

Collective Agreement

between

Air Inuit LTD

and

Teamsters Local 1999
Aeronautics Division

Begins:
12/22/2003

Terminates:
06/30/2009

10956 (03)

PREAMBLE	5
SECTION 1 JURIDICION AND SCOPE OF THE AGREEMENT.....	6
SECTION 2 INTERPRETATION.....	8
SECTION 3 COOPERATION.....	11
SECTION 4 UNION SECURITY.....	13
SECTION 5 REPRESENTATION.....	14
SECTION 6 TRANSFER TO A SUPERVISORY POSITION.....	15
SECTION 7 SENIORITY	16
SECTION 8 POSITIONS. ASSIGNMENTS & PROMOTIONS.....	18
SECTION 9 LAY-OFFS AND RECALLS.....	19
SECTION 10 GRIEVANCE PROCEDURES.....	20
SECTION 11 DISCIPLINARY MEASURES AND DISMISSALS.....	23
SECTION 12 LEAVE OF ABSENCE	24
SECTION 12A LEAVE WITHOUT PAY.....	24
SECTION 12B MATERNITY LEAVE.....	25
SECTION 12C PATERNITY LEAVE	26
SECTION 12D JURY DUTY	26
SECTION 12E BEREAVEMENT LEAVE	26

RECEIVED
 JUL 12 2004

²
 10956(03)

SECTION 12F	DIFFERED LEAVE OF ABSENCE	27
SECTION 13	WORK STANDARDS.....	31
SECTION 13A	NON-ROTATIONAL PILOTS.....	31
SECTION 13 B	ROTATIONAL PILOTS.....	36
SECTION 14	PROBATIONARY PERIOD.....	41
SECTION 15	NEW EQUIPMENT.....	42
SECTION 16	PAID ANNUAL VACATION.....	43
SECTION 17	STATUTORY HOLIDAYS.....	45
SECTION 18	SICK DAYS.....	45
SECTION 19	GROUP INSURANCE	45
SECTION 20	MEDICAL EXAMINATION.....	46
SECTION 21	UNIFORMS.....	48
SECTION 22	WAGE RATES.....	48
SECTION 23	TRANSPORTATION AND EXPENSES.....	51
SECTION 24	RRSP.....	53
SECTION 25	GENERAL PROVISIONS.....	53
SECTION 26	ACQUIRED RIGHTS.....	57
SECTION 27	DURATION OF AGREEMENT	58

ANNEX "A"	SALARY SCALE.....	59
ANNEX "A"(CONT'D)	HUNTING/FISHING CAMP & ICE STRIPS.....	60
ANNEX "B"	UNION MEMBERSHIP DEDUCTION FORM.....	61
ANNEX "C"	MISCELLEANOUS.....	62
ANNEX "D"	UNIFORMS.....	64
ANNEX "E"	PROFESSIONAL COMMITTEE.....	65
LETTER OF UNDERSTANDING NO.1	66

PREAMBLE

With Air Inuit Ltd., the Inuit community of Nunavik created a crucial instrument for economic participation and growth. Given the collective nature of the Company, such economic and social development must respond to the needs of the Inuit community of Nunavik as well as the employees of Air Inuit. It is critical to the project that the economic viability of the enterprise ensure durable and stable development, development of a kind that assists in the production of better quality of life for all participants, realized in a climate of mutual participation and communication.

Air Inuit's 'Policy and Procedures Manual for Air Inuit Personnel' establishes policies and procedures that apply to all Air Inuit employees. These policies and procedures are not intended to conflict in any way with applicable legislation or collective agreements both of which will take precedence in the event of contrary interpretations or applications.

It is understood that the Company and the Union will cooperate to ensure efficient realization of the Company's operations, to maintain harmonious relations between the Company and the Pilot group such that methods which permit a positive resolution to differences which might arise between them. With these objectives in mind the parties agree as follows:

SECTION 1 JURISDICTION AND SCOPE OF THE AGREEMENT

1.01 According to the certificate of union recognition issued by the Canada Labour Relations Board, the Company recognizes the Union as the sole bargaining agent for the purpose of negotiating working conditions for the Pilots, as hereinafter defined;

- 1.02 a) i) All fixed-wing aircraft operated by Air Inuit Ltd. of any nature, that is, passengers or cargo, including extra-section flights, charter flights, ferry flights, positioning flights and all other flights for which the Company is the carrier, and all flights listed in a published flight schedule, either with aircraft owned by Air Inuit Ltd. or dry leased, shall be operated by the Pilots whose names appear on the seniority list of Air Inuit Ltd. pilots. All these flights shall be considered as work belonging to the bargaining unit for which the Union is certified as bargaining agent.

However, in the event that no qualified personnel is available among the Pilots, the Company reserves the right to recruit qualified personnel from outside the bargaining unit on a contractual basis, in this case, the contract will not exceed five (5) consecutive months.

The Company shall pay directly to the Union an equivalent of union dues (Level 1) for Pilots engaged on a contractual basis.

- ii) Any new operational project out of Nunavik or Montreal will be subject to a feasibility study involving both parties in order to evaluate the project, the routes, the equipment, the context; and to determine if the new project will be on a rotational or non-rotational basis etc. It is acknowledged that both parties will aim to apply the provisions of the collective agreement as much as possible.

- b) Notwithstanding the above, the Company may:
- i) Wet lease one aircraft or more on a temporary basis, provided that such leases are necessary because of circumstances beyond the Company's control, (such as bad weather, mechanical failure, acts of God), or to develop new services, provided however that such leases do not exceed thirty (30) days or such longer period with the consent of the Union;
 - ii) On an occasional and irregular basis, subcontract a flight, including a charter flight, or any portion thereof to another carrier;
 - iii) Subcontract to another carrier certain flights for which the Company does not have the Equipment, provided that Pilots are not laid off as a result and that such subcontracts are granted for a limited period of time. In such case, the Company and the Union shall meet to discuss the applicable conditions.
 - iv) Notwithstanding article 1.02 b) I), the Union agrees that the Company may Wet Lease aircraft for a period exceeding thirty (30) days, to provide service to hunting and fishing camps during the summer period.

1.03 The Union recognizes that the Company has the exclusive right to direct and manage its company, its activities, business resources and employees, subject to the provisions of this Collective Agreement.

1.04 Air Inuit Ltd., a wholly-owned subsidiary of Makivik Corporation which was created by Special Act of the National Assembly pursuant to the James Bay and Northern Quebec Agreement (the "JBNQA") and actively encourages the employment of Nunavik's residents wherever possible in accordance with the spirit and intent of the JBNQA: priority will be given to the employment of qualified Inuit beneficiaries of the Nunavik region. However, the Company will not employ or continue to employ any person because they are member of a designated group. Employment shall always be on the basis that the individual is, or is capable of becoming a productive and contributive member of the Company.

1.05 Neither the Company nor the Union shall discriminate, in any way against any Pilot because of race, religion, sexual orientation, beliefs, colour, nationality or union allegiance or non-allegiance. However, it is the Company's and the Union's mutual objective to favour and promote the employment of Inuit Pilots.

1.06 The parties agree that all flights operated by the Company according to the contract or any similar contract between the Company and Hydro-Quebec, or any similar contract, will not be considered as flights operated by the Company covered by the present collective agreement. Moreover, both parties agree that any aircraft operated by the Company to fulfill a specific contract that would not be economically viable if the conditions of the collective agreement would apply will not be considered as part of work belonging to the bargaining unit. However, the Company agrees to demonstrate such non-viability to the Union and in such cases, the parties will meet.

SECTION 2 INTERPRETATION

2.01 Definitions

For the purpose of this agreement, the following words shall mean:

- a) PILOT shall mean a Captain or a First Officer employed by the Company as either a Rotational Pilot or Non-Rotational Pilot, save and except for the position of Chief Pilot.
- b) CAPTAIN shall mean the Pilot assigned by the Company to act as first-in-command, and who is properly qualified and holds current regulatory certificates authorizing him to serve as such pilot.
- c) FIRST OFFICER shall mean the Pilot assigned by the Company to act as second-in-command, and who is properly qualified and holds current regulatory certificates authorizing him to serve as such pilot.

- d) **FLIGHT OPERATIONS:**
- i) Domestic flight means any day or night, scheduled or nonscheduled flight, transporting passengers, express courier or cargo, or operating ferry flights, with commercial aircraft registered in Canada or approved by Transport Canada and which cannot be considered as international or overseas operations.
 - ii) International flight means any flight, as described above, which is operated entirely or partially outside Canada.
- e) **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) **DAY** shall mean a 24-hour period from midnight to midnight.
- g) **YEAR/ROTATIONAL YEAR** shall mean a consecutive period of three hundred and sixty-four (364) calendar days commencing on the date this Agreement takes force and effect.
- h) **JOB VACANCY** shall mean any position left vacant by a Pilot.
- i) **HOME BASE** shall mean the station where a Pilot or a group of Pilots resides from which company flights are operated on a non-rotational basis being published scheduled flights or scheduled charter flights.
- j) **PROBATIONARY PERIOD** shall mean the assessment period for a Pilot prior to the Pilot being considered a permanent employee or the assessment period for a Pilot transferred from a First Officer's position to a Captain, as the case may be.
- k) **EQUIPMENT** shall mean any aircraft owned or leased, and operated, by the Company to transport passengers and/or cargo for the purpose of operating as air carrier.
- l) **RESERVE DAY** shall mean that calendar day during which a reserve period shall occur.
- m) **SCHEDULED FLIGHT** shall mean any flight published by the Company from time to time in its regular schedule roster.

- n) **NON-SCHEDULED AND CONTRACT FLIGHT** shall mean any flight not included in the definition of a Scheduled Flight.
- o) **REST PERIODS** shall mean any continued rest period as defined in CARS at or away from Home Base.
- p) **SENIORITY** shall mean seniority, which shall begin to accrue as of the last date of hiring of the employee as a Pilot.
- q) **CHARTER FLIGHT** shall mean any flight performed on a wet lease basis for the account of a charterer and for which payment is agreed according to a schedule of prices other than a rate per unit.
- r) **ROTATIONAL PILOT** shall mean a Pilot who is available for work on a rotational basis.
- s) **NON-ROTATIONAL PILOT** shall mean a Pilot other than a Rotational Pilot.
- t) **SUPERVISORY POSITION** shall mean a Chief Pilot and any position above Chief Pilot requiring the person holding the position to be a qualified licensed commercial Pilot.
- u) **NON-FLYING POSITION** shall mean a position in the Company that does not require the person holding the position to be a qualified licensed commercial pilot.
- v) **EXTERNAL CONTRACT** the parties agree that all flights made by the Company pertaining to the contract between the Company and Hydro Quebec, or any similar contract with another company, not involving any aircraft owned or leased by Air Inuit LTD. to fulfill the contract, will not be considered as flights operated by the Company and covered by the collective agreement. Moreover, the parties agree that any aircraft leased by the Company to fulfill a specific contract, which would not be otherwise viable if the present collective agreement would apply, will not be considered as part of the union accreditation. However, the Company agrees to demonstrate to the Union such non-viability and the Company and the Union will meet.
- w) **WET LEASE** shall mean a charter.

- x) **NUNAVIK** shall mean that area of the Province of Quebec north of the 55th parallel.
- y) **EXTERNAL BASE** shall mean any base of operations from which the pilots fly on a rotational or non-rotational basis.
- z) **INUIT** shall mean a person registered or having the right to be registered as an Inuit Beneficiary in accordance with the *Act Respecting the Creeks, Inuit and ASCAP Native Persons*, R.S.Q., c.A-33.1.
- aa) **ROTATIONAL DAY** shall mean a day during which a Rotational Pilot is available to work on a rotational basis.
- bb) **NON-ROTATIONAL DAY** shall mean a day other than a Rotational Day.

2.02 **Number and Gender**

In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

- a) words in the singular number include the plural and such words shall be construed as if the plural had been used;
- b) words in the plural include the singular and such words shall be construed as if the singular had been used; and
- c) words importing the use of any gender shall include all genders where the context or party referred to so requires, and the rest of the sentence shall be construed as if the necessary grammatical and terminological changes had been made.

SECTION 3 COOPERATION

- 3.01 The Union agrees that neither it nor its members shall cause, help, encourage or take part in a strike, slowdown, work stoppage or picket line on or in front of the Company's property or elsewhere for any reason during the term of this Agreement.
- 3.02 The Company agrees that there shall be no lockout during the term of this Collective Agreement.

3.03 Posting of union meeting notices or other notices with regard to the Union shall be allowed on bulletin boards provided to that effect by the Company, providing such notices are in compliance with the Company policies and provided also they are signed by a Union Representative authorized to do so. Except for meeting notices, all other notices shall first be sent to the Director of Operations who reserves the right to authorize the posting or not (this authorization shall not be unjustly refused).

3.04 Any notice, document or other communication required or permitted to be given hereunder shall be in writing and shall be sufficiently given if sent by prepaid registered mail from a post **office** in Canada addressed in the case of the Union to:

TEAMSTERS QUEBEC, LOCAL 1999
AERONAUTICS DIVISION
9393 Edison Street, Suite 100
Ville d'Anjou (Québec)
HIJ IT4
Telephone: (514) 355-1110
Telephone: 1-800-361-4781
Fax: (514) 493-6679
Email: info@teamsters1999.com
mail: SStJean@teamsters1999.com

And, in the case of the Company to:

AIR INUIT LTD.
547 Meloche Avenue
Dorval (Québec)
H4P 2W2
Attention: Director of Flight Operations
Telephone: (514) 636-9445
Fax: (514) 636-3619
Email: nnoel@airinuit.com

Or if delivered by hand or sent by fax at such addresses.

Each of the foregoing shall be entitled to specify a different address by giving written notice as aforesaid to the other.

Any such notice, if mailed, shall be deemed to have been given on the third business day following such mailing, or if delivered by hand or sent by fax, shall be deemed to have been given on the day of delivery or dispatch if a business day or if not a business day, on the business day next following the day of delivery.

- 3.05 The Company agrees to pay for transportation costs of any crew member on duty away from his Home Base or, in the case of Rotational Pilots, away from Montreal, because of an operational disruption occurring during the term of this Collective Agreement or its renewal, except if such disruption is caused by an act or omission which contravenes the provisions of section 3.01 or, except if it is caused by the Union's or its members' acts or actions described in section 3.01, after the expiration of this Collective Agreement or its renewal.
- 3.06 The Company shall cause the printing and translation of this Collective Agreement in French, English and Inuktituk at its cost and any Pilot covered by this Agreement shall receive a copy as soon as possible following its signature in the language of his choice. The English version shall be the official version for deposit to the Minister of Labour.

SECTION 4 UNION SECURITY

- 4.01 Any Pilot shall, as a condition of continued employment, agree to sign the payroll deduction form for the purpose of union dues deduction (See Annex B). This form is provided by the Union and given to the Pilot by the Company. Union dues shall be deducted as of the Pilot's first pay cheque after the coming into effect of this Collective Agreement.
- 4.02 The Company shall deduct from the pay cheque of each Pilot, every pay period, the amount owed to the Union for union dues, and on the second pay period of the month the amount owed for initiation fees, where applicable, and/or any other special or occasional deduction requested by the Union. In the event of an error, the Company shall not be responsible financially or otherwise, either to the Union or to any Pilot for any failure to make deductions or for making improper or inaccurate deductions or remittances other than to adjust the error in a subsequent deduction and remittance. The Company's liability for any and all amounts deducted pursuant to the provision of this section shall terminate at the time it remits payment to the Union.

- 4.03 The Union shall advise the Company of the amount of union dues, initiation fees and/or any deduction determined by the Union, and the Company shall remit the amounts so deducted to the authorized Union Representative before the fifteenth (15th) day of the month following the month during which said deductions were made, along with a list of all the Pilots.
- 4.04 Only payroll deductions now or hereafter required by law and deductions of total amounts due to the Company shall be made from wages prior to the deduction of dues.
- 4.05 In the event of a labour dispute within the Company, the Company and the Union shall meet and try to agree on the appropriate measures to be taken, in order to ensure the Pilots' safety, their belongings and the Company's property.

SECTION 5 REPRESENTATION

- 5.01 In this Agreement, the term "Certified Representative" shall mean the Pilot or the business agent from Local 1999 (hereinafter the "Business Agent").
- 5.02 A meeting will be held to discuss items of mutual interest upon request either from the Union or the Company.
- 5.03 Two (2) Pilot members of the committees, shall not lose any salary as a result of attending committee meetings, including negotiation committee meetings to conclude the present Collective Agreement. Committee meetings shall be scheduled, as needed, and when convenient for both parties. In the event that such a committee meeting coincides with a monthly day off or any other day off, the Company shall pay the Pilots the salary that they would have otherwise received for a regular day of work.
- 5.04 a) Where departmental operational requirements allow and with the agreement of the Chief Pilot, a leave of absence without pay shall be granted for union activities to the officers of the section. A written request shall be submitted thirty (30) days in advance.
- b) When necessary, the Company shall provide complementary travel passes on its flights to committee members in order for them to attend meetings of the committees, subject to available space on such flights.

5.05 At the end of each initial ground school and at each recurrent ground school, a Union representative will have an opportunity to meet with the pilots.

SECTION 6 TRANSFER TO A SUPERVISORY OR A NON-FLYING POSITION

6.01 Any Pilot who is transferred to a Supervisory Position shall accumulate and maintain his seniority.

6.02 Any Pilot who has been transferred to a Non-Flying Position, including a Pilot transferred following disability or illness, shall maintain his seniority rating and continue to accumulate seniority for a period of one (1) year. After such one (1) year period, he shall maintain only his seniority for the following two (2) year period.

6.03 Any Pilot in a Supervisory Position or a Non-Flying Position and eligible, in accordance with sub-sections 6.01 and 6.02, who returns to his line Pilot status, shall be able to exercise his seniority right and bump any junior Pilot.

6.04 Any Pilot in a Supervisory Position shall be able to perform Pilot duties in the following cases:

- i) for training purposes;
- ii) for replacement of Pilots on sick, bereavement, maternity or paternity leaves;
- iii) to ensure on-time departure;
- iv) to perform duties required because of last-minute operational changes (ex: additional flight to schedule);
- v) when no other Pilot is available or refuses to work overtime;
- vi) to compensate for accumulated days off
- vii) In order to maintain his abilities and competency he may fly a maximum of two hundred and fifty (250) hours per annum.

It is agreed that the above-mentioned provisions shall not be the cause for lay-offs.

6.05 The parties agree that, except when he has been dismissed for cause, a Pilot transferred to a Supervisory Position or a Non-Flying Position, who wishes to return to a line function shall be able to exercise his seniority in accordance with sub-section 6.03.

SECTION 7 SENIORITY

7.01 Subject to circumstances or the specific provisions of this collective agreement provisions, only Union Pilots shall be authorized to fly Company aircraft.

7.02 a) Seniority standing of any newly-hired Pilot shall be the date he is designated and paid as a Pilot, and this, at the beginning of the initial flight training period exclusive of ground training.

b) If two (2) Pilots or more are designated as such at the same date, their seniority standing shall be determined according to their results obtained at the end of their initial training and their experience, as well as the results of their flight tests.

c) The seniority of a Pilot shall be calculated as of his last hiring date as a Pilot. Pilots shall not accumulate seniority in the cases mentioned in sub-section 7.04.

7.03 A Pilot shall lose his seniority and his employment shall be terminated in the following cases:

(a) voluntary termination of employment;

(b) dismissal for cause:

(c) failure to confirm his return to work within three (3) days following confirmation of receipt of a letter requiring his return to work, and to reintegrate his position within fourteen (14) days following said confirmation:

(d) absence from work for three (3) consecutive days or more, without authorization and/or valid reason;

(e) lay-off exceeding two (2) years; and

(f) failure to conform to the conditions of sub-section 12A.05.

- 7.04 Any Pilot who has completed his Probationary Period shall cease to accumulate seniority in the following cases:
- (a) a leave of absence for a period exceeding twelve (12) months;
 - (b) a lay-off of less than two (2) years;
 - (c) a leave without pay for educational purposes for a period exceeding twenty-four (24) months.
- 7.05 Seniority rules shall govern all Pilots in the event of promotions or demotions, if they are qualified, assignment or re-assignment following expansion or reduction in work schedule, and choice of vacant positions.
- 7.06 All Pilots employed by the Company, including those who are transferred to Supervisory Positions, shall appear on the seniority list. The Pilot seniority list shall be revised on November 1 each year and posted during that same month. It shall include the Pilot's seniority rank, his name and status as a Rotational Pilot or Non-Rotational Pilot, as well as the date he was designated as a Pilot. It shall be posted by the Company at places easily accessible to everyone and a copy shall be given to all Pilots concerned, with a copy to the Union.
- 7.07 Any Pilot may challenge in writing within thirty (30) days following the posting referred to in sub-section 7.06, any error or omission regarding him. Failure to do so, the seniority date of each Pilot shall be considered definite. Errors or omissions on preceding lists may not be questioned.
- 7.08 Any error or omission which has not been challenged upon publication of the first seniority list, cannot be challenged upon subsequent posting of the list, unless it concerns typing errors, transcription or writing errors that can be corrected at any time.

SECTION 8 POSITIONS, ASSIGNMENTS AND PROMOTIONS

- 8.01 Any new position or vacant position that becomes available for a flight position on a Company aircraft, other than in a Supervisory Position, shall be posted by the Company on bulletin boards throughout the system. Such posting shall include the following information:
- a) classification;
 - b) number of positions/vacancies;
 - c) employment location;
 - d) equipment concerned;
 - e) effective date of employment;
 - f) the closing date of posting after a period of 7 days if all eligible Pilots have been notified or 21 days in all other cases.
- 8.02 Bulletins for job postings shall be numbered beginning with No. ■ for the first posted bulletin in January of each year.
- 8.03 A copy of each bulletin shall be provided to the Union Representative.
- 8.04
- a) Any Pilot who considers himself qualified for a posted position shall apply, in writing, on a form provided to that effect, to the person whose name appears on the bulletin. Failure from a Pilot to apply prior to the closing date indicated on the bulletin shall be considered as a refusal to bid.
 - b) Any Pilot who is absent shall leave his address and phone number. The Company and the Union shall make every possible effort to advise any absent Pilot.
 - c) Any Pilot who submits an application pursuant to the foregoing shall be assessed for his suitability to the position sought by the Chief Pilot, in consultation with the Training Pilot. The candidate Pilot shall meet **all** the requirements determined by the Flight Department.
- 8.05 The Company shall post a notice including the bulletin number and the name of the successful candidate(s).
- 8.06 Whenever a new type of equipment is introduced, the Company shall give proper training to its Pilots, if necessary.

- 8.07 In the event no Pilot considered qualified by the Company has applied for a posted position, the Company may designate the junior Pilot who is qualified for the position or may hire a Pilot from outside of the bargaining unit.
- 8.08 When a Pilot gets promoted to a permanent position, he could be requested to occupy that position for a twelve-month period. He may bid on other posted positions during that period.
- 8.09 A Pilot shall not be allowed to apply for a lower-paying position without the consent of the Company. However, a Pilot may bid on a position of a lower status on the same equipment, if this were to be the only solution to avoid being transferred from the status of a Rotational Pilot to that of a Non-Rotational Pilot or vice versa. This sub-section shall not apply in the case of a transfer or a demotion following a change of equipment.
- 8.10
- a) The Company shall pay up to a maximum of Five Thousand Dollars (\$5,000.00) to a Pilot who is transferred at the request of the Company from one location to another, either temporarily or permanently, to cover moving costs, lease cancellation, etc.
 - b) When a Pilot is chosen by the Company to fill a position at a new base or on a new route following its posting, he shall not be considered as transferred at the request of the Company and, consequently, shall not be entitled to any moving expenses.
 - c) A Pilot who is transferred from one location to another at the request of the Company shall be granted five (5) work days without loss of salary to move.

SECTION 9 LAY-OFFS AND RECALLS

- 9.01 A Union-Management committee shall be established comprising two (2) representatives of management and two (2) representatives of the Union, including at least one (1) Captain. The Business Agent and other members of Management shall have the right to attend all Union-Management committee meetings, but shall not have the right to vote at such meetings.
- 9.02
- a) The Union-Management committee shall determine all lay-offs and recalls, the whole in accordance with the following criteria: seniority, priority of employment for Inuit beneficiaries, qualifications and competence.

- b) Before any lay offs, the parties agree to discuss all alternative possibilities to avoid such lay offs.
- c) In the event that the Union-Management committee cannot agree on the choices for lay-off or recall, the Union members and the Company members shall have alternate choices in turn during this Agreement starting with the Union members having the first.
- 9.03 Any Pilot shall be advised in writing of any reduction in the number of permanent positions within his job status, at least five (5) days in advance for a Pilot who has less than one (1) year of service, fifteen (15) days in advance for a Pilot who has one (1) year and less than three (3) years of service, and thirty (30) days in advance for a Pilot who has completed three (3) years of service or more. Furthermore, in the event a lay-off becomes necessary because of a third party or an Act of God, a reasonable notice shall be given but shall never be less than five (5) days.
- 9.04 Without giving up his recall rights, a Pilot liable to lay-off may agree on a voluntary lay-off.
- 9.05 Any laid-off Pilot shall confirm his home address with the Director of Operations by registered mail and promptly inform him of any subsequent change of address.

SECTION 10 GRIEVANCE PROCEDURE

- 10.01 For the purpose of this section, the word "grievance" means any misunderstanding and/or dispute related to the interpretation, the application or the alleged violation of this Collective Agreement, or pari thereof, but does not include any misunderstanding and/or dispute relative to a verbal warning as described in paragraph (b) of sub-section 11.01.
- 10.02 The Union grievance committee is comprised of two (2) Pilots. The Company shall be informed, in advance by the Union, of the name of the designated Pilots, and of any subsequent change, if necessary.
- 10.03 The parties shall make an honest effort to promptly settle all grievances.
- 10.04 The present Collective Agreement recognizes four (4) types of grievances:

- a) Individual grievance:
When a grievance concerns only one (1) Pilot.
- b) Group grievance:
When two (2) Pilots or more (or the entire bargaining unit) have a grievance of the same nature and/or when the dispute concerns two (2) Pilots or more.
- c) Union grievance:
A dispute between the Union and the Company. Such grievance is signed by a representative of the Union or the Business Agent.
- d) Company grievance:
A dispute between the Company and the Union. Such grievance is signed by a representative of the Company.

10.05

For the purpose of Individual or Group grievance settlement, the following procedure shall be followed:

First step:

Any grievance must be presented within a time limit not to exceed twenty (20) days immediately following the day the incident giving rise to the grievance occurred. The Pilot(s) must submit a written grievance (and sign it) to the Chief Pilot, to find a quick solution. He (they) may be accompanied by a Union representative or he (they) may submit his (their) grievance by himself (themselves).

Second step:

If the Chief Pilot fails to render a decision within the following fifteen (15) days or if the Pilot(s) is (are) not satisfied with his decision, he (they) shall refer the grievance to the Union which can appeal in writing to the Director of Operations within the following ten (10) days. The parties shall meet to try and settle the grievance within twenty (20) days following the date of receipt of the Union's written grievance by the Director of Operations.

Third step:

Failing a written decision within twenty (20) days or if the Union is not satisfied with the decision of the Director of Operations, the grievance may be taken to arbitration, according to the sole arbitrator formula provided for hereinafter.

- 10.06 For the purpose of Union or Company grievance settlement, the following procedure shall be followed:
- First step:
Any grievance must be presented within a time limit not to exceed twenty (20) days immediately following the day the incident giving rise to the grievance occurred. The grieved party must submit a written grievance (and sign it) to the other party, to find a quick resolution.
- Second step:
The parties shall meet to attempt to resolve the grievance within the twenty (20) days immediately following reception of the written grievance.
- Third step:
Failing a written agreement resolving the dispute within such twenty (20) day period, the grievance may be taken to arbitration, according to the sole arbitrator formula.
- 10.07 In the event of arbitration pursuant to section 10.05 or 10.06 (or in the event of arbitration pursuant to sub-section 15.01), each party shall make a suggestion as to the name of an arbitrator within twenty (20) days following the expiration of the last step. Failing to agree on the choice of an arbitrator, the Labour Minister shall, upon request from either party, appoint an arbitrator according to the provisions of Part I of the Canada Labour Code.
- 10.08 The Company and the Union may, from time to time, upon mutual agreement in writing, extend time limitations mentioned in this section.
- 10.09 The arbitrator shall have no authority to add to, delete, modify or alter any part of this Agreement.
- 10.10 In matters of discipline, the arbitrator has the power to evaluate if there are reasons for disciplinary measure, but may only maintain or cancel the disciplinary measure imposed.
- 10.11 In all cases, the arbitrator's decision shall be binding on both parties.
- 10.12 The costs and fees of the arbitrator shall be shared equally by the Company and the Union and each party shall pay for the expenses of its respective witnesses.

- 10.13 At every step of the grievance procedure and arbitration, the parties may be assisted or represented by the Union representative and/or Union Officers, or by any other representative duly appointed, such as legal advisors or any other person authorized by the Company, or Local Union 1999.
- 10.14 No grievance or written complaint submitted under the present section may be considered as null or rejected because of informalities or Irregularities in the form of proceedings, providing it **has** been submitted within the time limitations prescribed in this section, unless otherwise agreed by the parties, as established in sub-section 10.08.
- 10.15 In the event a deadline day provided for in this section falls on a Saturday, Sunday or Statutory Holiday, the deadline day shall be extended to the next working day.
- 10.16 In the event a permanent Pilot believes he has been unjustly dismissed, his complaint shall be taken directly to the grievance procedure and shall be processed as of the second step provided for in sub-section 10.05.

SECTION 11 DISCIPLINARY MEASURES AND DISMISSALS

- 11.01 a) Any disciplinary measure shall be given in writing to the Pilot concerned and shall contain the reasons for discipline. Copies of such notice shall be given to the Union.
- b) Verbal warnings shall not be considered a disciplinary measure and, in consequence, shall not be submitted to the grievance procedure. With the exception of fraud or theft, which are subject to dismissal, the Company will apply the principle of progressive discipline in all disciplinary cases.
- c) Notwithstanding the article 11.01 a) and b), the following infractions can result in immediate dismissal, including but not limited to the following:
- a willful or negligent action that compromises Air Inuit's flight safety;
 - prohibited movement of drugs, alcohol or other goods;
 - severe harassment;
 - theft;
 - willful destruction of Air Inuit property.

- 11.02 Any disciplinary measure may be subject to the grievance procedure and submitted to arbitration.
- 11.03 a) Investigations and hearings with regard to disciplinary measures or dismissals concerning Rotational Pilots may take place at the Pilot's operating base and be scheduled in order to avoid meal expenses and time lost.
- b) Investigations and hearings with regard to disciplinary measures or dismissals concerning Rotational Pilots may also be held at the Company's base in Dorval immediately before or after the rotation of the Pilot concerned, in which case the Company shall pay for the Pilot's accommodation.
- c) Investigations and hearings with regard to disciplinary measures or dismissals concerning Non-Rotational Pilots shall be held at the Company's base in Dorval.
- 11.04 Any disciplinary measure for reasons other than professional shall be withdrawn from the Pilot's employment record after twenty-four (24) months, provided that during such period, no disciplinary measure of the same nature was registered in the Pilot's employment record.

SECTION 12 LEAVE OF ABSENCE

Section 12A Leave without pay

- 12A.01 The Company may, at its discretion, grant a leave without pay and without loss of seniority for a maximum period of twelve (12) months or a leave without pay and without loss of seniority for educational purposes up to a maximum period of twenty-four (24) months to any employee. During his absence, a Pilot may exercise his right to request assignment according to his seniority, but he has to return to work at the beginning of the training period required by his new assignment. The Union shall be advised in writing of all leaves so granted, indicating the date the leave is to commence and the date the Pilot is to return to work. A Pilot on leave without pay or differed leave of absence pursuant to section 12, shall accrue seniority. However, such accrual shall not be used to change salary level or to reduce the required time period for such change in salary level. Upon his return to work, said Pilot shall be reinstated at the same salary level as he was before his leave without pay or differed leave of absence.

- 12A.02** Under no circumstances shall a leave without pay be granted to allow a Pilot to work elsewhere in the airline industry. However, for a valid reason, the provisions of this sub-section may be waived upon the written consent of the Company.
- 12A.03** Any Pilot returning to work following a leave without pay shall be reinstated in his former position if his seniority allows it according to sub-section 7.04. In the event his seniority does not allow him to resume his former position, he shall be allowed to exercise his right to bump a junior Pilot.
- 12A.04** Any Pilot on a leave without pay for a definite period of time who wishes to return to work sooner than expected may send his request to the Company by registered letter. Such a request may be accepted by the Company.
- 12A.05** Any Pilot on a leave without pay for a definite period of time, shall within thirty **(30)** days, but at least fifteen **(15)** days, prior to his return to work, inform the Company by registered mail of his intention to return to work. Failure to comply with this provision shall result in his name being taken off the seniority list.
- 12A.06** The Company shall not be compelled to accept a return to work as provided in sub-section 12A.05 earlier than the date of the next training session, if such a training session is required before the Pilot can resume his work activities. Sub-section 7.04 shall not apply to such situations.
- 12A.07** A Pilot on a leave of absence without pay for more than thirty **(30)** days may maintain his group insurance coverage provided he pays one hundred percent **(100%)** of the premium.

Section 12B Maternity Leave

- 12B.01** Any Pilot is entitled to a maternity leave without pay in accordance with the provisions of the Canada Labour Code.
- 12B.02** Any Pilot who fails to report for duty on her scheduled date of return is considered to have resigned.
- 12B.03** The Company reserves the right to have the Pilot examined by a physician designated and paid for by the Company.
- 12B.04** During her maternity leave, the Pilot shall remain in the employ of the Company and continue to accumulate seniority.

12B.05 The Pilot shall not be entitled to payment for statutory holidays, which fall within her maternity leave.

12B.06 During her maternity leave, the Pilot may maintain her group insurance coverage, providing she pays her share of the contribution.

Section 12C Paternity Leave

12C.01 Within the seven (7) days following the birth of his child, a Pilot shall have the right to five (5) days of paternity leave without loss of salary. For Rotational Pilots this shall be exclusive of the days required to fly between the base where they are positioned and Montreal.

Section 12D: Jury Duty

12D.01 Any Pilot called to serve on jury duty or to appear as a witness shall be granted a leave of absence and he shall accumulate seniority during his absence. During the time he serves as a juror or appears as a witness, he shall continue to receive his regular salary, less the amount received as a juror or witness.

12D.02 Sub-section 12D.01 shall not apply to a Pilot who has an interest, either direct or indirect, in the court procedure to which he is to appear as a witness, nor shall sub-section 12D.01 apply for a day or days when the Pilot is not required to work for the Company.

Section 12E: Bereavement Leave

12E.01 Any Pilot shall be granted five (5) days off without loss of salary in the event of the death of his spouse, a child, his father or his mother. Upon request, the Pilot may be granted a leave without pay.

12E.02 Any Pilot shall be granted three (3) days off without loss of salary in the event of the death of his spouse's brother, or sister, his father-in-law, his mother-in-law, a brother-in-law or a sister-in-law. Upon request, the Pilot may be granted a leave without pay.

12E.03 Any Pilot shall be granted one (1) day off without loss of salary in the event of the death of a grandfather or a grandmother. Upon request, the Pilot may be granted a leave without pay.

- 12E.04 Every day of bereavement leave shall represent eight (8) hours of duty time.
- 12E.05 The above-mentioned days off are not added to already-scheduled days off or annual vacation.
- 12E.06 The abovementioned days shall for Rotational Pilots be exclusive of the days required to fly between the base where they are positioned and Montreal.

SECTION 12F DIFFERED LEAVE OF ABSENCE

- 12F.01 A Pilot may request, in writing, for a differed leave of absence which, after having a portion of his salary retained by the Company during an acquisition period (hereinafter referred to as "Retained Salary"), shall allow the said Pilot to continue to receive salary payment during his leave of absence from his Retained Salary.
- 12F.02 The acquisition period shall be no less than two (2) years and no longer than five (5) years.
- 12F.03 The differed leave of absence shall be no less than three (3) months and no longer than twelve (12) months as indicated in Section 12F.07's examples, or any other method of application that satisfy both parties.
- 12F.04
- a) The Company shall not refuse to grant a differed leave of absence without valid reason. The Company reserves its rights to limit the number of Pilots on differed leave of absence due to operational requirements.
 - b) No Pilot may begin a differed leave of absence until he has worked for the Company for at least five (5) years.
 - c) The written request for a differed leave of absence shall contain the following:
 - the duration of the acquisition period;
 - the duration of the leave of absence;
 - the date on which the leave of absence shall commence;
 - the amount of the Retained Salary during the acquisition period.
 - the formula adopted in accordance with insurance requirements in order to maintain the group insurance benefits.

- d) Within sixty (60) days following the Pilot's request for a differed leave of absence, the Company will confirm the terms and conditions of the differed leave of absence.

12F.05 Seniority shall continue to accrue during the differed leave of absence. A Pilot returning to work following a differed leave of absence shall be reinstated in his former position if his seniority allows it. In such event, the Pilot shall be reinstated at the same salary level as he was before his leave of absence.

12F.06 A Pilot returning to work following a differed leave of absence shall be reinstated in his former position if his seniority allows it as per section 7.04. In the event his seniority does not allow him to resume his former position, he shall be allowed to exercise his right to bump a junior Pilot.

12F.07 During the acquisition period, the Pilot shall receive a percentage of his salary, which shall be equal to his base salary as indicated in Appendix "A", less the amount of the Retained Salary.

EXAMPLES

Duration of the leave	Acquisition period			
	2 yrs	3 yrs	4 yrs	5 yrs
3 months	87.5%	91.67%	N/A	N/A
6 months	75%	83.34%	87.5%	90%
12 months	N/A	66.67%	75%	80%

MATERNITY LEAVE

- 12F.08 a) if, during the first half of the acquisition period, a Pilot is entitled to maternity leave, the acquisition period shall be suspended during the maternity leave and shall continue after the maternity leave is completed unless she decides to terminate the acquisition period. In this latter event, all Retained Salary shall be paid to her without interest in accordance with the terms and conditions of section 12F.14. If, during the second half of the acquisition period, a Pilot is entitled to a maternity leave, the differed leave of absence shall be automatically canceled and all retained salary shall be paid to her without interest on that date.

- b) If, during the differed leave of absence, a Pilot is entitled to maternity leave, the differed salary payments shall be suspended and shall continue after the maternity leave. In the event that the duration of the maternity leave exceeds the termination date of the differed leave of absence, the Pilot may ask to resume her position by giving notice thereof to the Company at least ~~two~~ (2) months prior to such date. In this latter event, all Retained Salary shall be paid to her without interest on that date.

DISABILITY - LONG-TERM ILLNESS - ACCIDENT- WORK RELATED ACCIDENT

- 12F.09 a) If one of the abovementioned events occurs during the first half of the acquisition period, the acquisition period shall be suspended and shall continue upon return to work of the Pilot unless he decides to terminate the acquisition period. In this latter event, all Retained Salary shall be paid to the Pilot without interest in accordance with the terms and conditions of section 12F.14. If such events occur during the second half of the acquisition period, the differed leave of absence shall be automatically canceled and all Retained Salary shall be paid to the Pilot without interest on that date.

- b) If one of the abovementioned events occurs during the differed leave of absence, the differed salary payments shall be suspended during the disability and shall continue after the disability unless the Pilot has not taken the necessary steps to maintain the group insurance in force.

- c) In the event of a long term disability, the Retained Salary shall, if permitted by law, be deposited into the Pilot's RRSP without interest.

- 12F.10 In the event of the death of the Pilot during the acquisition period or the differed leave of absence, his estate shall be entitled to all Retained Salary remaining unpaid to the Pilot without interest.

- 12F.11 If, during the acquisition period or the differed leave of absence the Pilot leaves the employ of the Company, he shall receive all Retained Salary remaining unpaid by the Company without interest.

POSTING OF VACANCIES

- 12F.12 A Pilot may, during his differed leave of absence, apply for a new or vacant position that becomes available and, if accepted for the position, his leave of absence will be considered as cancelled and the provisions of subsection 12F.14 shall apply.
- The Pilot shall leave with the Company an address and a phone number where he can be reached during his differed leave of absence. The Company shall as much as possible try to bring any vacancy notice to the attention of the Pilot on differed leave of absence.
- 12F.13 For purposes of the RRSP contributions foreseen in section 24.01, during the acquisition period the Pilot's Base Salary shall be deemed his base salary, less the percentage of his base salary retained annually by the Company, and during the differed leave of absence shall be deemed the Retained Salary.
- 12F.14 If, during the acquisition period or the differed leave of absence, the Pilot wishes to return to work prior to the termination date of his leave of absence, the Pilot shall send a written request to that effect to the Company. The Company may, depending on operational requirements or the arrangements that have been taken with a replacement pilot, accept such request. In the event of the acceptance of the request, all Retained Salary shall be paid to the Pilot without interest on that date.
- 12F.15 In order to replace the Pilot while on differed leave of absence, the Company shall have the right to hire a replacement pilot from outside the bargaining unit on a contractual basis. Neither such pilot nor the Company, on his behalf, shall be required to pay union dues.
- 12F.16 No Pilot shall have the right to work elsewhere in the airline industry in Canada during his differed leave of absence without the written consent of the Company which consent can be withheld at the Company's sole discretion.

SECTION 13 WORK STANDARDS

Section 13A: Non-Rotational Pilots

13A.01

Definitions

- a) **'BLOCK'** shall mean a period of twenty-eight (28) consecutive days commencing on a Friday.
- b) **'DAY OFF'** shall mean a period of twenty-four (24) consecutive hours commencing at 0001 hours during which a Non-Rotational Pilot is not on duty, on reserve or on training. The beginning of this period may be extended to 02:00 am for operational disruptions.
- c) **'RESERVE BLOCK'** shall mean a period of twelve (12) consecutive hours during which a Non-Rotational Pilot is available to report for duty commencing 0600 hours or at such other time as may be determined by the Company upon giving twelve (12) hours advance notice to the Non-Rotational Pilot concerned.

13A.02

- a) Flight schedules will be prepared by the Company for a period of one Block and posted on the fifth (5th) day of the preceding Block.
- b) Each Non-Rotational Pilot shall submit, in writing, to the Chief Pilot his choice of Days Off for the following Block within seven (7) days subsequent to the posting of flight schedules.
- c) The Chief Pilot will issue a Block schedule to each Non-Rotational Pilot ten (10) days prior to the commencement of each Block.
- d) Errors discovered in a Block schedule prior to commencement of such Block will be corrected and Non-Rotational Pilots will be notified as soon as possible after the error is discovered.
- e) The Company will ensure that all known flights are indicated in the Block schedule.
- f) Block schedules shall indicate guaranteed Days Off, reserve days, operational duty days, training days, vacation, and any other information deemed appropriate by the Company.
- g) Non-Rotational Pilots shall be immediately notified by the Chief Pilot of any changes in Block scheduling.

- 13A.03
- a) The number of duty hours scheduled in a Block shall approach, as much as possible, the maximum duty times permitted under the Canadian Air Regulations.
 - b) Days off shall be scheduled for each Non-Rotational Pilot in order of seniority and shall include at least one (1) weekend per block.
 - c) Reserve Blocks for Non-Rotational Pilots shall be scheduled at the discretion of the Company; but shall include at least one (1) weekend per Block.
- 13A.04
- a) All duty times will be scheduled in accordance with the Canadian Air Regulations.
 - b) If a rest period is required away from the operational base, it shall be for a period of at least ten (10) hours from the time of arrival to the time of departure of a flight (calculated from the time the engines stop to the time the engines start) and shall include eight (8) hours for prone rest. If a rest period is required at the operational base, it shall be for a minimum of eleven and one-half (11 1/2) hours (calculated from the time the engines stop to the time the engines start) and shall include eight (8) hours of prone rest.
 - c)
 - i) A Non-Rotational Pilot shall receive a minimum of ten (10) Days Off per Block and a *minimum* of one hundred and nineteen (130) Days Off per period of thirteen (13) Blocks. Statutory holidays shall be included in the Days Off.
 - ii) Overtime Days (i.e., work on a Day Off) shall be assigned voluntarily based on Seniority. In the event no Non-Rotational Pilot volunteers, Non-Rotational Pilots shall be drafted in the reverse order of seniority. No Non-Rotational Pilot shall be required to work more than ten (10) Overtime Days during a Year, other than on a voluntary basis.
 - iii) For each Day Off worked by a Non-Rotational Pilot, he shall be entitled to the greater of the number of Duty Hours actually worked or eight (8) Duty Hours at time and one-half. In the case of an overtime Training Day, he shall be entitled to eight (8) hours at time and one-half.

- iv) In the event a Non-Rotational Pilot is requested to work on a Day Off, the Company shall reimburse such Non-Rotational Pilot for expenses incurred (trips, special events, etc.) for which he cannot be reimbursed otherwise, upon presentation of receipts.
- d) As much as possible, Days Off shall be chosen and scheduled in forty-eight (48) hour periods and this at least once per Block and at least twenty-six (26) times per period of thirteen (13) Blocks.
- e) If a Non-Rotational Pilot works a Day Off, it shall, if possible, be rescheduled in the same Block or in the following Blocks at the request of the Non-Rotational Pilot, in lieu of overtime pay as provided for in paragraph 13A.04 c) (ii) above. If it is not taken in the following block, it will be additional to his vacation period.
- f) Reserve duty shall be designated in the Block schedule of each Non-Rotational Pilot.
- g) A Non-Rotational Pilot on reserve must notify Dispatch where he can be contacted at all times when required for operational duty. Upon agreement with Dispatch, a Non-Rotational Pilot on reserve may be absent from his home after he has left a contact number where he can be reached.
- h) Non-Rotational Pilots on reserve shall provide a pager unit or a cell phone number as a second contact number. The Company will pay for the monthly communication charges.
- i) Two (2) Company calls for operational duty shall be made to a Non-Rotational Pilot on reserve, if necessary. Such calls will be made fifteen (15) minutes apart. If the Non-Rotational Pilot on reserve is not contacted after two (2) calls, he will be deemed to be unavailable and shall be subject to disciplinary action.
- j) The Flight Department may, on a discretionary basis and subject to operational requirements, release a Non-Rotational Pilot for all or part of a Reserve Day.
- k) A Non-Rotational Pilot must report for operational duty within seventy-five (75) minutes subsequent to a call while on reserve duty.

- f) A Reserve credit shall be equal to the greater of the following will be credited to a Non-Rotational Pilot:
- four (4) duty hours;
 - or the actual duty hours worked.
- m) A Non-Rotational Pilot shall receive up to a maximum of twelve (12) hours a day, a duty credit of thirty (30) minutes for each hour of lay-over commencing ten (10) hours after the duty period ends at a destination other than Home Base. The thirty (30) minutes per hour only applies while on the ground.
- n) A Non-Rotational Pilot shall receive one (1) duty hour credit for each two (2) hours of deadheading, if such deadheading is not followed immediately by a work assignment (i.e., no legal crew rest required prior to work assignment) and one (1) duty hour credit for each one (1) hour of deadheading, if such deadheading is followed immediately by a work assignment. (Deadheading back to Home Base after a work assignment or for training shall be credited on a one (1) duty hour credit for each two (2) hours of deadheading basis).
- o) A minimum operational duty day shall be four (4) duty hours. A minimum day shall not apply to deadheading.
- 13A.05 a) A Non-Rotational Pilot may request or be involved in one (1) trip exchange per Block, at the discretion of the Company.
- b) It is the responsibility of the Non-Rotational Pilot requesting the exchange to find a replacement and advise him of the confirmation or refusal of the exchange.
- c) A Non-Rotational Pilot requesting a scheduling exchange shall provide a minimum of forty-eight (48) hours advance notice to the Chief Pilot who shall approve or reject the trip exchange within twenty-four (24) hours by notice to the Non-Rotational Pilot involved. Trip exchange request forms are available from the Chief Pilot office.
- d) In exceptional circumstances, the above-noted conditions may be modified by the Chief Pilot.

- 13A.06
- a) All Non-Rotational Pilots scheduled for operational duty are required to contact Flight Dispatch two (2) hours prior to scheduled departure or prior to leaving their place of rest but in no event later than two (2) hours prior to scheduled departure time.
 - b) Unless otherwise advised, Non-Rotational Pilots scheduled for operational duty are required to report for duty one (1) hour prior to scheduled departure time.
 - c) Unless otherwise advised, all Non-Rotational Pilots not scheduled for operational services are required to report for duty one-half (1/2) hour prior to scheduled departure time.

13A.07 Re-Assianment

- a) In exceptional circumstances and based on operational requirements, a Pilot who reported for duty and lost one (1) flight, or a series of flights, shall become available for re-assignment. Re-assignment shall take place within daily limitations and the Pilot should be returned to his Home Base the same day, unless the Pilot was originally scheduled to stay overnight.
- b) When a flight is canceled after a Pilot has reported for duty, a Non-Rotational Pilot shall be credited the actual time of operational duty or four (4) hours, whichever is greater.

13A.08 Employment Standards

For remuneration and work scheduling purposes, duty time includes the following:

- a) Any time required to report for duty prior to each work period (usually 1 hour) and the time required to complete after flight duties (usually 15 minutes).
- b) All hours worked to complete a flight (engine start to shutdown).
- c) Waiting time between flights except in the case of a split Duty Day, in accordance with Canadian Air Regulations 700.16.

- d) All other hours of service shall be credited as follows:
- Reserve: Four (4) Duty Hours.
 - Ground training/sim. training: eight (8) Duty Hours.
 - Vacation days: eight (8) Duty Hours
 - Layover: see 13A.04(m)
 - Deadheading: see 13A.04(n)
 - Minimum day: see 13A.04(o)

- 13A.09 a) Hours of work:
- The normal period of work in a Block is one hundred and sixty (160) Duty Hours.
- b) Overtime hours shall constitute all Duty Hours worked over and above one hundred and sixty (160) Duty Hours per Block (twenty-eight (28) days). The regular hourly rate is determined in accordance with the following formula:
- $$\frac{\text{annual salary} \div 13 \text{ Block periods}}{160} = \text{hourly rate}$$
- 13A.10 a) Each Non-Rotational Pilot will advise Dispatch, upon completion of daily flights, of the Duty Hours worked according to CARS. In addition, any other time counted for the purpose of this Collective Agreement (including, but not limited to, sick days and vacation days) will be processed via the appropriate Chief Pilot.

Section 13B: Rotational Pilots

- 13B.01 Definitions
- a) "Duty Day" shall mean a day on which the Rotational Pilot has done any of the following duties:
- reported to duty for a flight;
 - worked in flight; or
 - received training
- b) "Non-Duty Rotational Day (NDRD)" shall mean a day among the available Rotational Days of a Rotational Pilot on which he performs none of the duties described as constituting a Duty Day, nor is requested to be on Reserve; and which is not a Travel Day.

- c) "Reserve Day" shall mean a day on which a Rotational Pilot is requested to be on Reserve but performs none of the duties described as constituting a Duty Day.
 - d) "Travel Day" shall mean a day on which a Rotational Pilot travels from Montreal to a rotational Base or that a Rotational Pilot travels from a Rotational Base to Montreal but performs none of the duties described as constituting a Duty Day nor is requested to be on Reserve.
 - e) "Sick Day" means a day among the available Rotational Days of a Rotational Pilot on which, because of illness, he cannot work.
 - f) "Training Day" shall mean a day on which a Rotational Pilot is requested to do training.
 - g) "Work Day" shall mean a Rotational Day or a Training Day.
 - h) "To Draft" shall mean the involuntary assignment of a Rotational Pilot to flight duty or training while such Rotational Pilot is on a Non-Rotational Day.
 - i) "**Overtime Day**" shall mean any Duty Day, the working on which would have the effect of having the Rotational Pilot work more than one hundred and two hundred (200) Duty Days in a Rotational Year.
 - j) "Rotational Period" shall mean the consecutive Rotational Days worked by a Rotational Pilot followed by his consecutive Off-Rotational Days.
- 13B.02 a) Each Rotational Pilot shall in each Rotational Year work two hundred (200) days.
- b) Each Rotational Pilot shall work on the following rotational schedule: fifteen (15) consecutive available On-Rotational Days, inclusive of the day of travel from Montreal to a Rotational Base, and the day of travel from the Rotational Base to Montreal, followed by thirteen (13) consecutive Off-Rotational Days.
- 13B.03 a) Each Rotational Day shall constitute a Duty Day, a Reserve Day, a Travel Day, a Non-Duty Rotational Day (NDRD), or a Sick Day, as the case may be.

- b) During the fifteen (15) Rotational Days, the Rotational Pilot shall not work more than (14) Duty Days.
 - c) During the fifteen (15) Rotational Days, one of these Rotational Days shall be designated at the discretion of the Company as a Reserve Day, a Travel Day, or a NDRD or, as the case may be, a Sick Day.
- 13B.04 Any change to the Rotational Period, the number of Rotational Days and the number of Off-Rotational Days can only be made with the mutual consent of the Rotational Pilot and the Chief Pilot. Such changes shall not give rise to the payment of Overtime Days, unless it is mutually foreseen by the Chief Pilot and the Rotational Pilot that such a change will result in the Rotational Pilot working more than two hundred (200) Rotational Days in a Rotational Year, in which event paragraph (e) of sub-section 13B.10 shall apply.
- 13B.05
- a) The duty times for a Rotational Pilot on a Duty Day or during the Rotational Period shall determined by the limitations prescribed from time to time in the Canadian Aviation Regulations (CARs).
 - b) The Company shall attempt to limit the number of landings to a maximum of twelve (12) per day and a maximum of forty (40) per four (4) days.
- 13B.06 The annual salary for a Rotational Pilot for a Rotational Year shall be based on two hundred (200) Work Days and two thousand and eighty (2,080) Duty Hours (two hundred (200) hours of which shall be at time and one-half).
- 13B.07 Rotational Pilots shall be credited Duty Hours as follows:
- a) Rotational Days:
 - i) normally one (1) hour before a flight and normally fifteen (15) minutes after the flight;
 - ii) hours of flight;
 - iii) hours of training;
 - iv) hours of waiting before the official cancellation of a scheduled flight (if the Pilot is re-assigned, the Duty Hours shall comprise the hours worked and the hours waited);
 - v) hours of work after a flight to accomplish duties required by the Company or operationally necessary.

b) Reserve Days:

Four (4) Duty Hours

A Rotational Pilot during a Reserve day shall be entitled to the greater of four (4) Duty Hours or the actual hours worked.

c) Travel Days:

Two (2) Duty Hours

d) Non-Duty Rotational Days:

Two (2) Duty Hours

e) Sick Day

Eight (8) Duty Hours

f) Training Days:

Eight (8) Duty Hours

13B.08

a) If during his first two hundred (200) Work Days in a Rotational Year, the Rotational Pilot exceeds two thousand and eighty (2,080) Duty Hours, each additional Duty Hour shall be paid at time and one-half.

b) If, during a Rotational Year, a Rotational Pilot works more than two hundred (200) Work Days, he shall be entitled for each additional Duty Day to the greater of the number of Duty Hours actually worked or eight (8) Duty Hours at time and one-half and, in the case of a Training Day, eight (8) Duty Hours at time and one-half calculated on the basis of his hourly salary. However, in no event shall he receive less for such additional Duty Day than an amount calculated as follows:

Salary as per Annex " A X 1.5
200

- 13B.09 On the day that a Rotational Pilot travels from Montreal to an external Base, he shall not be required to work after the following clock time calculated as: thirteen and one-half (13 1/2) hours after the scheduled time of his deadheading flight including of the time required by the carrier to be at the airport before the flight's departure.
- 13B.10 a) Overtime Days shall be assigned voluntarily based on Seniority. In the event that no Rotational Pilot volunteers, Rotational Pilots shall be drafted in reverse order of seniority. No Pilot shall be required to work more than ten (10) Overtime Days during a Rotational Year, other than on a voluntary basis.
- b) Overtime Training Days may be assigned to a Rotational Pilot at the discretion of the Company. However, no Rotational Pilot shall be required to do more than ten (10) Overtime Training Days during a Rotational Year, other than on a voluntary basis.
- c) All Overtime Days and Overtime Training Days shall be compensated for in the pay period immediately following the period in which the overtime work or training was performed, if possible; otherwise in the next following pay period.
- d) Notwithstanding paragraph (c) above, in the event of a change in the Rotational Period pursuant to sub-section 13B.04 results in Overtime Days, such Overtime Days shall only be paid in the first pay period following the end of the Rotational Year in which earned.
- 13B.11 A Rotational Pilot shall be deemed to have no Home Base.
- 13B.12 If a Rotational Pilot transfers from a Rotational to a Non-Rotational Pilot status at the Company's request, he shall be treated as if he was changing bases from his actual home address to the Home Base to which he is assigned on a permanent basis and the provisions of subsection 8.08 and following shall apply.
- For greater certainty, a Rotational Pilot who applies for a posted position that would result in a transfer from being a Rotational Pilot to a Non-Rotational Pilot shall not be deemed to be changing location at the Company's request.
- 13B.13 Flight crew scheduling for Rotational Pilots shall be prepared by the Company.

13B.14 In the event that a Rotational Pilot does not report to work when required for a reason other than due to a Sick Day (up to a maximum of seven (7) per Rotational Year) or permitted leave described in section 12, he shall, for each such day, be docked one day's pay representing one/two hundredths (1/200) of his annual salary.

SECTION 14 PROBATIONARY PERIOD

14.01 Every Pilot shall be subjected to a Probationary Period of **13** rotations (for a Rotational Pilot) or 13 Blocks (for a Non-Rotational Pilot), as the case may be; commencing as of the date he is designated and paid as a Pilot. The Company reserves the right to dismiss the Pilot during his Probationary Period, should his services be deemed unsatisfactory. The Company shall inform the Pilot, in writing, of the reasons for his dismissal, with a copy to the Union. The Pilot concerned shall have no recourse to the grievance procedure to contest his dismissal during his Probationary Period.

14.02 Under special circumstances, the Company may extend the Probationary Period by three (**3**) months and/or **3** blocks for the Non-Rotational Pilots. The Company shall provide the reasons for such extension to the Pilot concerned with copy to the Union.

14.03 Nothing in the sub-section **14.01** shall prevent the Company from reducing such Probationary Period and informing the Pilot if his services are deemed satisfactory. The Company shall inform the Union.

- 14.04**
- a) A Pilot applying for an aimed position must succeed in passing a training period in accordance with the industry standards generally applied in the trade after which, he will be subject to an initial probation period of six (**6**) months duration. During that probation period, the Chief Pilot could, if in his opinion the Pilot's performance is deemed unsatisfactory, and after consulting with the Union, return him to the prior position.
 - b) A Pilot, who has once before been transferred from Captain to First Officer pursuant to the above, may again apply for Captaincy if he so desires and whose performance again is deemed unsatisfactory by the Chief Pilot, will not be allowed as an employee to reapply for Captaincy on the aircraft type on which he failed.

- c) However, the Company reserves the right, pending a second failure, to dismiss the Pilot with a written letter to the Union. In such a case, the dismissal shall be deemed just and reasonable.

SECTION 15 NEW EQUIPMENT

15.01 Wage rates provided in this Collective Agreement apply only to the type of aircraft presently utilized by the Company and their present designation (rotational or non-rotational).

With the acquisition of new types of aircraft or, if there is a change in designation (rotational or non-rotational) of the present aircraft utilized by the Company, the Company and the Union shall meet to negotiate wage rates and working conditions applicable to the Pilots of these new types of aircraft.

Negotiation meetings shall take place within fifteen (15) days of the request from one of the parties. In the event the parties fail to reach an agreement forty-five (45) days after the first negotiation meeting, the dispute shall be submitted to arbitration, as stipulated in Article 10.07 of this Collective Agreement.

It is agreed that the preceding provisions shall not prevent the Company from operating the aircraft at the expected date, providing that the Company has determined temporary wage rates to be paid retroactively as of the date the aircraft is put into service, as soon as the arbitrator's decision is known.

15.02 Upon introduction of new Equipment, the Company may hire qualified Pilots from outside the bargaining unit for the purpose of training, familiarization and scheduled flights on the network. Such contractual Pilots shall not form part of the bargaining unit. Hiring shall be temporary until Pilots from the bargaining unit who have been offered such position, have had the chance to qualify to operate said Equipment. Notwithstanding the above the company reserves the right to hire such contractual pilots on a permanent basis. The so-hired pilots will then form part of the bargaining unit.

SECTION 16 PAID ANNUAL VACATION

16.01 Rotational Pilots

1 - 9 years Seniority:	(6%)	3 weeks
10 - 19 years Seniority:	(8%)	4 weeks
20 years and more Seniority:	(10%)	5 weeks

Non-Rotational Pilots

1 - 9 years Seniority:	(6%)	3 weeks
10 - 19 years Seniority:	(8%)	4 weeks
20 years and more Seniority:	(10%)	5 weeks

- 16.02 a) Vacation time for a Rotational Pilot shall be deemed to be taken on the Off-Rotational Days immediately following the payment of vacation by the Company (twice a year).
- b) A Rotational Pilot entitled to six percent (6%) vacation shall be deemed to take the first seven and one-half (7 1/2) days of vacation after the first vacation payment (one-half) and the other seven and one-half (7 1/2) days of vacation after the second and last vacation payment.
- c) A Rotational Pilot entitled to eight percent (8%) or ten percent (10%) vacation shall receive the additional two percent (2%) or four percent (4%), as the case may be, as monetary compensation and not in additional vacation days. The Pilot shall be deemed to have taken his vacation the same way as a Pilot entitled to 6%, as in article 16.03 b).

16.03 Annual vacation for a Non-Rotational Pilot shall not be cumulative and must be taken during the year earned, save that one (1) calendar week (seven (7) calendar days) may be taken during the first six (6) months following the year such vacation was earned.

16.04 In the event of an illness of a Non-Rotational Pilot, vacation otherwise scheduled shall be taken upon his return to work.

16.05 Vacation for Non-Rotational Pilots shall be split into weekly calendar periods (seven (7) calendar days). (A calendar week vacation = 5v-2c)

- 16.06** a) The preference for the choice of vacation periods for Non-Rotational Pilots shall be granted in accordance with the Company's seniority list. Vacation periods shall be determined by mutual consent between the Non-Rotational Pilot and the Company, failing which the Company may assign vacation periods. However, a Non-Rotational Pilot entitled to more than 3 weeks holiday may, at his discretion, receive the additional 2% or 4%, as the case may be, as monetary compensation and not in additional vacation days.
- b) The Company retains the right to establish the number of Pilots on vacation at the same time in view of maintaining sufficient operating crewmembers for meeting operational needs.
- 16.07** The Company shall advise any Non-Rotational Pilot, by way of a posting, at least thirty (30) days prior to his annual vacation. This notice shall indicate the date his vacation periods begins and the date of its termination.
- 16.08** The vacation periods chosen by Non-Rotational Pilots cannot be changed without the mutual consent of the Non-Rotational Pilots and the Company.
- 16.09** Nothing in the present section shall prevent the Company from advising the Non-Rotational Pilot several months in advance of his annual vacation periods.
- 16.10** In the event the Company changes the annual vacation period of a Non-Rotational Pilot, the Company shall reimburse such Non-Rotational Pilot trip cancellation fees, upon presentation of receipts.
- 16.11** A Non-Rotational Pilot shall receive his vacation pay during his vacation period, unless he requests thirty (30) days in advance of the date his vacation starts that it be paid prior to his leaving on vacation.
- 16.12** Each day of vacation shall represent eight (8) Duty Hours.

SECTION 17 STATUTORY HOLIDAYS

17.01 The following ten (12) days shall be considered as paid statutory holidays for all Pilots appearing on the Company payroll:

- New Year's Day
- January 2nd
- Good Friday
- Easter Monday
- Dollard Day
- National Holiday
- Canada Day
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- Boxing Day

However, all Non-Rotational Pilots receiving benefits from a government program (CSST) or a salary insurance plan (disability) shall not be entitled to paid statutory holidays.

17.02 As the amounts of statutory holidays are included in the Rotational Pilot's salary, For a Rotational Pilot, the first twelve (12) Off-Rotational Days of his second Rotational Period shall be deemed to be his Statutory Holidays.

SECTION 18 SICK DAYS

18.01 Rotational Pilots and Non-Rotational Pilots shall be entitled each Year to seven (7) Sick Days. Such Sick Days shall be cumulative to a maximum of forty (40) and there shall be no pay out for unused sick days.

SECTION 19 GROUP INSURANCE

19.01 Each Pilot of the Company with more than six (6) months service with the Company shall be covered by the Company's Group insurance Plan, save and except that each Pilot will be covered by life insurance from the date of his hiring with the Company.

- 19.02 For the duration of this Agreement, the Company shall maintain the present Group Insurance Plan or its equivalent. A copy of the present Group Insurance Plan is transmitted to the Union upon request.
- 19.03 Any material change to the Group Insurance Plan shall only be done after consultation with the Union.
- 19.04 The Company shall be responsible for all premiums for the Group Insurance Plan with the exception of the premiums for disability insurance, which shall be deemed, paid by the Pilot and added to his annual salary.
- 19.05 The parties agree to undertake meetings to review in depth the Group Insurance Plan within twelve (12) months of the signing of the present agreement

SECTION 20 MEDICAL EXAMINATION

- 20.01 The Company reserves the right to request a Pilot to submit within a seven (7) day delay to a medical examination by a physician of the Company's choice, in addition to any medical examination required by government regulations to maintain his pilot license, if his health or physical condition seems to deteriorate. In such case, the Pilot shall receive a copy of the medical report.
- Any Pilot who fails a medical examination requested by the Company, may, at his discretion, have his case reviewed as follows:
- a) within a delay of fifteen (15) days following such examination, he may ask a second opinion from a qualified physician of his choice and at his own expense for the same type of examination as the Company physician;
 - b) a copy of the medical report from the physician chosen by the Pilot shall be provided to the Company, and if such medical report corroborates the report of the Company's physician, no further medical report shall be requested with regard to the Pilot's medical record;

- c) if the report of the physician chosen by the Pilot does not corroborate the report of the Company's physician, the Company, upon written request from the Pilot, shall ask both (2) physicians to agree on the name of a third qualified and impartial physician, preferably a specialist, to perform another medical examination:
- d) This impartial physician shall examine the Pilot concerned and the case shall be settled according to the results of his medical examination.

20.02 The expenses of the impartial physician referred to in sub-section 20.01 c) shall be paid equally by the Company and the Pilot concerned. Copies of the reports from each physician shall be forwarded to the Company and to the Pilot.

20.03 It is agreed that findings of the above-mentioned physicians shall be impartial and medical opinions shall not be exchanged, verbally or in writing, before each physician has examined the Pilot concerned. However, nothing in the above provisions shall prevent the physicians from exchanging medical opinions once the Pilot has been examined and before a common decision is reached.

20.04 The Company shall pay 100% of the following expenses:

- a) periodic physical examinations, electrocardiograms and audiograms required under government regulations;

(In reference to the above-mentioned physical examinations, the Pilot shall see one of the physicians designated by Transport Canada, save for the initial examination, which shall be done by the physician designated by the Company. In no event shall the Company be required to reimburse the costs of a physical examination done by a Transport Canada designated doctor more than it would cost for the same examination to be done by the Company designated doctor).

- b) license endorsement required by the Company.

20.05 Periodic physical examinations, including electrocardiograms, which are required under government regulations to maintain a Pilot license, shall be the Pilot's responsibility. Failure to comply with this provision shall be a cause for a disciplinary measure.

SECTION 21 UNIFORMS

- 21.01 Uniforms for Rotational Pilots shall comprise those items described in Annex 'D', the cost of which shall be shared between the Company and the new hired Rotational Pilot as indicated in Annex 'D'.
- 21.02 A Rotational Pilot shall receive a cleaning allowance for the parka only equal to Twenty-Five Dollars (\$25.00) every six (6) months.
- 21.03 Uniforms for Non-Rotational Pilots shall comprise those items described in Annex 'D'; the cost of which shall be shared between the Company and the new hired Non-Rotational Pilot as indicated in Annex 'D'.
- 21.04 Non-Rotational Pilots shall receive a cleaning allowance of Twenty-five Dollars (\$25.00) per month for their uniforms (other than the parka), Twenty-Five Dollars (\$25.00) every six (6) months for their parkas. A fifty dollars (\$50.00) yearly allowance will also be paid for buying shoes.
- 21.05 The Pilot shall be responsible for the upkeep of his uniform and shall, at all times, comply with issued instructions regarding its wear.
- 21.06 In the event that a Pilot leaves the employment of the Company within the first six (6) months following his hiring, he shall reimburse the Company its portion of the uniform expense on a pro-rated basis for the number of months worked.

SECTION 22 WAGE RATES

- 22.01 Wage rates are listed in Annex 'A' of this Agreement, which forms an integral part of this Agreement.
- 22.02 The Pilot's salary shall not be reduced if he is assigned by the Company to a lower-paying position, unless he has been permanently or temporarily suspended, or unless he has been permanently demoted.

- 22.03 When a change of Equipment requires a change in salary, such change in salary shall become effective as of the date of assignment to such Equipment (as mentioned in sub-section 22.07).
- 22.04 (a) A Pilot's salary is determined in accordance with his years of service in a position (Captain or First Officer) and the type of equipment he is operating within the Company as indicated in Annex 'A'.
- (b) The Company and the Union may jointly evaluate a new candidate's relevant experience in order to have him start at a particular salary level. If the Company and the Union do not agree, section 22.04(a) shall apply.
- 22.05 (a) The Company shall distribute pay cheques to its Pilots once every two (2) weeks.
- (b) Changes in salary level as indicated in Appendix "A" shall be made by the Company as per 22.04 a) and b) on the anniversary date of the level change.
- 22.06 Temporary Assignment to a Higher Position
- a) An assignment shall be considered as temporary when its duration does not exceed three (3) months in a calendar year, provided it has previously been designated as such.
- b) Any Pilot who has completed a temporary assignment shall, during the time of such assignment, be paid at the rate of salary provided for that position and aircraft concerned.
- c) Any Pilot who has completed a temporary assignment and who returns to his former position shall be credited in full months for the experience he has acquired in the temporary position.
- d) Any junior Pilot shall be on a temporary assignment for a maximum period of six (6) months, extendable for a further six (6) months. After that period, he shall become permanent in his position and shall be covered by sub-section 7.03.
- e) Junior Pilots on temporary assignments shall be chosen according to the seniority list.

- f) Within normal operations, when a senior Pilot has the required experience, he shall be able to bump any junior Pilot assigned to a temporary position within the twelve (12) month period.

22.07

Effective Date of the Change:

- a) In the case of a promotion or a temporary assignment:
the change of wage rate shall take effect as of the date of the first scheduled flight (revenue flight) at the position provided for on the aircraft concerned.
- b) In the case of a demotion or at the end of a temporary assignment:
the change of wage rate shall take effect as of the date of the last scheduled revenue flight in the position with the aircraft prior to the demotion (for a Non-Rotational Pilot) and the change of wage rate shall take effect as of the date of the end of the Rotational Period during which the last scheduled revenue flight in the position with the aircraft prior to the demotion was performed for a Rotational Pilot.
- c) In the case of a promotion (status and/or Equipment) the change of wage rate shall take effect as of the date of the first revenue flight and the anniversary date, according to the applicable wage scale.

Moreover, following a training course, if a junior Pilot is assigned to revenue flights before a senior Pilot who have had the same training, the salary of the bypassed senior Pilot shall be changed at the same time as the junior Pilot. However, this provision does not apply in the following cases:

- sick leave,
- leave without pay,
- annual vacation,
- failure to report for training at the designated date.

- d) In the case of a demotion (status and/or equipment), the salary change shall become effective as of the date of the change of position, according to the flight schedule, considering the acquired experience in this position or in a higher position in full months. The anniversary date of the change in salary level shall be determined as per the anniversary date prior to the demotion.

SECTION 23 **TRANSPORTATION AND EXPENSES**

23.01 **Transportation**

a) Rotational Pilots

- i) At an external base, ground transportation to or from the airport to the rest accommodation will be made available by the Company;
- ii) Air transportation will be provided by a carrier of the Company's choice originating from Dorval Airport to the work station and returning to Dorval Airport from the work station. Such transportation shall be on a confirmed basis. Normally, air transportation will be done by turboprop aircraft.

b) Rotational and Non-Rotational Pilots

The rate for an employee who is approved to use his own vehicle on Company business is \$0.35 per kilometer.

23.02 **Meals and Allocations**

a) Rotational Pilots

- i) Meals in the form of readily prepared meals, or food and access to kitchen facilities, will be provided to all rotational employees while on duty.
- ii) When a Rotational Pilot is on duty outside of a location where the Company supplies meals, reasonable expenses supported by receipts will be reimbursed.
- iii) A cash advance of two hundred dollars (\$200.00) will be paid to each pilot.

- iv) When a Rotational Pilot is on duty out of his base, and does not have access to supplied meals, the following per diem can be claimed via expense claims:

Breakfast:	\$10.00
Lunch:	\$15.00
Dinner:	<u>\$20.00</u>
TOTAL	\$45.00

No receipts are required.

b) Non-Rotational Pilots

- i) Meals of like quality to those provided to passengers will be provided to non-rotational Pilots while flying.
- ii) When a Non-Rotational Pilot is on duty, the following per diem can be claimed via expense claims:

Breakfast:	\$10.00
Lunch:	\$15.00
Dinner:	<u>\$20.00</u>
TOTAL	\$45.00

No receipts are required.

23.03

Lodging

a) Rotational Pilots

Accommodations deemed reasonable for the geographic region in which they are located are provided by the Company while the Pilot is on duty.

Rotational Pilots are also entitled for each rotational period to one (1) stay-over, either before or after the rotation, at the hotel of the Company's choice.

Any Rotational Pilot, pertaining to his place of residence, who participates in required training is entitled to a hotel room on the day preceding and following a Training Day, at the hotel of the Company's choice, or to an actual kilometer allowance not exceeding the hotel room's price.

b) Rotational and Non-Rotational Pilots

The Company will provide a hotel room or other accommodation to a Pilot who has a layover exceeding eight (8) hours or will provide a hotel room for the crew for a planned waiting period of between 5 and 8 hours, if those accommodations are located reasonably close to the airport.

SECTION 24 REGISTERED RETIREMENT SAVINGS PLAN (RRSP)

24.01 An amount equivalent to five percent (5%) of each Pilot's total yearly earnings excluding vacation and profit sharing monies earned during a calendar year shall be contributed by the Company into the RRSP account chosen by the Company within sixty (60) days following such calendar year end. This benefit only accrues after six (6) months of continuous employment without any retroactive effect.

SECTION 25 GENERAL PROVISIONS

25.01 Any orders or agreement between a Pilot and the Company regarding a change of base, a promotion, a demotion, a lay off, a change in vacation and a leave of absence shall be in writing with a copy to the Union.

25.02 a) Subject to sub-sections 25.15 and 25.16, a Pilot shall not be required to pay for any Company Equipment used for training purposes.

b) A Pilot shall not be held responsible for damages caused to aircraft or equipment while on duty for the Company, unless such damages are caused by his gross negligence or willful misconduct.

c) A Pilot shall pay for any manual lost or damaged because of his negligence (normal wear and tear excluded).

25.03 In the event that the Company changes ownership or merges with another company, the provisions of the Canada Labour Code and its regulations shall apply.

- 25.04 Flight data recorders and cockpit voice recorders shall be used exclusively to investigate accidents or incidents and to facilitate aircraft maintenance and aircraft safety. Under no circumstances shall these instruments be used to monitor or check a Pilot during the operation of any flight.
- During the investigation of an accident or an incident, the Company shall not reveal the content of these instruments to the general public or the news media, without prior approval from the Pilot Involved and the Union.
- 25.05 The Company shall pay for all expenses incurred to repatriate the bodies of crew members killed in the line of duty for the Company, away from their Home Base, to their place of residence.
- 25.06
- a) Following an aircraft accident or incident warranting an investigation, the Pilot and/or his representatives shall have access to any information over which the Company has authority and which could affect his employment status.
 - b) When the investigation is conducted by the Company, the management person who is requested to submit a final report shall do so within six (6) months. The Pilot concerned and the Union shall cooperate fully in the investigation. They shall be kept informed of the progress of the investigation and shall receive a copy of any preliminary or final report.
 - c) In the event of an accident or an incident involving an aircraft, the Pilot involved shall not be requested to submit a written or verbal statement within the first twenty-four (24) hours following the accident or incident, unless he has had the opportunity to be represented by the Union.
- 25.07 The Company shall provide legal counsel, free of charge, to a Pilot subject to a lawsuit taken by a third party arising from any accident which occurred while the Pilot was on duty for the Company. This shall include legal counsel for the estate of a deceased Pilot in any legal proceedings arising from an accident while the deceased Pilot was on duty on board a Company aircraft. The above applies equally to the deceased Pilot's estate subject to a legal suit resulting from an accident while on duty on board a Company aircraft

- 25.08
- (a) When a Pilot fails to qualify during any flight test, the Pilot shall be advised in writing with a copy to the Union. He shall then receive proper training, that is, a minimum of two (2) hours on the simulator or one (1) hour of training flight on the aircraft concerned, especially in areas where he fails to demonstrate proficiency.
 - (b) Following this additional training and upon recommendation from the Chief Pilot, the Pilot Concerned shall, if possible, within five (5) days of the first failure, be subjected to a second test with an inspector from the Department of Transport or a Company Check Pilot different from the Pilot who administered the preceding test that he failed, subject to Company' preference.
 - (c) If, upon completion of the above-mentioned additional training period, the Pilot is not deemed ready to pass the test from the inspector of the Department of Transport or the Check Pilot, the Chief Pilot may deduct three (3) days pay from the Pilot's salary. However, this deduction shall be reimbursed to the Pilot if he succeeds at his second test with the inspector from the Department of Transport or the Check Pilot.
 - (d) In the event of a second failure of the test foreseen in paragraph (b) of sub-section 25.08, the Pilot may be dismissed at the discretion of the Company. The Union shall be advised in writing of such dismissal. In such a case, dismissal will be considered as being for cause.
- 25.09
- a) It is agreed that a Pilot shall perform all duties usually related to the operation of an aircraft in a northern Canadian context, including all duties required by the Company's operating and/or procedural manuals.
 - b) Pilots may be required to maintain qualification on two (2) different types of aircraft.
 - c) Pilots shall devote all their flight hours and duty time exclusively to the Company, unless agreed otherwise by the Chief Pilot.
- 25.10
- a) The Company shall provide a copy of any flight inspection report to the Pilot upon his request.
 - b) All training audio and/or video recordings shall belong to the Company but the Pilot concerned shall have access thereto.

- 25.11 Any Pilot shall receive a copy of any "absence notice" or "change of that concerns him and that is forwarded to the payroll department, in order for him to be informed in advance of any change to be made.
- 25.12 All expenses incurred by a Pilot because of his work for passports (pictures, birth certificate and the cost of the passport), visas, vaccines or inoculations, which are not paid for by the government shall be reimbursed by the Company, subject to prior approval by the Company. It shall be the Pilot's responsibility to see to it that these documents are always valid.
- 25.13 A Pilot shall be required to take his retirement at sixty-five (65) years of age; commencing on the first day of the month following his sixty-fifth (65th) birthday.
- 25.14 A Pilot with four (4) or less years of service with the Company, who receives initial training on an Equipment type and who leaves the Company either voluntarily or by dismissal for cause within the twelve (12) month period following such training, shall reimburse a percentage of his training costs as follows, up to a maximum of Ten Thousand Dollars (\$10,000.00):
- Leaves within 0 – 3 months:
100% of training costs
 - Leaves within 4 – 6 months:
75% of training costs
 - Leaves within 7 – 9 months:
50% of training costs
 - Leaves within 10 – 12 months:
25% of training costs
- 25.15 A Pilot with four (4) years or more of seniority who leaves the employ of the Company, either voluntarily or for reason of dismissal for cause, within twelve (12) months of his training on an equipment type, shall reimburse a percentage of the initial training cost to the Company pursuant to section 25.14. This provision shall only apply when the Pilot leaves to fly the same type of equipment for another airline company.
- 25.16 The Company shall furnish aboard each aircraft a complete kit of En Route Charts, required VFR Charts, IFR Approach Charts for each Pilot on board, and such other manuals and charts necessary for the operation of the Company.

25.17 No individual agreement regarding any one or all of the clauses subject to this convention will be valid without the approval of the Union.

25.18 The Preamble, Annexes and Letters of Understanding are an integral part of this collective agreement

SECTION 26 ACQUIRED RIGHTS

26.01 The parties agree that there are no acquired rights other than those listed in Annex "C".

SECTION 27 DURATION OF AGREEMENT

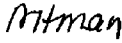

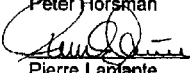


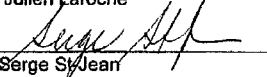
27.01 This Agreement shall **come** into force at the signature date and shall continue to remain in effect until June 30th, 2009, with reopening with regard to salaries for all subsequent years after 2005. It shall automatically be renewed without modifications, year by year thereafter, unless one of the parties advises the other within ninety (90) days prior to its expiration date, of its intention to renew with modifications. Negotiations shall commence within thirty (30) days of such notice. In the event of such notification, this Agreement shall remain in effect during the negotiations of such new agreement.

Beginning in January 2006, the parties will begin negotiations on salaries for the remaining term of this collective agreement. In the event where the parties cannot agree, an arbitrator, chosen by the parties will make a ruling based on data provided to him by both parties and taking into account salaries, benefits and working conditions in an operation of similar type and size.

IN WITNESS WHEREOF, the representatives of the parties have signed in Dorval, Quebec on this 28 day of the month of december, 2003.

AIR INUIT LTD.

**UNION DES ROUTIERS, BRASSERIES,
LIQUEURS DOUCES ET OUVRIERS
DE DIVERSES INDUSTRIES,
LOCAL UNION 1999 (Teamsters)**

 _____ Peter Horsman	 _____ Pierre Vallières
 _____ Pierre Laplante	 _____ Julien Laroche
 _____ Normand Noel	 _____ Serge St-Jean

ANNEX "A" SALARY SCALE

<u>TITLE</u>	<u>LEVEL</u>	<u>ACTUAL</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<u>FIRST OFFICER</u>					
<u>DHC-6</u>					
<u>KING AIR</u>	1	24,076	24,798	25,294	25,800
	2	25,280	26,038	26,559	27,090
	3	26,544	27,340	27,887	28,445
	4	27,075	27,887	28,445	29,014
	5	27,617	28,446	29,014	29,595
<u>DHC-8/HS748</u>					
	1	31,451	32,395	33,042	33,703
	2	33,024	34,015	34,695	35,389
	3	34,675	35,715	36,430	37,158
	4	35,369	36,430	37,159	37,902
	5	36,076	37,158	37,901	38,659
<u>CAPTAIN</u>					
<u>DHC-6</u>					
<u>KING AIR</u>	1	43,652	44,962	45,861	46,778
	2	45,835	47,210	48,154	49,117
	3	48,127	49,571	50,562	51,573
	4	49,090	50,563	51,574	52,605
	5	50,072	51,574	52,606	53,658
	6	51,073	52,605	53,657	54,730
	7	52,094	53,657	54,730	55,825
<u>DHC-8/HS748</u>					
	1	56,166	57,851	59,008	60,188
	2	58,974	60,743	61,958	63,197
	3	61,923	63,781	65,056	66,357
	4	63,161	65,056	66,357	67,685
	5	64,425	66,358	67,685	69,038
	6	65,713	67,684	69,038	70,419
	7	67,027	69,038	70,419	71,827
	8	68,368	70,419	71,827	73,264
	9	69,735	71,827	73,264	74,729
	10	71,130	73,264	74,729	76,224

PROFIT SHARING

As well as the salaries described above, Pilots will have the right to participate in profit sharing as described thereafter:

The calculation formula for profit sharing will be the one used in the last three years preceding December 31 2003. The formula may be reviewed by the Company to reflect the actual profit status of the affected year. It is understood that such sharing only exists if there actually is profits.

ANNEX "A" CONT'D

FEES FOR HUNTING/FISHING CAMPS AND ICE STRIPS

For each landing made on an ice strip or on a runway not listed in the Canadian aerodrome list as published in the CFS, but being classified and part of the Company bush strips listing, crewmembers will get a landing premium as follows:

A) Category # 1 :	Captain	\$35.30
	First Officer	\$17.76
B) Category # 2 :	Captain	\$39.60
	First Officer	\$20.00
C) Category # 3 :	Captain	\$44.00
	First Officer	\$22.20
D) Ice strip :	Captain	\$44.00
	First Officer	\$22.20

OFFSTRIP LANDINGS AND SKI FLYING

Offstrip landings will be paid as follows: The Captain will get \$88.00 per landing and the First Officer will get \$44.00 per landing. It will be for the Company thereafter to classify, categorize and grade this new bush strip as per the usual scale already in use.

Landings resulting from a ski operation will be paid as follows: The Captain will get \$100.00 per landing and the First Officer will get \$44.00 per landing. There will be no categorization of landing sites for this type of operations.

ANNEX "B"

**UNION MEMBERSHIP
DEDUCTION FORM**



APPLICATION FORM TEAMSTERS

I hereby apply for membership to be accepted with all the responsibilities being applied in the TEAMSTERS, BREWERY, ~~SOFT~~ DRINK and MISCELLANEOUS WORKERS UNION.

LOCAL 1999

(Affiliated to the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America)

and authorize its representative to represent me in negotiating a Collective Labour Agreement with my Employer.

Date _____ 200 _____
Name _____
Address, street _____
City _____
Tel.: _____ Postal Code _____
Occupation _____
Social Insurance number _____
Employer _____
Propose by _____
I have paid the amount to \$ _____ admission fees
Signature _____

ANNEX "C"

MISCELLANEOUS

- A) Pilots on the seniority list as of January 2, 1998 shall maintain the vacation benefits and all progression thereof (after five (5) years: 8%, and after ten (10) years: 10%) that they were entitled to before the coming into force of the first Agreement and are therefore exempt from the application of subsection 16.01 or 16.02, as the case may be.

A DASH-8 or HS-748 Captain on level 1 which classification has been changed and that otherwise would have suffer a salary reduction will maintain the salary that he was receiving before the signature of the present agreement with an increase of 3% for the year 2003, after which he will follow the next classification level.

King-Air or DHC-6 First Officers which classification level has been changed and that otherwise would have suffer a salary reduction will maintain the salary that they were receiving as per the scale before the signature of the present agreement plus the annual increases, until the end of the year 2005, after which, if they did not change classification, they will get the highest level of the new scale. If at that time an employee is suffering a salary reduction, his salary will then be frozen until the new scale catches up.

FIRST OFFICER

DHC-6
KING AIR

Scale	Actual	Salary	Salary	Salary
		2003	2004	2005
1	24,076	24,798	25,294	25,800
2	25,642	26,411	26,939	27,478
3	28,207	29,053	29,634	30,227
4	28,846	29,711	30,306	30,912
5	29,423	30,306	30,912	31,530

- B) In the event of a lay-off pursuant to Section 15 of the present Convention, no Pilot having more than ten (10) years of seniority as a Pilot with the Company as of the time this collective agreement shall come into effect, shall be laid-off in priority to any Pilot having ten (10) years or less of seniority as a Pilot as at the date this Agreement shall come into effect.

- C) In the event of a technological change or a change of the enterprise exploitation mode having the effect of bringing a change in the Pilot's employment security or in the rights that they hold regarding the present collective agreement, a one hundred and twenty (120) days former advise will be given to the Union and from which time the parties will start negotiating to try to avoid and/or limit as much as possible the impact of such a change on the Pilots.

ANNEX "D"

UNIFORMS ROTATIONAL PILOTS					
Item	Duration	INITIAL		RENEWAL	
		Employee	Company	Employee	Company
1 3 season coat	3 years	50%	50%	0%	100%
1 parka	3 years	50%	50%	0%	100%
1 jumpsuit	1 year	50%	50%	0%	100%
1 sleeveless vest	2 years	50%	50%	0%	100%
1 pair of boots	1 year	50%	50%	0%	100%
gloves	\$75/yr	-	-	-	-
1 pair of boot linings	1 year	50%	50%	0%	100%
1 pair of boot soles	1 year	50%	50%	0%	100%
4 turtle necks	2 years	50%	50%	0%	100%
Dry-cleaning (parka only)	2/year (\$25.)	0%	100%	0%	100%
1 pair of steel-toed summer boots	2 years	50%	50%	0%	100%

UNIFORMS NON-ROTATIONAL PILOTS					
Item	Duration	INITIAL		RENEWAL	
		Employee	Company	Employee	Company
1 3 season coat	3 years	50%	50%	0%	100%
1 parka	3 years	50%	50%	0%	100%
1 jacket	2 years	50%	50%	0%	100%
2 pairs of slacks	2 years	50%	50%	0%	100%
1 pilot's cap	2 years	50%	50%	0%	100%
2 ties	2 years	50%	50%	0%	100%
4 shirts	2 years	50%	50%	0%	100%
1 pair of shoulder stripes	3 years	0%	100%	0%	100%
1 wool sweater	2 years	50%	50%	0%	100%
Dry cleaning	12/year (\$25)	0%	100%	0%	100%
Dry-cleaning (parka only)	2/year (\$25)	0%	100%	0%	100%
Black shoes	\$50/year				

ANNEX "E"

PROFESSIONAL COMMITTEE

The parties agree as follow:

- 1- The Pilots have established a Professional Committee composed of Pilots only which are appointed by the Air Inuit Pilots group.
- 2- The purpose of the Professional Committee shall be to act as a reference authority for Pilots in regards to the performance of their duties as Pilots.
- 3- The mandate of the Committee, which may evolve, shall be:
 - a) to prepare recommendations and suggestions to the Company or the Union upon their request;
 - b) if it deems appropriate, to express its opinion on any matters of professional interest to Pilots.
- 4- The Committee shall submit its recommendations or suggestions within three (3) months of a request unless the Committee and the party who requested the recommendations or suggestions agree to a different deadline.
- 5- By-laws shall be adopted at the first meeting of the Committee.
- 6- Members of the Committee shall not suffer any pay decrease as a result of the time spent doing Committee when such work has been requested by the Company and if the Company approved the time spent doing Committee work. In the event that the Company requests a Committee meeting on a day where one or more members of the Committee are on a day off, the time spent at the meeting shall be deemed to be working hours for the said members.

COLLECTIVE AGREEMENT

LETTER OF UNDERSTANDING NO. I

All monetary items including guaranteed off days for the Non-Rotational Pilots will be retroactive to January 1st, 2003

For the remittal of guaranteed days to the Non-Rotational Pilots, this remittal will be done during the course of the year 2004, mainly during the first trimester. Days off schedule will be set up by the Company.

**LETTER OF INTENTION
(NOT INCLUDED IN THE PRESENT AGREEMENT)**

A Pilot who retires from the Company and who has accumulated at least fifteen (15) years of service within the Company will maintain until his death, the privilege to travel at a reduced rate on Company aircraft as if he was still an active employee within the Company. This agreement is subject to approval by the Board of Directors.

67