day is preceded by a day off, a Pilot shall be required to contact OCC by 1800 LT to determine if the Pilot is required to fly the next day.
- 8.11.8 The Pilot shall not be expected to work into a Calendar Day off following a reserve day unless mutually agreed upon by the Pilot and OCC.
- 8.11.9 If a Pilot works into a Calendar Day off, he shall be compensated at the standard overtime rate per SECTION 7.2 – OVERTIME PAY.
- 8.11.10 Anytime a Pilot on reserve is assigned flight or other duty, he shall receive a ten (10) hour rest period prior to commencing a subsequent reserve period or flight.
- 8.11.11 All Pilots with a full month of reserve, i.e., no scheduled flying, shall be blocked with a minimum of fourteen (14) Calendar Days off in a Bid Period.
- 8.11.12 If a Pilot's scheduled day of work is cancelled, he shall remain on reserve for length of pairing. Any subsequently assigned flying for that day shall be subject to the following conditions:
- a. Subject to SECTION 8.11.8, at the Company's discretion any subsequently assigned flying may begin up to three (3) hours before the Pilot's original check-in time or may continue up to three (3) hours past the Pilot's original check-out time, but not both.
 - b. If mutually agreed between the Company and the Pilot, the new check-in time for any subsequently assigned flying for that day may be earlier and the check-out time may be later than the three (3) hour window per Section 8.11.12(a).
 - c. Any duty in excess of one (1) hour before and/or one (1) hour after the original scheduled check in time and/or check out time shall be paid at a Pilots regular hourly rate at one third (1/3) duty or the actual flight time whichever is greater.

E.g. A flight is scheduled to end at 1900 on a pilot's monthly block. Due to delays the flight lands at 2245 +15 post duty ending the assignment at 2300. The hour between 1900 and 2000 will not be credited to the pilot. The hours between 2000 and 2300 will be paid regular hourly pay at 1/3 duty or actual flight hours flown, whichever is greater.
 - d. The Pilot shall not receive block growth during the hours outlined in Section 8.11.12(c).

- e. For any multiday pairings that are cancelled, the Company must define in advance all rest periods and work periods during any subsequently assigned flying and there shall be at least ten (10) hours between any check-out and check-in.
 - f. For any multiday pairings that are cancelled, any days after the first day and before the last day of the original pairing shall, at the Company's discretion, either be treated as a regular reserve day or be dealt with per Section 8.11.12.
- 8.11.13 A Pilot on reserve who reports for a flight that does not operate or who performs any flight or other duty shall not be subject to further reserve or duty on that day, per SECTION 8.13 – REASSIGNMENT and SECTION 8.14 – DUTY DAY EXTENSION.
- 8.11.14 In order to eliminate open flying, mixed blocks shall be issued. A mixed block is defined as a combination of reserve and scheduled flying days. *Note:* Reserve shall be assigned in increments of not less than four (4) consecutive Calendar Day blocks. One (1), two (2), or three (3) Calendar Day reserve blocks may be assigned at the Company's discretion. The Company shall not assign a Pilot on reserve consecutive Calendar Days of blocked open flying coverage with less than twelve (12) hours between assignments. Furthermore, the Company shall endeavour to provide twelve (12) hours free from duty, at the Pilot's home base, should a regular scheduled pairing be preceded or followed by a reserve day.
- 8.11.15 If a Pilot is issued a mixed block, the following proration shall apply with regard to minimum days off:
- a. One (1) to eight (8) Calendar Days of reserve shall equal minimum twelve (12) Calendar Days off.
 - b. Nine (9) to fifteen (15) Calendar Days of reserve shall equal minimum thirteen (13) Calendar Days off.
 - c. Sixteen (16) Calendar Days or more of Reserve shall equal minimum fourteen (14) Calendar Days off.

8.12 DRAFTING

- 8.12.1 The Parties are committed to not cancelling flights due to lack of Pilots. In keeping with this commitment, a draft shall be considered as an option of last resort. Drafting is to be used only after all other options have been exhausted.
- 8.12.2 Prior to any Pilot being drafted, the following call-out order shall be used by OCC:
- a. Pilots who are subject to reassignment; then,
 - b. Available Pilots on reserve; then,
 - c. Pilots who have volunteered to work on scheduled days off.
- 8.12.3 Duty on a scheduled day off shall be voluntary; however if no Pilot is available on a voluntary basis, then the following draft procedure shall apply:
- a. The pairing or portion thereof shall be assigned to the most junior eligible Pilot available on that month's schedule unless the draft occurs less than three (3) hours prior to the departure of the flight, in which case any eligible Pilot may be drafted.

8.12.4 No Pilot shall be drafted more than three (3) times in a calendar year up to a maximum of four (4) days total.

For example, a Pilot shall be ineligible to be drafted after:

- a. A Pilot is drafted for three (3) single days.
- b. A Pilot is drafted for one (1) four (4) day pairing.
- c. A Pilot is drafted for two (2) single days and one (1) two (2) day pairing.

8.12.5 A Pilot shall not be drafted on a scheduled day off consecutive with vacation, including GDOs.

8.12.6 A Pilot who is drafted shall be paid overtime per SECTION 7.2 – OVERTIME PAY and SECTION 8.1.1 (b) and (c) – CREDIT DAY and receive additional day(s) off, in lieu, to be taken in the following month, unless the schedules have been released for that month, in which case it would be the following month. The additional day(s) in lieu shall be blocked on a Pilot's schedule with four (4) hours credit.

8.12.7 At the end of each month the Company shall supply the Association with a record of all cases where Pilots were drafted.

8.13 REASSIGNMENT

8.13.1 If a Pilot's scheduled day of work is cancelled, he must be reassigned immediately subject to the following conditions; otherwise SECTION 8.11 – RESERVE shall apply.

- a. At the Company's discretion, any subsequent assigned flying check-in may begin up to three (3) hours before the Pilot's original check-in time or may continue up to three (3) hours past the Pilot's original check-out time, but not both;
- b. If mutually agreed between the Company and the Pilot, the new check-in time for any subsequently assigned flying for that day may be earlier and the check-out time may be later than the three (3) hour window per Section 8.13.1(a).
- c. Any duty in excess of one (1) hour before and/or one (1) hour after the original scheduled check in time and/or check out time shall be paid at a Pilots regular hourly rate at one third (1/3) duty or the actual flight time whichever is greater.
- d. The Pilot shall not receive block growth during the hours outlined per Section 8.11.1(c).

8.14 DUTY DAY EXTENSION

8.14.1 At the discretion of the Company, a Pilot's duty day may be extended by a period of three (3) hours subject to the following conditions:

- a. Must not exceed more than three (3) hours past the Pilot's original check-out time.
- b. If mutually agreed between the Company and the Pilot, any subsequently assigned flying for that day may be later than the three (3) hour window per Section 8.14.1(a).

- c. Any duty in excess of one (1) hour after the original scheduled check out time shall be paid at a Pilots regular hourly rate at one third (1/3) duty or the actual flight time whichever is greater.
- d. The Pilot shall not receive block growth during the hours outlined in Section 8.14.1(c).

8.15 DH8 IQUALUIT (YFB) OPERATIONS – SCHEDULING PARAMETERS

- 8.15.1 Notwithstanding Section 8.1.4 and Section 9.1 BASES, the following shall apply to any pairing which operates through YFB DH8 aircraft base:
- a. Pairings shall be built with eight (8) consecutive days or six (6) consecutive days or less of work. For clarity, no pairing(s) shall be built to seven (7) consecutive days; and,
 - b. Any eight (8) day pairing shall be preceded by three (3) consecutive days off and three (3) consecutive days off after; and,
 - c. Notwithstanding Section 8.15.01(b), a Pilot may request all single day reserve periods precede multiday pairings. Such requests shall not be unreasonably withheld. For clarity the purpose of this section is to prevent a single reserve day being blocked within multiple days off.
 - d. All DH8 blocks shall be built with a minimum of thirteen (13) days off and a maximum of eighty one (81) block hours; and,
 - e. If a Pilot is awarded two (2) eight (8) day pairings ending in the same blocking month, the block shall be built with a minimum of fourteen (14) days off and a scheduling blocking window of seventy seven (77) to eight one (81) hours.
 - i. Any unscheduled flying over seventy seven (77) hours shall be considered overtime; and
 - ii. Any additional flying over and above the two (2) eight day pairings ending in the same blocking month shall not exceed seventy seven (77) hours.
 - f. A Pilot may request two (2) eight (8) day pairings in a blocking month and the Company shall not unreasonably deny that request providing all requirements are met with regard to:
 - i. Vacation; and
 - ii. Training; and
 - iii. Seniority; and
 - iv. Any other operational requirement as deemed by the Company.
 - g. If a Pilot does not operate on a given day in YFB then such day shall not count toward his minimum days off for the blocking month.
 - h. Pilots may be subject to reassignment while in YFB at the Company's discretion.
- 8.15.2 If mutually agreed between the pilot and Crew Scheduling, a pilot may be blocked over the hours indicated in section 8.15.1. All hours above the hours indicated in section 8.15.01 will be paid for as overtime per Section 7.2.

SECTION 9: FILLING OF POSITIONS

9.1 BASES

- 9.1.1 For the purpose of this Agreement, the following locations shall be recognized as Pilot home bases:
- a. Edmonton, AB (YEG); and,
 - b. Calgary, AB (YYC)
- 9.1.2 In the event a Pilot's home base is opened or closed, positions shall be dealt with per SECTION 9 – FILLING OF POSITIONS or SECTION 18 – LAYOFF, REDUCTIONS, RECALL and LEAVES OF ABSENCE.
- 9.1.3 If a new Pilot base is established and no bids are received, the Company may assign the most junior qualified Pilot on type. If this results in a shortage in a particular Pilot base, the new position openings shall also be subject to bid. If the most junior Pilot chooses not to accept the new position, he may exercise his seniority with respect to status and displace a more junior Pilot, change equipment, or be downgraded if he so chooses.

9.2 BASE TRADE

- 9.2.1 Pilots holding the same equipment type shall be permitted to make a mutual exchange of base provided:
- a. The Pilots concerned are entitled by seniority to hold the position at the base of intended transfer.
 - b. That written approval is obtained from the Parties.
 - c. That written approval is obtained from all Pilots between the seniority numbers of the two (2) Pilots trading bases.
 - d. Bidding for the purpose of scheduling and vacation assignment shall be in the position that the original Pilot who left the base would have held. Vacation entitlement is unaffected.
 - e. If a vacancy occurs and is awarded at a base that can be held by one of the base trade Pilots, then the base trade is cancelled.
 - f. A base trade may be cancelled by mutual agreement of both Pilots.

9.3 BIDDING ON PERMANENT/TEMPORARY POSITIONS

- 9.3.1 When a vacancy for a permanent position occurs, the Company shall post a notice for seven (7) consecutive Calendar Days as well as e-mail all Pilots and send a copy to the Association. This notice shall contain at least the following information:
- a. Status; and,
 - b. Pilot base; and,
 - c. Equipment; and,

- d. Number of vacancies (up to what is anticipated); and,
- e. Reason for vacancy; and,
- f. Anticipated date required; and,
- g. Closing date of posting; and,
- h. Duration (for temporary positions).

9.4 TEMPORARY POSITIONS

- 9.4.1 For the purpose of this Section a Temporary Position shall mean a Position at an established Base defined as YEG and YYC for duration of a maximum of six (6) Calendar Months.
- 9.4.2 No Pilot shall be assigned to a Temporary Position without his consent. For clarity, if no Pilot accepts a Temporary Base then the Position shall be filled as a forced moved per Section 9.1.3.
- 9.4.3 A Pilot accepting a Temporary Position shall be entitled to full per diem per Section 20.1 per diems based on a twenty four (24) hour period for each calendar day that a Pilot is scheduled.
- 9.4.4 A Pilot accepting a Temporary Position shall also be entitled to fifty dollars (\$50.00) for each calendar day or portion thereof that a Pilot is scheduled.
- 9.4.5 A Pilot or the Company may cancel the Temporary Position per Section 9.5.7.

9.5 AWARDING OF POSITIONS

- 9.5.1 All permanent or temporary positions shall be filled in accordance with seniority, provided that all minimum qualifications, performance requirements and aircraft type specific qualifications are met for that base. If no applications are received, the Company may at its discretion assign the most junior Pilot on the PSL or hire a new Pilot. Base qualifications requirements that require a temporary position(s) shall be no longer than six (6) months in duration.
- 9.5.2 Within fourteen (14) Days after the closing date of the posting the Company shall post the bid results, inform the successful candidate(s) and advise the Association of the award(s) along with the training commencement dates and anticipated dates required, which must be no longer than ninety (90) Days from expected training commencement date.
- 9.5.3 A vacancy arising due to incapacity of a Pilot, maternity or parental leave, or any vacancies of six (6) months duration or less may be filled by a temporary position. The Pilot awarded this temporary position shall return to his previous base/status at the end of this temporary assignment. This Pilot shall be eligible to bid any vacancies that may arise during the duration of this temporary assignment. The six (6) month provision above may be extended by mutual agreement between the Parties.
- 9.5.4 A Pilot who is displaced may bump into another base and/or aircraft type, at the same or lower status, according to his seniority per SECTION 9 – AWARDING OF POSITIONS 9.5.1.
- 9.5.5 The Company shall provide a Pilot with thirty (30) Days' notice of any displacement in his permanent position, unless such displacement is the result of a failure to qualify per SECTION 10 – TRAINING.
- 9.5.6 If an awarded position is cancelled from the date of the award to the anticipated date required, the Pilot shall remain in his present position.

9.5.7 A Pilot who is awarded a temporary or permanent vacancy per Section 9.5.2 shall be provided with no less than thirty (30) Days' notice prior to the first (1st) day of the Calendar Month of his start date at his new Base.

9.5.8 Notwithstanding Section 9.5.7 a Pilot shall have the sole discretion in accepting a shorter notice period.

9.6 TYPES AND VARIANTS

9.6.1 No Pilot shall be required to remain current on more than one (1) equipment type. It is recognized that several series (variants) of one type exist, example, B-737-200/300. A Pilot who successfully completes his training and checks on a new equipment type shall no longer be required to operate his previous equipment type.

9.7 EQUIPMENT FREEZES

9.7.1 The following freeze provisions shall apply:

- a. Any Pilot who completes an initial course on type shall be frozen for a period of eighteen (18) months. Any new-hire Pilot to the Company shall be subject to an eighteen (18) month freeze from his initial employment date.
- b. Any Pilot who completes an upgrade which requires an initial course shall be frozen for a period of twenty-four (24) months.
- c. Any Pilot who completes an upgrade on type which does not require a full initial course shall be frozen for a period of twelve (12) months.
- d. Any Pilot who has been forced into a position due to a down bid shall not be subject to a freeze.
- e. No Pilot shall be held in a freeze should he be eligible for a B-737 Captain position.

Examples:

- i. New-hire DH8 or B-737 First Officer eighteen (18) month freeze within status, First Officer to First Officer, twelve (12) month freeze for an increase in status, First Officer to Captain, unless on current type.
- ii. DH8 First Officer to B-737 First Officer, eighteen (18) month freeze.
- iii. DH8 First Officer to DH8 Captain, twelve (12) month freeze.
- iv. B-737 First Officer to DH8 Captain, twenty-four (24) month freeze.
- v. Any position to B-737 Captain, no freeze.

9.7.2 All freezes are at Company discretion, and a Pilot may be released from a freeze depending on the individual circumstances (operational reasons, Pilot experience, etc.).

9.7.3 Pilots are permitted to bid positions while in a freeze; however, the awarding of a position to a Pilot in freeze is at the Company's discretion.

9.8 BYPASS

- 9.8.1 Training required as a result of an awarded Position shall be carried out in order of seniority. In the event the Company is not able to train in order of seniority (e.g., bypass), the following conditions shall apply:
- a. For each junior Pilot trained prior to a more senior Pilot on the same equipment bid, the more senior Pilot to be trained shall receive the increase in pay on the same date as the junior Pilot. The intent of this Section is a one (1) for one (1) basis.
 - i. The anniversary date of the pay level increases as described per Section 7.4 CLASSIFICATION AND RATES of the CA shall be based on the junior Pilots' pay increase date.
 - b. Bypassed Pilots not referred to in Section 9.8.1 (a) shall receive the increase in pay ninety (90) Calendar Days after the successful completion of the LC by the junior Pilot. The Pilots' anniversary date shall be based on whenever he completes his LC or whenever he moves into a (1) for (1) basis per Section 9.8.1 (a).
 - c. In order for a Pilot to qualify for bypass pay he must accept whatever training course the Company provides. If the training falls on a Pilot's vacation he shall have the option to take the training or his vacation. If a Pilot chooses to take his vacation he shall no longer qualify for bypass pay.

9.9 MOVING POLICY

- 9.9.1 In the event a Pilot's home base is closed or a new base is opened which requires forced Pilot moves or relocation, the following shall apply:
- a. The actual cost of moving household and personal goods, including packing and unpacking, and disconnecting and reconnecting of appliances and mileage allowance (one vehicle) will be paid by the Company. Costs associated with such items as building materials and firewood, automobiles, storage sheds, goods from a second residence, servicing of waterbeds, and disassembling and assembling of specialty items such as pool tables and swing sets are not included.
 - b. A maximum of thirty seven and one half (37.5) hours paid time off, subject to operational requirements and individual circumstances, will be granted to allow the employee to house/apartment hunt and relocate to the new location. Associated meal and accommodation costs for the employee and spouse and dependent children would be paid by the Company, based on existing meal per diems, with dependent children receiving fifty percent (50%) of the per diem.
 - c. If housing is not immediately available, accommodation and meal costs for the employee and her spouse and dependent children will be paid by the Company, based on existing meal per diems, for up to fourteen (14) calendar days. Dependent children would receive 50% of the per diem. The meal per diem would not apply in cases where the employee was already receiving it for a work.

SECTION 10: TRAINING

10.1 GENERAL TRAINING

- 10.1.1 Instrument ratings and necessary endorsements as required by the Company shall be maintained at Company expense.
- 10.1.2 All flight training and flight tests required by the Company or by Transport Canada (TC) regulations shall be at Company expense.
- 10.1.3 All ground training courses as required by Company or TC regulation shall be at Company expense.
- 10.1.4 All required publications shall be made available to each Pilot at Company expense.

10.2 SCHEDULING

- 10.2.1 All required training, proficiency checks and LCs shall normally be scheduled in advance and included in the Pilot's monthly block.
- 10.2.2 A Pilot shall be given forty-eight (48) hours advance notice of all LCs. The Pilot may waive this notice.

10.3 GROUND TRAINING

- 10.3.1 A ground training session shall not be scheduled to exceed eight (8) hours in any given Calendar Day.
- 10.3.2 When deadheading to a training location is required, the total time from check-in to the completion of the instructional training shall not exceed ten (10) hours, extendable to eleven (11) hours provided the deadhead sectors do not exceed two (2).
- 10.3.3 If a deadhead to home base is required, the maximum length of any scheduled duty period shall be fourteen (14) hours unless otherwise agreed to by the Pilot.
- 10.3.4 Pilots shall not be required to perform Company training or any such Company requested duty outside of a scheduled/paid work day. The only exception is pre-simulator training exams and the annual Ground/Airborne Icing exam, which must be sent out to the Pilot(s) no later than seven (7) consecutive Calendar Days prior to the scheduled training day or the date that it is required.

10.4 SIMULATOR TRAINING

- 10.4.1 No simulator training shall be combined with any other flight duty or duty unrelated to simulator training except for deadheading.
- 10.4.2 The maximum Duty Period shall be eight (8) hours, four (4) hours for simulator training exclusive of the time required for briefing and/or debriefing and breaks.
- 10.4.3 When deadheading to a training location, the total time from check-in to the completion of the instructional training shall be ten (10) hours. The Duty Period may be extended to twelve (12) hours if the following conditions are met:
 - a. Deadhead sectors not to exceed two (2).

b. The simulator training session shall be completed on the same Calendar Day by 2400 MT.

10.4.4 If a deadhead to a home base is required, the maximum length of any Duty Period shall be seventeen (17) hours. Any such Duty Period exceeding fourteen (14) hours shall have the next subsequent contractual twelve (12) hour rest period extended by the amount exceeding fourteen (14) hours.

10.4.5 A Pilot shall be given forty-eight (48) hours advance notice of all PPCs. The Pilot may waive this notice.

10.4.6 The Company shall endeavour to schedule simulator training and check rides between the hours of 0600 LT and 2400 LT subject to advance simulator availability.

10.4.7 A Pilot who is removed from his scheduled flight(s) for his own training shall receive credit for the greater of the assigned pairings lost or duties performed.

10.5 TRANSPORTATION AND EXPENSES

10.5.1 The Company shall be responsible for all travel costs associated with SECTION 10.

10.5.2 The Company shall provide accommodation, expenses, and meal allowances per SECTION 20 – ALLOWANCES AND EXPENSES.

10.6 NEW HIRE PILOTS (NHP) – EXPENSES

10.6.1 All hotel accommodation expenses e.g., room rates or applicable taxes for a NHP initial training commencing on day one (1) of his training to the period ending with the completion of his PPC.

a. Shall be borne entirely by the Company; and,

b. In the event the training is conducted at a NHP domicile then he shall not be entitled to hotel accommodation expenses per Section 10.6.1

10.6.2 All NHP shall be paid a daily per diem of fifty dollars (\$50.00) per day for ground training:

a. Breakfast ten dollars (\$10.00); and,

b. Lunch fifteen dollars (\$15.00); and,

c. Dinner twenty five dollars (\$25.00).

NOTE: For training days in which the Company provides breakfast, lunch or dinner the NHP shall not be entitled to the applicable per diem per Section 10.6.2 (a), Section 10.6.2 (b) and Section 10.6.2 (c).

10.6.3 Per diems for simulator training for all aircraft types shall be paid per Section 20.1.1 at the current B-737 rate. In no circumstance shall the per diem rate be less than twenty five (\$25.00) dollars. The per diem per Section 20.1.1 at the current B-737 rate shall be paid in US funds if the training occurs in the United States of America.

NOTE: The per diem per Section 10.6.3 shall be based on the NHP actual time away from his home base commencing from his original check-in time to his final check-out time.

- 10.6.4 Travel for the NHP during the initial training shall be from the NHP base to the Company training facility or location and all travel bookings and associated costs shall be borne by the Company. All travel shall be consistent with the Company policy as it relates to travel for Pilots while on Company business.
- 10.6.5 Should a NHP days off after the completion of ground training and the commencement of simulator training exceeds four (4) days the Pilot shall be returned to his domicile. Transportation costs shall be borne solely by the Company. For clarity, days off of three (3) days or less the Pilot shall be entitled to Company provided hotel accommodations.

10.7 FAILURE TO QUALIFY

- 10.7.1 The term failure to qualify shall mean:
- a. Failure of the PPC after completion of the full training syllabus; or,
 - b. Failure to successfully complete LI; or,
 - c. Failure to pass a LC; or,
 - d. Failure to pass an initial or recurrent ground school; or
 - e. Failure to receive a recommendation for a PPC after completion of the full training syllabus.
- 10.7.2 Where at any time the Company has reason to believe that a Pilot's performance is in question, the Company shall advise the Pilot and draw the deficiencies to his attention as well as notifying the Association.
- 10.7.3 The scheduling of any subsequent training after a failure as described herein shall be established by the Company following an examination of the reason(s) for the failure and discussions with the Pilot involved. The Pilot shall be afforded a reasonable opportunity to consult with the Association if he desires.
- 10.7.4 A Pilot who fails to qualify and who subsequently is to receive additional training shall have the option of having such training and flight test done by a different Check Pilot.
- 10.7.5 The first time a Pilot fails to qualify, he may be held out of service with pay. The affected Pilot shall be provided with training and be requalified as soon as practicable.
- 10.7.6 A Pilot who fails to qualify may, at the Company's discretion, be scheduled to requalify on a scheduled day off. These days shall not be subject to premium pay or replacement.
- 10.7.7 A Pilot failing to qualify during any phase of recurrent training shall be provided with additional training in the areas graded as unsatisfactory, as scheduled by the Company in consultation with the Pilot and the Association. Notwithstanding SECTION 6.2 – DISCHARGE, failure to qualify after a third (3rd) attempt shall result in a meeting among the Company, the Pilot, and the Association, to make a decision as to the Pilot's future employment status with the Company.
- 10.7.8 At any meetings with the Company pertaining to failure to qualify, the Pilot shall be afforded a reasonable opportunity to consult with the Association if he desires.

10.7.9 Notwithstanding SECTION 6.2 – DISCHARGE, a Pilot shall have full access to SECTION 16 – GRIEVANCE AND ARBITRATION PROCEDURE if any disciplinary or discharge action is taken as a result of a failure to maintain or demonstrate the required level of proficiency as described herein.

10.8 CONVERSION STATUS OR EQUIPMENT

- 10.8.1 A Pilot who fails to qualify shall be subject to the following:
- a. The Pilot shall be given the opportunity to receive additional training in areas graded as unsatisfactory, followed by a check ride if so recommended.
 - b. Should the Pilot elect to receive additional training and a second (2nd) failure to qualify occurs, he shall be returned to his previous position.
 - c. Should the Pilot not elect to receive additional training, then he shall be returned to his previous position.
 - d. Should a Pilot revert back to his previous position or has a failure to qualify, he shall not be eligible to bid on a position for twelve (12) calendar months unless approved earlier by the Company. The Pilot shall also be ineligible for any upgrades for twelve (12) calendar months.
 - e. If the Pilot's former equipment type no longer exists, due to removal from the fleet, then the Pilot shall be given a third attempt to qualify. Notwithstanding Section 6.2, failure to qualify after a third (3rd) attempt shall result in a meeting among the Company, the Pilot, and the Association, to make a decision as to the Pilot's future employment status with the Company.

10.9 LINE INDOCTRINATION

10.9.1 A Pilot failing to qualify after completion of scheduled LI, who receives additional LI, shall have the option of a different LI Pilot for his additional LI. Should the Pilot fail to qualify a second (2nd) time during LI, he shall be reverted back to his previous position and shall not be eligible to bid on an upgrade position for twelve (12) calendar months, unless approved earlier by the Company. In the case of a probationary Pilot and per SECTION 6 – PROBATION, failure to qualify after additional LI shall result in a meeting among the Company, the Pilot, and the Association to make a decision as to the Pilot's future employment status with the Company.

10.10 LINE CHECKS

10.10.1 A Pilot failing to qualify during an initial LC on type, who receives additional LI and a second (2nd) LC attempt, shall have the option of a different LI Pilot or ACP for his additional LI and LC. Should the Pilot fail to qualify a second (2nd) time during a LC, he shall be reverted back to his previous position and shall not be eligible to bid on an upgrade position for twelve (12) calendar months, unless approved earlier by the Company. In the case of a probationary Pilot and subject to SECTION 6 – PROBATION, failure to qualify after the second LC shall result in a meeting among the Company, the Pilot, and the Association to make a decision as to the Pilot's future employment status with the Company. A Pilot failing to qualify during a recurrent LC on type, who receives a second (2nd) LC attempt, shall have the option of a different LI Pilot or ACP for his second (2nd) LC. In the case of a recurrent LC, failure to qualify after a second (2nd) LC shall result in a meeting among the Company, the Pilot, and the Association to make a decision as to the Pilot's future employment status with the Company.

10.11 TRAINING AGREEMENTS

- 10.11.1 New-Hire Pilots (the "NHP"), at the discretion of the Company, may be required to sign a Training Agreement (the "TA"), Section 10.12, as a condition precedent to participating in any initial training program.
- 10.11.2 The TA shall set out a promise to pay for the amount of the training costs estimated to a predetermined value.
- 10.11.3 The TA shall be enforceable by the Company if the Pilot, on his own accord, fails to complete a determined service period upon completion of the PPC.
- 10.11.4 At no time shall a NHP be required to pay for the TA in advance.
- 10.11.5 The Company may take advantage of any process available to offset the amount owing and this TA does not limit the Company from its right to take any other legal action as may be necessary to recover the full amount owing.
- 10.11.6 The value, in Canadian funds, of the TA in Section 10.12 shall be:
- a. B-737 – CAD \$30,000.00; or,
 - b. DHC 8 – CAD \$24,000.00.
- 10.11.7 The value per Section 10.11.6 (a) shall be reduced by two thousand five hundred dollars, Canadian, (CAD \$2500.00) per Calendar month for each complete Calendar Month the Pilot makes his services available on a full-time basis to the Company after completion of his PPC.
- 10.11.8 The value per Section 10.11.6 (b) shall be reduced by two thousand dollars, Canadian, (CAD \$2,000.00) per Calendar month for each completed Calendar Month the Pilot makes his services available on a full-time basis to the Company after completion of his PPC.
- 10.11.9 Any value, cost, compensation, interest and obligation payable or owed by a Pilot under a TA and promissory notes shall be fully and forever forgiven after the completion of:
- a. B-737 – Twelve (12) Calendar Months after completion of his PPC; or,
 - b. DHC 8 – Twelve (12) Calendar Months after completion of his PPC.
- 10.11.10 Should the Pilot leave the employ of the Company for any reason including resignation or termination for just cause, and is subsequently re-hired by the Company, the Pilot shall be obligated to sign a new TA as if they are a NHP.
- 10.11.11 If an aircraft type is disposed of and there are outstanding TA on that aircraft type, they shall be forgiven.
- 10.11.12 The training content shall be such as is specified by Company in its absolute discretion.
- 10.11.13 This TA shall not apply to recurrent training or any initial training for a Pilot that is currently employed by the Company as of the date of signing.

- 10.11.14 Notwithstanding Section 10.11.13, this TA shall not apply to any NHP employed who holds a current PPC.
- 10.11.15 In the event of a layoff or a voluntary leave to mitigate layoff, a pilot shall be excused for any and all repayments of any outstanding training bonds.

10.12 TRAINING AGREEMENT

BETWEEN:

CANADIAN NORTH AIRLINES INC., and _____ (“Pilot”)

SINCE: Canadian North Inc., is a commercial air carrier using Pilots to operate its aircraft; and the Pilot wishes to receive training as specified in this Training Agreement;

The Parties agree as follows:

1. The training is specified in the Canadian North’s Training Pilot Manual.
2. The value and cost of the training, and the compensation agreed to be payable to Canadian North under this Training Agreement is \$ _____, in Canadian funds.
3. Canadian North Inc., agrees to provide the training to the Pilot who agrees to make him or herself available for training as required and to apply his best effort to it. Timing and completion shall be at Canadian North’s direction.
4. Following the completion of the PPC, the Pilot agrees to make his services available to Canadian North Inc., full-time for a period not less than:
 - a. B-737 – Twelve (12) Calendar Months; or,
 - b. DHC 8 –Twelve (12) Calendar Months.
5. If the Pilot abandons his training, or if he fails to make his services available to Canadian North Inc., as stated above, then the Pilot shall forthwith pay Canadian North Inc., compensation for the training in the amount as specified in this agreement. This amount to be reduced by:
 - a. B-737 – 1/12; or,
 - b. Dash 8 -1/12for each complete Calendar Month the Pilot makes his services available on a full-time basis to Canadian North Inc., after completion of the PPC.
6. In the event of a dispute under this Training Agreement, such dispute shall be addressed through Section 16 – GRIEVANCE AND ARBITRATION PROCEDURE.
7. Dismissal – In the event of gross negligence or wilful misconduct, the Pilot shall be responsible for the total of the outstanding amount payable.
8. If Canadian North Inc., has cause for dismissal of the Pilot, nothing in this Training Agreement obligates Canadian North Inc., to further employ the Pilot’s services.

9. The Pilot authorizes and directs Canadian North Inc., to recover any and all training compensation amounts owing the Company for training on aircraft type if the Pilot fails to commit to the guaranteed time frame as specified in paragraph 4. The cost recovery shall be by legal action.

Canadian North Inc., and the PILOT have executed this agreement this _____ day of _____, ____ at Calgary, AB

10.13 ONLINE TRAINING

- 10.13.1 The Company shall advise the MEC Chairman of any training courses it intendeds to conduct through online training.
- 10.13.2 The Company and the Association shall meet to review the online training syllabus and agree on a reasonable amount of time for a Pilot to conclude each online training syllabus.
- 10.13.3 The agreed upon time per Section 10.13.2 shall be credited at one hundred percent (100%) for the purposes of time off per Section 10.13.4.
- 10.13.4 A Pilot shall receive one (1) Calendar Day off equal to a four (4) hour Credit Day in his following monthly schedule each time the credited time per Section 10.13.2 and Section 10.13.3 reaches an eight (8) hour interval.

EXAMPLES:

- a. A Pilot who is credited with any portion of time less than seven hours and fifty nine minutes (7:59) shall not be credited with one (1) additional Calendar Day off.
 - b. A Pilot who is credited with any portion of time greater than seven hours and fifty nine minutes (7:59) but less than fifteen hours and fifty nine minutes (15:59) shall be credited with and one (1) additional Calendar Day off.
 - c. In addition to the additional Calendar Day off per Section 10.13.4 (b) a Pilot who is credited with any portion of time greater than fifteen hours and fifty nine minutes (15:59) but less than twenty three hours and fifty nine minutes (23:59) shall be credited with an additional Calendar Day off.
 - d. For each subsequent period of credit hours for online training, per the EXAMPLES in Section 10.13.4 a Pilot shall receive the appropriate Calendar Days off.
- 10.13.5 Notwithstanding Section 10.13.4 the company may at its sole discretion give any of the additional Calendar Days off accumulated by the pilot in the Calendar Month which they were earned.

SECTION 11: NEW EQUIPMENT

- 11.1 The rates of pay specified in this Agreement only apply to the equipment specified in this Agreement. In the event a new equipment type is to be introduced by the Company, the Company shall provide notice to the Association of its intention to so introduce such new equipment type sixty (60) consecutive Calendar Days prior to the date upon which the equipment shall enter service. The application of rates of pay and working conditions for this equipment shall be the subject of negotiations between the Parties.
- 11.1.2 Negotiations shall begin within fourteen (14) consecutive Calendar Days after a request for meetings has been made by either Party unless otherwise mutually agreed between the Parties. No Pilot position bids for such equipment shall be published before preliminary meetings between the Parties have taken place.
- 11.1.3 In the event that the Parties cannot reach an agreement on the appropriate rates of pay and working conditions, either party may submit the matter to arbitration per SECTION 16 – GRIEVANCE AND ARBITRATION PROCEDURE.
- 11.1.4 It is understood that the terms of the above paragraphs shall not prevent the Company from operating the aircraft on the anticipated date, providing that it establishes temporary salary rates and working conditions, and publishes these rates and conditions with the Pilot position bids and grants full pay retroactivity per SECTION 7 – CLASSIFICATION AND PAY, as soon as the arbitration decision is known.

SECTION 12: REDUCED BLOCK PROGRAM

12.1 PROGRAM OBJECTIVES

- 12.1.1 At Company's discretion, to offer an alternative to full-time employment for Pilots who are nearing retirement and desire a partial or phased retirement schedule rather than complete termination of employment; and/or Pilots who desire either greater flexibility with scheduled work hours or reduced work hours overall in order to achieve a better balance between work and family priorities.
- 12.1.2 To provide an avenue for the Company to retain the experience, talent, and maturity of senior Pilots within employee ranks while facilitating more flexible part-time schedules for those who choose to access this option.
- 12.1.3 The following conditions shall apply:
- a. Pilots may choose a reduced working schedule of three-quarters (.75) or one-half (.50) block. The reduced block calculation shall be based on the monthly average number of days and credit hours for each respective month, for Pilots of equal status, Captain or First Officer as applicable, at the Pilot's base.
 - b. The agreement may be terminated at any time with the mutual agreement of both the Pilot and the Company.
 - c. Pay shall be prorated based on the proportion of time the Pilot is working, three-quarters (.75) or one-half (.50) block of the Pilot's regular monthly salary per SECTION 7 – CLASSIFICATION AND PAY.
 - d. Overtime shall be paid per SECTION 7 – CLASSIFICATION AND PAY based on three-quarters (.75), or one-half (.50) of the Pilot's regular monthly salary as applicable. Overtime shall be offered to Pilots working a regular scheduled (no reduced) block prior to overtime being offered to Pilots on a reduced block. A maximum of two (2) days of overtime shall be allowed for Pilots participating in this program; however, further overtime may be permitted subject to mutual agreement by the Pilot, the Company, and the Association.
 - e. The benefits package/coverage and the sharing of premium costs shall remain unaffected, with the exception of the items listed below.
 - i. Life Coverage; and,
 - ii. Accidental Death and Dismemberment
 - f. With the reduction of block hours, each of the above benefits shall be a flat rate of twenty-five thousand dollars (\$25,000) as per the Sun Life Financial contract. With mutual agreement between the Pilot, the Company, and the Association, additional Life Coverage shall be paid for by the Company through an alternate provider, such as The Professional Pilots Insurance Plan or similar. The mechanism shall be via a monthly expense claim submitted by the Pilot.
 - g. In the event of a Company requested reduced block, normal vacation accrual remains unaffected. When the reduced block is Pilot requested, the vacation allotment shall be prorated.

EXAMPLE: For a Pilot participating in the program with a seventy-five percent (75%) flying block:

- i. Wage shall be reduced by twenty-five percent (25%).
 - ii. Schedule shall be reduced by twenty-five percent (25%) (Sixty point one (60.1) credit hours to sixty-three point seven (63.7) credit hours), or a minimum of seventy-five percent (75%) of the average number of days worked by the rest of the Captains on type at that base, e.g., if average days worked = sixteen (16), then this Pilot shall be blocked to a maximum of twelve (12) days. If the number is not evenly divisible, the days shall be adjusted accordingly, e.g., based on an average month of fifteen (15) days: fifteen (15) times point seventy-five (75) equals eleven point twenty-five ($15 \times .75 = 11.25$). Therefore the Pilot would work eleven (11) days per month for three (3) months, and twelve (12) days in the fourth (4th) month.
- h. For purposes of determining the credit for the blocking window, the following windows shall apply:
- i. Seventy-five percent (75%) flying block: sixty (60) to sixty-four (64) credit hours
 - ii. Fifty percent (50%) flying block: thirty-nine (39) to forty-three (43) credit hours

NOTE: If the fraction is not even, it shall be rounded down to the nearest quarter percentage (1/4%), e.g., twelve point nine (12.9) days would become twelve point seventy-five (12.75).

12.2 REDUCED BLOCK PROGRAM AND PARENTAL LEAVE REDUCED BLOCKS OBJECTIVE

- 12.2.1 To offer an alternative to Parental Leave (PL) for Pilots who are eligible for parental leave under the CLC who desire either greater flexibility with his scheduled work hours or reduced work hours overall in order to achieve a better balance between work and family priorities.

ELIGIBILITY

- 12.2.2 In order to participate in the Parental Leave Reduced Blocks Program (PLRBP) a Pilot must be eligible to receive PL under the CLC.
- a. A Pilot may choose to take PL, PLRBP or a combination of PL and PLRBP with the following provisions:
 - i. The combined amount of PL and PLRBP shall not exceed the total amount of PL for which a Pilot is entitled to under the CLC.
 - ii. If a Pilot chooses to take a combination of PL and a PLRBP then he must take the PL before taking the PLRBP.
 - iii. A Pilot choosing to take a PLRBP shall advise the Director, Corporates Service in writing at least four (4) weeks prior to the start date of his PLRBP.
 - iv. A Pilot shall only be eligible to take one (1) PLRBP of any duration up to the maximum of thirty seven (37) weeks.

EXAMPLES based on a Pilot being entitled to thirty seven (37) weeks of PL per the CLC:

1. A Pilot shall first take some number of weeks as PL, then take the remaining weeks, or a portion thereof, in the form of a reduced block per the PLRBP; or,
2. A Pilot may take the entire thirty seven (37) weeks or less as PL.

12.2.3 PLRBP shall be taken in one (1) consecutive block.

12.2.4 Pilots electing to take a PLRBP may choose a reduced working schedule of three-quarters (.75) or one-half (.50) block. The PLRBP calculation shall be based on the monthly average number of days and credit hours for each respective Blocking Month, for Pilots of equal Position.

12.2.5 Pay shall be prorated based on the proportion of time the Pilot is working, three-quarters (.75) or one-half (.50) block of the Pilot's regular monthly salary per SECTION 7 – CLASSIFICATION AND PAY.

12.2.6 Overtime shall be paid per SECTION 7 – CLASSIFICATION AND PAY based on three-quarters (.75) or one-half (.50) of the Pilot's regular monthly salary as applicable.

12.2.7 Overtime shall be offered to Pilots working a regular scheduled, non-PLRBP, prior to overtime being offered to Pilots on a PLRBP.

12.2.8 A Pilot on the PLRBP may be offered and awarded a maximum of two (2) calendar days of overtime in the Blocking Month.

12.2.9 Notwithstanding Section 12.2.8 a Pilot may be offered and awarded additional overtime subject to mutual agreement by the Pilot, the Company and the Association.

12.2.10 The PLRBP Pilot shall be responsible for a proportional increase in his portion of benefit and insurance premiums.

EXAMPLE: A Pilot on a one-half (.50) block shall be responsible for his normal benefit and insurance premiums plus an additional fifty percent (50%) of the Company's normal premiums paid.

12.2.11 Vacation and seniority accrual remains unaffected while participating in the PLRBP.

12.2.12 Wage increases remain unaffected while participating in the PLRBP.

12.2.13 For purposes of determining the credit for the blocking window, the following windows shall apply:

- a. Seventy-five percent (75%) flying block: sixty (60) to sixty-four (64) credit hours; or,
- b. Fifty percent (50%) flying block: thirty-nine (39) to forty-three (43) credit hours.

EXAMPLE based on a Pilot participating in the program with a seventy-five percent (75%) flying block:

1. A Pilots wage shall be reduced by twenty-five percent (25%).
2. The Pilot shall be responsible for paying twenty five percent (25%) of the Company's insurance and disability premiums in addition to his own.
3. A Pilots schedule shall be reduced by twenty-five percent (25%) (Sixty point one (60.1) credit hours to sixty-three point seven (63.7) credit hours) or a minimum of seventy-five percent

(75%) of the average number of calendar days worked by all of the Pilots of the same Status and Type at that Base. (e.g., If the average days worked equals sixteen (16), then the affected Pilot shall be blocked to a maximum of twelve (12) days.)

NOTE: If the fraction is not even, it shall be rounded to the nearest whole day, utilizing standard rounding formulas.

12.3 MONTHLY FLEXIBLE BLOCK PROGRAM

12.3.1 At the Company's discretion, on a month-to-month basis, to offer the Pilots the ability to tailor the number of hours and days worked in a given month.

12.3.2 The following conditions shall apply:

- a. On a monthly scheduling block basis the Company shall determine the number of reduced or overtime blocks available, if any, for the monthly bid period.
- b. A Pilot shall indicate on his monthly bid if he wishes to work:
 - i. A reduced block; and/or
 - ii. An overtime block.
- c. Reduced or overtime blocks shall be awarded in order of seniority for Pilots that bid Flexible Blocks.

12.3.3 Flexible blocks shall consist of:

- a. A seventy five percent (75%) reduced block, or
- b. A fifty percent (50%) reduced block, or
- c. Overtime blocks may be increased by up to two (2) days and/or eight (8) credits hours.

12.3.4 Pay shall be prorated based on the proportion of time the Pilot is working, three-quarters (.75) or one-half (.50) block of the Pilot's regular monthly salary per SECTION 7 – CLASSIFICATION AND PAY.

- a. Overtime shall be paid per SECTION 7 – CLASSIFICATION AND PAY based on three-quarters (.75) or one-half (.50) of the Pilot's regular monthly salary as applicable.
- b. Overtime shall be offered to Pilots working a regular scheduled (no reduced) block prior to overtime being offered to Pilots on a reduced block.
- c. A maximum of two (2) days of overtime shall be permitted for Pilots participating in the reduced block program; however, further overtime may be permitted subject to mutual agreement by the Pilot, the Company and the Association.

12.3.5 The benefits package/coverage and the sharing of premium costs will remain unaffected.

12.3.6 Seventy Five Percent (75%) Reduced Block:

- a. A Pilots wages shall be reduced by twenty-five percent (25%).

b. Blocks shall be reduced by:

- i. Twenty five percent (25%) - (sixty point one (60.1) credit hours to sixty-three point seven (63.7) credit hours); and,
- ii. A minimum of seventy-five percent (75%) of the average number of calendar days worked by all of the Pilots of the same Status and Type at that Base. (e.g., If average number of days worked equals sixteen (16), then this Pilot shall be blocked to a maximum of twelve (12) calendar days.)

NOTE: If the fraction is not even, it shall be rounded to the nearest whole day, utilizing standard rounding formulas.

12.3.7 Fifty Percent (50%) Reduced Block:

a. A Pilots wages shall be reduced by fifty percent (50%).

b. Blocks shall be reduced by:

- i. Fifty percent (50%) (Forty point zero (40.0) credit hours to forty two point five (42.5) credit hours).
- ii. A minimum of fifty percent (50%) of the average number of calendar days worked by all of the Pilots of the same Status and Type at that Base. (e.g., if average days worked equals sixteen (16), then this Pilot shall be blocked to a maximum of eight (8) calendar days.)

NOTE: If the fraction is not even, it shall be rounded to the nearest whole day, utilizing standard rounding formulas.

12.3.8 Overtime Flexible Blocks:

a. Scheduled blocks shall be increased by:

- i. Up to Eight (8) credit hours above a normal blocking month on all aircraft types.
- ii. Scheduled working days shall be increased by two (2) calendar days per blocking month on all aircraft types.

b. Overtime shall be paid as per Section 7.2 OVERTIME PAY.

c. Scheduled Overtime Flex Blocks shall only be made available to Captains once per calendar year to a maximum of three (3) consecutive calendar months.

d. The restriction per Section 12.3.8 (c) shall not apply to First Officers. For clarity, Scheduled Overtime Flex Blocks at the Company's discretion may be available each Blocking Month of the calendar year for First Officers.

SECTION 13: SENIORITY

- 13.1.1 Seniority shall be the length of service from the Pilot's date of employment as a Pilot in the Company. This does not apply to Pilots with a seniority date of January 01, 2002, and prior, whose position on the PSL shall remain as is.
- 13.1.2 The Company and the Association shall meet, in person, e-mail exchange or phone conversations on a quarterly basis to verify the PSL. A copy of the verified PSL is attached to Appendix B of this Agreement.
- 13.1.3 Seniority shall be lost and employment terminated if a Pilot:
- a. Voluntarily leaves the employ of the Company, or;
 - b. Is discharged for cause.
- 13.1.4 Where two (2) or more Pilots have the same seniority date, their relative seniority on the PSL shall be determined by a lottery.
- 13.1.5 The lottery per Section 13.1.4 shall be conducted on day one (1) of any new-hire ground school and shall be conducted by the MEC Chairman in the presence of the Chief Pilot.
- 13.1.5 The lottery per Section 13.1.4 shall be numbers equivalent to the number of Pilots in the initial training class. The numbers shall be placed into a container and randomly selected by the Pilots which shall indicate their seniority placing onto the PSL.

SECTION 14: MANAGEMENT PILOT FLYING

14.1 MANAGEMENT PILOTS

- 14.1.1 Nothing in this Agreement shall restrict the Company's rights to transfer Pilots to management duties with their concurrence or the right to withdraw Pilots from such management duties.
- 14.1.2 A Pilot returning from managerial duties shall be able to return to line flying in the base/status/equipment where vacancies had occurred while he was in management, and that his seniority would have allowed him to hold. Otherwise he shall return to his previously held base/status/equipment.
- 14.1.3 A management Pilot may perform flying duties as required by the Company up to a maximum of one hundred and twenty (120) flight hours in a ninety (90) consecutive Calendar Day period and not more than three hundred and fifty (350) flight hours in a calendar year, exclusive of training. Any hours in excess of this shall require the consent of the Association, which shall not be unreasonably withheld. Information as to hours flown by management Pilots shall be made available, upon request, to the Association.
- 1.1.4 Management Pilots may displace non-management Pilots after flying has been scheduled. A non-management Pilot who is so displaced shall not be subject to reassignment by the Company and shall receive full flight/duty credit for the said flight.

SECTION 15: LEGAL

15.1 INDEMNITY

- 15.1.1 The Company agrees to provide, at no cost to the Pilot in question, legal counsel to defend any Pilot and their estate in any legal actions brought forth against them as a result of the performance of their duties on behalf of the Company, including but not limited to any damage to Company or other property, and to protect and hold them harmless from any judgment rendered thereunder, the exception to this clause being in the case of gross negligence or wilful misconduct on the part of the Pilot.

15.2 ESTATE SETTLEMENT

- 15.2.1 Any payment that may be due the estate and not a named beneficiary of the Pilot under this Agreement may be made by the Company by payment to such person as may furnish the Company with a court certificate evidencing his appointment as legal representative of the estate, and the receipt by such person of such payment shall release the Company of any further obligation to the estate or any other person with respect to such payment.

15.3 PILOT FILES

- 15.3.1 All Pilot files kept by or on behalf of the Company are wholly confidential and only those with a requirement or valid need-to-know in the Company's Flight Operations and Human Resources Departments shall have access thereto, and then only in the course of their duties.
- 15.3.2 All Pilot files kept by or on behalf of the Company shall, at the Pilot's request and with reasonable notice, be made available for his examination in the presence of a member of management.
- 15.3.3 A Pilot shall be advised in writing by the Company of any disciplinary material at the time such material is placed on his file.
- 15.3.4 The Pilot shall be provided a copy of any disciplinary material within ten (10) business days of the material being placed in his file with a copy to the MEC Chairman.
- 15.3.5 If the Pilot chooses to respond to any material(s) placed on his file(s), the response(s) shall be kept on his personnel file, kept by the Company, with the material to which it refers.
- 15.3.6 Any material not related to technical competency shall be removed from a Pilot's file(s) kept by the Company after eighteen (18) months. Time off while on layoff or LOA shall not count toward these eighteen (18) months.
- 15.3.7 Should the Pilot be exonerated in regard to any issue, the Company shall remove from all Company files any materials relating to such issue.

SECTION 16: GRIEVANCE AND ARBITRATION PROCEDURE

16.1 GRIEVANCE AND ARBITRATION

- 16.1.1 The Parties agree it is most desirable to resolve misunderstandings and disputes through discussion so that it is not necessary to initiate a formal grievance according to this grievance and arbitration procedure.

16.2 SETTLING OF GRIEVANCES

- 16.2.1 An earnest effort shall be made by all parties to settle grievances fairly and promptly in the following manner.

Step One:

- 16.2.2 If a Pilot or a group of Pilots has a formal grievance, the Pilot or group of Pilots shall submit to the DFO a written statement of the grievance within thirty (30) consecutive Calendar Days of the date the Grievour(s) become aware of, or reasonably should have become aware of, the alleged grievance

The grievance when presented in writing shall contain:

- a. A summary of circumstances giving rise to the grievance; and,
- b. The provision(s) of the Agreement considered violated; and,
- c. The particulars of the remedy sought.

- 16.2.3 The DFO or their designate shall meet with the Grievour(s) and an Association Representative within fourteen (14) consecutive Calendar Days of receipt of the grievance and shall render a decision in writing within seven (7) consecutive Calendar Days of this meeting.

NOTE: Grievances that involve a dismissal shall be initiated within the time limits and in writing per SECTION 16 – GRIEVANCE AND ARBITRATION PROCEDURE. However, the subsequent processing of the grievance shall commence immediately at Step Two.

Step Two:

- 16.2.4 Failing satisfactory settlement being reached in Step One, the Association Representative(s) shall, within seven (7) consecutive Calendar Days of the receipt of the decision in Step One, advance the grievance in writing to the Vice President of Operations. The Vice President of Operations, with or without the Pilot's manager or their designates, shall meet with the Association representative within twenty-one (21) consecutive Calendar Days of their receipt of the grievance and shall render a decision in writing within seven (7) consecutive Calendar Days of this meeting.

Step Three:

- 16.2.5 Failing satisfactory settlement being reached in Step Two, the grievance may be referred by the Association to Arbitration per SECTION 16.3 – ARBITRATION. The Notice of Intent to proceed to Arbitration shall be made, in writing, within fourteen (14) consecutive Calendar Days of receipt of the decision in Step Two, to the Vice President of Operations or his designate.

16.3 ARBITRATION

16.3.1 Establishment of Arbitrator

16.3.2 The Association shall provide, along with the Notice of Intent to proceed to Arbitration, a list of proposed Arbitrators. The Company shall, within fifteen (15) consecutive Calendar Days of receipt of such notice, notify the Association in writing of their response to the Association's proposed list of Arbitrators. If the parties fail to appoint an Arbitrator through mutual agreement, the appointment may be made according to appointment provisions of the *CLC*.

16.3.3 The Company and the Association may, by mutual consent, have the grievance heard by an Arbitration Board consisting of a member appointed by the Association and a member appointed by the Company, with the third member appointed by agreement of the appointees of the Association and the Company or, failing such agreement, be made according to appointment provisions of the *CLC*. In this case the term "Arbitrator," as referred to in this Agreement shall mean Arbitration Board.

16.3.4 Arbitrator Jurisdiction

16.3.4.1 The Arbitrator shall have jurisdiction to consider any grievance properly submitted to him under the terms of this Agreement (including whether a matter is arbitrable or not). The Arbitrator shall have no jurisdiction to alter, modify, amend, or make any decision inconsistent with the terms of this Agreement.

16.3.4.2 The Arbitrator shall, in the case of disciplinary or discharge grievances, have the authority to determine whether the disciplinary or discharge action taken by the Company was for just cause. The Arbitrator may render such orders as it considers just and reasonable, including but without limiting the generality of the foregoing, the exoneration and reinstatement of the grievour, the reduction or modification of the discharge or discipline, and the compensation of the grievour.

16.3.4.3 The Arbitrator shall have the jurisdiction, at any time before rendering a final decision, to make any interim decision that it considers just and reasonable. Without limiting the generality of the foregoing, it shall have the jurisdiction to make decisions regarding the rights of the parties, the interpretation of the Agreement or the reinstatement of an employee and to reserve its jurisdiction on questions of quantum.

16.3.5 Arbitration Costs

16.3.5.1 The costs incurred by the Arbitrator or, in the case an Arbitration Board, the Board Chairman, shall be borne equally by each party. Each party shall assume the expenses incurred by its own appointee on an Arbitration Board.

16.3.6 Representation

16.3.6.1 At any hearing held throughout the Arbitration procedures, the Association and the Company shall have the right to be represented by any person whom they choose or designate.

16.3.7 Witnesses

16.3.7.1 At any hearings held throughout the Arbitration procedures, all witnesses and representatives who are employees of the Company shall be given time off and transportation on Company flights if required and as appropriate. Each party shall be responsible for the pay/costs of such witnesses.

16.3.8 **Arbitrator Decision**

16.3.8.1 The Arbitrator shall render a decision with the minimum of delay, but in no case more than thirty (30) consecutive Calendar Days from the final date of hearing.

16.3.8.2 A decision by the Arbitrator shall be final and binding on the Association, the grievour, and the Company.

16.4 EXTENSION

16.4.1 The time limits specified in both the Grievance and Arbitration procedures may be extended by the mutual agreement between the Employer and the Association. Mutual agreement to extend time limits must be in writing and signed by both parties before it shall constitute mutual agreement for the purposes of this provision.

SECTION 17: DISCIPLINE OR DISCHARGE

17.1 DISCIPLINE OR DISCHARGE

- 17.1.1 All disciplinary or discharge actions must be for just cause.
- 17.1.2 Where disciplinary or discharge action is considered, the Pilot involved may, where necessary, be held out of service pending investigation to provide the Company with sufficient time to investigate and consider all factors. This investigation shall take place as soon as possible and shall not take more than fourteen (14) consecutive Calendar Days. Additional time may be granted through mutual agreement between the Company and the Association prior to the expiry of the fourteen (14) Calendar Days.
- 17.1.3 During any investigations or hearings, the Pilot involved may request the presence of an Association representative(s).
- 17.1.4 Any investigations shall be held so as to best reasonably accommodate the persons concerned, including the Pilot, any witnesses, the Company, and any representative of the Association. This may include things such as time off work and positive-space transportation, and shall be interpreted with the idea of taking all reasonable and cost-effective steps toward a prompt and full investigation.
- 17.1.5 When disciplinary action beyond a verbal warning or discharge action is taken, the Pilot shall be so notified in writing, with a copy to the Association, providing both an explanation of why the action was taken and the nature of the action taken.
- 17.1.6 Per Section 17.1.5, any Pilot held out of service prior to such written notification shall not have his pay reduced as a result.
- 17.1.7 During the period of being held out of service, or while on a suspension, the Pilot shall be entitled to bid on any positions that are posted. If as a result of being held out of service or on suspension the Pilot is not available for the position as it requires, then he shall not be eligible for that position, regardless of his seniority or any other factor, unless the Company and the Association otherwise agree.
- 17.1.8 Notwithstanding SECTION 6.2 – DISCHARGE, a Pilot who has been disciplined or discharged may file a grievance per SECTION 16 – GRIEVANCE AND ARBITRATION PROCEDURE.

SECTION 18: LAYOFF, REDUCTIONS, RECALL, AND LEAVES OF ABSENCE

18.1 LAYOFF AND REDUCTIONS

- 18.1.1 A Pilot on layoff shall continue to accrue seniority but that period shall not be credited toward a Pilot's service with the Company for the purpose of pay progression and vacation accrual.
- 18.1.2 Prior to notice of layoffs being issued and with as much notice as possible, the Company shall notify the Association to enable the parties to discuss possible ways of avoiding a layoff or minimizing the adverse effect of layoffs.
- 18.1.3 When it is determined that there shall be a reduction in the total system positions, the Company shall issue a memorandum to all Pilots advising of the requirement for reductions. Prior to any layoffs, all surplus Pilots shall be first dealt with through attrition, voluntary severance options, leave-of-absence programs, reduced block program, and any other mitigation programs as may be agreed to between the parties. If, after taking this action, layoffs are still required, Pilot layoffs shall occur in reverse order of seniority regardless of equipment type and shall be accomplished in accordance with SECTION 9.5 – AWARDING OF POSITIONS, where applicable.
- 18.1.4 The Company shall endeavour to provide as much written notice as possible and in no case provides less than fourteen (14) consecutive Calendar Days written notice to a Pilot being laid off and copy the notices to the Association.
- 18.1.5 A Pilot shall be paid out any outstanding vacation or statutory holiday days earned to his layoff date.
- 18.1.6 A Pilot on layoff shall have the option of maintaining all or any benefits normally covered by payroll deduction at the Pilot's expense, subject to the terms and conditions of the Company's group insurance plan.
- 18.1.7 A Pilot who is laid off shall file his address with the Company and shall thereafter promptly advise the Company of any change in address.
- 18.1.8 The Company (Canadian North only) shall provide space-available flight benefits for the duration of the layoff.

18.2 RECALL

- 18.2.1 When there is a vacancy in the Pilot complement during the period of layoff, Pilots shall be recalled in order of seniority.
- 18.2.2 Initial notification of recall may be given to the Pilot by a telephone call or e-mail. Official notice shall be sent to the Pilot via registered mail to his last address on file and contain the reporting date and location.
- 18.2.3 The Company shall give the Pilot his recall notice not less than thirty (30) consecutive Calendar Days prior to his reporting date. However, a shorter reporting period may be arranged by mutual agreement between the Company and the Pilot.

- 18.2.4 Within three (3) consecutive business days of receipt of the recall notice, the Pilot shall notify the Company as to whether he accept or waive the notice of recall. A Pilot have been deemed notified upon receipt of his registered letter.
- 18.2.5 If a Pilot waives or does not accept his recall, the recall be offered to the next senior Pilot on layoff. However, in all cases, the most junior Pilot who is on layoff shall be obliged to accept the recall or permanently forfeit his position on the PSL.
- 18.2.6 A Pilot who waives his recall have no further right of recall until the next notice of recall.
- 18.2.7 A Pilot who is obliged to report per Section 18.2.5 above must report thirty (30) consecutive Calendar Days after receiving notification or the required reporting date, whichever is later. However, a different reporting date may be arranged by mutual agreement between the Company and the Pilot. Such agreement shall not be unreasonably withheld.
- 18.2.8 The Company may, at its own discretion, grant a LOA to any Pilot who is recalled but who is unable to report for duty.
- 18.2.9 Should a Pilot be medically unfit to return to duty he shall be placed on medical leave with compensation subject to the terms and conditions of the Company benefits plan.

18.3 LEAVE OF ABSENCE

- 18.3.1 Requests for personal leaves of absence without pay shall be submitted to the Company for approval as far in advance of the requested leave as possible. Such requests shall be dealt with at the sole discretion of the Company in consultation with the Association. Pilots shall continue to accrue seniority during such leaves, but that period shall not be credited toward a Pilot's service with the Company for the purpose of pay progression and vacation accrual.
- 18.3.2 Leaves of absence for maternity, parental, and adoption leave shall be granted to Pilots in accordance with applicable laws, regulations, and Company policy.

SECTION 19: SICK DAYS/DISABILITY/PILOT HEALTH

19.1 GENERAL

- 19.1.1 Sick leave shall mean the period during which a Pilot is unable to report for duty as a result of illness or injury. During such period the Pilot shall use his sick bank credit, up to five (5) consecutive Calendar Days, provided his sick bank has sufficient credit to cover the missed days. In the event that his sick bank does not have enough credit to cover his pairing, his monthly salary shall be reduced by the corresponding difference in credit hours.

19.2 ENTITLEMENT

- 19.2.1 Pilots shall be credited with twelve (12) Calendar Days toward their sick bank each year. Pilots may carry unused sick bank days through to the next year. A maximum of six (6) Calendar Days may be carried over for a total of eighteen (18) Calendar Days. Pilots employed during the year shall be entitled to a prorated number of sick bank days, e.g., one (1) Calendar Day per month of service.

19.3 APPLICATION

- 19.3.1 When a Pilot books off sick, his sick bank days shall be deducted by the corresponding number of days in the pairing.

Example 1:

If a Pilot books off on day one (1) of a three (3) day pairing, the entire number of days in the pairing shall be deducted from his sick bank. If the Pilot returns to work on day two (2), then only the first (1st) day shall be deducted from his sick bank.

Example 2:

If a Pilot is scheduled for three (3) single-day pairings or reserve days and books off on day one (1), it shall be assumed he shall return to work for the next scheduled day of work unless he continues to advise OCC that he is unfit for duty.

- 19.3.2 While on sick leave for the same illness or injury, the Pilot shall commence receiving benefits from the Short Term Disability Plan subject to the provisions of that Plan.

19.4 OCCUPATIONAL

- 19.4.1 Should a Pilot become injured while on a pairing or during the course of any Company business and is subsequently qualified and receiving Worker's Compensation Benefits (WCB), the Company agrees to mirror the equivalent short and long-term benefits as provided under the Sun Life benefits program.

19.5 SENIORITY

- 19.5.1 A Pilot who is on sick leave or loses his license due to medical reasons shall continue to accrue seniority and shall not have his name removed from the PSL.

19.6 PHYSICAL EXAMINATIONS

- 19.6.1 The medical standards for physical examinations shall be no more restrictive than those standards set forth in the TC regulations as being required to maintain an Airline Transport Pilot License (ATPL), including any waiver policies adopted by TC.
- 19.6.2 Scheduling periodic examinations and procedures required under TC regulations in support of a TC Medical Certificate is the responsibility of the Pilot.
- 19.6.3 The costs of all physical examinations and medical licensing fees incurred by a Pilot to maintain his TC license(s) shall be borne by the Company. When possible, the Company shall establish a direct billing account to cover these fees. Any other Company-required medical expenses, e.g., inoculations, shall be borne by the Company.

19.7 STD/VACATION CREDITS

- 19.7.1 A Pilot shall be entitled to utilize any and all remaining vacation prior to applying for STD benefits.
- 19.7.2 Notwithstanding Section 19.7.1 utilization of vacation during the following blackout calendar periods may require verification by the Company doctor, specifically Dr. Brendan Adams:
- a. The last two (2) calendar weeks of June; and,
 - b. July; and,
 - c. August; and,
 - d. The last two (2) calendar weeks of December.
- 19.7.3 Any and all costs associated with obtaining approval by Dr. Brendan Adams per Section 19.7.2 shall be the sole responsibility of the Pilot.

SECTION 20: ALLOWANCES AND EXPENSES

20.1 PER DIEMS

- 20.1.1 Per diems for pairings shall be paid at a rate per Table 20.1 A for each hour spent away from base.
- 20.1.2 Time spent away from base shall be based on the actual time away from the Pilot's base from his actual check-in time to actual final check-out time.
- 20.1.3 U.S. rates apply when overnighting or training occurs in the United States of America
- 20.1.4 A Pilot shall be responsible for any Canada Revenue Agency tax matters.

TABLE 20.1 A

EFFECTIVE DATE	B-737	DH8
JANUARY 01, 2015	\$2.95	\$4.15
JANUARY 01, 2016	\$3.00	\$4.20
JANUARY 01, 2017	\$3.05	\$4.25
JANUARY 01, 2018	\$3.10	\$4.30

20.2 PASSPORTS/VISAS

- 20.2.1 All costs associated with acquisition and renewal of passports and Company-required visas and other travel related documents shall be borne by the Company.

20.3 CELL PHONES

- 20.3.1 In recognition of required communication between Pilots and the Company, Captains shall be paid twenty-five dollars (\$25.00) per month toward cell phone usage, provided they possess a functioning cell phone while away from base.

20.4 TRAVEL EXPENSES

- 20.4.1 All costs associated with required Company travel expenses, e.g., checked baggage fees, airport improvement fees, etc., shall be borne by the Company.

20.5 FLIGHT CANCELLATION CREDIT

- 20.5.1 Pilots who cancel scheduled deadhead flights, excluding Company flights, shall receive a credit of fifty dollars (\$50.00) per flight cancelled. Flights must be cancelled a minimum of four (4) hours prior to departure of the deadhead, and cancellation credit must be confirmed with OCC.

20.6 ALLOWANCES AND EXPENSES

20.6 HOTEL CREDIT(S)

- 20.6.1 Pilots may cancel Company provided accommodations within three (3) Calendar Days of the monthly flying block being released by the Company.

- 20.6.2 For every two (2) hotel accommodations canceled per Section 20.6.1 the Pilot shall receive credit for one (1) hotel accommodation and shall be credited into his hotel bank.
- 20.6.3 All accumulated Hotel Accommodation Credits (HAC) per Section 20.6.2 shall expire on December 31st of the calendar year in which they were accumulated. For clarity, there shall be no carryover into the next calendar year.
- 20.6.4 Pilots wishing to utilize HAC shall advise the CNP Hotel Committee via e-mail at CNPHotelCommittee@alpa.org no later than two (2) calendar weeks from which they wish to utilize a HAC. Pilots may request to utilize a HAC within the two (2) weeks however such late requests may not be actioned.
- 20.6.5 The CNP Hotel Committee shall advise OCC via e-mail at occ@canadiannorth.com of all HAC requests each Saturday of the calendar month, no later than 1700 MT.
- 20.6.6 OCC shall action the HAC requests and advise the CNP Hotel Committee via e-mail at CNPHotelCommittee@alpa.org or phone call advising of all hotel confirmation numbers or issues that may arise during the HAC booking process no later than 1200 MT of the following Monday.
- 20.6.7 HAC may be booked up to one (1) calendar year in advance or as may be limited by the hotel booking limitations. For clarity, HAC may be booked into the following calendar year.
- 20.6.8 In the event the hotel requested by a Pilot utilizing a HAC is not available then OCC shall not be required to seek alternate hotel accommodations or dates.
- 20.6.9 HAC shall only apply at Company approved hotels in YEG, YYC, YOW, and YZF. Modifications to this list of cities are subject to change by mutual agreements between the Parties. Such approval shall not be unreasonably withheld.
- 20.6.10 HAC shall only be booked in the Pilots name.
- 20.6.11 The hotel credit bank shall be maintained and administered by the CNP Hotel Committee.

SECTION 21: ACCOMMODATION

21.1 CREW REST FACILITIES

- 21.1.1 A Pilot away from his home base while on flight duty, deadheading, training, or other authorized Company business shall be provided with suitable single-room accommodation at Company expense in accordance with the provisions of this Section and the applicable CARs regulations.
- 21.1.2 When establishing hotel accommodation at new layover points or changing existing accommodation, the Company shall consult with the Association.
- 21.1.3 For scheduled breaks away from a Pilot's base that are five (5) or more hours from ramp/airport arrival to scheduled departure and that occur in the same Duty Period, individual day rooms within reasonable proximity to the airport shall be provided.
- 21.1.4 For every one (1) way shuttle trip, a gratuity allowance of five dollars (\$5.00) shall be paid to each Captain.

21.2 IQALUIT (YFB) ACCOMMODATIONS

- 21.2.1 The Company shall provide suitable accommodations for all Pilots in YFB as follows:
- a. Accommodations shall consist of one (1) bedroom individual apartments.
 - b. Apartment entrances shall have a deadbolt lock.
 - c. Apartments shall only have one (1) Pilot assigned to occupy the apartment at any one (1) time.
 - d. At no time shall any Pilot be required to perform custodial duties or cleaning except for:
 - i. Loading the dishwasher, and
 - ii. Cleaning of pots and pans, and
 - iii. Emptying of the fridge.
 - e. The entire apartment complex shall be non-smoking.
 - f. If it is determined that a Pilot has smoked in the apartment complex then such Pilot shall be held financially responsible for any cleaning and/or fumigation costs.
 - g. Notwithstanding Section 21.2.1 (f) on Pilot transition days each apartment shall be cleaned as soon as practicable after the departing Pilot has left.
 - h. Each apartment shall have wired or wireless internet.
 - i. Each apartment shall have cable and/or satellite television.
 - j. Each apartment shall have a telephone.
 - k. Each apartment shall have its own thermostat or other control allowing for both heating and cooling (air conditioning) of the apartment.
 - l. A Pilot shall have access to a gym or exercise facility located off premises.

SECTION 22: BENEFITS

22.1 GROUP INSURANCE AND BENEFITS

22.1.1 The Employer agrees to maintain in force during the lifetime of this Agreement insurance benefits (Medical, Dental, Group Life Insurance [Basic and Optional], Short and Long Term Disability, Accidental Death and Dismemberment) according to conditions of the Canadian North Insurance Benefits Plan currently in force. Amendments to the plans that have the effect of reducing benefit coverage or a change to the premium cost share ratio shall not be implemented without the written agreement of the Association.

22.2 PENSION

22.2.1 The Company pension plan contribution level shall be four percent (4%) from the Company and four percent (4%) from the employee.

22.3 OTHER BENEFITS

22.3.1 The Company shall endeavour to maintain and expand the Reciprocal Pilot Agreements.

22.4 LEAVES – QUICK REFERENCE GUIDE

TYPE OF LEAVE	DURATION	PAY INCREMENTS	VACATION SERVICE CREDITS	STATUTORY HOLIDAYS	SICK LEAVE CREDITS
BEREAVEMENT (IMMEDIATE FAMILY)CANADA LABOUR CODE s210 IMMEDIATE FAMILY DEFINITION REGULATION s33	7 DAYS PAID	ACCRUE	ACCRUE	ACCRUE	ACCRUE
BEREAVEMENT (OTHER IMMEDIATE FAMILY)	5 DAYS PAID	ACCRUE	ACCRUE	ACCRUE	ACCRUE
BEREAVEMENT (OTHER)	1 DAY PAID	ACCRUE	ACCRUE	ACCRUE	ACCRUE
COMPASSIONATE CANADA LABOUR CODE s206.3	Up to six weeks CANADA LABOUR CODE 206.3 PROVIDES FOR UP TO EIGHTS WEEKS	ACCRUE	ACCRUE	ACCRUE	ACCRUE
UNION LEAVE	IN EXCESS OF ONE MONTH	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
PERSONAL LEAVE WITHOUT PAY	NOT TO EXCEED SIX MONTHS	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
MATERNITY CANADA LABOUR CODE s206	UP TO 17 WEEKS EXTENSION UP TO FIFTY-TWO WEEKS AVAILABLE IF CHILD IS HOSPITALIZED	MAINTAIN SEE NOTE BELOW	MAINTAIN SEE NOTE BELOW	MAINTAIN	MAINTAIN
PARENTAL LEAVE CANADA LABOUR CODE 206.1	UP TO 37 WEEKS EXTENSION UP TO ONE HUNDRED AND FOUR	MAINTAIN SEE NOTE BELOW	MAINTAIN SEE NOTE BELOW	MAINTAIN	MAINTAIN

TYPE OF LEAVE	DURATION	PAY INCREMENTS	VACATION SERVICE CREDITS	STATUTORY HOLIDAYS	SICK LEAVE CREDITS
LEAVE TO AVOID LAYOFF	UNSPECIFIED	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
EXTENSIONS TO ANY OF THE ABOVE	SUBJECT TO MANAGEMENT APPROVAL CANADA LABOUR CODE PROVIDES FOR EXTENSIONS IN PARTICULAR CIRCUMSTANCES – SEE S206 AND S206.1 AS WELL AS 206.4 –LEAVE RELATED TO CRITICAL ILLNESS AND S206.5 LEAVE RELATED TO DEATH OR DISAPPEARANCE	MAINTAIN	MAINTAIN	AS PER LEAVE (EXCEPT FOR COMPASSIONATE LEAVE WITHOUT PAY-MAINTAIN)	MAINTAIN
SICK LEAVE*	5 DAYS SICK LEAVE	ACCRUE	ACCRUE	ACCRUE	ACCRUE
SHORT TERM DISABILITY	UP TO 17 WEEKS	ACCRUE	ACCRUE	MAINTAIN	MAINTAIN
LONG TERM DISABILITY	17 WEEKS AND UP	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
WORKERS' COMPENSATION	NOT SPECIFIED	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN
LAYOFF	NOT SPECIFIED	MAINTAIN	MAINTAIN	MAINTAIN	MAINTAIN

Notes from CBA:

Section 13 – Seniority Clause – Seniority lost only if voluntarily leaves employment, discharged for cause

Section 19.5 – Continue to accrue seniority if sick or loss of license for medical reasons

SECTION 23: VACATION

23.1 ENTITLEMENT

- 23.1.1 Pilots shall be entitled to annual vacations with pay according to the following schedule:
- After completion of zero (0) to three (3) years of service (zero [0] to thirty-six [36] months), Pilots shall be entitled to ten (10) working days with pay.
 - After completion of three (3) to ten (10) years of service (thirty-seven [37] to one hundred and twenty [120] months), Pilots shall be entitled to fifteen (15) working days with pay.
 - After completion of ten (10) to twenty (20) years of service (one hundred and twenty-one [121] to two hundred and forty [240] months), Pilots shall be entitled to twenty (20) working days with pay.
 - After completion of twenty (20) years or more of service (two hundred and forty-one [241] or more), Pilots shall be entitled to twenty-five (25) working days with pay.
- 23.1.2 The Company agrees to make available a minimum of two (2) blocks per week in YEG and one (1) per week in YYC in each calendar month of the calendar year toward a Pilot's vacation.

23.2 ANNUAL VACATION

- 23.2.1 Each Pilot shall "earn and burn" the vacation in the same calendar year.
- Three (3) examples below are for clarification:
- A Pilot who starts with the Company on July 01 shall earn and be entitled to take one (1) week (five [5] working days) before December 31 of the same calendar year.
 - A Pilot who attains three (3) years full service on April 01, the Pilot's vacation entitlement for that calendar year shall be based on three-twelfths (3/12) of two (2) weeks and nine-twelfths (9/12) of three (3) weeks of vacation.
 - A Pilot who attains ten (10) years of service on November 01, the Pilot's vacation entitlement for that calendar year shall be based on ten-twelfths (10/12) of three (3) weeks and two-twelfths (2/12) of four (4) weeks of vacation.

23.3 VACATION SCHEDULING

- 23.3.1 Each week of vacation carries five (5) working days totalling twenty (20) credit hours toward the Pilot's monthly schedule.
- 23.3.2 Vacation must be taken in a minimum of one (1) week (five [5] day) blocks, except per SECTION 7.6 – VACATION PAY

23.3.3 A Pilot is entitled to bid vacation GDOs as per the following:

- a. One (1) to five (5) vacation days = four (4) GDOs
- b. Six (6) to seven (7) vacation days = five (5) GDOs
- c. Eight (8) or more vacation days = six (6) GDOs

NOTE: No more than three (3) GDOs may be attached to one (1) side of a vacation period.

23.3.4 GDOs, if desired, must be included in the Pilot's monthly bid.

23.4 STATUTORY HOLIDAYS

23.4.1 Pilots shall be entitled to ten (10) recognized statutory holidays with pay per calendar year.

23.5 VACATION BIDDING

23.5.1 Pilots shall bid their vacation in order of seniority starting with the most senior for that base with respect to equipment type and status. Bidding shall be broken down into two (2) rounds starting with vacation first and stats second. In the first (1st) round of bidding, a Pilot shall not be able to bid both summer (July, August) and Christmas (which includes any block[s] of vacation that encompass the last three [3] bid periods of December simultaneously).

SECTION 24: UNIFORMS

- 24.1.1 Uniforms shall be provided, worn, and maintained according to the Canadian North Uniform Standards document.
- 24.1.2 Pilots shall receive one hundred dollars (\$100.00) per calendar year for footwear.
- 24.1.3 The Company shall provide each Pilot with a monthly allowance of sixty dollars (\$60.00) for dry cleaning.

SECTION 25: DATA RECORDERS

- 25.1.1 Subject to the obligations of the Parties to comply with the applicable government *regulations, data, or other information obtained from any type of Data Recorder (DR)* shall only be used for incident or accident investigation, except per Section 25.1.2.
- 25.1.2 The Parties recognize that information from DR can be used to enhance flight safety and offer economic savings through preventive maintenance as well as to provide relevant information to assist in accident reconstruction. However, it is agreed that information obtained from DR shall be used per Section 25.2 Flight Data Monitoring Program.
- 25.1.3 DR data shall not be used by the Company in any civil, administrative, penal, criminal, disciplinary, or discharge action proceedings of any kind against any Pilot or for the development of information leading to such proceedings.
- 25.1.3 In the event of an accident or accident investigation, the Company may not release any data or other factual information obtained from DR to either the general public or any news media without prior approval of the Association as well as either the Pilot(s) involved or their estate(s).
- 25.1.4 The Company shall use its best efforts to ensure the security of all data or other information obtained from DR against unauthorized removal and/or playback.
- 25.1.5 Where any DR, other than a completely erased Cockpit Voice Recorder (CVR) is removed from an aircraft as part of an incident or accident investigation, the removal must be brought to the attention of the Association and all Pilot crewmembers involved in the incident or accident.
- 25.1.6 In the event of an incident or accident investigation, the use of data or other information from any DR shall be strictly limited to the following:
- a. Incident or accident investigators from the appropriate official government agency.
 - b. Appropriate Association representatives.
 - c. Company representatives composing the investigating team and Senior Flight Operations Management.
- 25.1.7 The CVR shall have a means to be erased at the end of each flight and shall be completely erased prior to removal for maintenance purposes. The Captain shall always retain the right to carry out a complete erasure at the end of any incident/accident free-flight.

25.2 FLIGHT DATA MONITORING PROGRAM (FDM)

25.2.1 Definitions

- a. FDM Program (FDM): Shall mean a program designed and implemented to enhance flight safety through controlled analysis of recorded de-identified FDM data or information.
- b. FDM Data: shall mean information collected by any means for use in the FDM. FDM data shall be used solely for the purpose of FDM analysis.

- c. Identifying Data: shall mean any FDM data or combination of data which allows recorded or collected flight data to be associated with a specific Pilot.
- d. Identified Data: Shall mean any recorded or collected FDM data prior to removal of all identifying data.
- e. De-Identified Data: Shall mean any FDM data that exist following the deletion and destruction of data that could in any way be utilized to identify a specific Pilot.
- f. Flight Data Recorder (FDR): Shall mean any device, equipment, video recording device or system which collects, transmits, or records in-flight data, whether installed to monitor Pilot, aircraft component, or aircraft performance, or as consequence of performance of some other function.
- g. FDM Program Information: Shall mean any data transmitted, recorded, or collected by use of an FDR. This term shall further include tapes, transcripts, reports, papers, memos, statements, studies, charts, graphs, or any other description, analysis, or compilation of data collected by any such equipment.
- h. FDM Team: Shall mean a committee composed of two (2) management representatives appointed by the Company and one (1) ALPA pilot representative appointed by the MEC Chairman. No member of the FDM Team shall have any involvement in Pilot discipline, demotion, dismissal, or similar personnel issues. All actions and decisions of the FDM Team shall be accomplished through consensus of the FDM Team members. A quorum for a meeting of the FDM Team shall require one (1) Company-appointed representative and one (1) Pilot appointed by the MEC Chairman.
- i. Operational Exceedance Event: Shall mean an event, as determined by FDM data, indicating that an aircraft was operated outside of the normal agreed-upon and approved flight operations envelope tolerances.
- j. Designated FDM Team Member: Shall mean an MEC Chairman designated member of the FDM Team who is able to identify a Pilot associated with FDM-collected data and if an Operational Exceedance Event warrants, and the FDM Team is unanimous, to interview the associated Pilot.
- k. Train to Standard: Shall mean a Training Program separate from any Checking or PPC, designed specifically to address a deficiency discovered through FDM data. Pilot(s) shall repeat the exercise(s) until proficient to training standards.
- l. Willful Intent or Misconduct: Shall mean an act done voluntarily with either an intentional disregard of, or planned indifference to, harmful consequences.
- j. Gross Negligence: Shall mean a marked and flagrant departure from the standard of conduct of a reasonable person acting in the circumstances at the time of the alleged misconduct or an utter disregard for harmful, foreseeable, and avoidable consequences.

25.2.2 Confidentiality

- a. Anonymity is a core value of the FDM Program. The Company shall not identify any Pilot involved in FDM events, except as noted below:
 - i. In the case of repeated events by the same Pilot in which the FDM Team feels extra training would be appropriate.

- ii. A single Pilot-induced event of such severity that the aircraft was seriously hazarded, or another flight would be if the Pilot repeated the event.
- iii. Any document, including electronic documents that could serve to identify a specific Pilot shall be considered confidential. Any unauthorized use of identifying data may result in suspension of the FDM Program.
- iv. Any employee or agent outside of the FDM Team who has or had contact with identifying data shall maintain the anonymity of the Pilot(s) identified therein. Any unauthorized divulgence of identifying data outside the scope of his respective role (e.g., Administration or Training) shall result in that employee or agent being removed from future FDM Program-related actions and may result in a suspension of the FDM Program. The Company shall promptly inform the MEC Chairman of any unauthorized breaches of confidentiality.
- v. ALPA recognizes that, in the interests of flight safety, it cannot condone unreasonable, grossly negligent, or dangerous Pilot behavior and, at the Company's request, shall consider withdrawing the protection of anonymity.

25.2.3 FDM Program

- a. The design, implementation, and operation of an FDM shall be by mutual written agreement between the Company and the Association (the "Parties"). Any variation from this agreed-upon FDM shall require the written agreement of the Parties prior to implementation.
- b. The FDM Team shall oversee the day-to-day operations of the FDM and establish necessary policies and procedures to ensure compliance with the provisions of this Section.
- c. The establishment of the limits that define an Operational Exceedance Event shall be established from the IATA standard and published to all CNP ALPA members. Any changes to the IATA standard, or additional tolerances added, shall be subject to review and require written approval of MEC Chairman.
- d. The design of the FDM and the implementation by the Company shall ensure the initial confidentiality and ultimate anonymity of individual Pilot(s) who may have operated any flight that is the source of any FDM Program information.
- e. Any violation of or noncompliance with the requirement per Section 25.2 FLIGHT DATA MONITORING PROGRAM FDM or the terms herein, shall cause the immediate suspension of Section 25.2 FLIGHT DATA MONITORING PROGRAM FDM. There shall be no further analysis of any FDM data during any suspension. Either Party may exercise the option to immediately suspend the FDM by sending a written notification by mail, fax, or e-mail to the Manager of Systems Safety, the Director of Flight Operations, and the MEC Chairman. Following the suspension, the FDM Team shall conduct a review of the alleged violation. The FDM Team and the MEC Chairman must agree in writing to resume the program.
- f. In the event of termination of the FDM or cancellation Section 25.2 FLIGHT DATA MONITORING PROGRAM FDM all de-identified data and identified data, no additional FDM data shall be collected.
- g. The FDM shall, at a minimum, provide for the monitoring of the parameters and exceedance agreed upon by the FDM Monitoring Team.

- h. Sufficient de-identified data shall be maintained to fulfill the requirements of the agreed-upon FDM. All de-identified data, and analyses of such FDM data, shall be made available upon request to the Parties.
- i. No FDM Program information shall be used for any purpose other than the FDM as provided by Section 25.2 FLIGHT DATA MONITORING PROGRAM FDM. No animations shall be made using FDM data except with the unanimous agreement of the FDM Team and the MEC Chairman. In that case, the Company may create an animation from FDM data which shall be used only as described in the written approval and only for the purpose of enhancing Company Pilot training.
- j. FDM data may be used to corroborate information or refute claims from other sources in connection with an Operational Exceedance Event where safety was jeopardized by the action or inaction (through the shallful intent or gross negligence) of a Pilot. Under no circumstance can this information be used to substantiate outside complaints in order to incriminate a Pilot.
- k. The FDM shall be limited to FDR data, except by mutual agreement of the Parties.

25.2.4 Data Access and Retention

- a. All identifying data shall be destroyed by the Company no later than ninety (90) calendar Days after the Company's receipt of the events and supporting de-identified data from the FDM vendor.
- b. Access to FDM data, in all forms, including electronic, is not permitted for any reason other than for the purposes of enhancing safety under the FDM and no animations shall be made using FDM data except as in accordance per Section 25.2.3 (i).
- c. De-identified FDM data may be retained and accessed in accordance per Section 25.2.2 CONFIDENTIALITY. The purpose of accumulating FDM data is to enhance safety.
- d. FDM data, identified or de-identified, shall not be released to or shared with anyone outside the Company's Flight Operations Department without prior written MEC Chairman approval with the following two (2) exceptions:
 - i. De-identified FDM data may be shared with the Company's Training and Maintenance Departments for the purposes of improving safety; and,
 - ii. Appropriate governmental agencies may be given access, on a case-by-case basis, to de-identified data only on Company property and with the prior approval of the FDM Team and MEC Chairman.

NOTE: Any release of information or denial of a request for access to de-identified data shall be promptly reported to the MEC Chairman.

25.2.5 Data Use

- a. The Parties agree that no Pilot shall be disciplined or discharged as a result of the knowledge or use of any FDM Program information. Only the ALPA-designated FDM Team member shall have the ability to identify and interview a Pilot associated with any FDM Program information.
- b. Any Company employee or agent who has or had contact with FDM Program identifying data is prohibited from sharing such information beyond their assigned roles in scheduling or providing remedial training in accordance with Section 25.2.5 (c).

- c. The analysis and investigation of specific Operational Exceedance Events, and decision making regarding subsequent remedial training or, as necessary, determination of Gross Negligence or Willful Intent shall take place as follows:
 - i. The FDM Team shall be alerted of an Operational Exceedance Event in de-identified form.
 - ii. Should the FDM Team agree unanimously that more information is required, the ALPA-designated FDM Team member shall collect the identifying data required to contact the Pilot(s) in question.
 - iii. The ALPA-designated FDM Team member shall interview the Pilot(s) for the purpose of determining the context and/or mitigating factors of the event.
 - iv. The FDM Team shall meet to discuss the information obtained in the interview. Any FDM Team questions arising from this information requiring additional input from the Pilot(s) may be addressed in one (1) subsequent interview conducted by the ALPA-designated FDM Team member.
 - v. Based on the FDM data and additional input from the Pilot(s) obtained during the interview(s), the FDM Team shall close the Operational Exceedance investigation, or send the Pilot(s) for remedial training where they shall be Trained to Standard.
 - vi. Should the FDM Team choose to send the Pilot(s) for remedial training, the Pilot(s) shall be identified by the FDM Team, remedial training scheduled, and, upon successful completion, the investigation shall be closed.
 - vii. Under no circumstance shall any of the actions taken by the FDM Team appear on a Pilot's personnel file. The exception to this shall be Gross Negligence or Willful Intent or Misconduct.
 - viii. Should the FDM Team agree unanimously that Shallful Intent or Gross Negligence took place regarding an Operational Exceedance Event and information obtained in subsequent interview(s), the anonymity and jeopardy protections per 25.2 FLIGHT DATA MONITORING PROGRAM (FDM).
- d. Any notes, memoranda, or other documents used by the designated FDM Team member in any contact with any Pilot concerning a specific FDM event shall be considered identified data for purposes of this agreement and shall be de-identified or destroyed in per Section 25.2.4 (a).
- e. At a minimum the FDM Program may be used for evaluating the following areas:
 - i. Aircraft performance, or
 - ii. Aircraft systems performance, or
 - iii. Piloting performance in general (not of specific Pilots), or
 - iv. Company procedures, or
 - v. Training programs and effectiveness, or
 - vi. Aircraft design, or
 - vii. ATC system operation, or

- viii. Airport operational issues, or
- ix. Meteorological issues.
- f. Any additional areas of evaluation which the Parties may desire to include in the FDM Program must be agreed upon by the Parties, in writing, prior to implementation.

25.2.6 Flight Release

- a. The ALPA Pilot representatives appointed to the FDM Team or required for the development and administration of the FDM shall be entitled to ALPA Leave in order to attend FDM Team meetings and to conduct FDM Committee business, and the Company shall bear the reasonable cost of such leave and expenses. These days are not to be taken from the ALPA Association time bank.

25.2.7 Appendix 1

Advisory Circulars

COMMERCIAL AND BUSINESS AVIATION ADVISORY CIRCULAR

No. 0193

2001.11.01

Flight Data Monitoring (FDM) Programs

INTRODUCTION

A number of Canada's national and regional air operators are becoming increasingly interested in implementing Flight Data Monitoring (FDM), a program that many see as the single most important safety initiative to occur within the aviation sector in many years. While companies engaged in FDM acknowledge the benefits of the program, those considering FDM have concerns over the integrity and accessibility of the collected data.

PURPOSE

This Commercial and Business Aviation Advisory Circular (CBAAC) outlines implemented through changes to the Aeronautics Act and the Canadian Aviation Regulations (CARs).

BACKGROUND

FDM is a program whereby digital flight data generated during line operations is collected and analyzed to provide greater insight into the total flight operations environment. FDM data is used to reveal the causes of identified problems and provides a means of determining the effectiveness of corrective measures taken. The information and insights provided by FDM can also be used to reduce operational costs and significantly enhance training effectiveness, operational procedures, maintenance, and engineering procedures, and air traffic control systems and procedures. FDM is similar to Flight Operations Quality Assurance (FOQA) in the USA and to programs at European and Asian airlines that have been ongoing for more than 30 years.

In competition for scarce resources within an airline, FDM Programs need to go through the same cost-justification process as any other program. While there are clear and compelling benefits for an FDM Program to identify and reduce operational risks, they are often difficult to quantify. Airlines with FDM have indicated that as they

become more familiar with the program, they have discovered uses of the data that have resulted in extended engine life, more efficient routings, and in saving money in other areas. These improvements, coupled with safety enhancements, have been determined to more than justify the cost of implementing an FDM Program.

POLICY DEVELOPMENT

Transport Canada recognizes the significant benefits that can be derived from FDM and is committed to working with operators to ensure that FDM Programs are implemented. To this end, Transport Canada shall abide by the following principles:

1. For the time being, Transport Canada shall accept to review only de-identified data derived from voluntary FDM Programs.
2. Transport Canada shall not use information derived from a voluntary FDM Program for enforcement purposes.
3. Air operators shall not be required to provide FDM data to Transport Canada for analysis.
4. Transport Canada recognizes that trends revealed from aggregate, de-identified data are of far greater usefulness than data from any single flight. De-identification of FDM data is therefore viewed as an integral part of FDM where the focus on the program is identification of systemic deficiencies, both internal and external, that may affect flight safety.

FUTURE DISPOSITION

The Aeronautics Act is currently being amended and the proposed amendments include general protections of data derived from voluntary programs (such as FDM). These proposed protections should be similar to the Canadian Transportation Accident Investigation and Safety Board Act provisions that pertain to the use of cockpit voice recorders and flight data recorders.

CONCLUSION

With the Aeronautics Act amended it shall be possible to more clearly identify these “voluntary programs” and provide more specific detail on the policies that apply to them. This shall be done by amending the CARs, a task that shall be undertaken by a Canadian Aviation Regulation Advisory Council (CARAC) Working Group composed of members from the aviation industry as well as government.

It is expected that these changes to the Aeronautics Act and the Canadian Aviation Regulations shall be promulgated in 2002.

M.R. Preuss

Director

Commercial & Business Aviation

Commercial & Business Aviation Advisory Circulars (CBAAC) are intended to provide information and guidance regarding operational matters. A CBAAC may describe an acceptable, but not the only, means of demonstrating compliance with existing regulations. CBAAC in and of themselves do not change, create any additional, authorize changes in, or permit deviations from regulatory requirements.

SECTION 26: MISSING/HIJACKING/ INTERNMENT/HOSTAGE/POW

26.1 GENERAL

- 26.1.1 No Pilot shall be forced by the Company to operate into any area excluded from coverage under the Company's insurance policy.
- 26.1.2 Any Pilot who, while engaged in the Company's operations, is interned, captured, or held as a hostage or as a prisoner of war shall be maintained at full pay for his current equipment position until he is able to resume work, his death is established in fact, or his death is reasonably presumed to have occurred.
- 26.1.3 With reasonable presumption of death, the Company shall ensure death benefits shall be dispensed to the Pilot's designated beneficiaries, per SECTION 22 – BENEFITS.
- 26.1.4 As an alternative to paying wages per Section 26.1.2, the Company may pay the difference between the amount of such salary and the amount of any compensation provided by other parties as a result of a law with respect to persons interned, captured, held as prisoners or hostages of war, or missing as a result of an act of war.

26.2 BENEFIT ASSIGNMENTS

- 26.2.1 The monthly wages per Section 26.1.2 shall be credited to the Pilot and shall be disbursed by the Company to the Pilot's designated beneficiaries, per SECTION 22 – BENEFITS.
- 26.2.2 Any payments due to the Pilot under this Section which have not been previously covered shall be held by the Company for any such Pilot in an interest-bearing account in the Pilot's name. In the event of reasonable presumption of a Pilot's death, all monies shall be paid to the legal representative of his estate.
- 26.2.3 Any amounts credited to the account of a Pilot or paid to his beneficiary in accordance with the provisions of this Section shall not be required to be returned even if it later becomes established that such payments were made after the death of the Pilot, nor shall such amounts be a charge against the estate of the Pilot, provided that any such beneficiary shall have furnished the Company with any evidence indicating the death of the Pilot promptly after its receipt.
- 26.2.4 A Pilot shall maintain and continue to accrue seniority for pay purposes during the period in which he is missing, interned, or a hostage or prisoner of war.

SECTION 27: ACCIDENT OR INCIDENT INVESTIGATION

27.1 ACCIDENTS OR INCIDENTS

27.1.1 The Association must be notified by the Company as soon as practicable of any Company Aircraft Accident. The Association shall furnish current contact methods and telephone numbers to the Company.

27.2 STATEMENT

27.2.1 Notwithstanding Section 27.2.2, a Pilot is not required to make a verbal or written statement to the Company within the twenty-four (24) hours following an Accident or Incident if the conditions hereunder have not been complied with:

- a. He has been able to consult the Association.
- b. In the case of an accident, he has been examined by a physician approved by the Association and the Company.

27.2.2 The Pilot shall provide the Company, as soon as practicable, information specific to and limited to:

- a. The nature of the occurrence
- b. Are crewmembers or passengers physically injured?
- c. Is the aircraft serviceable?
- d. Is the aircraft damaged?
- e. Was a normal, abnormal, or emergency landing conducted?
- f. Was an emergency declared?
- g. What help is available to you there? (e.g., emergency responders, Company personnel)
- h. Is there anything you need?

27.2.3 The purpose of this is to provide whatever relevant information the Pilot can to the Company, so it can resume normal operations as soon as possible. The information provided by the Pilot at this time, with the exception of Section 27.2.2 a, g, and h, should be limited to yes, no, or I don't know answers. This shall not be used against him.

27.3 INVESTIGATION

27.3.1 If, during the course of his duties, a Pilot is involved in an accident or incident relating to the operation of an aircraft, he may be subject to an administrative suspension during the investigation conducted by the Company, TC, or the TSB. In such an event, the Vice President Operations or his representative shall notify the Pilot accordingly. In addition, in the seven (7) consecutive Calendar Days following the date of such notification, a written notice setting out the reasons for the Company's decision shall be given to the Pilot, with a copy to the Association.

- 27.3.2 When a Pilot receives an administrative suspension per Section 27.3.1, he shall continue to receive full compensation and benefits until the Company rules on his case.
- 27.3.3 When the investigation is conducted by the Company, the Vice President Operations or his representative responsible with it shall make reasonable effort to present a final report within three (3) consecutive calendar months. The Association shall be permitted to observe the investigation if it is determined that the investigation shall result in discipline up to and including termination. The Association shall be kept up to date on progress made and receive a copy of any preliminary or final report. An Association representative shall form part of the internal investigation team.
- 27.3.4 Throughout the investigation, the Pilot or his representative may, upon written request, receive and review all information contained in the Pilot's file, in the presence of a Company representative.
- 27.3.5 If, during this process, disciplinary measures or dismissal are considered, the provisions per SECTION 16 – GRIEVANCE AND ARBITRATION and SECTION 17 – DISCIPLINE DISCHARGE shall apply.
- 27.3.6 During any investigation or hearing, the Pilot concerned may be represented by the Association.
- 27.3.7 A Pilot who, on a day off, is required by the Company for questioning as a witness, in person, relating to an investigation shall be compensated as follows:
- a. Zero (0) to four (4) hours: one half (1/2) the Pilot's daily rate.
 - b. Four (4) to eight (8) hours: the Pilot's full daily rate.

27.4 ASSOCIATION PARTICIPATION

- 27.4.1 The Company shall grant immediate Association flight release for up to one (1) Pilot designated by the Association to participate in the aircraft accident investigation. The Association Chairman or his designate shall take all steps necessary to assist the Company in covering their scheduled trips.
- 27.4.2 The Company and the Association Representatives who are members of any TSBC accident investigation team agree to cooperate fully in the interests of safety.
- 27.4.3 Any Pilot requested by the Company to participate in an aircraft accident investigation involving Company aircraft shall do so without loss of pay. The Company shall provide positive-space passes and confirmed travel on Company aircraft to the site of the investigation.

SECTION 28: DURATION

- 28.1 The provisions of this Agreement shall be effective from February 01, 2015, and shall continue in full force and effect until midnight January 31, 2017.
- 28.2 This Agreement shall renew itself without change for each succeeding year unless Notice to Bargain is served by either party within one hundred and twenty (120) calendar days immediately preceding the date of expiration of the term of this Agreement.
- 28.3 In the event that Notice to Bargain is given by either party, this Agreement shall remain in full force and effect while negotiations are being carried on for the arrangement of a further agreement.

IN WITNESS WHEREOF, the Parties have signed this Agreement this _____ Day of _____, 2015, at Calgary, AB.

FOR CANADIAN NORTH INC.

FOR THE AIR LINE PILOTS
ASSOCIATION, INTERNATIONAL

Captain Steve Hankirk
President

Captain Timothy G. Canoll
President

Captain John Hankirk
Senior VP, Operations and Charters

Captain Olivier Goudreau
CNP MEC Chairman and
Negotiating Committee Chairman

Captain Trevor Wakefield
Vice President Operations

Captain Korey Hazelwood
CNP MEC Secretary Treasurer and
Negotiating Committee Member

Mrs. Carol Kost
Director Corporate Service

Captain Chris Kampen
CNP MEC Executive Assistant and
Negotiating Committee member

Mr. Albert "Bert" Leger
Labour Relations Advisor

APPENDIX A: DEFINITIONS AND ABBREVIATIONS

ACARS: Shall mean Aircraft Communications Addressing and Reporting System.

ACP: Transport Canada Approved Check Pilot

ACTS OF GOD: Shall mean an act occasioned exclusively by forces of nature without the interference of any human agency. A misadventure or casualty is said to be caused by the “act of God,” when it happens by the direct, immediate, and exclusive operation of the forces of nature, uncontrolled and uninfluenced by the power of man, and without human intervention, and is of such a character that it could not have been prevented or escaped from by any amount of foresight or prudence, or by any reasonable degree of care or diligence, or by the aid of any appliances which the situation of the party might reasonably require him to use. Any accident produced by any physical cause which is irresistible, such as lighting, tempests, perils of seas, tornadoes, earthquakes. (Source: Black’s Law Dictionary – 6th edition)

AD&D: Shall mean Accidental Death and Dismemberment.

AGREEMENT: Shall mean the Collective Bargaining Agreement No.04 between the Parties.

AIDS: Shall mean Aircraft Integrated Data System.

ALPA: Air Line Pilots Association, International

ALPA Days: Paid days allotted to CNP MEC members of ALPA, or their designates

AOC: Shall mean Air Operator Certificate.

ASC: Shall mean Association Scheduling Committee.

ASSOCIATION: Shall mean the Air Line Pilots Association, International.

ASSOCIATION REPRESENTATIVE: Shall mean any ALPA member in good standing and shall include ALPA staff as identified by the MEC Chairman.

ATPL: Shall mean Airline Transport Pilot License

BASE: Shall mean a geographical location designated by the Company as a Base of operations. For the purpose of distance calculations it shall mean the airport.

BENEFIT: Shall mean the Group Retirement Plan and all plans encompassed by the Company Group Insurance Program.

BID PERIOD: Normally between the beginning and end of each month, except January, February, and March shall be considered to have thirty (30) days each as follows:

- a. January 1 to January 30
- b. January 31 to March 1
- c. March 2 to March 31

Except in a leap year, when the following shall apply:

- a. January 1 to January 31
- b. February 1 to March 1
- c. March 2 to March 31

CA: Shall mean Collective Agreement.

CALENDAR DAY: Shall mean a twenty four (24) hour period from 0000 local time to 2359 local time. The plural shall mean consecutive Calendar Days, unless otherwise noted.

CALENDAR MONTH: Shall mean the first of a Month to the last day of the Month, inclusive. The plural shall mean consecutive Calendar Months, unless otherwise noted. The exceptions shall be: January shall be January 1 to 30; February shall be January 31 to March 1; and March shall be March 2 to 31. All other months are the actual Calendar Month

CALENDAR YEAR: Shall mean January 01 to December 31, inclusive. The plural shall mean consecutive Calendar Years, unless otherwise noted.

CAME: Shall mean Canadian Aviation Medical Examiner.

CAMRB: Shall mean Civil Aviation Medical Review Board.

CAPTAIN: Shall mean a Pilot who is in command of the aircraft and its crew members while on flight duty and who is responsible for the manipulation of, or who manipulates the flight controls of an aircraft while underway, including take-off and landing of such aircraft, and who is properly qualified and designated by the Company as a Captain and holds currently effective Transport Canada or other Governmental certificates authorizing him to serve as such Pilot.

CAR: Shall mean Canadian Aviation Regulations.

CASC: Shall mean MEC Central Air Safety Chairman.

CBT: Shall mean Computer-Based Training.

CHRA: Shall mean Canadian Human Rights Act

CIRB: Shall mean Canadian Industrial Relations Board.

CLC: Shall mean Canada Labour Code

CNPMEC: Shall mean Canadian North Master Executive Council

COM: Shall mean Company Operations Manual.

COMAT: Shall mean Company Material.

COMPANY: Shall mean Canadian North Inc.

COMPANY DATE OF HIRE: Shall mean an employee's first (1st) Calendar Day of paid employment with the Company.

COMPANY GROUP INSURANCE PROGRAM: Shall mean:

- a. Basic and optional accidental death and dismemberment insurance; and,
- b. Short and long term disability; and,
- c. Basic, dependent and optional life insurance; and,
- d. Extended health care; and,
- e. Dental plan; and,
- f. Employee and family assistance program; and,
- g. Health Spending Account.

CP: Shall mean Check Pilot.

CPI: Alberta Consumer Price Index (CPI) year over year annual rate, excluding energy, published in the monthly report in November 2015 and at no time shall be less than zero percent (0%). The source to be accessed to acquire the CPI rate to be used in adjusting pilot pay rates is the Stats Canada website. The website address to be used in accessing Stats Canada is <http://www.statcan.gc.ca/tables-tableaux/sum-som/I01/cst01/cpis01j-eng.htm>. For verification, when accessing the website today, we find the information reflects the January 2014 to January 2015 in the last column of data. In referencing the category "All Items Excluding Energy" the resulting percentage increase for the designated period is 2.4.

CONTACT INFORMATION: Shall mean a Pilot's current information (in order of preference), regarding: phone contacts, e-mail address, fax number, mailing address and courier address.

CRA: Shall mean Canada Revenue Agency.

CVR: Shall mean Cockpit Voice Recorder.

DATA RECORDERS: For the purposes of this Contract, the term "Data Recorders" shall mean:

- a. Cockpit Voice Recorders (CVR)
- b. Flight Data Recorders (FDR)
- c. Quick Access Recorders (QA)
- d. ARINC Communication Addressing and Reporting System (ACARS)
- e. Video Recordings
- f. Aircraft Integrated Data System (AIDS)
- g. Automated Flight Information Reporting System (AFIRS)

DAY: Shall mean a continuous twenty four (24) hour period.

DAY OFF: Shall mean any Calendar Day free of duty at a Pilots Home Base.

DEADHEADING: Shall mean positioning of a non-operating Pilot from one (1) location to another at the Company's request and shall be considered a Duty Period.

DFO: Director of Flight Operations.

DOMESTIC FLIGHTS: Shall mean flights operated totally within the Northern Hemisphere and the meridians thirty (30) degrees West and one hundred fifty (150) degrees West.

DOMICILE: Shall mean the place of residence of a Pilot, irrespective of his Home Base.

DR: Shall mean Data Recorder.

DUTY DAY/DUTY PERIOD: Elapsed time from report time to off-duty time. A Pilot deadheading is considered to be on duty.

EFFECTIVE DATE: Shall mean the anticipated start date of training for a new Position or, where no training is required, the date that the Pilot starts in the new Position.

EQUIPMENT: Shall mean an aircraft

FDR: Shall mean Flight Data Recorder.

FIRST OFFICER: Shall mean a Pilot who is second (2nd) in command of the aircraft and whose duty is to assist or relieve the Captain in the manipulation of the flight controls of an aircraft and who is properly qualified to serve as and holds currently effective Transport Canada or other Governmental certificates authorizing him to serve as First Officer.

FLIGHT TIME: Shall mean the total time from the moment the aircraft first moves under its own power for the purpose of taking-off until the moment it comes to rest at the end of the flight.

F/O: Shall mean First Officer.

FREEZE: Shall mean a period of time during which a Pilot may be restricted from being awarded a Position per Section 9 FILLING OF POSITIONS, involving a change in Type model number (e.g., B-737 – 200 – 300 or DH 8 – 100).

FS: Shall mean Flight Schedule.

GDO: Shall mean a guaranteed day(s) off assigned immediately prior to or immediately after a vacation block.

GRIEVANCE: Any difference arising out of the interpretation, application, administration, or alleged violation of the Agreement

GRIEVOUR: Shall mean a Pilot, a group of Pilots, or the Association on behalf of the Pilots, or the Association on its own behalf, pursuing a Grievance.

HOME BASE: Shall mean the Base to which a Pilot is assigned, as identified on the Pilot Seniority List.

IFALPA: Shall mean International Federation of Air Line Pilots, Assoc.

IFR: Shall mean Instrument Flight Rules.

IMMEDIATE FAMILY: Shall mean, in respect of a Pilot:

- a. The Pilot's spouse or common-law partner; and,

- b. The Pilot's father and mother and the spouse or common-law partner of the father or mother; and,
- c. The Pilot's children and the children of the Pilot's spouse or common-law partner; and,
- d. The Pilot's grandchildren; and,
- e. The Pilot's brothers and sisters; and,
- f. The grandfather and grandmother of the Pilot; and,
- g. The father and mother of the spouse or common-law partner of the Pilot and the spouse or common-law partner of the father or mother; and,
- h. Any relative of the Pilot who resides permanently with the Pilot or with whom the Pilot permanently resides.

(Source: Canada Labour Code, Canada Labour Standards Regulations S33 (1) Immediate Family, or as may be amended).

LAYOVER: Shall mean any period of time between Duty Periods in which a Pilot is away from his Home Base on Company business.

LC: Line Check.

LCP: Shall mean Line Check Pilot.

LEC: Shall mean Local Executive Council.

LINE INDOCTRINATION: Shall mean a period of time after initial training during which a Pilot is under the direct supervision of a Training Pilot or a Line Check Pilot, and shall be deemed to be complete after a successful line check.

LOA: Shall mean Leave of Absence.

LOI: Shall mean Letter of Intent.

LOU: Shall mean Letter of Understanding.

LT: Shall mean Local Time.

LTD: Shall mean Long Term Disability.

MANAGEMENT PILOT: Shall mean a Pilot assigned to management duties and excluded from the bargaining unit by the certification order issued by the Canada Industrial Relations Board. A Management Pilot shall be identified on the Company organizational chart as required by Transport Canada.

MANAGEMENT TITLE: Shall mean a Pilot's title with regard to management position or check status.

MEC: Shall mean Master Executive Council.

MIN DAY: A minimum day of work credited with four (4) hours

MP: Shall mean Management Pilot.

MT: Shall mean Mountain Time

OCC: Commercial Operations Control Centre

OCCURRENCE: Shall mean an incident or accident as defined by the Transportation Safety Board Regulations – Section 2(1).

OFF-DUTY TIME: The last in time of the flight plus fifteen (15) minutes

PAIRING: Shall mean the time between when a Pilot presents himself for a Duty Period at his Home Base and the time he starts a Rest Period at his Home Base.

PBSA: Shall mean Pension Benefits Standards Act.

PERIL: Shall mean a Pilot who is, or is deemed to be, interned, captured, held as a hostage, a prisoner of war, a victim of terrorism, a victim of crime, or is otherwise missing under circumstances which would indicate he is interned, captured, held as a hostage, a prisoner of war, a victim of terrorism, or a victim of crime. A Pilot shall not be deemed in Peril as a result of a criminal act committed by the Pilot under Canadian law.

PIC: Shall mean Pilot in Command.

PILOT: Shall mean an employee of the Company who is a Captain or First Officer or any person training for such Positions.

PILOT DATE OF HIRE: Shall mean an employee's first (1st) day of paid employment as a Pilot.

PILOT SENIORITY LIST: Shall mean the list maintained by the Company and the Association delineating relative Pilot Seniority.

PIPEDA: Shall mean Personal Information Protection and Electronic Documents Act.

PMIP: Shall mean Paid Medical Insurance Premiums.

POSITION: Shall mean the Position held by a Pilot in regards to Base, Equipment, and Status.

PPC: Shall mean Pilot Proficiency Check.

PSL: Shall mean CNP Pilot Seniority List.

QAR: Shall mean Quick Access Recorders.

QUALIFIED: Shall mean having met the standards required by Transport Canada and the Company for the Equipment and Status qualification.

RDO: Shall mean Requested Day Off.

REPORTING DATE: Shall mean the date a Pilot who is on a Leave of Absence shall return from his leave of absence to present himself for work.

REPORT TIME: Normally sixty (60) or seventy-five (75) minutes prior to scheduled departure time or ninety (90) minutes if Customs preclearance is required at the beginning of the duty period.

REST PERIOD: Shall mean a continuous period of time during which a Pilot is released from all duties or professional responsibilities.

RMS: Shall mean Risk Management System.

RMSC: Shall mean Risk Management System Committee.

RP: Shall mean Rest Period.

RRSP: Shall mean Registered Retirement Savings Plan.

SBF: Shall mean Standing Bid Form.

SCHEDULED DAY: A preplanned day, other than day of operation, where work is/was assigned.

SCHEDULED DAY OFF: Shall mean a Day off where the Pilot is not scheduled for duty of any nature at his Home Base.

SENIORITY: Shall mean the total elapsed time from a Pilot's Seniority Date.

SICK DAY: Shall mean a Day on which a Pilot was scheduled for duty but was unable to report for duty due to illness.

SMS: Shall mean Safety Management System.

SOC: Shall mean System Operation Control.

STATUS: Shall mean a Pilot's assigned classification (e.g., Captain, First, or Second Officer).

STD: Shall mean Short Term Disability.

TRAINING PILOT: A Pilot that conducts training per Section 10, or as may be amended, of the Canadian North Flight Operations Manual (FOM).

TC: Shall mean Transport Canada.

TP: Shall mean Training Pilot.

TSBC: Transportation Safety Board of Canada.

TYPE: Shall mean an aircraft model number (e.g., B-737 – 200 – 300 or DH 8 – 100).

UPGRADE: Shall mean a Pilot bidding and awarded a higher Equipment Assignment.

USA: Shall mean the United States of America.

UTC: Shall mean Universal Time Coordinated.

VACANCY: Shall mean an unfilled permanent Pilot Position as determined by the Company.

VACATION BLOCK: Shall mean a contiguous number of vacation days.

VACATION ENTITLEMENTS: Shall mean a Pilot's annual vacation allotment, referring to entitled time off.

WCB: Shall mean Workers Compensation Board.

WET-LEASE: Contracting and/or chartering an aircraft and crew to do flying for or on behalf of the Company.

WSIB: Shall mean Workplace Safety and Insurance Board.

YEAR: Shall mean twelve (12) consecutive months.

YEARS OF SERVICE: Shall mean accumulated time in an Equipment Assignment for the purposes of pay determination.

APPENDIX B: PILOT SENIORITY LIST

APPENDIX C: LOUs

