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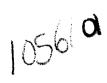
Between

AIR CLUB INTERNATIONAL INC.

and

AIR CLUB PILOTASSOCIATION (APA)

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PREAMBLE

This agreement is made and entered into as June 1st, 1997 'by and between Air Club International Inc. (herein after referred to as the Company) and the Air Club Pilot Association (APA) herein after known as the Association representing Flight Crew Members employed by Air Club International Inc. The patties hereto recognize that compliance with the terms of this agreement and the development of a spirit of cooperation are essential for mutual benefit and in the public interest.

The purpose of this agreement is the mutual interest of the Company and the employees, to provide for the operation of the service of the Company under methods which will further, to the fullest extent possible, the safety of air transportation, the efficiency and economy of operations, the maintenance of a high degree of quality of flights operations and the continuation of employment, of reasonable hours, compensation and working conditions.

The Association has furnished to the Company evidence that a majority of the FCMs employed by the Company have designated the Association to represent them and on their behalf negotiate agreements with the Company as to hours of service. wages and other employment conditions covering the flight crew in the employ of the Company. Accordingly, the Company recognizes the Association as the sole collective bargaining agent for those employees classified as FCMs in accordance with the certification of Canada Labor Relations Board issued on October 03rd, 1996.

ARTICLE 1 - DEFINITIONS

As used in this Agreement, the following terms shall have the following meaning unless otherwise specified. All reference to the male gender will be assumed to refer to both the male and female gender.

- **1.01** Agreement means the Collective Agreement in effect, including amendments or interpretations thereto agreed upon and covered by letters or written amendments signed by authorized Company and Association officers.
- **L02** Blank Day means a calendar day for which there is no scheduled duty (i.e. flights **c** reserve}, guaranteed days off, rest period, vacation, statutory holidays, ground school, simulator, deadhead or office work.
- **Board** means Canada Labor Relations Board.
- **1.04** Book Off means the voluntary withdrawal of a FCM from active flight duty for medical or any personal reasons. A FCM will remain on book off status until book back on.
- **L05** Captain means a FCM 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 the 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 Government certificates authorizing him to serve as such FCM.
- **1.06** Calendar **Day** means a day that commences at 00.01 hr. local time and terminates at 24.00 hr. **local**.
- **1.07** Calendar Month means a period starting at 00.01 hr. GMT time, on the first day of the month and terminating at 24.00 hr. GMT time, on the last day of the said month.

The month of January will start on January 1st and end on January 30th.

The month of February will start on January 31st and end on March 1st.

The month of March will start on March 2nd and end on March 31st.

- **L08** Crew Rest means a period of rest designed to allow the **FCM** to recuperate and rest following a flight or deadhead, prior to the commencement of another flight or positioning.
- **L09** Company Check Pilot means a FCM acting in a line and/or simulator training capacity. Also means a FCM who is tasked by the Company to train and test other crew members to a standard set by the Company. At no time the CCP will be asked to test another member of the Association where termination of employment of the member being tested would be a direct result of failure of the test, except if in presence of a Transport Canada inspector.
- **1.10 Deadheading** means the positioning of a non operating FCM from one location to another at Company request.
- **1.11** Draft means the involuntary assignment of a FCM to any duty not in his awarded schedule.
- **1.12 Daily rate of Fay** means the annual salary divided by two hundred forty five (245) for days off paid at the end of the applicable period as established in 5.09 (Accumulating **GDO's)**. In other cases, the annual salary will be divided by three hundred and sixty-five (365).
- **1.13** Duty **Period** means the elapsed time during which FCM is on duty according to the following. Duty period will start 1.5 **hours** prior to the latest revised and acknowledged departure time, of an operating flight and for a deadhead for an **international** flight, one (1) hour before a deadhead for a domestic flight and thirty (30) minutes if deadhead is by ground transport and will end in accordance to the following criteria: Fifteen (15) minutes after engine shutdown or at block IN time in case of a deadhead, either following the operation of a flight **a** the intended crew rest location if the planned ground positioning time exceeds forty five (45) minutes.
- **1.14 Discharge for Cause** means that the management has discharged an employee for an unacceptable behavior problem **and/or** following an event that could or, have caused, serious prejudice to the Company.

- **1.15** Domestic Operating Area means a flight within the confines of North and Central America, including Bermuda, and all of the Caribbean islands.
- **1.16** Equipment means aircraft type and/or model.
- **1.17** Extended Pairing means a Air Club pairing that exceed a period of ten (10) consecutive periods of 24 hours.
- **1.18** First Officer means a FCM who is second 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** and holds currently effective Transport Canada **and** other Government certificates authorizing him to *serve* as **such** First Officer.
- **1.19** Flight Crew **Member** hereafter referred **to** as "FCM" means a Company CCP, Captain, First Officer, Second Officer and Flight Engineer, type rated on the equipment for which they underwent Transport Canada and Company approved training requirements.
- **1.20** Flight Time means the time accounted from the aircraft journey log sheets. It will be computed from the addition of all times between "OUT" and "IN" times.
- **1.21** Furlough means a reduction in force of the general work force, as in **lay** off.
- **1.22** Flight Engineer means a FCM whose duty is to perform the duties of a Flight Engineer and who holds a currently effective. Ministry of Transport Flight Engineer Licence and Aircraft Maintenance Engineers Licence. His duties include performing both in flight and ground servicing as required to ensure the safety and airworthiness of the Company aircraft and to supervise the work of subcontractors re-servicing of the aircraft while away from the base of operations.
- **1.23** Guaranteed Day Off (GDO) means a day starting at 00.01 local time at the FCM's home base, on which he is not scheduled or required to report to work for any of the following:
 - a) Flightduty
 - b) Flight **ar** ground training
 - c) Reserve duty
 - d) Deadheading

- e) any other form of work
- **1.24** Guaranteed Day Off Owed means a guaranteed day off which has been assigned from a previous month schedule and shall be designed by XO on the schedule and will be in blocks of forty eight hours (48) minimum, or paired with an X day, Vacation, and/or Statutory day.
- **L25** Grievance means any difference between the Company and the FCM, concerning the interpretation, application, administration or alleged violation of this agreement.
- **1.26** Home Base means a station from where FCM starts and terminates his pairing and shall normally be in the area of the FCM residence, or as agreed between the Company and the FCM.
- **1.27** Hourly Rate means the result of dividing one-twelfth of current annual salary by eighty five (85).
- **1.28** Management means a FCM designated as Chief Pilot, Director of Flight Operations (DFO) and or Vice President of Operations (VPOPS) and President.
- **L29** Office Day means a calendar day where a FCM is assigned by the Company to perform administrative duties.
- **L30** Overseas Flights means a flight away from the land masses described in 1.15 (Domestic Operating Area).
- **1.31 Pairing** means a group of flight assignments including deadhead, where the FCMs are operating from and back to home base.
- **1.32 Prone Rest will be** deemed to have started fifteen (15) minutes after the last crew member receives the key to his hotel room. It will be no less than eight (8) hours in duration.
- **1.33** Reserve Day means a period where the FCM will be available for a flight or a deadhead. The period of reserve will be a maximum of twelve (12) consecutive hours in any twenty four (24) hours period.
- **L34 Revenue** Flight All Company operated flights with the exception of "Touch and Go" training flights.

- **1.35** Second Officer Person occupying the function of a Second Officer as described in the applicable CARs.
- **1.36** Status means Captain, First Officer, Second Officer. Flight Engineer and employee in training.
- **1.37 Statutory Day** means a calendar day on the FCM's schedule shown as STAT.
- **1.38 Sub-Contract** means when the Company has entered into a term agreement with a client for the sole purpose of providing that client with ACMI services (Aircraft, Crew, Maintenance and Insurance) **and/or** full charter services outside Canada.

A Sub-contract will entail that all flights be carried out **away from** Canada, and with Bases of operations and commercial destinations away from Canada. When the aircraft has to be ferried from Canada or when the first leg of positioning is part of a regular Air Club segment (ex: YMX BRU), the subcontract will be deemed to have started from the Canadian departure point.

Should the flight itinerary require that the technical stop be made in Canada, this flight will still be considered as being part of the sub-contract.

. For the purpose of the first paragraph of 1.38 a term agreement is defined as a contract for providing services to a client, based outside of Canada, and for a duration **extending** beyond one complete flight.

- **1.39** Training Captain is a FCM assigned by the Company to act as a Training Captain as defined by the CARs.
- **1.40** Vacancy means an unfilled FCM's position at a base.
- **1.41** Vacation Day means a calendar day on the FCM's schedule shown as VAC.
- **1.42** Working Day means a calendar day when the Company administrative offices are open. Unless otherwise stated, it will designate Monday through Friday inclusively.

ARTICLE 2 - SENIORITY

2.01 Seniority List

Only FCM(s) with names that appear on the seniority list in Appendix B, shall be allowed to fly the equipment operated by the Company, except as stipulated in article 16.01 (Introduction of New Aircraft Type), and 16.03 (Short Term Activities).

2.02 Seniority List Publication

After verification with the Association, the Company will publish on February 1st and August 1st of every year an updated seniority list. This list will be published for the sole purpose of reflecting either the latest expansion or attrition status, It will not be used to change seniority numbers permanently assigned to crew members.

2.03 Seniority *List* Application

- a) The appropriate FCM seniority number will govern all FCMs in case or reduction of force, their assignment or reassignment due to expansion or reduction in schedules and/or equipment, their re-employment after release due to a reduction in force, and their choice of Vacation / Statutory
 - Holidays.
- b) The seniority list published in Appendix B will govern the awarding of monthly guaranteed days off, vacation and statutory holidays, any time two or more FCMs compete for the same request.
- c) The Company will specify to the FCM(s) at the time of hiring whether their seniority number will be part of a group hire or if the FCM is part of a single FCM hiring.

2.04 New Hires

a) Newly hired FCM(s), not part of a group hired shall be assigned their official seniority number on the FCM's seniority list retroactive to their last date of hire with the Company as a FCM. b) For a new FCM hired as part of a group hire into Air Club International Inc., the Director of Flight Operations shall notify, immediately following completion of initial training, the FCM(s) of their assigned temporary seniority number for the period the FCM is on probation. Upon successful completion of their probationary period, the FCM shall be assigned his official seniority number. The Company shall notify the Association of the names of new FCM(s) and their respective temporary numbers and their official seniority numbers once assigned.

2.05 Loss of Seniority

A FCM shall loose all seniority and his employment will be terminated if he:

- a) Voluntarily quits his employment with the Company;
- b) Is discharged for cause;
- c) Is furloughed for 48 months or more;
- d) Refuse to accept a recall in accordance with the recall procedure of **this** Agreement.

2.06 Management FCMs

FCMs who are, or have been nominated to a management position, shall retain and continue to accumulate seniority within the APA membership. Their dues will be paid as per article 17 (Deduction of Dues).

ARTICLE 3 - FILING OF ASSIGNMENTS

3.01 Bidding

- a) The Company is committed to assigning the equipment andlor the base subject to qualifications, in order of seniority number to FCMs who have submitted bids. If for such equipment andlor base no bids are submitted, the assignment will be filled in reverse order of seniority by the Company.
- b) The Company may, however, require special arrangements for the purpose of conducting short term contracts and/or contracts beyond the current crewing possibilities. These arrangements will be negotiated with the Association and added to this agreement as a Letter of Understanding (LOU).
- c) Bid results shall be posted within fifteen (15) days of the dosing date. A FCM will not be allowed to retract or otherwise amend his bid after the closing date, except with agreement by the Company.
- d) A FCM is not eligible to bid on any other equipment type than the type he is flying unless he has completed two (2) years of service on his type of equipment at the time of bidding. This provision shall not apply in the case of a FCM who has received notice of furlough or reduction on the equipment he is flying and/or his status, in which case he may, fully exercise his seniority rights.
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3.02 CCP Position

When a position as CCP is available, the Company shall make the selection inside the membership without regard to seniority. Should no' suitable candidates be found, the Company may hire a CCP external to the membership after consultation with the Association.

3.03 First Officer Position

It is the Company policy that \mathbf{a} FCM holding the status of First Officer must be potentially upgradable to Captain status with the criteria described in article 3.07.

3.04 FCM Not Qualified

In *the* event a FCM is considered by the Company not qualified under article 3.07 for the vacancy for which he has submitted a bid, *the* Company will immediately inform the FCM and the Association in writing stating the motives there of.

3.05 Inability to Upgrade

- a) Should the First Officer fail his first attempt to upgrade, either in the flight simulator or the line indoctrination training phase, he will be reassigned to his original status for a period exceeding three (3) months.
- b) The Company will, within three (3) months *d* the FCM's failure and at its discretion, designate a time period during which the second attempt at upgrading will take place with the goal *d* improving his qualifications. A written notice will be given to the candidate by the Company with the time frame of his temporary upgrade status. Should a replacement be required, this replacement will also receive a written notice of the time frame of his temporary upgrade status.
- c) Should the First Officer fail his second attempt at upgrading, his employment with the Company could be terminated. If at this time he is not considered as a potential Captain, the Company shall have the right to remove his name from the senjority List and terminate his employment.
- d) However, the Company may elect not to terminate at that time the employment of a FCM in accordance with the foregoing paragraph. in that event, the Company will set out in writing the conditions of the FCM's continuing employment status and submit a copy of these conditions to the Member and the Association.
- e) This entire article also applies to Second Officers in the process of upgrading as First Officers.

3.06 Failure - Conversion Training

- a) If an FCM fails in his first attempt to convert in his classification on other equipment operated by the Company, he must choose one of the following options within seven (7) days from the date of notification of his failure:
- i) Return to the previous equipment and position he held prior the equipment conversion training;
- ii) Elect a second attempt to convert on the other equipment.
- b) During the seven (7) day period, the FCM may elect to take any outstanding vacation, statutory holidays or days off owed in order to remain on payroll during this period.
 Otherwise, he will be removed from the payroll until such time that he returns to line flying duties, or until the end of the seven (7) day period.
- c) If a FCM fails in his second attempt to convert in this classification on other equipment, the Company shall have the right to remove his name from the seniority list and terminate his employment.
- d) However, the Company may elect not to terminate at that time the employment of a FCM in accordance with the foregoing paragraph. In that event, the Company will set out in writing the conditions of the FMC's continuing employment status and submit a copy of these conditions to the Member and the Association.

3.07 Eligibility for Promotion

The minimum qualifications and conditions for an FCM to be considered for promotion to Captain will be as *follows*:

- a) 5000 hr. total time of which at least 3000 hr. must have been flown in commercial/executive or military aviation. Commercial aviation is defined as regional carrier / military experience operating airplanes equivalent to Dash-8 or heavier;
- b) 1500 hr. of commercial/executive jet experience;

- c) Having operated during at least one (1) summer season in the MNPS and European environment or equivalent;
- d) Having operated during at least one (1) season to the southern and domestic destinations served by the Company or the equivalent;
- e) Have successfully completed interviews with the Director of Flight Operations and the Chief **Pilot**;
- f) Have successfully completed a Captain assessment program during his tenure as an FO on the aircraft for which he is qualified;
- g) Have normally completed at least one year on the aircraft type on which he was originally trained upon joining the Company;
- h) Have normally completed his period of probation with the Company;
- i) Time flown in a Second Officer capacity will not be credited as accumulated flight time;
- j) All items above notwithstanding the Company may consider FCMs that do not have all the requirements described above, on the provisions that their experience and performance are deemed suitable to meet the Company's objectives.

3.08 Failure to Renew or Maintain Competency

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- a) If a FCM fails to renew or maintain his competency, he will automatically be scheduled for additional training and testing within fourteen (14) days of his failure, unless he has previously failed upgrades, renewals, and/or route checks in which *case* article 3.08 c) may apply.
- b) During the fourteen (14) day period, the FCM may elect to take any outstanding vacation, statutory holidays or days off owed in order to remain on payroll during this period. Otherwise, he will be removed from the payroll until such time that he re-qualifies for his duties, or until the end of the fourteen (14) day period.

- c) If a FCM fails in his second attempt, the Company shall have the right to remove his name from the seniority list and terminate his employment.
- d) However, the Company may elect not to terminate at that time the employment of a FCM in accordance with the foregoing paragraph. In that event, the Company will set out in writing the conditions of the FCM's continuing employment status and submit a copy of these conditions to the Member and the Association.

ARTICLE 4 - UPGRADING, DOWNGRADING, REASSIGNMENT, REDUCTION IN FORCE, FURLOUGH AND RECALL

4.01 Downgrading

When there is a downgrading from Captain to First Officer status, or from First Officer to Second Officer status, such downgradingwill be in reverse order of Company seniority.

4.02 Furlough

When **there** is furloughing of FCM(s), such furloughing will be in reverse order of Company seniority.

4.03 Notice of Furlough, Downgrading or Reassignment

A furlough, downgrading or reassignment notice will specify the date and expected duration of the furlough, downgrading or reassignment and will be issued a minimum of fourteen (14) calendar days in advance. In all cases the Member will be advised at his home base. If the member is on an extended pairing or on a sub-contract, he will be advised by fax, phone or any other mean of communication as soon as possible.

4.04 Furlough - Seniority

A FCM shall retain Flight Crew seniority and shall continue to 1^{1} accrue such seniority except for pay and vacation entitlement purposes during a period of furlough of more than three (3) months.

4.05 Furlough- Member Responsibility

A FCM who is furloughed will file his address in writing with Flight Operations Office and will promptly advise the office in writing of any changes in address thereafter.

4.06 Upgrade and Recall - FCM

a) Upgrading and recall shall be in order of seniority.

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- b) A FCM holding furloughed status shall be notified of the first available vacancy by registered mail to the last address filed with the Company or by a personal telephone contact.
- c) When notify of a vacancy, a FCM must advise the Company of his acceptance <u>cf</u> the recall within fifteen (15) days of receipt of the Company notice.
- d) A FCM may reject a vacancy if he considers it is to his disadvantage to accept and by advising the Company in writing within fifteen (15) days from receipt of the Company notice and by advising the Company he will maintain his entitlement for his preference in reemployment for any subsequent assignment.
- e) However, if all FCMs on furlough refuse the temporary recall, the junior FCM shall be obliged to report for duty or forfeit his place on the seniority list. Said FCM shall be paid or employed for a minimum of three (3)months only if the FCM left another employment to accept the recall. If such vacancy becomes permanentit shall be posted.
- f) FCMs who accept an assignment shall report for duty at the designated base within thirty (30) days.

ARTICLE 5 - VACATION, DAYS OFF AND HOLIDAYS

5.01 Vacation Year

FCMs shall earn vacation leave for the current year based on the period during which the FCM was actively employed in the previous year. The vacation year will commence January 01 in any year and terminate December 31 the same year.

5.02 Vacation Entitlement

FCMs are entitled to an annual vacation period as follows:

- a) less than one (I) year of service; one decimal one-sixsix (1.166) calendar day for each month of continuous
- service with the Company to a maximum of fourteen (14) days.
- b) one (1) or more year of service; fourteen (14) calendar days.
- c) three (3) or more years of service; twenty-one (21) calendar days.

, During the month in which vacation (VAC) and/or Statutory (STAT) days are taken, the FCM will be entitled to the following number of GDOs:

# OF VAC/STAT DAYS	GDOS
Up to 7 days	10 Days
> 7 Days up to 14	8 Days
> 14 Days up to 21 Days	6 Days
> 21 Davs	4 Days

5.03 Vacation Pay

As vacation pay, FCM(s) with less than one (1) year of continuous service shall receive four (4%) of his previous year's earning as shown on the TP-4 slip. A FCM with one (1) year of service or more, shall receive:

- a) Two percent (2%) of his previous year's gross earning as shown on the TP-4 slip, multiplied by the number of complete calendar weeks vacation he is entitled to, or;
- b) His current pay rate, whichever is greater.

5.04 Accumulating Vacation

Vacation must **be** taken within the year following the entitlement reference year. Vacations are not transferable **from** year to year except where the FCM is on sick leave due to occupational injury;

5.05 Vacation / Statutory Bids

- a) Vacations/statutory days off shall be granted on a bidding basis in order of seniority. Vacations / statutory days off bids may be made by FCM(s) to commence on any given day of a week, and shall be in blocks of seven (7) days or more. When a FCM has less than seven (7) days of vacation/statutory days off, remaining he shall bid these remaining days in one block.
- b) Guaranteed Days off (GDO) may be bid in conjunction with vacation or statutory holidays in blocks of two (2) before and/or after the vacation or statutory holidays period unless already scheduled for more than nine (9) consecutive vacations Istatutory days.
- c) Bids for vacation and statutory holidays shall be published by the Company no later than September 01
 and will close on October 0 f and will be awarded no later than October 31. Vacation bids, once awarded, can only
 be changed through negotiation between the Company and the FCM up to thirty (30) days prior to the commencement of the vacation period.
- .d) Should the Company require to displace the FCM's vacation less than thirty (30) days prior to the commencement of the vacation, the Company shall consult the affected FCM(s) in order to reschedule the vacation and/or statutory period lost and reimburse the total of expenses incurred by the FCM(s) for the related vacation arrangement already paid within that thirty (30) days. Such reimbursement shall be paid within fifteen (15) days after submission of the applicable receipts. In no case the Company will displace the FCM(s) vacation

and/or statutory period more than once a year unless agreement with the affected FCM(s).

5.06 Vacation Pay - Furlough

In the event of furlough, the FCM(s) will be paid vacation as outlined in article 5.03 for all outstanding vacation earned. This **payment** shall be made within fourteen (14) calendar days of date of furlough.

5.07 Statutory Holidays

FCM are entitled to annual statutory days as follows:

- a) Less than one (1) year of service; zero decimal eightthree-three (0.833) calendar day for each month of continuous service with the Company to a maximum of ten (10) days.
- b) One (1) or more year of service; ten (10) calendar days.

5.08 Guaranteed Days Off (GDO)

- a) FCMs shall receive the equivalent of ten (10) guaranteed days off per calendar month. Circumstances may require to reduce these GDOs as follows:
 - i) Charter Operations (includes mixed charter and sub-contract);
 - A FCM shall be scheduled a minimum of 8 GDOs
 - ... The following month, the FCM shall receive ten
 - 11 (10) GDOs.
 - ii) Sub-Contract Operations:
 - A FCM shall be scheduled a minimum of 6 GDOs
 - The following month, or the following pairing if it overlaps the next month, the FCM shall receive ten (10) GDOs still respecting article 13.03.
- b) GDOs will be scheduled in periods of forty-eight (48) hours minimum. GDOs will be indicated on the monthly schedule by an X.
- c) A GDO(s) shall always be scheduled before any other days off owing except for vacation and statutory holidays.

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- d) No duty shall be scheduled in the blocks if it intrudes into a quaranteed day off.
- e) Should a FCM be scheduled for more than the minimum GDOs (8 or 6 as per article 5.08 a), the FCMs services may be requested on these remaining days off by; the Vice President of Operations, Director of Flight Operations, Chief Pilot or CCP who will explain the exceptional circumstances of this request. The FCM has the option to refuse such extra duty without retribution from the Company if these days were part of the FCMs monthly special request. These lost GDOs will be added to the next month's GDO entitlement.
- f) Guaranteed days off will commence at 0001 hr. local time and extend for a period of 24 hours of each day.

5.09 Accumulating GDO's

a) The rescheduling of the monthly missing GDOs will be in accordance with the following table:

Day Lost Period	Period for Re-Scheduling
January 1 - April 30	January 1 - August 31
May 1 - August 31	May 1 - December 31
September 1-December 31	September 1 - April 30 (next year)

- , b) These GDOs owed will be scheduled in periods of not less than forty-eight (48) hours, or in conjunction with GDOs, VAC, or STAT.

 - c) Any GDO or GDO owed not returned within the applicable period, will be paid at the FCMs Daily Rate of Pay, within one (1) month of the end of the rescheduling period.

5.10 **Right to be Contacted**

FCMs may be contacted by the Company during an off duty period to be informed of changes to his next scheduled period of duty, insofar as it does not reduce the scheduled time off.

5.11 Reporting for Duty

FCMs may be scheduled to report for duty at 00:01 hours (Local Time) following a scheduled day off, without affecting the status of *that* day off.

ARTICLE 6 - BENEFITS

6.01 Sick Leave

- a) On January 1st of each year, FCM who have completed their probationary period and have been continuously employed by the Company during the previous year, shall be credited with six (6)days of sick leave per calendar year, or proportion thereof for less than a year, to be used against non-occupational illness or injury.
- b) Unused sick leave days shall be carried forward to succeeding years, and accumulated to a maximum of 18. Accumulated sick leave days will only be applied to additional sick leave benefits when the current year's allowance has been exhausted. In no case they will be convertible into money.
- c) FCMs who are eligible for Company group insurance policy, will draw sick leave benefits as provided for in this article, during the elimination period prescribed under such group insurance policy.
- d) The Company may request a doctor's note justifying the sick leave for absences of more than two (2) consecutive days.

6.02 Leave of Absence

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- a) When requirements of the service permits, a FCM with two (2) or more years of employment with the Company may upon written request to Vice President of Operations, be granted a leave of absence shall not be with the intention of working in the same type of activity. All request must be approved in writing by Vice President of Flight Operations.
- b) Should a FCM granted a leave of absence, he may be granted an extension at the discretion of the Vice President of Operations.
- c) A FCM granted a leave of absence shall retain and accrue seniority except for pay progression, statutory holidays, vacation and sick leave purposes.

- d) At the end of this leave of absence the FCM shall return to the status and/or position he left for the leave of absence subject to a reasonable qualifying period. If, at the end of his leave of absence, more than one ▲ → ar has elapsed since his PPC expiration, the FCM will have to pay the cost difference between his required training period minus the cost related to a regular recurrent PPC, not including the cost for his line indoctrination and line check.
- e) In the event the FCM's seniority number does not permit him to hold his previous position, he shall be deemed to have been furloughed and will be permitted to exercise his seniority pursuant to article 4. In the event his is unable to hold a position, he shall be considered furloughed.
- f) Notwithstanding the above, should a FCM's seniority does not permit him to hold his previous position on return from leave of absence and by electing to exercise his seniority pursuant to article 4 required training on an equipment that he was not previously qualified on, he may be required to wait for a suitable vacancy before being permitted to be trained on that equipment.
- g) In case of furlough according to article 4, the Company shall ask if there is any volunteer within the FCM's, to accept a leave of absence for the expected period of furlough. The most senior FCM will be granted the leave of absence if more than one (I)CCM elect to take a leave of absence.

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- h) If the period of furlough exceeds the expected furlough period; the FCM on the leave of absence will be advised of the extended period and shall have the option to come back or to continue the leave of absence until recall.
- i) Article 6.02 d) shall not apply if the leave of absence has been proposed by the Company.

6.03 Paternity Leave

Paternity leave will be in accordance with the Canadian Labor Board Code.

6.04 Maternity Leave

Maternity leave will be in accordance with the Canadian Labor Board Code.

ARTICLE 7 -ALLOWANCES UNIFORMS AND EQUIPMENT

7.01 Uniforms

- a) Uniforms will be worn and maintained by FCMs in accordance with Company policy. The cost of the initial uniform consisting of two (2) pairs of trousers, six (6) shirts, two (2) ties, one **(1)** all weather coat, one **(1)** nylon rain coat, epaulettes and badges will be equally shared between the FCM and the Company. The selection of a tailor and the material to be used to tailor uniforms will be made by the Company after consultation with the Association. Replacement every two (2) years will be replaced every four (4) years.
- b) The Company will accept repair expenses in the event of spoilage or damage to uniforms due to on-duty incidents. Such claims to be substantiated by receipts.
- c) In the event the uniform item is deemed not repairable by the Company, the item shall be replaced at Company expense.
- d) Each FCM will receive an uniform cleaning allowance of twenty Canadian dollars (\$20.00 CDN) per each complete calendar month of paid employment.
- e) The Company will arrange through its supplier the purchase of one twenty six inch (26") hard-sided suitcase for each FCM, to be used while on Company duty. The cost of which will be shared equally between the Company and each FCM. The Company will determine the model and color of such suitcases. Replacements will occur every three (3) years and the cost thereof will be shared equally between the Company and the FCMs.

7.02 Equipment

The Flight Deck Navigational Equipment allowance is sixty Canadian dollars (\$60.00 CDN).

7.03 Loss of Baggage

- a) The Company will pay employees whose baggage is lost while on duty up to seven hundred and fifty Canadian dollars (\$750.00 CDN) to replace such baggage and contents, less any lost baggage indemnity received by the FCM. This allowance does not include the cost of replacing the FCMs uniform should it be part of the loss. The Company agrees to replace an uniform or part of thereof that is lost with baggage upon submission, by the member, of a written statement of loss.
- b) In the event a FCM suitcase is lost while on Company business and the member requires the immediate replacement of clothing and toiletries necessary to complete the trip, the Company will reimburse the FCM up to a reasonable amount of the actual expenses incurred upon considering the circumstances and presentation of receipts. The reimbursement of such expenses shall not exceed seven hundred and *fifty* Canadian dollars (\$750.00 CDN) and will be considered as an advance payment by the Company, and is part of the total baggage and contents replacement value allowance provided above.

7.04 Medical Expense

FCMs medical examination and associated fees, related to his employment will be reimbursed upon submission of applicable receipts.

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7.05 Passports and Visas

Passport and visa fees will be reimbursed when required by the Company, upon submission of applicable receipts. The **FCMs** must upon joining the Company, have **a** Passport with at least one year of validity remaining.

7.06 Group Insurance

The Company's group insurance was in force on June 17th **1994**. FCMs joining the Company in the future will be subject to a mandatory waiting period as defined in the Company policies manual.

7.07 Licence Renewal

The Company will pay all the fees related to licence renewal when required by the Company.

ARTICLE 8 - CREDITS, HOURS OF SERVICE AND WORKING CONDITIONS

8.01 • Flight Duty and Rest Period

Flight duty and rest period defined in article 1.13 will not exceed the requirements of the CARs (700.14 to 700.22) as detailed in section 6.5 cf the FOM.

8.02 Deadheading and Positioning

- a) A FCM shall not be required by the Company to deadhead inside the cockpit on any flight except under exceptional circumstances. In that case, *the* FCM wilt receive an amount of three hundred Canadian dollars (\$300.00 CDN), and shall be paid according to the overtime payroll schedule for the affected period.
- b) When deadheading consist d ground transportation, it must in **no case** exceed six (6) hours. If the deadhead is preceding or following a flight duty period it must not exceed three (3) hours.
- c) Deadheading will be done in economy class, except if the duty period exceeds 16 hours, in which case the deadhead will be conducted in business class.
- d) Deadheadingfrom Europe to Asia, Africa, and the Middle East, will be conducted in business class. Deadheading from North America to the same areas will also be conducted in business class if it is continuous deadhead with no crew rest in Europe. This article also applies while returning from these areas.
- e) Deadheading to South American destinations will be subjected to an LOU due to varying levels of travel conditions.
- f) When a deadhead movement takes place following a flight duty, the deadhead movement is considered a part of duty time. In this case, the planned duty time will not exceed 16 hours. Should the duty period (flight and/or deadhead) exceed 14 hours, one half (1/2) the duty time

above 14 hours must be added to the minimum nest period.

8.03 Credit Time

- a) The maximum flight time credits in any calendar month will be eighty five (85) hours. FCMs exceeding the maximum will be paid their hourly rate of pay, based on the FCM rate of pay on the last day of the current month.
- b) Deadhead will be credited at one half of the actual flight and/or ground transportation time required to position to the next location *c* flight duty and for any training purposes when attached to a pairing. The ground transportation may be additional to the credit time already logged from a positioning flight if the hotel is more than thirty (30) minutes away from the airport.
- c) FCMs will be credited a minimum of four (4) hours if a deadhead duty is the only activity carried out during a crew day, or if the flight time for a flight duty **period** is less than four (4) hours.
- d) FCMs will be credited two (2) hours for days spent on receiving ground school training.
- e) FCMs will be credited four (4) hours for days spent on giving ground school.
- f) FCMs will be credited actual flights simulator time.
- g) The flight time credit will be accounted from the aircraft journey log sheets. CCP engaged in a training or checking capacity and occupying the jumpseat for such functions, will still be credited the full flight time.
- h) FCMs will be credited two (2) hours for a reserve period of twelve (12) hours.
- i) FCMs will be credited for three (3) hours for each day of office.
- j) FCMs will be credited for three (3) hours should a flight or a deadhead be cancelled after the FCM has already reported for duty or any times engines are started with the intention of operating a flight

I) FCMs undergoing additional training as a result of a failure, will not receive credit for this training.

8.04 Flight Schedule Preparation

- a) The Company will prepare for each month a flight crew schedule. The schedule shall reflect the FCMs requests according to seniority as per article 2.03 (Seniority List Application) and shall be published on the 20th of the previous month unless for reasons out of the Company control. In that case and not later than the 20th of the same month, the Company shall, by written justification, explain to the membership the reason(s) why the schedule is not published.
- b) FCMs shall provide their special request for GDOs not later than sixty (60) days prior to the month to be scheduled.
- c) FCMs days off, vacation or statutory holidays request will be as per article 2.03 (Seniority List Application) with the following procedure in the schedule preparation:
 - i) The Company will make its best efforts to grant the FCM his first choice unless a senior FCM has the same request. If the FCM cannot get his first choice, he will be awarded his second, third or fourth choice before giving any request to the next FCM on the seniority list. If, for any reason, the FCM does not receive his request while a junior FCM is granted those days, he will be advised in writing by the
 - "Company of the reasons.
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 - ii) Once the senior FCM has been awarded his choice according to a), the next FCM on the seniority list will be awarded his choice in the same matter.

8.05 Rest Period

- a) It is the Company's resolve that proper crew rest is essential to the sage conduct of flight operations.
- b) Prone rest will be deemed to have started fifteen (15) minutes after checked in at the hotel at the intended destination whether the FCM was operating the flight or deadheading.

- b) Prone rest will be deemed to have started fifteen (15) minutes after checked in at the hotel at the intended destination whether the FCM was operating the flight or deadheading.
- c) Crew rest will be planned to allow the FCM to have a minimum of twelve (12) hours of uninterrupted rest prior to reporting for another period of duty.
 - d) FCMs returning to home base from an overseas flight, will have a twenty-four (24) hours crew rest.
 - e) Crew rest may extend into GDO, GDO owed, vacation, or statutory day.

ARTICLE 9 - RATE OF PAY

9.01 Wages

FCMs will receive a remuneration in accordance with the provisions of this agreement, as set in Appendix A.

All FCMs will be paid in accordance with their years of service as follows:

- a) Second Officer years of service with the Company as a FCM in accordance with the pay scales as set out in Appendix A.
- b) First Officer years of service with the Company as First Officer in accordance with the pay scales as set out in Appendix A.
- c) Flight Engineer years of service with the Company as Flight Engineer in accordance with the pay scales as set out in Appendix A.
- d) Captain years of service with the Company as a Captain in accordance with the pay as set out in Appendix A.
- e) CCP and Training Captains will receive an additional sum as per the following:
 - Training captains and part-time CCPs will receive
 - i) Training captains and parture core that and/or fifty Canadian dollars (\$50 CDN) per check and/or
 - training flight segment, and one hundred and fiftv
 - Canadian dollars (\$150 CDN) for simulator training session.
 - Full-time B-check pilot; 5% of their annual salary, ii) plus one hundred and fifty Canadian dollars (\$150 CDN) for each simulator session.
 - iii) Full-time A-check pilot; 10% of their annual salary, plus one hundred and fifty Canadian dollars (\$150 CDN) for each simulator session.

The simulator training of one hundred and fifty dollars Canadian (\$150 CDN) for each simulator session will be renegotiated at the end of the Air India or equivalent subcontracts activities.

9.02 Change of Pay Scale

- a) The FCM must have completed one year of full employment in their respective status with the Company in order to qualify for the next pay scale. Lay off periods will not qualify as full employment unless the lay off is less than three (3) months.
- b) When a Second Officer receives line indoctrination, as part of the upgrade process, he will maintain his Second Officer pay until he operates his first revenue flight in a First Officer capacity.
- c) When a First Officer receives line indoctrination, as part of the upgrade process, he will maintain his First Officer pay until he operates his first revenue flight in a Captain capacity.
- d) If a newly promoted FCM completes his first revenue flight as a FCM after a position of a junior FCM, his pay will be based on the earliest date of first revenue flight of the junior FCM, unless the delay was requested by the senior FCM. This does not apply if the reason is due to extra training required to release the candidate to his new status or if due to sick leave.
 - e) When a Captain is downgraded to First Officer status, he will be placed in the appropriate pay scale equivalent to his overall continuous service with the Company as a FCM.

9.03 Overtime

- a) At the end of a calendar month, if a FCM has accumulated more than eighty five (85) hours, comprised *d* both flight and credit time, the extra hours will be paid at the hourly rate in Appendix A.
- b) The flights will be logged in UTC time/date reference. All computations for overtime credit will be based on the UTC month when the FCM has operated and/or started

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to operate flight leg. It will be taken from the UTC departure time.

- c) The Company retains the right to modify and balance the flight schedule up to *the* last calendar day of the month for the purpose of balancing the overtime credits.
- d) The overtime pay will be processed so that the FCM will receive the extra pay on the second pay check following *the* end of the catendar month in which the overtime was earned.
- e) FCMs taking vacations / statutory days may still be entitled to accumulate overtime as follows:

# OF VAC / STAT DAYS	THRESHOLD FOR OVERTIME
< 7 Days	85 Hours
7 Days up to <14	70 Hours
14 Days up to <21 days	45 Hours
21 Days or more	25 Hours

ARTICLE 10 - PER DIEM AND ACCOMMODATIONS

10.01 Per diem

- a) The Company will reimburse the FCMs for meal *expenses* encountered during the course of their duties while on a lay *over at* destinations or on Company business.
- b) It will be computed on an hourly basis, accounted from the logged-in block OUT time from home base until the IN Mock time when returning to home base, at the hourly rate of three dollars Canadian (\$3.00 CDN) per hour. Deadhead times, either outbound or inbound as applicable, will be in accordance with the actual itinerary and will be part of the total pairing "hours away" reconciliation.
- c) Training away from home base will be paid the same as the above rate.
- d) For training periods outside Canada beyond five (5) consecutive periods of twenty four (24) hours, the Company shall pay the FCMs at the rate of three dollars US (\$3.00 USD) per hour. In the case of aircraft transition training, the FCMs will be paid before departure.

10.02 Extended Pairings

- 'a) FCMs involved in Air Club's pairing for periods exceeding ten (10) consecutive periods of 24 hours will be entitled to extra Per Diem; this entitlement will cover cleaning and telephone all allowances.
- b) This extra rate will be computed as a percentage increase over the normal allocation for Air Clubs pairings as follows:
 - i) 10% pairing over 10 consecutive period of 24 hours.
 - ii) 20% pairing over 14 consecutive period of 24 hours.
 - (iii) 30% pairing over 18 consecutive period of 24 hours.

10.03 Accommodation

a) In addition of the per diem expenses, the Company shall pay the cost of suitable hotel accommodations and provide single room for each FCM. It shall be the

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provide single room for each FCM. It shall be the responsibility of the Company to make the necessary reservations for the **accommodation** herein.

- •b) For temporary or permanent operations, before establishing hotel accommodations at new lay over points or changing existing accommodations, the Company should consult with the 'Association's appointed representative. In the event hotel accommodation is subsequently found to be unsuitable after initial acceptance, the Company should arrange alternative accommodation.
 - c) The Company will provide single room accommodation for each FCM for all lay over periods in excess of seven (7) hours. When the scheduled ground time at an enroute stop exceeds five (5) hours but is less than seven (7) hours, the Company will provide a collective room for the FCMs when such accommodation is available near the airport.
- 10.04 Ground Transportation

Arrangement and reservations will be made by the Company when ground transportation away from home base is required. The captain shall be provided with an amount of fifty cents Canadian (\$ 0.50 CDN) per crew member (front and cabin crew) for tipping for each ground movement.

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ARTICLE 11 - FLIGHT ENGINEERS AND MAINTENANCE DUTIES

11.01 Additional Maintenance Duties

- a) Flight Engineers will not normally be required to perform regular maintenance duties at home base.
- b) Notwithstanding paragraph a) above, Flight Engineers may be requested at home base to supervise/assist in maintenance at the discretion of the Vie President of Operations in the event of:
 - i) Personnel shortage due to illness, etc.
 - ii) **Special** inspections or modifications with MOT directives in the event of aircraft grounding.
- c) In all instances, Flight Engineers may be recruited for such duties and when a Flight Engineer has agreed to duties as per paragraph b) such assistance shall be considered beyond normal duties and shall be compensated by *the* Company at the rate agreed in accordancewith paragraphd) below.
- d) Whenever a Flight Engineer is recruited and agrees to perform and/or supervise ground maintenance work at home base, other than normally required as a Flight (Engineer, he shall be compensated for all such work at the rate of one (1) hour flight time credited for each two (2) hours worked with a minimum of five (5) hours credit, and, such credits shall be included in the monthly Right time credit.

ARTICLE 12 - PROBATION

12.01 New FCM

- a) New FCMs will be required to serve a probationary period of twelve (12) months work with the Company since the last date of hire as a FCM. The Company reserves the sole right to retain or dismiss any FCM during his probationary period for any reasonable cause. Under special circumstances this period may be extended by agreement between the Company and the Association. In such cases the FCM will be advised *in* writing.
- b) In the event a FCM is not available for flying duty in excess of seven (7) consecutive calendar days during the probationary period outlined above, his probationary period will be extended by an equivalent number of days.

12.02 Furloughed Members Recalled

Furloughed FCMs on probation recalled for duty will be credited with their previous period of employment in fulfilling their probationary period, provided their furlough was less than twenty-four (24) months.

12.03 Interpretation

For purpose of interpretation of this Collective Agreement respecting probationary FCM, the probation period is a period of work where the Company will asses and evaluate a FCM's performance and suitability in order to determine the FCM continuing status of employment.

12.04 Seniority Benefits and Pay Scale Adjustment

All seniority benefits and pay scale adjustments will be based on the probationary FCMs' original date of hire. All time spent as a probationary FCM will accrue toward the calculation of such seniority, benefits and pay scale adjustments.

ARTICLE 13- SUB-CONTRACTS

13.01 Application

The following describes the working conditions that **apply** to **all sub-contracts as** described in article 1.38.

13.02 Duration

The duration of the pairings will be of a maximum of twenty five (25) days. However, when requested by the Company, the pairing can be extended on a voluntary basis. This does not apply to the HADJ operation, for which FCM will be assigned for the entire duration of each phase.

13.03 Days Off

The number of days off allowed after a return from a subcontract pairings will be as follows:

# OF DAYS (Pairing)	DAYS OFF ALLOWED
Up to 10 Days	5 Days
Up to 18 Days	7 Days
Up to 24 Days	9 Days
Above 24 days	12 Days

For training purposes, a minimum of three (3) days off will be allowed prior to the training, and the reminder of the days off will be given immediately following the training.

13.04 Per Diem!

a) The sub-contract per diem will be established proportionally to the number of calendar days UTC of the pairing as follows:

# OF DAYS (Pairing)	PER DIEM RATE
Up to 10 Days	60 USD
Up to 18 Days	100 USD
Up to 24 Days	120 USD
Above 24 days	135 USD

- b) The sub-contract per diem shall be calculated starting on actual UTC departure date from home base until the actual UTC arrival date at FCMs home base.
- •c) When an Air Club pairing and/or training is combined with a sub-contract pairing, the Sub-Contract per diem rate will be calculated according to the total length of the combined pairings.
 - d) The sub-contract per diem rate will apply only to days or part of a day related to the sub-contract activity (including deadheads).
 - e) The complete amount of the total pairing shall be paid to the new FCMs at least two (2) working days prior to his first scheduled departure date.
 - f) For all FCMs assigned to pairings of more than twentyfive (25) days, one half (%)of the per diem amount will be paid at least two (2) working days prior to departure.

13.05 Deadheading

On the Air India sub-contract. deadheading between Canada and India, a direct (no crew rest in Europe) flight in business **class** will be provided by the Company.

On **flights** to India with a crew rest in Europe, the direct (nonstop) Canada-Europe portion **c** the deadhead may be in economy class. However, the Europe-India segment will always be in business class.

Returning¹ from India, the deadhead will be in business class to Europe and on direct flights (no crew rest in Europe) to Canada. Should a direct (non-stop) flight not be available between Europe and Canada, a crew rest in Europe will be provided. Following the crew rest, a direct (non-stop) flight in economy may be scheduled if the business class is still not available. Should no direct (non-stop) Right be available in either class, the FCM will be scheduled by another available routing in business class.

ARTICLE 14 - INSURANCE AND HEALTH BENEFITS

14.01 Committee

A committee with at least one APA member will be formed in order to evaluate and review the group insurance plan requirements. The committee will meet at least twice a year.

14.02 Application

Should a FCM become ill or injured while on ACMI pairing, the Company agrees to evacuate the FCM to his home base and hospital, if required, by the most expeditious means. This at no cost to the FCM and/or family.

ARTICLE 15 -MISSING, HIJACKING, HOSTAGE AND INTERMENT BENEFITS

15.01 Operation in DangerousArea

No FCM will be forced by the Company to operate into any area deemed by the Canadian Government Agencies to be hostile to health or personal safety. The Association shall have the right to refuse on behalf of the FCM, operation into these **areas**.

15.02 Member Missing or Held Hostage

Any FCM who, while on assignment or engaged in the course of his duties for the Company becomes missing or killed his whereabouts become unknown **c** who is reported interned, captured or held as a prisoner or hostage or is missing under circumstances which would indicate being interned, captured **of** held prisoner, shall be paid his salary, per diem and any benefits in relation with this agreement during such internment, white missing or while being held as a hostage, less any benefits provided **for** by the law in respect of persons interned, captured, held prisoner, or hostage or missing as a result of an act **of** hi-jacking.

15.03 Compensation

The monthly compensation allowable under 15.02 (Member **Missing** or Held Hostage) shall be placed by the Company in an interest bearing **trust** account if no beneficiary has been **designated** by the FCM.

15.04 Reimbursement Compensation

Any amount **paid** to a beneficiary in accordance with the above provision, even thought such payment was made **after the** death **of** a FCM, will not be required to be returned by such beneficiary or by **the** estate **of** the FCM provided that the Company is satisfied it has been promptly furnished by such beneficiary with any evidence indicating the death **of** such FCM.

15.05 Compensation - Other Sources

As an alternative to paying compensation in accordance with , article 15.02 (Member Missing or Held Hostage), the Company may pay the difference between the amount of such compensation and the amount of any compensation provided for by the law or other party in respect of persons missing, interned, captured, held as prisoner or hostage as described in article 15.02 (Member Missing or Held Hostage).

ARTICLE 16 - HIRING OUTSIDE THE COMPANY

16.01 Introduction of New Aircraft Type

In the event new types of aircraft are introduced into Company service, or new type airline operations are undertaken, FCMs with special qualifications may be hired from outside the Company on a temporary basis (maximum six (6) months) for the purpose of qualifying FCMs in the newly created vacancies. Such vacancies will be filled within **six** (6) months of introduction by order of seniority of those FCMs who bid for the position. FCMs on the seniority list in effect prior to introduction of the new aircraft, shall have priority to bid for the new vacancies.

16.02 Reduction in Force - Members Entitlement

In the event new aircraft types are introduced in to service by the Company, which results in the deletion of FCM positions or, a general reduction in FCM is required by the Company, the Letter of Understanding (LOU) for that activity will apply.

16.03 Short Term Activities

Should the Company be requested or decide to conduct a short term activity of less than twelve (12) months, on aircraft not presently operated by the Company, such operation will be according to a Letter of Understanding (LQU).

- 16.04 Transport Canada Inspectors
 - a) Transport Canada inspectors type endorsed on Company aircraft will be entitled to occasional flights on Company aircraft for training or maintaining competency on type, as long as no FCMs are on furlough.
 - b) The will fly with a CCP or Training Captain in a First Officer capacity.
 - c) The total credit time assumed by a Transport Canada inspector will be credited to the FCM (FO) with the lowest total time flown of *the* month of the occurrence.

d) Should several FOs have accumulated overtime far that month, the extra credit time will be distributed equally among them.

ARTICLE 17 - DEDUCTION OF DUES

17.01 Application

For **each** pay period, the Company shall deduct from wages due and payable to FCMs coming within scope of this collective agreement an amount equivalent to the normal monthly dues of the Association, as notified to the Company by the Association, subject to the conditions set forth below.

17.02 Remittance by Company

The amount of dues so deducted from wages accompanied by a statement of deductions from FCMs, will be remitted by the Company to the Association as may be mutually agreed by the Association and the Company not later than the fifteenth (15th) day of the month following the pay period in which the deductions were made.

17.03 Company Responsibility

- a) The Association agrees to save the Company harmless from any action arising from these deductions and assumes full responsibility for the disposition of the funds so deducted once they have been remitted to the Association by the Company.
- b) Where an error occurs in the amount of any deductions of dues from a Member's wages, the Company shall adjust it directly with the FCM. In the event of any mistake by the Company shall adjust the amount in subsequent remittance.

ARTICLE 18 - GENERAL

18.01 Collective Agreement - Format and Cost of Production

The Company shall provide each FCM with a copy of the agreement The Company and the Association will decide upon the format of the agreement and, the cost producing bound copies of the Agreement will be at the Company expense.

18.02 Written Notice **Changes**

All orders to FCMs involving a change in base assignments, promotions, demotions, furloughs and leaves of absence will be stated, in writing, and copies will be sent to the Association.

18.03 Association Business

- a) If a meeting is requested by either parties, the Association designate(s) schedule must be arranged so the affected designates are free of duty at the same time.
- b) No meeting will be requested by either parties on any GDO, GDO owed, Statutory or Vacation day of the designate(s) unless mutual agreement. Such day will be considered as a blank day.

18.04 Members personal Life

The Company will maintain a personal **file** for each FCM. Upon request, a FCM may review his file during normal office working **hours** in the presence of a Company

office working **hours** in the presence of a Company representative and considering the Company representative's availability at the time of such request.

18.05 Additional Bases

 a) Should the Company establish additional permanent or temporary bases during the term of the agreement, FCMs when transferring from one base to another, at the Company request, will be allowed moving expenses for normal personal and household effects to a maximum of

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ten thousand dollars Canadian (\$10,000.00 CDN). The Company reserves the right to choose the moving Company.

b) In the case where such a move results in a layoff of another FCM, the cost will be shared equally between the moving FCM and the Company.

18.06 Legal Council for Members

The Company through its Counsel agrees to defend all FCMs and their estates in any legal actions arising in connection with their performance of their duties, and to protect **them** and hold them harmless from any judgment rendered thereunder save in the case of gross negligence or **willful** misconduct as ultimately found by **court** or other body having jurisdiction.

18.07 Company Change of Ownership

In the event that the Company changes ownership, merges with another Company, or in any way changes its corporate identity, this agreement will remain in full force and effect and the recognition now in effect issued by the Canadian Labor Relations Board shall not be affected in any way except as otherwise governed or directed by the **Board**.

18.08 Release of Confidential Information

The FCM may not release confidential or any information that dould cause prejudice to the Company. Any release of such information will be subjected to Company's approval.

18.09 FCM Services

The FCMs may not provide services for hire or benevolent work to other companies involved in the same commercial field as the Company.

18.10 FCM Holdings

. . .

The FCM holdings may not cwn more than 5% of the shares into cther companies that may compete in the same commercial field as the Company, without divulging the *nature* of those holdings to the Company.

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18.11 Agreement Language

This agreement has been negotiated and discussed in the English language. Therefore, both parties agree that this agreement will be published and interpreted in the English language only.

La présente convention a été négociée et discutée dans la langue anglaise. Par consequent, les deux parties s'entendent à l'effet que cette convention sera publiée et interprétée dans la langue anglaise.

ARTICLE 19 - DISCIPLINE/DISCHARGE

19.01 Application

All disciplinary or discharge actions must be for just and proper cause.

19.02 Time Delay

Where disciplinary or discharge action is considered, the **FCM** involved may, when necessary, be held out of service pending investigation for a **maximum** of seven (7) calendar days to provide the Company with sufficient time to investigate and consider all factors. This time period may be extended by mutual agreement between the Company and *the* Association.

19.03 Representation

During any investigation or hearings the FCM involved may request the presence of a representative(s).

19.04 Time Off

Any investigations or hearings shall be held at the FCM's home base whenever practicable. At any investigation(s) or hearing(s), all representative and/or witness who are employees of the Company should be given time off, subject to the requirements of service.

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19.05 Notification

- a) When disciplinary or discharge action is taken, the FCM will be so notified in writing with a copy to the Association, stating the precise charge or charges, and the nature of action taken.
- b) Any FCM held out of service prior to such written notification shall be paid in accordance with his regular scheduled duty.

19.06 Suspension

Where any disciplinary action includes suspensions without pay, any suspension time may include the time held out of service. Any time held out of service without pay shall be deducted from the penalty **c** discipline assessed. If a **FCM** has been held out of service without pay for a longer period than the penalty or discipline assessed, an adjustment shall be made to provide for such loss of pay.

During the period of his suspension the FCM shall be entitled to bid on any vacancy so that when and as relieved of his suspension, he shall resume the flying duties to which he is entitled by reason of his seniority.

19.07 Right to Grievance

A FCM who has been disciplined or discharged may file a grievance in accordance with the provisions of article 20.

ARTICLE 20 - GRIEVANCE PROCEDURE

20.01 Application

For the purpose of this Agreement, a grievance is any difference between the Company and the Association, and or those parties on whose behalf this Agreement was entered into, concerning the interpretation, application. administration or alleged violation of the Agreement. The Company, the Association and any FCM covered by the terms of this agreement, may initiate grievance, as per the present article. For this article, "days" refers to working davs.

20.02 Submitting a Grievance

> A FCM's grievance must be in writing and addressed to the Chief Pilot, setting out the nature of the grievance, the remedy sought and the article(s) of the agreement alleged to be violated.

> STEP Vithin ten (10) days after the receipt of the FCM's grievance, the Chief Pilot or his designate will hold a hearing, (unless the FCM(s) is on an extended pairing or a sub-contract which in that case the hearing will be held two (2) days after the FCM(s) arrival at home base by the most convenient means.. The FCM shall have the right to be represented by his duly authorized representative. Within ten (10) days of the dose of the hearing, the Chief Pilot shall render his decision in writing to the FCM, with a copy of the Association.

20.03 Failing a Settlement:

> STEP 2 Within ten (10) days after receipt of the Chief Pilot's decision, the decision may be appealed in writing to Director **d** Flight Operations or his designate. The appeal hearing shall be held within (10) days after receipt of the written request, (unless the FCM ± on extended pairing or a sub-contract) which in that case the hearing will be held two (2) days after the FCM's return by the most convenient means. Within ten (10) days after the close of the hearing the Director of Flight Operations or his designate will render his decision in writing to the FCM and the Association. If the FCM is on an extended pairing or a sub-contract, the FCM

must be advised by FAX at his actual location with the same time delay as above, ten (10) days.

20.04 Arbitration

Failing in settlement under step 2, the grievance may be taken to arbitration as provided in article 21. If no written request for arbitration is received within fifteen (15) days after the decision in step 2 is given, it shall be deemed to have been settled or abandoned.

20.05 Limits of Action

Saturdays, Sundays, and statutory holidays will not be counted in determining the time limits within which any action is to be taken or completed in each of the steps of the grievance procedure or under articles 19.02 and 21.

20.06 Failure of the Company to Reply

If the Company fails to reply to a grievance in writing within the time limits stipulated in this article, the grievance may at the option of the Association be referred to the next level to the grievance procedure including arbitration.

ARTICLE 21 - ARBITRATION

21.01 Selection of Arbitrator

When either **party has** requested that **a** matter be submitted to arbitration, as mentioned in article 20, the arbitrator shall be selected by mutual agreement **between** the parties within **fifteen** (15) days of receipt of the written request required.

Should the Company and the Association be unable to *agree* on an arbitrator, they shall then request the Federal Minister of Labor to appoint an arbitrator.

21.02 Decisions by the Arbitrator

All decisions arrived at by the arbitration shall be final and binding on the FCM, the Company and the Association.

21.03 Submission by Arbitrator

No matter shall be submitted to arbitration which previously has not been properly carried though all the required steps of the grievance procedure, unless they have been waived in writing by **both parties** or unless **the** Company had failed to reply as **per article 20.06**.

21.04 Arbitrator Jurisdiction

The arbitrator shall not have jurisdiction to change, by his decision in whole or in part, the provisions of this Agreement. The arbitrator shall, however, in respect of a grievance involving a penalty, be entitled to modify the penalty as, in his opinion, is just and equitable.

21.05 Cost of Arbitration

The cost related to services required from an arbitrator will be **borne equally** by both parties, including the expenses and fees.

ARTICLE 22 - DURATION

22.01 Application

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This agreement shall be effective from June 1st 1997 and remain in effect and continue in full force until December 31st 1998.

22.02 Renewal

This **agreement** will renew itself without change for **each** succeeding **year**, unless written notice of intended change is served by either **party** hereto at least sixty (60) days prior to the expire date. In the event that notice is given of intended change, this Agreement will remain in full force and **effect** while negotiations **are** being carried on **for** the arrangement **of** further Agreement and until such further Agreement is signed.

In witness whereof, the parties have singed this Agreement at Mirabel, Quebec this June 5th 1997.

For Air Club International

Vice President of Operations

dministration

For Air Club International Pilot's Association

President

Treasurer

<u>APPENDIX A</u>

FLIGHT CREW MEMBER SALARY

Captain

Years of Service	Annual Salary	Hourly Rate
0-1	\$ 70,000	\$ 68.63
1-2	\$ 76,000	\$ 74.61
2 - 3	\$ 83,000	\$ 81.37
3-4	\$ 85,500	\$ 83.82
4 - 5	\$ 88,000	\$ 86.27

FirstOfficer

Years of Service	Annual Salary	Hourly Rate
0 - 1	\$ 43,500	\$ 42.65
1-2	\$ 47,000	\$ 46.08
2-3	\$ 52,000	\$ 50.98
3-4	\$ 53,600	\$ 52.55
4-5	\$ 55,200	\$ 54.12

Flight Engineer

Years of Service	Annual Salary	Hourly Rate
0 - 1	\$ 50,000	\$ 49.02
1-2	\$ 55,000	\$ 53.92
2-3	\$ 57,500	\$ 56.37
3-4	\$	\$
4 - 5	\$	\$

Second Officer

Years of Service	Annual Salary	Hourly Rate
0 - 1	\$	\$
1-2	\$	\$
2-3	\$	\$
3-4	\$	\$
4 - 5	\$	\$

APPENDIX B

SENIORITY LIST

- 1. Denis Carbonneau
- 2. Gilles Lebourhis
- 3. Charles Holstein
- 4. Michel Dion
- 5. Charles Pym
- 6. Pierre Gavillet
- 7. Jean-Marc Ledoux
- 8. Steve Gallimore
- 9. François Mignault
- 10. Chris Hansen
- 11. Clarence Ainsley
- 12. Colin Jesney
- 13. Daniel Baril
- 14. Roger Bernardin
- 15. Hakim Benahmed
- 16. Bruno Arès
- 17. Denis Fontaine
- 18. Hughes Langlois
- 19. Claude Potvin
- 20. Gilles Lefebvre
- 21. Jacques Mignault
- 22. Pierre Gauthier
- 23. Armand Rémillard
- 124. 🕐 Fernand Bélanger
- 1d 7

- 25. Ronald Smith
- 26. Jean Grégoire
- 27. Michael Vossen
- 28. Kevin Melanson
- 29. Derrick Plosai
- 30. Shawn McQuillen
- 31. Michel Carter
- 32. Michael Hanna
- 33. Bernard Cadieux
- 34. Nigel Jackson
- 35. Serge Poirier
- 36. Réiean Morin
- 37 Wayne
 - McNicholl
- 38. Yves Jolicoeur
- 39. Rick Hackman

FLIGHT ENGINEER

- 1. Gilbert Barbe
- 2. Jacques
 - Laliberté
- 3. John Yury
- 4. Denis Cock
- 5. Don Steers

LETTER OF UNDERSTANDING

Concerning Article 8.04 a) of the Collective Work Agreement between Air Club International Inc. and Air Club Plot Association dated June 5th, 1997, the parties agree to determine the mechanism for the bidding of Vacations and request of Guarantee Days Off, before September 30th, 1997

In witness whereof, the parties *hereto* have signed this Letter of Understanding at Mirabel, Quebec this June 5th, 1997.

For Air Club International

Vice President of Operations

dministration

For Air Club International Pilot's Association

President

Treasurer

