



AGREEMENT

BETWEEN

AIR CANADA

AND

THE AIR CANADA PILOTS ASSOCIATION

Effective September 30, 2020 – September 29, 2023

13230-06

Amendments

Amendment	Date	Articles Amended
ORIGINAL	July 30, 2012	-
1	December 5, 2012	Article 20, LOU 74 & LOU 75
2	September 30, 2014	Articles 1-3, 5, 7, 10-14, 16-21 & 23-32 LOUs 72, 74, 75 & 78-83 LOCs 56, 61-64 Appendix B
3	September 30, 2016	Articles 3, 12 & LOU 74
4	September 30, 2017	Articles 1-3, 5, 7 & 10-33 LOUs 74, 84 and 85 LOCs 60, 65 – 72 Appendix G
5	September 30, 2020	Article 12
6	February 1, 2021	Articles 2, 6, 7, 12, 13, 17, 24-30, 32-34 LOU 74 LOCs 69, 73-77 MOA#2
7	November 10, 2021	LOC 73 Administrative Changes

Page intentionally left blank.

Table of Contents

ARTICLE 1 – Recognition & Scope	1
1.01 Recognition	1
1.02 Scope	1
1.03 Definitions	1
1.04 Employment Security	3
1.05 Merger or Change of Control	4
1.06 Divestiture and Successorship	5
1.07 Single Employer Obligations / Separate Entities	5
1.08 Codesharing	5
1.09 Joint Ventures	7
1.10 Capacity Purchase Agreement (CPA) Tier 2 and Tier 3 Carriers	9
1.11 Specialty Companies	11
1.12 Wet Leasing	11
1.13 Franchise Arrangements	12
1.14 Pilot Crew Interchange	12
1.15 Realignment of Routes and Aircraft Purchase	12
1.16 Scope Committee and Information	12
1.17 Interpretation	13
ARTICLE 2 – Definitions	14
2.01 General Interpretations	14
2.02 Common Acronyms	17
ARTICLE 3 – Duration and Effective Date	19
ARTICLE 4 – Seniority	20
4.01 Establishing Seniority Date	20
4.02 Application of Seniority	20
4.03 Pilots’ System Seniority List	20
4.04 Management Pilots	21
ARTICLE 5 – Probation	22
5.01 General	22
5.02 Captain Upgrade	22
5.03 Probationary Pilots – Training General	22
5.04 Probationary Pilots – Training and Checking – Failure Handling Procedures	23
ARTICLE 6 – Flight Safety	25
6.01 Accident and Incident Investigation	25
6.02 Representation During Accident Investigation	25
6.03 Aircraft Electronic Recording & Reporting Devices	25
6.04 Flight Data Analysis (FDA)	26
6.05 Voyage Report Distribution	27
6.06 Fatigue Risk Management System	27
6.07 Fatigue Safety Action Group (FSAG)	27
6.08 Variance and Exemptions to the CARs	28
6.09 Data Collection and Analysis	28
6.10 Pilot Compensation for Wearable Device	29
ARTICLE 7 – Dispute Resolution	30
7.01 ACPA Representation	30
7.02 Personnel Records	30
7.03 Grievance Procedure – General, Discipline or Discharge	30

7.04	Grievance Procedure – Discipline or Dismissal.....	31
7.05	Grievance Procedure – Process	31
7.06	Grievance Procedure – Time Limits.....	31
7.07	Grievance Procedure – Rights and Obligations	31
7.08	Arbitration – General	32
7.09	Arbitrator’s Jurisdiction and Procedures Authority.....	32
7.10	Arbitrator’s Authority	32
7.11	Obligations	32
7.12	Expedited Arbitration	33
7.13	Pay Claims Procedures	33
7.14	Pay Claims Awarded to ACPA.....	33
7.15	Flight Awarding Error.....	33
7.16	Onerous Pairing Resolution Procedure.....	34
7.17	Onerous Pairing Resolution Procedure Escalation.....	34
7.18	Window of Circadian Low (WOCL)	35
ARTICLE 8 – Leave of Absence.....		36
8.01	General	36
8.02	Bereavement Leave/Leave for Compassionate Care	36
8.03	Residual Rights from Special Leave of Absence Programs (LOU 68)	36
8.04	Voluntary Block Reduction (VBR)	36
ARTICLE 9 – Furlough and Severance.....		38
9.01	Furlough	38
9.02	Furlough Pay	38
9.03	Recall	38
9.04	Severance Pay	39
ARTICLE 10 – Administration and Company/Association Interaction		40
10.01	Issuance of Agreement.....	40
10.02	Check-off ACPA Dues	40
10.03	Pilot Information	41
10.04	Personnel Records	41
10.05	Hold-Harmless Clause.....	41
10.06	Liability for Costs	41
10.07	Communication with the Company	41
10.08	Telephone Monitoring System	41
10.09	ACPA Duty Release	42
10.10	ACPA / Management Headquarters Committee (AMHQ).....	44
10.11	New Equipment.....	44
10.12	Human Rights.....	44
ARTICLE 11 – Supervisory Flying		45
11.01	Supervisory Flying Allotment	45
11.02	Check Pilot, Flight Instructor, NRFOP and Project Pilot	45
11.03	Check Pilots	45
11.04	Flight Instructor and Project Pilot	46
11.05	Non-Revenue Flight Operations Pilot (NRFOP)	46
11.06	Supervisor/Line Pilot – AO When Transitioning	47
ARTICLE 12 – Pay Rates.....		48
12.01	Pay Progression	48
12.02	Accredited Service.....	48
12.03	Fixed Rate.....	48
12.04	Formula Pay Note: ACrouge pay rates are contained in LOU 74.	48
12.05	Annual Wage Increases.....	51

ARTICLE 13 – Pay Provisions	52
13.01 Pay Advances	52
13.02 Calculation of Individual Pay	52
13.03 Flight Time and Block Growth.....	52
13.04 Minimum Block Guarantee (MBG)	52
13.05 Minimum Pay – Fail to Fly	53
13.06 85 hour Premium	53
13.07 Voluntary Overtime Premium	54
13.08 Reserve Premium – Working On or Into G Days.....	54
13.09 Draft Premium	54
13.10 Flights Overlapping Calendar Days and Block Period End.....	54
13.11 Operating as Augmentation Pilot or Out of Status	54
13.12 CP, FI, NRFOP and PrP Premium	54
13.13 Initial Operational Experience Training Captain (IOETC)	55
13.14 Training Pay	55
13.15 Duty Period Guarantee (DPG) and Trip Time Guarantee (TTG)	57
13.16 Retired Equipment.....	58
 ARTICLE 14 – Optional Bank Plan	 59
14.01 Bank Plan Provisions.....	59
14.02 Negative Bank	59
14.03 Vacation Extension Using Positive Bank Credits	59
 ARTICLE 15 – Insurance, Medical, and Dental	 61
15.01 General	61
15.02 Group Insurance.....	61
15.03 Supplemental Health Plan	62
15.04 Medical Services for Non-Residents	63
15.05 Dental Plan.....	63
15.06 Company Insurances in War Zones.....	63
15.07 Missing and Internment Benefits.....	63
 ARTICLE 16 – Group Disability Income Plan (GDIP)– Pilots	 65
16.01 General	65
16.02 Covered Earnings for the Calculation of Benefits	65
16.03 Disabilities Covered by the Plan	65
16.04 Disabilities Not Covered by the Plan	66
16.05 Suspension/Reinstatement of Coverage.....	66
16.06 Termination of Coverage	67
16.07 Claims Procedure.....	67
16.08 Benefits	68
16.09 Waiver of Premiums for Other Plans.....	70
16.10 Disability Income Plan Advisory Committee	71
16.11 Medical Board – Selection and Duties	71
16.12 Correspondence about the Plan	71
 ARTICLE 17 – Pension.....	 72
17.01 Air Canada Pilot Pension Plan.....	72
17.02 CAIL Pilot Pension Plan.....	79
17.03 ACPA Multi-Employer Pension Plan (MEPP).....	87
 ARTICLE 18 – Meals and Accommodation Expenses	 89
18.01 General	89
18.02 Meals and Accommodations Standards Committee (MASC)	89
18.03 Meals Allowances and Crew Meals	89
18.04 Allowances While Training.....	94
18.05 Allowances, Travel and Accommodations for New Hires	94

18.06	Other Allowance	95
18.07	Hotel Accommodations.....	95
18.08	Parking.....	95
18.09	Moving Expenses	96
18.10	Uniforms.....	96
ARTICLE 19 – Vacation		98
19.01	General	98
19.02	Entitlement	98
19.03	Bidding.....	99
19.04	Optional 24 or 48	100
19.05	Pilots Returning from GDIP	101
19.06	Deferment	101
19.07	Vacation Pay and Credits	101
19.08	Pilots Retiring or Approaching the ICAO Limit (A20.18)	101
19.09	SPB Vacation Move for Training.....	101
ARTICLE 20 – Pilot Position Assignment		102
20.01	Status and Groups.....	102
20.02	Active Pilot	102
20.03	Crew Manning Steering Committee Review.....	102
20.04	Standing Preferential Bid (SPB).....	103
20.05	Course Rights.....	104
20.06	Reinstatement Rights (RIR)	107
20.07	Vacancies and Reductions	107
20.08	Awarding Vacancies and Reductions.....	107
20.09	Pay & Training.....	110
20.10	Base Transfer.....	111
20.11	Compassionate Transfer	112
20.12	Inactive Pilots	112
20.13	Return from Inactive Status	113
20.14	Base Exchange	113
20.15	Introduction of New Equipment.....	114
20.16	Removal of Equipment from a Base	114
20.17	New Hire Pilot.....	114
20.18	ICAO Limit.....	115
20.19	Pilots Approaching the ICAO Limits	115
20.20	Notice of Intent to Retire.....	115
ARTICLE 21 – Training.....		117
21.01	Administration.....	117
21.02	Failure Handling Procedures	121
21.03	Captain Upgrade Training.....	122
21.04	Relief Pilot to First Officer Initial Upgrade	124
21.05	Career Re-Orientation Plan	124
21.06	Pilots Not Current in the Atlantic, Pacific or WATRS	124
ARTICLE 22 – Scheduling Preamble.....		126
ARTICLE 23 – Deadhead and Pilot Travel.....		127
23.01	Deadhead Movements	127
23.02	Training.....	129
23.03	Base Transfers	129
23.04	Company Paid Moves	129
ARTICLE 24 – Crew Rest Facilities		130
24.01	Crew Rest Definitions	130

24.02	General	130
24.03	Aircraft.....	130
24.04	Introduction of New Aircraft	131
ARTICLE 25 – Pairing Rules		132
25.01	Duty Period Start and End.....	132
25.02	North American Zone	133
25.03	Planned Flight Duty Period Limitations	133
25.04	Planned Rest Periods – Layover	134
25.05	Planned Rest periods – Home Base	134
25.06	Operating Rules	141
25.07	Airport Stop Over of 5 Hours or More	141
25.08	Rest Periods-Operating Rules	141
25.09	General	142
ARTICLE 26 – Block Rules.....		143
26.01	Scheduled Pairings.....	143
26.02	Flight Time Limitations.....	143
26.03	Designated Block Maximum (DBM)	143
26.04	Annual Overtime (AO)	144
26.05	Legalities.....	144
26.06	Special Days Off (SDO).....	145
ARTICLE 27 – PBS Awards.....		147
27.01	Preferential Bidding System (PBS)	147
27.02	Vacation Extension Using Positive Bank Credits – PBS.....	147
27.03	Vacation Extension – Optional 24 or 48	147
27.04	Bidding Eligibility	147
27.05	Preparation and Bidding	148
27.06	Awarding Simulator	149
27.07	Awarding and Assigning of OEs and QOEs	149
27.08	IOE Flying	149
27.09	Introduction of New Fleet Type	151
27.10	New Fleet Training and/or Checking Requirements:	151
27.11	Awarding Order	151
27.12	Primary Constraints	151
27.13	Block Out of Seniority (BOS)	153
27.14	PBSC Authority to Modify Blocking Parameters.....	153
27.15	PBS Misawards	154
27.16	PBSC Administration	155
ARTICLE 28 – Open Time Awards.....		157
28.01	Open Time	157
28.02	Awarding Open Time.....	157
28.03	Best Fit for PoRs	158
28.04	Open Flying Award Sequence:	159
28.05	Open Flying After Normal Award Time.....	161
28.06	30 Minute Connection Rule	162
28.07	Miscellaneous Awards.....	162
28.08	Procedure for Completing Simulator Crew Complement.....	162
28.09	Special Jetz Assignments (SJA)	163
28.10	Trip Trade – (TT)	163
ARTICLE 29 – Reserve.....		165
29.01	Planned Off-Duty Periods.....	165
29.02	Replacement of Off-Duty Periods	165
29.03	Assigning into / on Off-Duty Periods	165

29.04	Reserve Duty.....	166
29.05	Standby at the Home Base Airport.....	167
29.06	Reserve Availability List.....	167
29.07	Open Time Procedures Due to Sickness.....	167
29.08	Limitation on Reserve Assignment Between 02:00 and 06:00.....	167
29.09	Reserve Call-In.....	167
29.10	Scheduling of Reserves.....	167
29.11	Reserve Release.....	168
29.12	Reserve Displacement or Removal.....	168
29.13	On Completion of Training or Return from LOA/GDIP.....	169
ARTICLE 30 – Draft and Cold Call.....		170
30.01	Draft Flying.....	170
30.02	Move-Up.....	170
30.03	Draft On-the-Go Provisions.....	170
30.04	Cold Call – Home Base.....	170
30.05	Draft (and Drop) – Home Base.....	171
30.06	Draft – Home Base.....	171
30.07	Drafting Procedure – Off Home Base.....	171
30.08	Draft – Administration of Flying Pay and Flight Time Credits.....	171
30.09	Draft Premium – Blockholders and CPs, Fls, PrPs and NRFOPs.....	171
30.10	Draft Premium-PoR.....	172
ARTICLE 31 – Sick Leave.....		173
31.01	General.....	173
31.02	Sick Leave Entitlement.....	173
31.03	Procedures for Sick Book Off.....	173
31.04	Booking Back on From Sick Leave.....	173
31.05	Sick Leave Charges.....	174
31.06	Sick Pay and Block Credits.....	175
31.07	No Sick Days Left.....	175
31.08	Foreign Operations.....	175
31.09	Sick Days and GDIP.....	175
31.10	Physical Examination.....	175
ARTICLE 32 – Pay Protection and Pairing integrity.....		177
32.01	General Provisions.....	177
32.02	Refusal of Pay Protection.....	177
32.03	Reassignment Provisions.....	178
32.04	Pay and Credit Provisions.....	179
ARTICLE 33 – Displacement and Removal.....		181
33.01	Exchange or Release from Block Flights.....	181
33.02	Removal and Displacement.....	181
33.03	Complete/Partial Pairing Displacement.....	181
EXAMPLE:.....		181
33.04	Reserve Displacement – see A29.12.....	182
33.05	Removal from Training.....	182
33.06	Removal from a Block.....	182
33.07	Fatigue Drops.....	183
33.08	Switching F/O and Augment Pilot Assignments.....	183
ARTICLE 34 – letters.....		184
34.01	Letters of Understanding.....	184
34.02	Letters Of Commitment.....	185

34.03 Appendices 187

ARTICLE 1 – RECOGNITION & SCOPE

1.01 Recognition

- 1.01.01 The Air Canada Pilots Association has furnished to the Company evidence that a majority of the Air Line Pilots employed by the Company have designated ACPA to represent them and on their behalf, negotiate Agreements with the Company as to hours of service, wages, and other employment conditions covering all Air Canada Pilots.

This Agreement contemplates that Pilots will devote their entire professional flying in the service of the Company.

1.02 Scope

- 1.02.01 All Pilot Positions and all flying performed by or on behalf of the Company or its Affiliates, including all flying utilizing the Company IATA designator code (AC or ACA) or future similar designator code will be occupied and performed by Air Canada Pilots exclusively in accordance with the terms and conditions of this agreement.

Such Company flying will include, without limitation, all revenue, non-revenue, scheduled, unscheduled, passenger, cargo, placement, ferry, charter, scheduled charter, sports charter, training, maintenance test flights and publicity flights.

- 1.02.02 The provisions of A1.02.01 do not apply to:
- 1.02.02.01 Delivery flights of Air Canada aircraft where one crew member may be a Pilot representing the vendor, lessor, lessee or purchaser of the aircraft.
 - 1.02.02.02 Maintenance Test flights where one or more crew members may be a Pilot representing the manufacturer of the aircraft or systems being tested.
 - 1.02.02.03 Public Demonstration Flights (e.g. The Paris Air Show) where the local laws prohibit Air Canada Pilots from performing the flying.
 - 1.02.02.04 Charity flights (non-revenue) flown by Air Canada Pilots on a voluntary basis (e.g. Dreams Take Flight).
 - 1.02.02.05 The other exceptions agreed herein.

1.03 Definitions The following definitions apply for the purpose of A1:

- 1.03.01 Air Canada (AC or ACA) or the Company means the combined operations of Air Canada and its Affiliates as they are currently constituted or as they may be constituted or replaced in the future.
- 1.03.02 Air Canada Pilot means a Pilot who holds a position on the Air Canada Pilots System Seniority List as provided within this Collective Agreement.
- 1.03.03 Affiliate means any entity incorporated in Canada or operating aircraft in Canada that controls the Company or that the Company controls and any Specialty Company.
- 1.03.04 Force Majeure means, by way of example only and without limitation, events of the nature and scale which have a significant deleterious impact on the operation or finances of the Company or the market demand for its services, including: an Act of God, a strike or other labour disruption, legal or illegal, by employees employed by Air Canada or a CPA Carrier, a national emergency, the involuntary revocation of the Company's operating certificates, a grounding of a number of the Company's aircraft, a reduction in the Company's operations resulting from a decrease in available fuel supply caused by either governmental action or by commercial suppliers being unable to meet the Company's demands, the unavailability of aircraft scheduled for delivery, a severe downturn in the economy, which would include two consecutive quarters of decline in Canada's GDP, the outbreak of war,

a pandemic, a terrorist attack, or dramatic increases in the price of jet fuel, which would include an unexpected 30% year over year increase in the price.

- 1.03.04.01 For clarity, force majeure does not include the price of fuel, except as described above, or other supplies, the price of aircraft, a downturn in the economy short of severe, the financial state of the Company, or the relative profitability or unprofitability of the Company's then-current operations, unless any of these circumstances is related to a force majeure event as defined herein.
- 1.03.05 **Aircraft categories:**
- 1.03.05.01 Jet Aircraft means any aircraft utilizing a jet, turbojet, fan-jet, geared fan, ductless fan, or equivalent engine.
- 1.03.05.02 Propeller Aircraft means any aircraft that uses propellers, however driven, to provide thrust. Propellers refer only to standard propellers as the term is commonly understood.
- 1.03.05.03 Small Propeller Aircraft (SPA) means a propeller aircraft with a maximum certified seating capacity of 23 seats or less.
- 1.03.05.04 Medium Propeller Aircraft (MPA) means a propeller aircraft configured with at least 23 seats but not more than eighty 80 seats.
- 1.03.05.05 Small Jet Aircraft (SJA) means a jet aircraft with a maximum certified seating capacity of 55 seats or less.
- 1.03.05.06 Medium Jet Aircraft (MJA) means a jet aircraft with a maximum certified seating capacity in excess of 55 seats but not more than 90 seats.
- 1.03.05.07 Narrow Body Jet Aircraft (NJA) means a jet aircraft with a maximum certified seating capacity in excess of 90 seats in a single aisle configuration.
- 1.03.05.08 Wide Body Jet Aircraft (WJA) means a jet aircraft with a maximum certified seating capacity in excess of 90 seats in a twin aisle configuration.
- 1.03.06 ASM means Available Seat Mile. For the purpose of calculating ASM ratios or differences in ASMs, Air Canada ASMs will exclude ASMs attributed to Affiliates.
- 1.03.07 A Change of Control is deemed to have occurred when an entity which previously did not Control Air Canada establishes Control over Air Canada.
- 1.03.08 Control means that one entity will be considered to "control" another entity (Entity B), only if it, whether directly or indirectly:
- 1.03.08.01 owns or has the ability to vote securities, other than by way of proxy, that constitute, are exercisable for or convertible into more than: (i) 50% of Entity B's outstanding common shares, or if shares in addition to common shares have voting power then (ii) 50% of the voting power of all outstanding securities of Entity B entitled to vote generally for the election of members of Entity B's Board of Directors or similar governing body; or
- 1.03.08.02 maintains the power or right to manage or direct the management of all or substantially all of Entity B's air carrier operations; or
- 1.03.08.03 has the power or right to designate or provide all or substantially all of Entity B's officers; or
- 1.03.08.04 has the power or right to appoint or elect a majority of Entity B's Board of Directors, or other governing body having substantially the powers and duties of a board of directors; or
- 1.03.08.05 has the power or right to appoint or elect a minority of Entity B's Board of Directors or similar governing body, but only if such minority has the power or right to appoint or remove Entity B's Chief Executive Officer, or President, or Chief Operating Officer, or the majority membership of the Executive Committee or similar committee on Entity B's Board of Directors, or the majority membership of at least ½ of Entity B's Board committees.

- 1.03.09 **Maximum Certified Seating Capacity** means the maximum seating capacity for which a hull size has been certified by any recognized aviation authority in the world. For greater certainty, aircraft in cargo or combination passenger/cargo configurations will assume an all passenger configuration to determine aircraft categories.
- 1.03.10 **Merger** means any action that either directly or indirectly results in:
- 1.03.10.01 the acquisition, or the right to acquire, by the Company or its Affiliates of more than 30% of the shares of another Canadian air carrier;
- 1.03.10.02 the acquisition, or the right to acquire, by any entity or coalition of entities of more than 30% of the shares of the Company;
- 1.03.10.03 the merger or amalgamation of all or part of the Company with another Canadian air carrier;
- 1.03.10.04 any change of control of the Company: or
- 1.03.10.05 any change to the Company's corporate identity.
- 1.03.11 **Tier 2 Carrier** means an air carrier that operates only SPA, MPA or SJA equipment when performing flying for or on behalf of the Company or utilizing the Company IATA designator code (AC or ACA).
- 1.03.12 **Tier 3 Carrier** means an air carrier that operates only SPA equipment when performing flying for or on behalf of the Company or utilizing the Company IATA designator code (AC or ACA).

1.04 Employment Security

- 1.04.01 In order to provide employment security for the Air Canada Pilots, Air Canada agrees that no furlough of any Pilots will result from the following events:
- 1.04.01.01 Current or future code share agreements with other air carriers or their affiliates;
- 1.04.01.02 Current or future commercial agreements with other air carriers or their affiliates;
- 1.04.01.03 The transfer of any MJA, NJA or WJA equipment to any entity which has, as of April 1st, 2011:
- (i) entered into a Capacity Purchase Agreement with Air Canada for domestic and/or Transborder air carrier operations or
 - (ii) entered into a Transborder and/or International Codeshare or Joint Venture agreement with Air Canada.
- 1.04.02 **Embraer Guarantee**
- 1.04.02.01 In order to mitigate the effects for the Air Canada Pilots who may be adversely affected by changes being considered which could reduce the number of Embraer aircraft operated below the number operated by the Company as of July 31, 2012, Air Canada commits to the following:
- 1.04.02.01.01 Air Canada will determine the number of Pilots on July 31, 2012 holding a QPOS or APOS EMJ Captain or First Officer Position ("the Embraer Pilots").
- 1.04.02.01.02 Air Canada will identify the most junior Pilots on the seniority list as of July 31, 2012 equivalent in number to the number of Embraer Pilots referenced in A1.04.02.01.01 ("the Protected Pilots").
- 1.04.02.01.03 Subject to A1.04.02.01.04 below, should Air Canada remove or replace some or all of the Embraer aircraft it operated on July 31, 2012, other than for airworthiness problems or concerns, none of the Protected Pilots shall be furloughed as a direct result of the Company's decision to so remove or replace those aircraft.
- 1.04.02.01.04 The above commitment will not apply in the case of a reduction in the Embraer fleet due to adverse economic circumstances which also requires a reduction of flying hours or a reduction of other aircraft types operated by Air Canada.

1.04.03 Block Hour Guarantee

- 1.04.03.01 A total of 798,133 aircraft block hours at Air Canada and ACrouge combined are guaranteed for ACPA-represented Pilots every calendar year.
- 1.04.03.02 Of the 798,133 block hours, 328,000 hours are guaranteed every calendar year for North American flying (i.e., flying not included in Overseas Operations defined in A12.04.04.01.01). To calculate the North American block hour guarantee, every block hour flown by a WJA within North America in a calendar year in excess of 22,000 will count as two block hours.
- 1.04.03.03 These block hour guarantees do not apply in the case of Force Majeure. The guarantees will be suspended for the period of time during which the effects of the Force Majeure have an impact, such that the guarantees will be adjusted proportionately to reflect the period during which they have been suspended.
- 1.04.03.04 The block hours flown on Regional Routes, as defined in L74.01.09.01.02 will not be counted as part of the Block Hour Guarantees in A1.04.03.01 and A1.04.03.02.
- 1.04.04 Mainline NJA Aircraft Utilization (block hours per day per aircraft for all active Mainline NJA) on a rolling 12-month basis shall not be less than 90% of Mainline NJA Aircraft Utilization in the 12-month period ending June 30, 2017.
- 1.04.04.01 "Active Mainline NJA" excludes (i) the three Jetz-configured aircraft; (ii) any inactive aircraft, e.g., spare aircraft, aircraft in heavy maintenance, or aircraft grounded by unforeseen circumstances; and (iii) any new aircraft type in its first year of service at mainline or any aircraft type in its last year of service.

1.05 Merger or Change of Control

On each occasion that the Company and/or its Successors or Affiliates are involved in a merger or in the event of a Change of Control of the Company, the following will apply:

- 1.05.01 Within 10 days of the Company's decision to effect a Change of Control or enter into a Merger, the Company will notify ACPA of the same and will provide updates as significant information becomes available. Any confidential information shared with ACPA in relation to a Change of Control or Merger will be the subject of a proper confidentiality undertaking.
- 1.05.02 This Agreement will remain in full force and effect and the recognition now in effect issued by the Canada Industrial Relations Board (Board) will not be affected in any way except as otherwise governed by the Canada Labour Code or as directed by the Board.
- 1.05.03 The Company will enter into negotiations with ACPA relative to protection of employees' seniority and other existing or new conditions of this Agreement. Failing settlement, provisions of the Canada Labour Code will apply.
- 1.05.04 No Pilot who suffers a reduction in their Position as a result of a Change of Control or Merger will suffer any loss of pay.
- 1.05.05 No Pilot will be involuntarily relocated from one Base to another as a result of a Change of Control or Merger.
- 1.05.06 ACPA has the right in its sole discretion, upon written notice to the Company within 60 days from the date of the Change of Control or Merger event and, subject to the requirements under the Canada Labour Code, to either:
- 1.05.06.01 extend the duration of this Agreement for a period of one, two, or three years at ACPA's option, beyond its original expiration with annual across-the-board wage, expense, benefit and MPU increases equivalent to the increase, if any, in the consumer price index plus 2% to be effective on the original expiration date and on each annual anniversary of the original expiration date thereafter; or,

- 1.05.06.02 amend the expiration date of the Collective Agreement to an earlier date; such date will be no earlier than 60 days from the date of the aforementioned written notice to the Company.
- 1.05.07 Air Canada mainline ASMs will be consolidated, if applicable, with the mainline ASMs of the other carrier and its affiliate(s).
- 1.05.08 Air Canada's Capacity Purchase Agreement ASMs will be consolidated, if applicable, with the other carrier's and its affiliate's Capacity Purchase Agreement or Regional Carrier ASMs;
- 1.05.09 Any such new consolidated Mainline/Capacity Purchase Agreement ASM ratio will be maintained as the new Mainline/Capacity Purchase Agreement carrier ratio.
- 1.05.10 If Air Canada is involved in a merger or acquisition and the pilots of the merged or acquired carrier are consolidated with Air Canada's Pilots, then any aircraft of the merged carrier that are added to the mainline fleet shall not count as Mainline Baseline WJA, Mainline Baseline NJA, Mainline Growth WJA, Mainline Growth NJA, or for the Growth Ratios as defined in L74.01.

1.06 Divestiture and Successorship

- 1.06.01 In the event of any divestiture or spin-off of the fleet of Air Canada or part thereof, or of any part of Air Canada's operations that has an effect on Air Canada's flight operations, the aircraft categories, ASM ratios, codesharing ratios, fleet and employment security guarantees will continue to apply to Air Canada.
- 1.06.02 Neither Air Canada nor its Affiliates will oppose any application by ACPA to secure and/or protect bargaining rights and successor rights for any Air Canada Pilots in the event that Air Canada sells, leases, transfers or otherwise divests itself of its fleet or part thereof or any part of its flight operations.

1.07 Single Employer Obligations / Separate Entities

- 1.07.01 Air Canada will not initiate or support any common employer application before the Canada Industrial Relations Board with respect to another group of Pilots unless such application is supported by ACPA.

1.08 Codesharing

- 1.08.01 General
 - 1.08.01.01 Codesharing means an agreement by which another airline places its IATA designator code or future similar designator code on an Air Canada flight and/or Air Canada agrees to place its IATA designator code or future similar designator code (AC or ACA) on the flights of another air carrier. For the purpose of this Collective Agreement, Codesharing does not include a Capacity Purchase Agreement.
 - 1.08.01.02 For the purposes of Codesharing and Joint Venture commercial agreements, Air Canada may place its AC or ACA code on other airlines' flights denoted as AC* Codeshare flying subject to the provisions contained within this Collective Agreement.
 - 1.08.01.03 Air Canada will ensure that Code Sharing arrangements are entered into for the purpose of advancing the interests of Air Canada, including Air Canada Pilots. Air Canada will also ensure that Code Sharing arrangements are not, on balance, detrimental to Air Canada Pilots.
 - 1.08.01.04 Tier 2 Carriers shall only operate the aircraft described in A1.10.02.01.01 and A1.10.02.01.02 when performing codeshare flying outside of a CPA for or on behalf of Air Canada or its Affiliates.
- 1.08.02 Codeshare on Routes within Canada
 - 1.08.02.01 With the exception of Tier 3 Carriers and Tier 2 CPA Carriers, on flights or routes wholly within Canada, and Northern/Arctic Codeshare arrangements as

specified below, Air Canada and its Affiliates will not enter into any Codeshare arrangement:

- 1.08.02.02 on flights or routes wholly within Canada;
- 1.08.02.03 on flights or routes that begin and end in Canada with one or more stops in the United States of America;
- 1.08.02.04 on flights or routes of an air carrier that are considered cabotage flights within Canada.
- 1.08.03 Northern/Arctic Codeshare
 - 1.08.03.01 Given the unique operational conditions of Northern/Arctic flying, Air Canada or its Affiliates may enter into a Codeshare arrangement with one Northern/Arctic Air Operator subject to the following conditions:
 - 1.08.03.02 Air Canada will be limited to placing the Air Canada code on scheduled and charter flights or routes flown wholly north of the 60th parallel; and
 - 1.08.03.03 That the Northern/Arctic Air Operator places its code on Air Canada flights, or flights carrying the Air Canada designator code, connecting YOW and YEG to the following stations in Canada: YVR, YYC, YWG, YYZ, YUL, YHZ and YYT.
 - 1.08.04 Transborder Codesharing
 - 1.08.04.01 Transborder Codeshare
 - 1.08.04.01.01 Air Canada agrees to adhere to the following provisions with respect to its Transborder Codeshare flying:
 - 1.08.04.01.02 Air Canada may enter into Codesharing agreements with Tier 3 Carriers and Tier 2 CPA Carriers on transborder routes.
 - 1.08.04.01.03 Subject to A1.08.04.02, for each new Codesharing partner not in a Joint Venture, the number of transborder ASMs to and from Canada operated by AC carrying the new partner's code (OAL*) will be equal to or greater than the number of transborder ASMs to and from Canada operated by the new partner carrying the AC code (AC*).
 - 1.08.04.01.04 It is recognized that the proposed Transborder Joint Venture referenced in A1.09.03 is not in place at the time of implementing this Collective Agreement. Until such time as the Transborder Joint Venture is implemented, the current Transborder codeshare with United Airlines will be measured using the International codeshare metrics as set out in A1.08.05.02- A1.08.05.05.
 - 1.08.04.01.05 Further, until such time as the Transborder Joint Venture is implemented, in its codesharing with United Airlines, Air Canada will abide by the International Codeshare limitations, adapted as required, though modified such that only 5% fluctuations will apply to that transborder codesharing, rather than the 10% referenced in A1.08.05.04.
 - 1.08.04.02 Sixth Freedom Codesharing Agreements – YVR
 - 1.08.04.02.01 For the purpose of increasing transborder feed to Air Canada's international network through its YVR hub in exercise of its ICAO Sixth Freedom Right, Air Canada may enter into specific Sixth Freedom Codesharing agreements in which the transborder ASMs into and out of YVR operated by AC carrying the partner's code (OAL*) may be less than the number of transborder ASMs into and out of YVR operated by the Codesharing partner carrying the AC code (AC) ("Sixth Freedom Codesharing Agreements – YVR").
 - 1.08.04.02.02 For greater certainty, under a Sixth Freedom Codesharing Agreement – YVR, the Codesharing partner's flight is not available for sale as an AC*code flight unless the passenger connects to an AC international flight through YVR.
 - 1.08.04.02.03 Air Canada will not reduce the annual frequency of consolidated Air Canada and ACrouge flights on any transborder routes into and out of YVR on which

there is a codeshare under a Sixth Freedom Codesharing Agreement – YVR. The baseline for the number of transborder flights on the affected routes shall be measured using the 12 months prior to August 31, 2014, or the 12 months prior to the commencement of the Sixth Freedom Codesharing Agreement – YVR, whichever results in the greater number of flights.

- 1.08.04.02.04 Air Canada will advise ACPA of any Sixth Freedom Codesharing Agreement – YVR prior to its implementation.
 - 1.08.04.02.05 Air Canada will provide ACPA with the annual number of Sixth Freedom Codesharing Agreement – YVR ASMS and passenger numbers by route.
 - 1.08.04.02.06 Consistent with Air Canada's desire to maintain and grow its YVR transborder market, Air Canada will conduct an annual review to determine, in its sole discretion, the commercial viability of operating increased Air Canada frequencies, or of introducing Air Canada service, on routes on which there is a codeshare under a Sixth Freedom Codesharing Agreement – YVR.
- 1.08.05 International Codesharing
- 1.08.05.01 Air Canada agrees to adhere to the following provisions with respect to its International Codeshare flying:
 - 1.08.05.02 Air Canada will maintain, as a minimum, the difference in International flying ASMs into and out of Canada between Air Canada's operations and the operations of other carriers carrying the AC code (excluding Joint Venture flying by other carriers carrying the AC code). This will be measured based on the relevant ASMs over the three previous years and calculated at the end of each calendar year.
 - 1.08.05.03 The baseline will be the 2008 through 2010 calendar years.
 - 1.08.05.04 In recognition of the need to address operational and commercial requirements, the difference in ASMs may fluctuate from the baseline difference by up to 10%. Exceptions will be made for deviations from this limitation that result directly from capacity changes at Air Canada over which the Company has no control.
 - 1.08.05.05 In the event of an economic downturn requiring Air Canada to reduce the International flying that it operates, the Company may do so on the condition that there will be no increase in the International flying by other carriers carrying the AC code included in this measure until Air Canada has increased its ASMs back to the original baseline.

1.09 Joint Ventures

- 1.09.01 A Joint Venture means a commercial agreement between airlines which extends commercial integration and the sharing of commercial benefits beyond traditional interline, Code Share and/or alliance relationships and where resources are coordinated with the objective that the sum of the Joint Venture partners' performance will be greater than the individual airlines' performance. This includes joint sales and marketing activities, the coordination of capacity planning and scheduling, the sharing of passenger revenues and other marketing and corporate initiatives, with the aim of achieving flight operations metal neutrality (as defined in the Joint Venture).
- 1.09.02 ACPA acknowledges that Air Canada may enter into bilateral or multilateral commercial arrangements known as Joint Ventures. Air Canada and its Affiliates will not enter into a Joint Venture with respect to routes within Canada without the express written consent of ACPA.
- 1.09.03 ACPA further recognizes that Air Canada is currently engaged in a Joint Venture with respect to transatlantic operations with Deutsche Lufthansa and United Airlines and that Air Canada is currently preparing to enter into a Joint Venture with respect to transborder operations with United Airlines.

- 1.09.04 The Company agrees to consult with ACPA and share all relevant information with ACPA before entering into a new Joint Venture or including a new partner in a Joint Venture.
- 1.09.05 The parties acknowledge that a Joint Venture shares relevant benefits from all present or future flight operations within the scope of the Joint Venture operated by any airline, affiliate or entity which any of the parties to the Joint Venture controls or is controlled by.
- 1.09.06 Economic benefits from a Joint Venture are shared amongst the Joint Venture partners in a fair manner reflecting each airline's contribution to the Joint Venture, including the contribution of Air Canada's Pilots. In order to protect Air Canada's interests and the interests of Air Canada's Pilots:
- 1.09.06.01 Air Canada agrees that it will not share its revenues from these Joint Ventures with its Code Share or Capacity Purchase Agreement partners or its subcontractors, affiliates or entities, who are not parties to the Joint Venture.
- 1.09.06.02 As a direct result of Air Canada's participation in a Joint Venture, there will not be a reduction of its ASMs that are encompassed within the Joint Venture, except in the case of a Joint Venture serving any region referred to in A1.09.07.03.
- 1.09.07 Subject to A1.09.07.03, Air Canada will maintain, as a minimum, the difference in ASMs between Air Canada's operations into and out of Canada within the scope of a Joint Venture and the operations of the other partners in that Joint Venture into and out of Canada within the scope of that Joint Venture. This will be measured based on the relevant ASMs over the three previous years and calculated at the end of each calendar year. The baseline will be the 2008 through 2010 calendar years for the current Transatlantic Joint Venture; or the three calendar years immediately preceding the commencement of any new Joint Venture.
- 1.09.07.01 In the event of the inclusion of a new partner operating into and out of Canada in an existing joint venture, the baseline will be recalculated by adding the ASMs of the operations of the new partner into and out of Canada within the scope of that Joint Venture to the original baseline.
- 1.09.07.02 In the event that Air Canada enters into a Joint Venture with a current Codesharing partner which does not operate any flights into and out of Canada and the partner commences operating flights into and out of Canada within the scope of the Joint Venture, the baseline minimum difference in ASMs will be adjusted for such flights, to a maximum of the ASMs associated with one such daily flight. Air Canada will not decrease the ASMs of its operation into and out of Canada within the scope of the Joint Venture as a result of the partner commencing to operate such flights.
- 1.09.07.03 Subject to A1.09.07.03.03, Air Canada may, in respect of a Joint Venture serving the Asia, South Pacific or South America region, compensate for any differential in ASMs actually flown and the ASMs required under A1.09.07 (the "Differential") by performing Equivalent Flying anywhere within the region served by the Joint Venture, subject to the 5% fluctuation permitted under A1.09.08. Air Canada or ACrouge must fly at least one frequency within the Joint Venture.
- 1.09.07.03.01 Definitions:
1. "Equivalent Flying" means combined Air Canada and ACrouge ASMs flown by WJA during the three-year measurement period in A1.09.07 so as to equal the Differential.
 2. "Asia" means the region comprised of Brunei, Darussalam, Cambodia, China, Hong Kong SAR, Indonesia, Japan, Korea, Kazakhstan, Kyrgystan, Laos, Macau SAR, Malaysia, Mongolia, Myanmar, Philippines, Singapore, Taiwan, Tajikistan, Thailand, Turkmenistan, Uzbekistan, and Vietnam.

3. "South America" means the region comprised of Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Falkland Islands, Guatemala, Honduras, Nicaragua, Paraguay, Panama, Peru, Saint Helena, Uruguay and Venezuela.
 4. "South Pacific" means the region comprised of Australia, Christmas Islands, Cocos (Keeling) Islands, Cook Islands, Fiji, French Polynesia, Kiribati, Nauru, New Caledonia, New Zealand, Niue, Norfolk Island, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, Wallis and Futuna Island.
- 1.09.07.03.02 The baseline for measuring ASMs in the region served by the Joint Venture for the purpose of determining Equivalent Flying will be the three calendar years immediately preceding the commencement of the Joint Venture.
 - 1.09.07.03.03 If a Differential results from Air Canada withdrawing one or more flight frequencies from YVR or YYZ within the scope of a Joint Venture, the Equivalent Flying must include replacement flight frequencies between the affected Base and the relevant region equivalent to the number of flight frequencies withdrawn.
 - 1.09.07.03.04 Where Air Canada and the Joint Venture partner have, since the commencement of the Joint Venture, added an equal number of frequencies into and out of Canada within the Joint Venture, any Differential resulting from the Joint Venture partner operating higher gauge aircraft or longer stage lengths on the added frequencies will be deemed compliant with A1.09.07.
 - 1.09.08 In recognition of the need to address operational and commercial requirements, the relevant difference in ASMs may fluctuate from the baseline difference by up to 5%. Exceptions will be made for deviations from this limitation that result directly from capacity changes at Air Canada over which the Company has no control.
 - 1.09.09 In the event of an economic downturn requiring Air Canada to reduce flying or frequencies within the Joint Venture, the Company may do so on the condition that the partners will not increase flying or frequencies within the Joint Venture until Air Canada has increased its ASMs back to the original baseline.
 - 1.09.10 Air Canada further commits that in the event of aggressive capacity increases by a Joint Venture partner beyond what is warranted by the market based on reasonable commercial/financial decisions, Air Canada will make any and all reasonable efforts to respect the above commitment, while acting within the Joint Venture commercial agreement. The appropriate action to be taken by Air Canada would be governed by the Joint Venture agreement. Examples of possible action taken on behalf of Air Canada in the event of aggressive capacity increases may include, but are not limited to removing the excess capacity from the Joint Venture revenue sharing calculation or electing not to place Air Canada's code on the increased capacity.

1.10 Capacity Purchase Agreement (CPA) Tier 2 and Tier 3 Carriers

- 1.10.01 Notwithstanding A1.02, Air Canada may enter into Capacity Purchase Agreements (CPA) with Tier 2 and Tier 3 Carriers and its currently established CPA carrier in accordance with the following provisions:
 - 1.10.01.01 ACPA and Air Canada agree that all flying for or on behalf of the Company or its Affiliates utilizing the AC or ACA designator code is Air Canada flying.
 - 1.10.01.02 CPAs are not considered Codesharing or Joint Ventures for the purpose of this Collective Agreement.
 - 1.10.01.03 A CPA means a commercial agreement whereby:
 - 1.10.01.03.01 A Tier 2 or Tier 3 Carrier performs flight operations for, or on behalf of, Air Canada or its Affiliates, and where the entire capacity (or a specified blocked space) of a specified fleet of aircraft is operated by the Tier 2 or Tier 3

Carrier, which will operate such flights using Air Canada's designator code, operating on routes and according to schedules and terms of passenger carriage specified by Air Canada, that do not support the deployment of Air Canada mainline aircraft.

- 1.10.01.03.02 Air Canada determines routes and controls scheduling, sets ticket prices, determines seat inventories, revenue management actions, and performs marketing and advertising for the specified flights. Air Canada retains all revenue derived from the sale of seats and cargo services on the specified flights and pays the Tier 2/3 Carrier based on the operations provided. Such fees typically consist of certain variable components based on different metrics approximating the manner in which costs are incurred by the regional carrier, including block hours, flight hours, cycles, passengers carried and the number of aircraft covered by the CPA.
- 1.10.02 Operation of Aircraft
- 1.10.02.01 CPA carriers are limited to operating the Aircraft Categories specified below and subject to the terms and conditions specified below:
- 1.10.02.01.01 CPA carriers may operate any SPA, MPA or SJA equipment.
- 1.10.02.01.02 On an exceptional basis, and notwithstanding the Small Jets Settlement Agreement of Mr. Martin Teplitsky of July 12, 2004, and A1.10.02.01.01, CPA carriers may operate MJA configured at a maximum of 76 seats and/or MPA configured at a maximum of 80 seats inclusive of all classes (and no other MJA or larger jet equipment), at any one time for the purpose of performing flight operations for or on behalf of Air Canada or its Affiliates pursuant to a CPA or a codeshare, provided that:
1. AC agrees to continue to operate at mainline and ACrouge combined a minimum of 86 – and, as of July 1, 2016, 90 – Airbus 319/320/321 aircraft or B737 Max aircraft or combination thereof, or equivalent NJA aircraft, including at least 61 NJA at mainline.
 2. Regional Replacement Aircraft as defined in L74.01.09.01.01 are not counted as aircraft in the 90 NJA guarantee in A1.10.02.01.02.01.
- 1.10.02.02 Air Canada will ensure that CPA carriers do not operate for, or on behalf of, Air Canada or its Affiliates any international flying, other than flights between Canada and the United States of America (excluding Hawaii) and flights between Canada and the Territorial Collectivity of Saint-Pierre-et-Miquelon.
- 1.10.03 Air Canada will ensure that a minimum of 100 aircraft are flown by ACPA-represented Pilots at Air Canada and ACrouge combined for every 68 aircraft (excluding SPA) flown by CPA carriers combined for or on behalf of Air Canada or its Affiliates.
- 1.10.03.01 To calculate the consolidated Air Canada and ACrouge fleet, one NJA will count as one aircraft and one WJA will count as two aircraft.
- 1.10.03.02 As of August 31, 2014, the maximum combined number of MPA configured with a minimum of 70 seats and a maximum of 80 seats and MJA configured with a maximum of 76 seats that all CPA carriers combined may operate is 71. This limit will increase or decrease on a ratio of 1:1 aircraft for each NJA and on a ratio of 2:1 aircraft for each WJA added to or removed from the consolidated Air Canada and ACrouge baseline of 134 NJA and 63 WJA.
- 1.10.03.03 The DH-100, DH-300 or CRJ-100/200 aircraft operated by CPA carriers as of August 31, 2014 may be replaced by MPA configured with 70 seats or more on a 2:1 ratio (e.g., 2 DH-300 = 1 additional MPA), These MPA are in addition to the MPA permitted under A1.10.03.02, to a maximum of 30. If DH-100, DH-300 or CRJ-100/200 aircraft are added back to the CPA fleet, the number of MPA shall decrease on a 2:1 ratio.

- 1.10.03.04 Within the limit of A1.10.03.02, the number of MJA that may be operated by all CPA carriers combined is as follows:
- 1.10.03.04.01 As of August 31, 2014: 60
- 1.10.03.04.02 If the 2017 WJA Benchmark, as defined in the Memorandum of Agreement of September 30, 2014 is achieved, one additional MJA may be added for each CRJ-100/200 aircraft operated by CPA carriers as of August 31, 2014 that has been reduced, but not replaced by an MPA configured with 70 seats or more under A1.10.03.03, to a maximum of 80 MJA in the combined CPA carrier fleet.
- 1.10.03.04.03 If the 2020 WJA Benchmark, as defined in the Memorandum of Agreement of September 30, 2014, is achieved:
1. a maximum of 90 MJA may be operated in the combined CPA carrier fleet.
 2. One additional MJA may be added to the combined CPA carrier fleet of 90, to a maximum of 100, for every combination of one NJA and one-half WJA that is added to the consolidated Air Canada and ACrouge fleet beyond both the 90 NJA guarantee and the 95 WJA of the 2020 benchmark.
 3. The CPA carriers may together operate more than 100 MJA on condition that Air Canada is operating at least an equal number of both NJA and WJA in the consolidated Air Canada and ACrouge fleet. Example: To operate 101 MJA, Air Canada must operate at least 101 NJA and at least 101 WJA in its consolidated fleet; to operate 102 MJA, Air Canada must operate at least 102 NJA and at least 102 WJA, and so forth.

1.11 Specialty Companies

- 1.11.01 A Specialty Company is any Affiliate of the Company dedicated to air carrier operations within a narrower segment of the travel market than that in which Air Canada operates, such as air cargo, leisure market, low cost carrier or charter operations.
- 1.11.02 The Company or its Affiliates will not create or otherwise form any Specialty Company without the express written consent of ACPA.

1.12 Wet Leasing

- 1.12.01 Wet Lease means the lease, contracting in or subcontracting in of an aircraft with Pilot crew.
- 1.12.02 Wet Leasing will be utilized by the Company and/or Specialty Company only in cases of a need for service to the public of a temporary nature where the Company and/or a Specialty Company is unable to provide that service with Air Canada Pilots.
- 1.12.03 The Company may elect to enter into a short term Wet Leasing arrangement with a duration of less than 30 days. The Company and/or Specialty Company and ACPA will mutually agree to a method of distributing the resulting Wet Lease pay credits.
- 1.12.04 Wet Lease pay credits will not be Flight Time limiting.
- 1.12.05 Wet Leasing for 30 days or more must be approved by ACPA.
- 1.12.06 In the event of a Wet Lease for 30 days or more, the Company will provide compensation in accordance with the following:
- 1.12.06.01 An average crewing requirement for the wet leased aircraft will be determined according to the stage length of the flights and the augmentation rules in this Collective Agreement.

- 1.12.06.02 The appropriate comparator aircraft within the Collective Agreement will be determined. In the event an exact comparator is not in the Collective Agreement, the next smallest aircraft in the agreement will be used.
- 1.12.06.03 The number of wet lease flight hours will be determined based on the speed for the comparator aircraft in the mileage pay provisions of this Collective Agreement.
- 1.12.06.04 The hourly crew rate will be the pay rate for the average crewing requirement using the pay rates for the comparator aircraft calculated at night rates.
- 1.12.06.05 The total compensation for the wet lease will be wet lease flight hours times the hourly crew rate.
- 1.12.06.06 The wet lease compensation will be calculated on a monthly basis and will be provided to ACPA to be divided amongst Air Canada Pilots that were active in that month.

1.13 Franchise Arrangements

- 1.13.01 The Company will not enter into franchise arrangements with another air carrier on flights originating from Canada or with a final destination in Canada without the consent of ACPA.

1.14 Pilot Crew Interchange

- 1.14.01 The Company will not permit the use of Air Canada Pilots by another air carrier to fly an aircraft operated by the other air carrier; or the use of Pilots of another air carrier by Air Canada to fly an aircraft operated by Air Canada without the consent of ACPA.

1.15 Realignment of Routes and Aircraft Purchase

- 1.15.01 Within 15 days of the decision by the Company or its' Affiliates or a Specialty Company to purchase, lease, park, or sell aircraft, or to realign routes presently operated, whether by the addition or deletion of routes or segments of routes, the Company will meet with ACPA for the purpose of discussing any conditions related to such realignment.

1.16 Scope Committee and Information

- 1.16.01 It is understood that ACPA requires information in order for it to track the overall effect that Codesharing, Capacity Purchase Agreement and Joint Venture arrangements have on Air Canada Pilots. Furthermore, Air Canada recognizes the important impact that these arrangements have on the career of Air Canada Pilots. Consequently, it is in both parties' mutual interest to exchange information and discuss issues of mutual concern related to these arrangements.
- 1.16.02 The Company and ACPA agree to maintain a joint Scope sub-committee for the purpose of exchanging such information and discussing such issues. Such information will be exchanged at joint Scope sub-committee Meetings. The parties will schedule meetings on a quarterly basis or as agreed by the joint Scope sub-committee.
- 1.16.03 As a result, the Company will provide ACPA with full written disclosure of the following information covering all commercial arrangements:
 - 1.16.03.01 All present flights and frequencies.
 - 1.16.03.02 ASMs by flight segment.
 - 1.16.03.03 ATMs by flight segment.
 - 1.16.03.04 All flight segments where commercial arrangements are in effect, showing the combined number of ASMs and RTMs which are available, broken down into frequencies operated by Air Canada and its' Affiliates and frequencies operated by the partner airline.

- 1.16.03.05 On the request of the Scope Committee, Air Canada shall provide once annually or upon reasonable request information on the number of aircraft by type in operation, heavy maintenance, spares, in Jetz operations, and on order, and delivery and retirement schedules for Mainline, ACrouge and Regional Replacement Flying fleets.
- 1.16.03.06 On the request of the Scope Committee, Air Canada shall provide once annually or upon reasonable request the monthly frequencies on routes served by CPA carriers and, if applicable, Mainline and ACrouge frequencies on such CPA routes.
- 1.16.03.07 Any other information that is requested by ACPA and can be shown to be necessary to monitor the impact of these arrangements on Air Canada Pilots.
- 1.16.04 The Company will provide ACPA with updates of the above information on a quarterly basis by the 15th of February, May, August, and November of each year.
- 1.16.05 It is acknowledged that this commercial information is of a highly sensitive and competitive nature and accordingly, ACPA agrees that any such information will not be disclosed to any persons other than the MEC or Scope Committee members.

1.17 Interpretation

- 1.17.01 The provisions of A1 apply at all times and in all cases unless otherwise mutually agreed between the parties and will be interpreted in accordance with the following:
 - 1.17.01.01 Nothing in the provisions of A1 will be interpreted to cover transactions (including mergers, acquisitions, divestitures, change of ownership or control) that do not affect or are not likely to affect the Air Canada Pilots.
 - 1.17.01.02 Statutory requirements will supersede any provisions contained in A1 that are contrary to such statutory requirements.

ARTICLE 2 – DEFINITIONS

2.01 General Interpretations

- 2.01.01 **½ Day ½ Night (DN)** – Pay composed of half day and half night rates.
- 2.01.02 **Active Pilot** – A Pilot as defined in A20.02.
- 2.01.03 **Annual Overtime (AO)** – All block credits, excluding block growth, in excess of the greater of DBM or 75.
- 2.01.04 **APOS** – Awarded Position.
- 2.01.05 **Augmentation Pilot** – A Captain or First Officer who is fully qualified on type and who holds a current Position and whose duty it is to provide in-flight relief for the operating Captain and First Officer in order to extend the flight duty period as per A25.
- 2.01.06 **Base** – An airport designated by the Company from which pairings of scheduled and non-scheduled flying begin and end.
- 2.01.07 **Basic Crew** – A 2-man crew composed of a CA-CA or CA-FO.
- 2.01.08 **Bid Award** – The process whereby Positions are awarded to Pilots in accordance with a CMSC Review.
- 2.01.09 **Block** – An assigned or awarded schedule of flying which may include vacation and/or training.
- 2.01.10 **Block Credit** – All credits that fall within a Block Period that are Flight Time limiting. Events that are not Flight Time limiting are specifically identified throughout the Collective Agreement.
- 2.01.11 **Blockholder** – A line Pilot, not on reserve, who currently holds a Block.
- 2.01.12 **Block Period:**
 - 2.01.12.01 The Block Periods are defined as:
 - 2.01.12.01.01 Jan – the period January 1 to January 30 inclusive (30 days).
 - 2.01.12.01.02 Feb – the period January 31 to March 1 inclusive (30 days; in a leap year, 31 days)
 - 2.01.12.01.03 Mar – the period March 2 to April 1 inclusive (31 days).
 - 2.01.12.01.04 Apr- the period April 2 to May 2 inclusive (31 days).
 - 2.01.12.01.05 May – the period May 3 to June 1 inclusive (30 days).
 - 2.01.12.01.06 Jun – the period June 2 to July 1 inclusive (30 days).
 - 2.01.12.01.07 Jul – the period July 2 to July 31 inclusive (30 days).
 - 2.01.12.01.08 Aug – the period August 1 to August 30 inclusive (30 days).
 - 2.01.12.01.09 Sep – the period August 31 to September 29 inclusive (30 days).
 - 2.01.12.01.10 Oct – the period September 30 to October 30 inclusive (31 days).
 - 2.01.12.01.11 Nov – the period October 31 to November 30 inclusive (31 days).
 - 2.01.12.01.12 Dec – the period December 1 to December 31 inclusive (31 days).
- 2.01.13 **Block Recovery** – Flying assigned under the Pay Protection provisions of A32.03.03.
- 2.01.14 **Captain (CA)** – The Pilot who is in command of the aircraft and its crew members while on flight duty, or a status as per A20.
- 2.01.15 **CARS** – Canadian Aviation Regulations.
- 2.01.16 **Check-in** – Duty Period Start time as per A25.
- 2.01.17 **Check Pilot (CP)** – An Active Pilot who holds a Position and is assigned to check pilot duties.

- 2.01.18 **Chief Pilot** – As per the Flight Operations Manual or their designate.
- 2.01.19 **Closing Time** – The date that the CMSC declares that changes to a SPB or a new bid will no longer be accepted for consideration during the associated Bid Award.
- 2.01.20 **Co-terminal** – Those airports serving the same metropolitan area into which the Company operates.
- 2.01.21 **Daily Average Earnings (DAE)** – The total earnings of a Pilot's previous 3 Block Periods including applicable overseas and Nav pay divided by the number of days in the 3 Block Periods. Calculation of the total earnings consists solely of the sum of all Block Credits to a maximum of the greater of DBM or 80 hours for each Block Period.
- 2.01.22 **Daily Standard Credit (DSC)** – The number generated by dividing the DBM by the number of days in the Block Period and rounded up to the next whole minute.
- 2.01.23 **Day Flying** – All flying between 06:00 and 18:00 Standard Time. When changes in the regional time occur in flight, the regional time at the station of last take-off shall be used in computing the day and night flying time for that leg of the trip.
- 2.01.24 **Designated Block Maximum (DBM)** – The number of hours used when planning Blocks.
- 2.01.25 **Domestic Operations** – All flying operations not specifically defined as Overseas Operations.
- 2.01.26 **DPG** – Duty Period Guarantee (A13.15.02).
- 2.01.27 **Draft** – The assignment of a Pilot to flight duty for which they were not scheduled as outlined in A30.
- 2.01.28 **First Officer (FO)** – An Active Pilot who is second in command of an aircraft and its crew members while on flight duty and whose duty is to assist or relieve the Captain, or a status as per A20.
- 2.01.29 **Flight Instructor (FI)** – An Active Pilot who holds a Position and is assigned to flight instructor duties.
- 2.01.30 **Flying Pay** – Hourly base pay, hourly, mileage, gross weight, overseas and Nav pay if applicable.
- 2.01.31 **Flight Time** – The elapsed time between the time the parking brake is released just prior to pushback or engine start to the time the aircraft comes to a final stop at its parking position and the parking brake is set.
- 2.01.32 **Gender** – Whenever the masculine gender is used, it shall be understood to mean the masculine or feminine gender unless otherwise specifically stated.
- 2.01.33 **Initial Operating Experience Training Captain (IOETC)** – An Active Pilot who holds a Position and who is selected to provide line indoctrination instruction.
- 2.01.34 **Long Range Flying** – Flying that crosses more than 4 one-hour time zones in a single duty period.
- 2.01.35 **Make-Up (MU)** – Flying offered to and accepted by a Pilot under Step 2 of the awarding process of A28.02.
- 2.01.36 **Management Pilot (MP)** – A Pilot as described under A4.04 who has been assigned by the Company to a management position.
- 2.01.37 **Minimum Block Guarantee (MBG)** – Minimum Block credit dependent on DBM as outlined in A26.
- 2.01.38 **Night Flying** – All flying between 18:00 and 06:00 Standard Time. When changes in the regional time occur in flight, the regional time at the station of last take-off shall be used in computing the day and night flying time for that leg of the trip.
- 2.01.39 **Non Revenue Flight Operations Pilot (NRFOP)** – An Active Pilot that has been specifically trained to conduct NRFO operations.

- 2.01.40 **Open Time** – As defined in A28.01.01.
- 2.01.41 **Operational Delays** – Delays that are beyond the control of the air operator, such as unforecasted adverse weather, equipment malfunctions and air traffic control delays.
- 2.01.42 **Optional 24 or 48 (O24/48)** – One or two days that are requested off in conjunction with vacation.
- 2.01.43 **Overseas Operations** – As defined in A12.04.04.01.
- 2.01.44 **Pilot** – A Captain, First Officer, Relief Pilot or Pilot-in-Training.
- 2.01.45 **Pilot on Reserve (PoR)** – A Pilot who holds a Reserve Block
- 2.01.46 **Position** – A Pilot's flying position with reference to Base, Equipment and Status. e.g. YZ B767 CA
- 2.01.47 **Pre-selection** – Awarding of open flying prior to normal awards.
- 2.01.48 **Project Pilot (PrP)** – An Active Pilot who holds a Position and is assigned to project duties.
- 2.01.49 **QPOS** – Qualified Position.
- 2.01.50 **Relief Pilot (RP)** – A Pilot who holds a Relief Pilot Position and is utilized solely for the purpose of providing in flight relief for the Captain and First Officer in order to extend flight duty time as per A25, or a status as per A20.
- 2.01.51 **Reserve Block** – A schedule comprised solely of Reserve and days off, and may include training, OE or vacation.
- 2.01.52 **Reserve Off-Duty Days:**
- 2.01.52.01 **Guaranteed (G) Day** – A 24 hour off-duty period which shall not be subject to change, except as provided in A29.
- 2.01.52.02 **Tentative (T) Day** – A 24 hour off-duty period which may be subject to change as provided in A29.
- 2.01.52.03 **Reserve Availability Period (RAP)** – The period of time in any period of 24 consecutive hours during which a PoR is available to report for flight duty.
- 2.01.53 **Reserve Period** – A planned sequence of days on reserve.
- 2.01.54 **Service as a Pilot** – Shall start to accrue on a Pilot's date of employment as a Pilot.
- 2.01.55 **Sick Hold** – The ability of a Blockholder who is sick, or anticipates that they may become sick, to hold their pairing or flight that passes through home Base until a pre-determined time prior to departure as outlined in A31.
- 2.01.56 **Status** – A Pilot's assigned classification of Captain, First Officer or Relief Pilot.
- 2.01.57 **Stick Time** – Flight Time as an operating crew member.
- 2.01.58 **System Seniority** – Seniority as defined in A4.
- 2.01.59 **Time Periods in the Collective Agreement** – Time periods in the Collective Agreement that have a start and end time will include the minute shown as the start time and exclude the minute shown as the end time. These time periods will be shown as "between a given hour: minute and a given hour: minute". E.G. 1: a flight that departs at 17h00 and arrives at 18h00 is considered 1 hour of Daytime flying. E.G. 2: A duty period that ends at 00h00 is completed in the previous calendar day.
- 2.01.60 **Time Away From Base (TAFB)** – The time period commencing at the start of the first duty period in a pairing and ending at the termination of the last duty period in that pairing.
- 2.01.61 **TTG** – Trip Time Guarantee (A13.15.03).

- 2.01.62 **Ultra Long Range (ULR)** – Flights with more than 16h29 planned flight time or more than 18h15 planned flight duty period.
- 2.01.63 **Voluntary Overtime (VO)** – A complete pairing awarded at Step 4 of the Open Time Awards.
- 2.01.64 **Cold Call Award (Cold Call)** - Flying awarded once all the procedures of A28 Step 4 have been exhausted. CS will award the flying as per A30. Cold Call is at Pilot option.

2.02 Common Acronyms

- 2.02.01 **CS** – Crew Scheduling
- 2.02.02 **DAR** – Designated ACPA Representative
- 2.02.03 **DSC** – Daily Standard Credit
- 2.02.04 **ETA** – Estimate Time of Arrival
- 2.02.05 **ETD** – Estimated Time of Departure
- 2.02.06 **ETOPS** – Extended-range Twin-engine Operational Performance Standards
- 2.02.07 **GDO** – Guaranteed Day Off
- 2.02.08 **GDIP** – Group Disability Income Plan
- 2.02.09 **ICAO** – International Civil Aviation Organization
- 2.02.10 **IFE** – In-Flight Entertainment
- 2.02.11 **IOE** – Initial Operating Experience
- 2.02.12 **IROPS** – Irregular Operations
- 2.02.13 **ITF** – Ineligible to Fly
- 2.02.14 **LOA** – Leave of Absence
- 2.02.15 **NC** – Narrowbody Captain
- 2.02.16 **NF** – Narrowbody First Officer
- 2.02.17 **NJA** – Narrow Jet Aircraft
- 2.02.18 **OHS** – Occupational Health Services
- 2.02.19 **OVS** – Overseas
- 2.02.20 **PBS** – Preferential Bidding System
- 2.02.21 **PBSC** – Preferential Bidding System Committee
- 2.02.22 **PD** – Personal Day
- 2.02.23 **PI** – Pairing Integrity
- 2.02.24 **PP** – Pay Protection
- 2.02.25 **PPAL** – Pilot Position Assignment List
- 2.02.26 **QOE** – Qualifying Online Evaluation
- 2.02.27 **SDO** – Special Days Off
- 2.02.28 **SPB** – Standing Preferential Bid
- 2.02.29 **SJA** – Special Jetz Assignments
- 2.02.30 **TC** – Transport Canada
- 2.02.31 **TDO** – Technical Day Off
- 2.02.32 **TT** – Trip Trade
- 2.02.33 **VR** – Voluntary Reserve

- 2.02.34 **WC** – Widebody Captain
- 2.02.35 **WF** – Widebody First Officer
- 2.02.36 **WJA** – Wide Body Jet Aircraft

ARTICLE 3 – DURATION AND EFFECTIVE DATE

- 3.01** This Agreement, including the Letters of Understanding and Letters of Commitment attached, will become effective and binding beginning on September 30, 2020, and shall not have retroactive effect except where indicated, and will continue in full force and effect until September 29, 2023.
- 3.02** This Agreement will renew itself in accordance with the Memorandum of Agreement of September 30, 2014, which Memorandum is incorporated by reference into the present Collective Agreement to the extent it is applicable.
- 3.03** Following the termination of the Memorandum of Agreement, this Agreement will renew itself without change each succeeding year, unless written notice of intended change is served by either party within 4 months prior to the expiry date. In the event that notice is given of intended change, the Agreement will remain in full force and effect while negotiations are being carried on for the arrangement of a further Agreement.

ARTICLE 4 – SENIORITY

4.01 Establishing Seniority Date

- 4.01.01 Effective for Pilots hired after November 1st, 2010 the seniority date will be their date of employment as a Pilot. When 2 or more Pilots are employed on the same date, their respective positions on the Pilots' System Seniority List will be decided by lottery. For Pilots hired prior to November 1st, 2010, the seniority date will be the date on which they were designated and received remuneration as a Pilot.
- 4.01.02 For greater clarity, in the event of any future declaration of common employer status and/or declaration of sale of business; purchase or merger of airlines or parts thereof; or other combination of flying operations under the Company, the seniority of employees who are to be added to the seniority list as a result of such an event will commence no earlier than the date of the issuance of any CIRB order regarding the declaration of common employer status and/or sale of business, the date of the future purchase or merger of airlines, or the date of such other future combination of flying operations, as the case may be.

4.02 Application of Seniority

- 4.02.01 System Seniority will govern all Pilots in matters of a system-wide nature, including their choice of Base assignments, their retention in the event of a reduction in force, and their subsequent re-employment after furlough due to such reduction.
- 4.02.02 System Seniority will govern Pilots in all matters, including promotion or demotion, assignment or reassignment due to expansion or reduction in schedules, block awards, vacation awards, application of the scheduling rules, and choice of equipment assignments, provided the Pilot is sufficiently qualified for the conduct of the operation involved.
- 4.02.03 Loss of Seniority – Any Pilot once having established a seniority date hereunder will not lose that date except by termination of employment as a Pilot with the Company, or as otherwise provided in A4.04.

4.03 Pilots' System Seniority List

- 4.03.01 Pilots' System Seniority List – The Company will maintain the “Pilots' System Seniority List”, which will specify the seniority number, name, and seniority date of all Pilots entitled to seniority. The seniority date of new Pilots added to the Seniority List will be established in accordance with the provisions of A4.
- 4.03.02 The Company will, by January 31st of each year, post electronically, a copy of the Pilots' System Seniority List, brought up to date to include changes or additions which have occurred since the posting of the previous list.
- 4.03.03 Seniority Protests – A Pilot will be permitted a period of 60 days after any posting of the Pilots' System Seniority List each year in which to protest to the Company any omission or incorrect posting affecting their seniority.
- 4.03.04 A Pilot on leave or away from their Base station at the time of posting of the list will have a period of 30 days from the date of their return to their Base station during which to file such protest.
- 4.03.05 Any incorrect posting or any other discrepancy which went unprotested on the annual Seniority List in which it first appeared will not be protested on any subsequent annual posting except that typographical and clerical errors may be corrected at any time.
- 4.03.06 Retention of Seniority – Medical – A Pilot who is medically unfit will not have their name removed from the Pilots' Seniority List until they are no longer employed as a Pilot by the Company.

4.04 Management Pilots

- 4.04.01 Only Pilots on the Air Canada Pilots' System Seniority List may hold Management Pilot positions with the Company.
- 4.04.02 A Pilot posted to Management Pilot duty will retain and continue to accrue seniority, provided such Pilot maintains at all times the airman's certificate or certificates required for their status. If such Pilot will permit such certificate or certificates to lapse, they will retain the seniority already accrued to the time of such lapse and will have a period not to exceed one year in which to regain such specified certificate or certificates. If they do so regain such specified certificate or certificates within one year, their seniority will recommence to accrue from the date their certificate or certificates are so regained.
- 4.04.03 When a Pilot is posted to Management Pilot duty on account of sickness or injury or becomes sick or injured while on such duty, they will retain their seniority during such period of sickness or injury regardless of whether or not they are able to maintain their airman's certificate or certificates required for their status, until they are able to return to flying duty or are found to be unfit for such duty for a continuous period of 3 years unless extended by mutual agreement between the Company and ACPA.

ARTICLE 5 – PROBATION

5.01 General

- 5.01.01 The probationary period for a Pilot commences on their date of employment as a Pilot.
- 5.01.02 A Pilot will normally be on probation until the completion of the probationary release process, which includes the Pilot's first annual line check. In special circumstances, the probationary period may be extended up to an additional 6 months and in such case, the Pilot concerned and ACPA will be advised by the Company in writing stating the reasons for the extension and its duration.
- 5.01.03 Seasonal Relief Pilots, in accordance with A20.03.07, will be released from probation at the start of their subsequent training course, unless otherwise extended as per A5.01.02.

5.02 Captain Upgrade

- 5.02.01 Notwithstanding A5.01.02, a Pilot will be released from probation prior to the commencement of any Captain Upgrade course.

5.03 Probationary Pilots – Training General

- 5.03.01 This Article applies to all Pilots who have not been released from probation. In addition, the following provisions of A21 continue to apply to probationary Pilots: A21.01.01 to A21.01.03, A21.01.10 to, A21.01.16, A21.01.19 to A21.01.21, A21.01.23, A21.01.25 to A21.01.32 and A21.06. After a successful initial OE/line check and a Pilot has been assigned a base A21.01.04 to A21.01.09 will apply.
- 5.03.02 Prior to the successful initial OE/line check. A Pilot will be entitled to 2 consecutive days off out of each 7 days while in ground school, simulator or flight training. These days off will be from midnight to midnight.
- 5.03.03 A Pilot required to complete a crew complement in the simulator will not have their performance formally assessed. If it is apparent the Pilot's performance is substandard the Pilot will be advised of the situation and given an opportunity to demonstrate their competence. In the event the Pilot is unsatisfactory, the Pilot will be handled in accordance with A5.04.
- 5.03.04 A Pilot assessed as unsuccessful during a voluntary move from a Relief Pilot or First Officer initial training to another position (other than Captain or Seasonal RP) will have the option of either completing the applicable steps in A5.04 or returning to their previous Position any time after their first failure but prior to any further training or checking event. In the event of an involuntary move A21.04.01 will apply. In either case, if the Pilot successfully requalifies to their previous position, A21.02.01.06 to A21.02.01.08 will apply.
- 5.03.05 The Company will publish the Training Boundary Guidelines applicable to probationary Pilots, for each fleet type and position, in a location readily accessible to all Pilots and ACPA. If these Guidelines are amended or replaced, the Company will notify ACPA and publish the new Guidelines as soon as practicable.
- 5.03.06 Probationary Pilots who have not yet been assigned a base shall be provided hotel accommodations if their place of residence is more than 30 km from the training location. In the event that the Pilot declines the offer of hotel accommodations, the Pilot shall be provided \$25 per night.

- 5.03.07 Given the importance of internet during initial training, without prejudice to the MASC provisions of the Collective Agreement, the Company recognizes the need for satisfactory internet services (in-room and adequate speed) in the training hotel such that training modules can be completed in a reasonable time.
- 5.03.08 The silent hour simulator training period is from 02:00 - 06:00 home Base time and excludes briefing and de-briefing. Checking events during silent hours will not be permitted. A Pilot may be scheduled for simulator training, excluding briefing and de-briefing, between 02:00 and 06:00 home Base time only when training requirements exceed the available non-silent hour time slots of the Pilot's specific equipment type at any Air Canada training facility, or due to unforeseen circumstances such as, but not limited to, simulator breakdown or other events beyond the Company's control. ACPA will be notified in writing when a training period has been conducted during 02:00 – 06:00 home Base time, with a brief statement of the reason. No Pilot will be planned to attend training during the silent hours if non-silent hour sim slots have been sold to external customers during the monthly simulator schedule unless required due to unforeseen circumstances such as, but not limited to, simulator breakdown or other events beyond the Company's control. Any unsatisfactory assessments/failures during this period will not be counted as an unsatisfactory assessment/failure by Air Canada. Up to 10% of available non-silent hour simulator sessions may be reserved for contingency purposes to deal with ATO sessions. These reserved contingency sessions may not be sold to external customers.
- 5.03.09 Simulator crewing will normally be completed with a crew combination of CA/FO or RP/RP in accordance with A21.01.23 and A21.01.24. It is understood that it may be necessary to schedule probationary Pilots with a crew complement of FO/FO. As such, the Company and ACPA agree that the first unsatisfactory checking event with a complement of FO/FO will not be counted as such by Air Canada, however Transport Canada may be advised of the failure.

5.04 Probationary Pilots – Training and Checking – Failure Handling Procedures

- 5.04.01 When a Pilot's performance is assessed as unsatisfactory or incomplete, the Pilot and ACPA will be provided written notice.
- 5.04.02 The written notice to ACPA will expressly identify if the Pilot is a probationary pilot. The notice will also provide enough detail for ACPA to understand the stage of training and the issue that gave rise to the unsatisfactory or incomplete notice.
- 5.04.03 The written notice to ACPA will usually be provided within 1 business day of the event giving rise to the unsatisfactory or incomplete.
- 5.04.04 Following receipt of the notice, a meeting will be convened with the Chief Pilot, or designate, the Pilot, and an ACPA representative. As part of the meeting the Pilot will be informed of the reason(s) for the notice. Further, the interview will include a discussion of the potential circumstances that gave rise to any training concerns and the training plan going forward.
- 5.04.05 In training or checking the Pilot candidate will have the option of requesting that a different CP, FI, MP or Transport Canada CP will conduct the training or checking as applicable.
- 5.04.06 In addition, the Pilot candidate will have the option of requesting a different training partner, which could include another new hire, sim volunteer or Contract Instructor. Such requests will be discussed with the fleet manager or Chief Pilot and will not be unreasonably denied.

- 5.04.07 If there is a second “unsatisfactory” assessment an appropriate medical evaluation will be completed to determine if a medical condition exists and is a contributing factor to the candidate’s performance. Following the medical evaluation and a determination that the Pilot is fit to resume training, a second meeting, as set out in A5.04.04, will be held.
- 5.04.08 If, as a result of this medical evaluation, the Pilot is assessed as unfit, the Pilot will be placed on medical leave until such time as the Pilot is considered fit to resume training.
- 5.04.09 Following the first unsatisfactory assessment with a complement of FO/FO, a second SIM session will be scheduled. If the Pilot is unable to achieve the appropriate standards, they may receive an unsatisfactory assessment during the second SIM session.

ARTICLE 6 – FLIGHT SAFETY

6.01 Accident and Incident Investigation

- 6.01.01 When a Pilot is involved in an accident or incident related to the operation of an aircraft while on duty, they may be held out of service pending the outcome of any investigation into the accident or incident undertaken by the Company, Transport Canada or the Canadian Transportation Accident Investigation and Safety Board.
- 6.01.01.01 When held out of service, the Pilot and ACPA will be so notified in writing within 7 days along with the reasons.
- 6.01.02 When the investigation is undertaken by the Company, the officers involved will make every attempt to issue a final report within 3 months.
- 6.01.02.01 Both the Pilot involved and ACPA will be given the opportunity to participate fully in the investigation, will be informed on a regular basis on the course of such investigation and will be provided with a copy of any interim or final reports.
- 6.01.03 A Pilot held out of service pending the outcome of an investigation will be paid and will receive Block Credits for the flights in their Block as if flown according to schedule. A Pilot not holding a Block will be paid and will receive Block Credits at the rate of 2h40 per day DN.
- 6.01.04 When disciplinary or discharge action is considered following the issuance of an accident investigation report, satisfactory to the Company, the provisions of A7 will be applied from such date of issue.
- 6.01.05 Prior to any form of investigation or interrogation by the Company following an accident or incident, the Pilots will make themselves available and will be afforded a medical examination and the results will be made available to the Company and Pilots.
- 6.01.06 In cases involving aircraft accidents, Pilots will not be required to commit themselves orally or in writing to officials of the Company for a period of 24 hours following the accident unless they have the opportunity to be represented by ACPA.
- 6.01.07 Throughout this procedure the Pilot involved and/or their designated ACPA representative(s) may, upon request, review any information contained in their files in conjunction with a designated representative of the Company.

6.02 Representation During Accident Investigation

- 6.02.01 During accident investigation, the Pilot or their duly accredited representative or representatives will have access to any information that may affect the Pilot's status. An ACPA representative will be part of the Company investigation team.

6.03 Aircraft Electronic Recording & Reporting Devices

- 6.03.01 The parties agree that the use of electronically recorded flight data can be used to enhance flight safety, provide relevant and accurate information to assist in accident/incident investigation, as well as to provide economic savings through preventative maintenance and enhancements to Standard Operating Procedures (SOPs).
- 6.03.02 It is agreed that no electronic recording and reporting devices of any kind, and no recorded data obtained or derived from the Cockpit Voice Recorders (CVR), Flight Data Analysis (FDA), Flight Data Recorder (FDR), ACARS, Video Recorders, Quick Access Recorders (QARs) or any Flight Safety Program will be employed to monitor, nor to electronically check, the judgement and/or ability of any individual Pilot. This does not preclude the use of de-identified information in the interest of flight safety, maintenance integrity programs or aircraft manufacturer assessment programs in a manner mutually agreeable to the Company and ACPA.

- 6.03.03 No information or data derived, developed or obtained from or as a result of a Flight Safety Program utilising Aircraft Electronic Recording and Reporting Devices will be used by the Company, the Pilots, or ACPA in any civil, administrative, penal, criminal, disciplinary, discharge or termination action or proceeding of any kind. Nor will any data or information obtained as a result of knowledge derived from a Flight Safety Program utilising Aircraft Electronic Recording and Reporting Devices be used, nor permission granted for use, as the basis of, or in justification of any such civil, administrative, penal, criminal, discipline, discharge or termination action or proceeding of any kind.
- 6.03.04 The Company agrees to make available to ACPA, upon request by the MEC Chairman, reasonable pertinent stored data relevant to ACPA's interest in flight safety. No data obtained or derived from a Flight Safety Program identifying a Pilot or crew will be released without the permission of all persons so identified.
- 6.03.05 It is agreed that no recording devices, for Flight Safety or maintenance purposes not utilized in the Company's aircraft, will be installed without mutual agreement of the Company and ACPA.
- 6.03.06 The parties agree that the following procedures will apply in order to ensure a mutually satisfactory usage of information from any Flight Safety Program utilising Aircraft Electronic Recording and Reporting Devices. These procedures are subject to the obligations of the parties to comply with government regulations.
- 6.03.07 Cockpit Voice Recorders will only be used under a Flight Safety Program as mutually agreed by the Company and ACPA.
- 6.03.08 The Company will ensure that Cockpit Voice Recorders will have an operable means of erasure at the termination of flight.
- 6.03.09 Prior to usage for maintenance purposes, the Cockpit Voice Recorder tape will be completely erased.
- 6.03.10 The Company will use its best efforts to ensure the security of Cockpit Voice Recording equipment against unauthorized removal and/or playback.
- 6.03.11 When Cockpit Voice Recorder data is retrieved by the Company under the program for other than maintenance purposes, or any other mutually agreed safety programs, both the Captain and ACPA will be notified.

6.04 Flight Data Analysis (FDA)

- 6.04.01 It is agreed that programs to read routinely recorded data, for the FDA program or maintenance purposes, will not be introduced without mutual agreement of the Company and ACPA.
- 6.04.02 The design, implementation and operation of any FDA program will be by mutual agreement between the Company and ACPA. A joint Company and ACPA FDA Monitoring Committee will oversee the FDA program and establish necessary policies and procedures as required.
- 6.04.03 The design, implementation and operation of any FDA program will ensure that any data obtained or derived from the FDA program will be de-identified in such a manner to guarantee that the identity of any Pilot will not be known to anyone, except to a specified ACPA representative who, under the terms of a FDA program, may determine the identity of the Pilot in the pursuit of enhancing flight safety.
- 6.04.04 It is agreed that any data obtained or derived from a FDA program will be kept or stored only in an aggregate (combined) form. Raw, flight-specific data will not be shared with a third party and will be destroyed after being added to the aggregate record.

- 6.04.05 It is agreed that data obtained or derived from a FDA program will not be employed by Air Canada to monitor, nor to electronically check the judgement and/or the ability of individual Pilots.
- 6.04.06 It is agreed that fuel burn or any other data derived from DataPlus (ACARS) will not be employed to monitor, nor to electronically check the judgement and/or the ability of individual Pilots. Any use of Data plus information for the purpose of fuel management will utilize methods that are mutually agreed by the Company and ACPA.

6.05 Voyage Report Distribution

- 6.05.01 Flight Operations will forward a copy of all categorized Voyage Reports and categorized incident reports to ACPA if requested to do so by the individual Pilots.
- 6.05.02 The Voyage Report form will include a distribution box for forwarding to ACPA.
- 6.05.03 All Voyage Reports requested to be copied to ACPA will be forwarded to ACPA Headquarters, ATTN.: MEC Chairman.

6.06 Fatigue Risk Management System

- 6.06.01 The Air Canada Fatigue Risk Management System (FRMS) is a data-driven means of continuously monitoring and managing fatigue-related safety risks, based upon scientific principles and knowledge and operational experience that aims to ensure relevant personnel are performing at adequate levels of alertness. The responsibility for fatigue risk management is shared between regulators, airline management, ACPA and Pilots. This shared responsibility is recognized as an important concept because fatigue is a whole-of-life issue that is affected by all waking activities and not only by work demands.
- 6.06.02 Air Canada and ACPA agree that FRMS will apply to all flying performed by or on behalf of Air Canada or its Affiliates. FRMS is a Flight Operations Flight Safety Program.
- 6.06.03 No information or data derived, developed or obtained from or as a result of an FRMS will be used by the Company, the Pilots, or ACPA in any civil, administrative, penal, criminal, disciplinary, discharge or termination action or proceeding of any kind. Nor will any data or information obtained as a result of knowledge derived from an FRMS be used, nor permission granted for use, as the basis of, or in justification of any such civil, administrative, penal, criminal, discipline, discharge or termination action or proceeding of any kind.

6.07 Fatigue Safety Action Group (FSAG)

- 6.07.01 The Fatigue Safety Action Group (FSAG) is responsible for coordinating all fatigue risk management activities for Flight Operations in compliance with Air Canada's Corporate Fatigue Risk Management System (FRMS). This includes gathering, analyzing and reporting on data that facilitates the assessment of fatigue-related risk among flight crew members. The FSAG is also responsible for ensuring that Air Canada's FRMS meets the safety objectives defined in the FRMS Plan, and that it meets regulatory requirements. The FSAG exists to improve safety and does not get involved in industrial issues.
- 6.07.02 The FSAG is directly responsible to the VP, Flight Operations and reports through the Senior Director, Flying Operations. The members of FSAG will include a Co-Chair and an equal number of representatives from both the Company and ACPA. The number of representatives will be determined by the Company. FSAG meetings may include, but are not limited to attendees from each of the following groups including the Company's Affiliates: management (Operations, Safety, Crew Resources, Crew Scheduling), Occupational Health and ACPA Flight Safety Division.

6.08 Variance and Exemptions to the CARs

- 6.08.01 FSAG will meet within 15 days of the Company's decision to pursue a variance or exemption for any operation the Company intends to conduct outside of the CARs prescriptive limitations under an FRMS. FSAG may provide recommendations for fatigue mitigations. FSAG recommendations will be based solely on scientific principles.
- 6.08.02 For a variance or exemption that is within the contractual limits defined in the Collective Agreement, including the "Planned Contractual or FRMS Maximums" set out in Tables A to C of Article 25 of the Collective Agreement, FSAG will provide its recommendations to the Vice-President, Flying Operations. FSAG will notify the ACPA MEC of any variance or exemption being sought.
- 6.08.03 For a variance or exemption that is outside the contractual limits defined in the Collective Agreement, including the "Planned Contractual or FRMS Maximums" set out in Tables A to C of Article 25 of the Collective Agreement for any operation, including a Specialty Company or Affiliate, FSAG will provide its recommendations to the Vice-President, Flight Operations and the MEC Chair of ACPA for consent.
- 6.08.04 Any variance or exemption granted under A6.08.02 or A6.08.03 may be applied to flying performed by or on behalf of Air Canada and/or its Affiliates respectively.
- 6.08.05 All ULR flying, as defined by this Collective Agreement, must be operated by Air Canada Mainline.

6.09 Data Collection and Analysis

- 6.09.01 The collection of human performance/alertness data of Pilots ("Data Collection") will contribute to the Company and ACPA's collaborated efforts in ensuring safe flight operations and will provide the data necessary to evaluate and improve pairings, monthly Pilot schedules as well as provide essential FRMS related data needed to prepare a Safety Case for the purposes of obtaining a Continuous Exemption as provided for under the CARs.
- 6.09.02 Data Collection must be voluntary, not be overly invasive, require no onerous, excessive, or unsafe efforts by participants, bear a reasonable relationship to the Company's current or planned operations or flight and duty time rules or regulations, not be inappropriate or unjustified, and only be used for the purposes of FRMS and no other purpose (including a medical evaluation).
- 6.09.03 As directed by FSAG, the Company's Primary Research Partner ("PRP") and/or FSAG shall be responsible for collecting, analyzing data collected for the purposes of, but not limited to, fatigue studies, fatigue surveys, and Safety Cases as provided for in the CARs and for any other reason. The Company shall assume the cost of the analysis performed.
- 6.09.04 Any reports from the PRP shall be provided to FSAG (the "PRP Report"). The PRP Report shall include recommendations on additional studies that could be performed and, if applicable, on potential fatigue risk mitigation strategies that could improve overall Pilot alertness.
- 6.09.05 It is acknowledged that all FRMS data, analysis, surveys, studies, reports and all related information and documents ("FRMS Confidential Information") are of a highly sensitive and confidential nature and accordingly, the Parties agree that anyone who will have access to the FRMS Confidential Information shall not use or disclose it for any reason other than for the purposes of FRMS without the joint written consent of the Vice President, Flight Operations and the ACPA MEC Chair.
- 6.09.06 Any research partner may publish their final reports in a peer reviewed or other scientific journal, provided that both the Company and ACPA review the report prior to its submission for publication and consent to its publication.

6.10 Pilot Compensation for Wearable Device

- 6.10.01 When a Pilot is asked to participate in a Data Collection effort that involves a wearable device, they will be provided information that will describe the nature of the Data Collection effort, its length and scope, and the procedures and requirements of participation. A Pilot who completes this Data Collection effort will receive a minimum of fifty dollars (\$50.00) per day up to a maximum of one hundred dollars (\$100.00) per pairing or five hundred dollars (\$500.00) per Data Collection effort. Any new research methodology will be discussed in advance to confirm if it is reasonable and appropriate and to determine if compensation is applicable.

ARTICLE 7 – DISPUTE RESOLUTION

7.01 ACPA Representation

- 7.01.01 The Company must advise ACPA in advance of any scheduled meeting or interview to discuss a Pilot's performance, or that might have disciplinary consequences. Pilots are entitled to have ACPA representation at any such meeting.
- 7.01.02 When a Pilot is called to a mandatory meeting by the Company on a day not scheduled for duty pursuant to A7.01.01, including any meeting or interview to discuss a Pilot's performance, an incident or accident, potential discipline, attendance issues, alleged harassment, or any investigative meeting the following will apply:
- 7.01.02.01 Meetings will be paid at a minimum of 2 hours to a maximum of 4h25 DN, including OVS and Nav Pay. These hours are not flight time limiting and are not part of the MBG, provided however that such pay to a PoR will be part of their MBG when scheduled for a meeting on a Reserve day. Notwithstanding the foregoing, should a PoR break MBG, the PoR shall be provided the above credit in addition to their Flight Time credit.
- 7.01.02.02 In the event that a Pilot is called in for a meeting on a duty day, the Company shall extend the duty period for the duration of the meeting or one hour, whichever is greater, and TTG and DPG provisions will apply for pay and Flight Time purposes.
- 7.01.02.03 For clarity, A7.01.02.01 does not apply in the event that the Pilot has already been displaced, is covered by pay protection (including the pre-assignment window outlined in A32.03), or in the event that the Pilot has been held out of service with full pay and credit pursuant to A7.04.01. When a Pilot is covered by pay protection, A7.01.02.01 shall not apply where the Company has attempted to schedule the meeting within the period of pay protection but the Pilot or the Association are not available.
- 7.01.02.04 For further clarity, the above is not applicable to voluntary meetings, including telephone conversations, when a Pilot is not entitled to ACPA representation or to meetings requested or scheduled by the Pilot or the Association.

7.02 Personnel Records

- 7.02.01 The Company will maintain one file containing information relating to items of a personnel nature for each Pilot. A Pilot will be advised prior to having any material of any adverse, unfavourable or disciplinary nature placed in this file. Upon request, best efforts will be made by the Company to allow for a Pilot to review this file, in the presence of Management, within 10 business days of such request or such earlier period as is practicable in the circumstances.
- 7.02.02 Any adverse or unfavourable record, including past discipline, will automatically be deleted from a Pilot's file and will not be referred to or relied upon after a period of 24 months of active service from the date of the letter.

7.03 Grievance Procedure – General, Discipline or Discharge

- 7.03.01 Steps 1 and 2 below may be combined into a single step by mutual consent.
- 7.03.01.01 A Step 1 grievance will be heard by the Chief Pilot or their designated representative from Flight Operations.
- 7.03.01.02 A Step 2 grievance will be heard by the Chief Executive Officer or their designated representative.
- 7.03.02 Grievances under this Article may be initiated by any Pilot who considers themselves aggrieved, with the concurrence of ACPA.
- 7.03.03 Grievances may be initiated by ACPA on behalf of any Pilot.

- 7.03.04 Grievances of a general or policy nature may be initiated by ACPA at Step 2, or by mutual agreement directly to Arbitration.
- 7.03.05 Grievances resulting from unresolved Pay Claims will be initiated at Step 2.
- 7.03.06 Grievances should be filed in writing within 30 calendar days of a Pilot having reasonable knowledge of the occurrence of the facts giving rise to the grievance, or when a Pilot has been suspended or dismissed, from the date of receipt of the notification of discipline or dismissal. It is not intended that this limitation will preclude claims arising out of bookkeeping or clerical errors.

7.04 Grievance Procedure – Discipline or Dismissal

- 7.04.01 When discipline or dismissal is contemplated, ACPA will be informed in writing and the Pilot involved may, where necessary, be held out of service with full pay and credits pending investigation for up to 7 calendar days, or longer by mutual agreement between ACPA and the Company, in order to provide the Company with sufficient time to investigate and consider all factors involved. Where no action is taken, ACPA and the Pilot will be notified, in writing, when the Pilot is to be returned to the line.
- 7.04.02 When disciplinary action is taken, the Pilot and ACPA will be notified in writing along with the reasons for such discipline and informed of the Pilot's right to appeal.
- 7.04.03 When dismissal is considered, the Pilot will be suspended pending dismissal and notified along with ACPA of the reasons for such dismissal in writing and informed of the Pilot's right to appeal.

7.05 Grievance Procedure – Process

- 7.05.01 Any Pilot who considers themselves aggrieved and who has first attempted to obtain a satisfactory settlement with their immediate supervisor, or who has been disciplined, suspended or dismissed and who considers themselves unjustly dealt with, may grieve in writing outlining both the nature of the grievance and the facts involved.
- 7.05.02 Throughout this procedure the Pilot involved will be represented by ACPA.
- 7.05.03 The foregoing notice requirements will not be interpreted so as to restrict consideration of all relevant facts.

7.06 Grievance Procedure – Time Limits

- 7.06.01 The following will apply at all Steps of the grievance procedure.
- 7.06.02 A grievance hearing will be held within 10 calendar days of receipt by the Company of a written notice of grievance, or of receipt of notice of appeal.
- 7.06.03 If no agreement is reached at a Step 1 or Step 2 grievance meeting, the Company will deliver the decision in writing, including the reason(s), to the Pilot and ACPA within 10 calendar days.
- 7.06.04 Appeals should be lodged in writing within 10 calendar days of receipt of any decision.
- 7.06.05 Where the procedures outlined above have been exhausted, ACPA may initiate the Arbitration procedure within 30 days of receipt of the final Company decision.
- 7.06.06 The time limits specified above may be extended by mutual agreement in writing.

7.07 Grievance Procedure – Rights and Obligations

- 7.07.01 By mutual agreement, employee witnesses called by ACPA will be granted time off with pay subject to the requirements of the service and will be provided with a positive space business pass for transportation to and from the hearing.

- 7.07.02 Throughout this procedure, the Pilot involved and/or their designated ACPA representative may, upon request, review any information contained in their files in conjunction with a designated representative of the Company.
- 7.07.03 If requested, the Company will provide the Pilot with 2 copies of all documents relevant to such grievance in their file.
- 7.07.04 If at any step of these procedures, including arbitration, the Pilot is fully exonerated, their record will be cleared of the charges against him, and they will be reinstated without loss of seniority or pay.

7.08 Arbitration – General

- 7.08.01 The parties may submit any matter to a single Arbitrator for determination in accordance with the provisions of this Article. If the parties cannot agree on an arbitrator within 15 days, either party may request the Minister of Labour to appoint a single arbitrator.

7.09 Arbitrator's Jurisdiction and Procedures Authority

- 7.09.01 The Arbitrator or Board of Arbitration will have jurisdiction to consider any matter properly submitted to it under the terms of this Agreement.
- 7.09.02 The Arbitrator or Board of Arbitration will have no jurisdiction to alter, modify, amend or make any decision inconsistent with the terms of this Agreement.
- 7.09.03 The Arbitrator or Board of Arbitration will establish its own procedure having due regard to the requirements of natural justice.
- 7.09.04 The Arbitrator or Board of Arbitration will make every effort to render a decision with the minimum delay and in no case more than 3 months from the date of the final hearing.

7.10 Arbitrator's Authority

- 7.10.01 The Arbitrator or Board of Arbitration will in the case of a grievance appeal have the authority to render any decision that it considers just and equitable.
- 7.10.02 In the case of disciplinary or dismissal appeals, the Arbitrator or Board of Arbitration will have the authority to determine whether the disciplinary or dismissal action taken by the Company was for just and proper cause.
- 7.10.03 In such disciplinary or dismissal appeals, the Arbitrator or Board of Arbitration may uphold the Company's final decision, fully exonerate and reinstate the Pilot with pay for all time lost or render such other decision as it considers just and equitable.
- 7.10.04 Where a Board of Arbitration is appointed, a majority decision will constitute the decision of the Board, but failing such majority, the decision of the Chairman will govern.
- 7.10.05 A decision of the Arbitrator or Board of Arbitration will be final and binding on ACPA, the Pilot and the Company.

7.11 Obligations

- 7.11.01 Throughout this procedure, the Pilot involved and/or their designated ACPA representative may, upon request, review any information contained in their files in conjunction with a designated representative of the Company.
- 7.11.02 If requested, the Company will provide the Pilot with copies of all documents relevant to the case in their file.
- 7.11.03 All employee witnesses called by the Arbitrator or Board of Arbitration or the Pilot will be granted time off with pay subject to the requirements of the service and will be provided with positive space business passes for transportation to and from the hearing.

- 7.11.04 The expenses incurred by the Arbitrator or Chairman of the Board of Arbitration will be borne equally by each party.
- 7.11.05 Where a Board of Arbitration is appointed, each party will assume the expenses incurred by its own appointee.
- 7.11.06 The provisions of this Article will not in any way limit restrict or abridge any rights or privileges accorded either party according to the law.

7.12 Expedited Arbitration

- 7.12.01 By mutual consent, or when otherwise identified, the parties may submit any grievance to expedited arbitration in accordance with the provisions contained herein.
- 7.12.02 Within 7 days of agreeing to refer a grievance to expedited arbitration the parties will agree on an arbitrator.
- 7.12.03 Grievances referred to expedited arbitration will be scheduled within 90 days of selection of the arbitrator
- 7.12.04 All presentations will be short and concise and are to include an opening statement. The parties agree to make limited use of authorities during their presentations.
- 7.12.05 The parties will equally share the cost of fees and expenses of the arbitrator.
- 7.12.06 The Arbitrator will have the jurisdiction to assist the parties in mediating a resolution of the grievance or to deliver a decision that will be binding on both parties. The Arbitrator will have no jurisdiction to alter, modify, amend or make any decision inconsistent with the terms of this Agreement. In the case of a disciplinary hearing, the Arbitrator may dispose of the matter in a manner that they deem just and equitable.
- 7.12.07 Both parties agree that no outside legal counsel will be retained to present grievances to expedite grievances under this Article.
- 7.12.08 All time limits outlined in this Article are subject to extension by mutual agreement of the parties.

7.13 Pay Claims Procedures

- 7.13.01 The following procedure is to be used in the handling of claims of pay and scheduling irregularities, including training;
 - 7.13.01.01 The Pilot has 45 days from the date of the flight or scheduling irregularity giving rise to the claim to submit the claim to the Company. It is not intended that this limitation will preclude claims arising from bookkeeping or clerical errors.
 - 7.13.01.02 Step 1: The Pilot should initially attempt to resolve the claim between themselves and CS.
 - 7.13.01.03 Step 2: Failing to resolve the claim at Step 1, the Pilot should submit a claim to the Chair of the ACPA Scheduling and Pay Claims Committee. If the Chair of the ACPA Scheduling and Pay Claims Committee or their designate agrees with the claim it will be submitted to the General Manager of Crew Scheduling. If the pay claim is denied by the Company it will be submitted to Step 2 of the Grievance Process.

7.14 Pay Claims Awarded to ACPA

- 7.14.01 Pay claims awarded to ACPA will be credited to Pilots by any method mutually agreed to by the Company and ACPA.

7.15 Flight Awarding Error

- 7.15.01 In cases where CS errs by awarding or assigning a flight to the wrong Pilot the following will apply:

- 7.15.01.01 If the error is corrected at least 3h15 prior to departure time, there is no claim; or
- 7.15.01.02 If the error is not corrected at least 3h15 prior to flight departure, both Pilots will be paid for the flight and the Pilot who should have been awarded the flight(s) will be paid the greater of the flight(s) they operated or the flight(s) they should have been awarded.
- 7.15.01.03 No VO or Draft premiums shall apply to a flight awarding error.
- 7.15.01.04 Hours awarded as a result of a successful pay claim will be added to the Pilot's accrued AO as applicable.

7.16 Onerous Pairing Resolution Procedure

- 7.16.01 FSAG will evaluate and, where necessary, alter any pairing(s) considered onerous by the operating crew(s).
- 7.16.02 Procedure:
 - 7.16.02.01 When a crew operates a pairing they consider to be onerous they will file a fatigue report on the application determined by the Company related to the onerous pairing.
 - 7.16.02.02 FSAG will address the fatigue report within 10 calendar days of receipt.
 - 7.16.02.03 A pairing which is deemed by FSAG to be onerous will be returned to Crew Scheduling for immediate rectification, and any change to a crew member's schedule resulting from this rectification will be covered under pay protection.
 - 7.16.02.04 If due to time or flight crew constraints the pairing cannot be changed it will be flown for a maximum of one full Block Period. The System Pairing Analyst will be advised to alter the pairing for the following Block Period.
 - 7.16.02.05 A pairing which is deemed by FSAG not to be onerous will remain active and the crew will be so advised. The crew will be given the option of an appeal before FSAG.
 - 7.16.02.06 Based on the guidelines, reference material or any additional material agreed to by the Committee and with due recognition of Flight Safety and the continuing need for pairing efficiency, agreement within FSAG will not be unreasonably withheld.

7.17 Onerous Pairing Resolution Procedure Escalation

- 7.17.01 If unable to resolve the pairing dispute, the FSAG will advise the offices of the Vice President, Flight Operations and MEC Chairman of the reason(s), as well as recommendations for resolution of the onerous pairing(s).
- 7.17.02 The Vice President and the MEC Chairman will resolve the pairing(s) in dispute or, failing resolution within 10 days, send the dispute to a subject matter expert agreed to by the parties to an expedited final resolution.
- 7.17.03 Assessment Criteria:
 - 7.17.03.01 When assessing the fatigue component of a pairing(s) the following factors will be considered individually and cumulatively with due regard to applicable references:
 - 7.17.03.01.01 Departure/arrival times
 - 7.17.03.01.02 Number of landings
 - 7.17.03.01.03 Time on duty (including flight deck duty time)
 - 7.17.03.01.04 Flight crew relief requirements
 - 7.17.03.01.05 Window of Circadian Low (WOCL)
 - 7.17.03.01.06 Deadheading – Prior to/after
 - 7.17.03.01.07 Off duty rest period
 - 7.17.03.01.08 Airport and/or Hotel Location

- 7.17.03.01.09 Crew Base Time Zone (Acclimatization considerations)
- 7.17.03.01.10 Variation between individual biological clocks
- 7.17.03.01.11 Nutritional requirements
- 7.17.03.01.12 Whether reporting time of a flight or flights should be longer than 1h15
- 7.17.03.02 Reference Documents:
- 7.17.03.02.01 In recognition of published scientific data and guidelines relating to flight crew fatigue management, when the FSAG is required to approve a pairing that was considered onerous by the operating crew(s), its evaluation will be based on, but not restricted to, the regulations, guidelines and limitations contained in the Collective Agreement, Canadian Aviation Regulations (CARs), fatigue software and any studies or papers addressing health and/or fatigue identification/management.

7.18 Window of Circadian Low (WOCL)

- 7.18.01 **Window of Circadian Low (WOCL)** – Means the period that begins at 02:00 and ends at 05:59 at the location where the flight crew member is acclimatized in accordance with the criteria set out in the CARs, except that for the criteria in 700.28(5)(c) to apply, ACPA agreement is required.

ARTICLE 8 – LEAVE OF ABSENCE

8.01 General

- 8.01.01 When requirements permit, a Pilot, upon written request to the Chief Pilot, through their manager, with a copy to ACPA, may be granted Leave of Absence (LOA) without pay for a period of up to 12 months. ACPA will be notified of any approved LOA of a duration greater than 30 days. A LOA may be greater than 12 months or extended beyond 12 months by mutual agreement between ACPA and the Company.
- 8.01.02 The Chief Pilot may, at their discretion, give a Pilot on a LOA special permission to engage in other employment while on leave provided such employment is not considered a conflict of interest with the Pilot's responsibilities to Air Canada.
- 8.01.03 In a case of sickness or injury, a Pilot who is not eligible for sick leave or GDIP benefits will be granted a LOA until such time as they are able to return to flight duty. In no case will a LOA for sickness or injury exceed a total continuous period of 3 years unless extended by mutual agreement between the Company and ACPA.
- 8.01.04 In the event of a national emergency, a Pilot volunteering with Company consent, or ordered to extended military service, will retain their seniority date, pension, accumulated sick leave and bid status.
- 8.01.05 A Pilot will retain their seniority date and accrue seniority, but not service, during a LOA.
- 8.01.06 A Pilot returning from a LOA will have Flight Time limitations applied prorated to the number of days remaining in the Block Period.

8.02 Bereavement Leave/Leave for Compassionate Care

- 8.02.01 Leave for Compassionate Care and/or Bereavement leave is not sick leave. Provisions for bereavement/compassionate care leave are outlined in Policies and Procedures in ACAeronet. For other personal reasons, time off may be arranged through the Pilot's manager.

8.03 Residual Rights from Special Leave of Absence Programs (LOU 68)

- 8.03.01 Pilots currently on any Special Leaves of Absence will be protected by any and all rights afforded under the Collective Agreements between Air Canada and the Air Canada Pilots Association, effective April 2, 2000 – July 1, 2009, and effective July 2, 2009 – March 31, 2011, specifically any provisions that apply to LOU 68.

8.04 Voluntary Block Reduction (VBR)

- 8.04.01 A Pilot who wishes to apply for a VBR must inform Crew Planning in writing not less than 30 days prior to the commencement of the requested VBR Block Period(s). Granting of the request will be at Company discretion and will be awarded to Pilots in seniority order based on qualifications and requirements. Once granted, the VBR may only be cancelled by mutual agreement between the Company and ACPA.
- 8.04.02 A Pilot on VBR will have a PBS start credit up to DBM minus 45 hours. The Pilot will then be scheduled for the remaining flying, vacation and training credits. Flying will be awarded in accordance with the Pilot's bid preference and seniority.
- 8.04.03 Pilots may not plan their block reduction less than any scheduled vacation and/or planned training in any VBR Block.
- 8.04.04 A Blockholder on VBR will be subject to Pay Protection in accordance with A32 except that the Pilot will have no right to refuse.

- 8.04.05 A Pilot who is awarded a Reserve Block under VBR will, at Pilot's option, be given a short term LOA prorated to their VBR request and will have their MBG and number of days on reserve prorated according to the ratio of (DBM – start credit)/DBM. If the Pilot elects not to accept a short term LOA, they will keep their awarded Reserve Block.
- 8.04.06 A Pilot and the Company will continue to make pension and RCA contributions (as applicable) based on DBM for each Block Period on a VBR. Corresponding FAE calculations will also be based on DBM for each VBR Block Period.
- 8.04.07 Vacation and general holiday entitlement will be prorated for each Block Period a Pilot is on a VBR.
- 8.04.08 A Pilot's sick leave bank will be prorated for each Block Period the Pilot is on a VBR.
- 8.04.09 For purposes of the GDIP program, a Pilot's presumed salary for the Block Periods on a VBR will be the greater of a Pilot's actual flying, the applicable equipment DBM, or their presumed earnings as defined in A16.02.02.01 prior to the VBR times the amount of days in the Block Period while on VBR.

ARTICLE 9 – FURLOUGH AND SEVERANCE

9.01 Furlough

- 9.01.01 If there is a furlough, Pilots will be furloughed in reverse order of system seniority. Such furloughed Pilots will be recalled in order of their system seniority. New Pilots may be hired only after all furloughed Pilots have been recalled or have bypassed their recall notice.
- 9.01.02 The Company will provide at least 30 days written notice to a Pilot prior to being furloughed.
- 9.01.03 A Pilot who is furloughed will file their address with the office of the Vice President, Flight Operations or their delegate and will thereafter promptly advise the Company of any change in address. A Pilot will not be entitled to preference in recall if they do not comply with this requirement.
- 9.01.04 In the event of a furlough, affected Pilots will have:
- 9.01.04.01 Their bank credits reconciled (paid out or paid back as the case may be);
- 9.01.04.02 Any sick days will be carried forward to recall.
- 9.01.04.03 By mutual agreement between the Company and Pilot, vacation may be deferred until furloughed and then paid at 2h55 per day DN. A Pilot who is furloughed will also be provided with space available transportation for themselves and dependent members of their family to any point in the system to the extent permitted by law.
- 9.01.04.04 A Pilot's personal training record will be made available upon request.
- 9.01.05 Pilots on furlough are entitled to the following:
- 9.01.05.01 Group Employee Benefit Programs with the exception of GDIP. The Pilot will pay in advance the full cost (100%) of the premium.
- 9.01.05.02 A Pilot on furlough continues to accrue Company service except for the purpose of pay progression, pension and vacation entitlement.
- 9.01.05.03 A Pilot on furlough continues to accrue seniority.

9.02 Furlough Pay

- 9.02.01 Each Pilot who becomes furloughed will be entitled to 2 weeks pay for each full year of service, prorated, up to a maximum of 20 weeks pay. This provision does not apply to a Pilot electing to take a voluntary separation.
- 9.02.02 In the event that a furloughed Pilot is recalled without having used all their furlough pay, the unused portion will be credited to their account; however, service for additional furlough pay credits will only be accumulated from date of recall.
- 9.02.03 Furlough pay will be based on the average earnings of the best 3 Block Periods during the last 12 months of active line service prior to the effective date of furlough.

9.03 Recall

- 9.03.01 A Pilot offered recall will be expected to respond within 14 days and to return to the service of the Company within 30 days, or such longer period as may be mutually agreed upon, after notice has been received by registered mail or courier service sent to the last address filed with the Company as detailed in A9.01.03.
- 9.03.02 A Pilot offered recall will have the option to bypass such offer, provided there are Pilots junior to them still on furlough. Such Pilot, electing to bypass an offer of recall will not be entitled to the provisions of A9.03.03 and will forfeit the right to recall until subsequent vacancies are available under the provisions of A20.

- 9.03.03 A Pilot recalled within 180 days of being furloughed will normally be recalled at the Base from which they were furloughed. Should this recall not be at the Base from which they were furloughed, they will be entitled to a Company paid move as per the provisions of A20.
- 9.03.04 A Pilot who has been recalled may request a LOA in accordance with A8.
- 9.03.05 A Pilot who has been recalled will be credited with one sick day for every full calendar month left in the calendar year.
- 9.03.06 A Pilot returning from furlough will not have an adjusted service date later than a Pilot junior to them.
- 9.03.07 When recall occurs, the following will apply during training:
 - 9.03.07.01 The Pilot's pay will be 2h40 per day DN for their APOS.
 - 9.03.07.02 The Pilots will be entitled to meal expenses as outlined in A18.02 and a hotel room if the Pilot is away from their home Base.
 - 9.03.07.03 When recall occurs more than 180 days after being furloughed the Pilot will be entitled to meal expenses as outlined in A18.02 and a hotel room.

9.04 Severance Pay

- 9.04.01 Each Pilot whose service is terminated will be entitled to ½ month's pay for each full year of service, up to a maximum of 6 months' pay. This provision does not apply to a Pilot on probation in accordance with the provisions of A5.
- 9.04.02 The provisions of A9.04.01 do not apply where service is terminated for disciplinary, retirement, medical or resignations other than as a direct result of, or during, a furlough.
- 9.04.03 Any Pilot who is furloughed will have the option of choosing to remain on furlough or of severing their employment with the Company. However, at the end of 10 years of furlough, severance will be automatic unless otherwise mutually agreed between ACPA and the Company. In either case, severance pay based on a Pilot's service would be applicable less any furlough pay already received.
- 9.04.04 Severance pay will be based on the average earnings of the best 3 Block Periods during the last 12 months of active service prior to the effective date of severance.

ARTICLE 10 – ADMINISTRATION AND COMPANY/ASSOCIATION INTERACTION

10.01 Issuance of Agreement

- 10.01.01 The Company will, no later than 60 calendar days after signing the Agreement, make an electronic copy available for Pilots.
- 10.01.02 The Seniority List is part of the Collective Agreement.

10.02 Check-off ACPA Dues

- 10.02.01 The Company shall deduct on the payroll for the first period of each month from wages due and payable to each Pilot (including Management Pilots) coming within the scope of this Collective Agreement an amount equivalent to the monthly dues of Association, subject to the conditions set forth hereunder.
- 10.02.02 The amount to be deducted shall be equivalent to the regular dues payment of ACPA and shall not include initiation fees or special assessments. The amount to be deducted shall not be changed during the term of Agreement excepting to conform with a change in the amount of regular dues of ACPA in accordance with its constitutional provisions.
- 10.02.03 Membership in ACPA shall be available to any Pilot eligible under the constitution of ACPA on payment of the initiation or reinstatement fees uniformly required of all other such applicants by ACPA. Membership shall not be denied for any reasons of race, national origin, colour or religion.
- 10.02.04 Deduction for dues shall commence on a Pilots' first pay period.
- 10.02.05 If the wages of a Pilot payable on the payroll for the first pay period of any month are insufficient to permit the deduction of a full amount of dues, no such deduction shall be made from the wages of such employee by the Company in such month. The Company shall not, because the employee did not have sufficient wages payable to them on the designated payroll, carry forward and deduct from any subsequent wages the dues not deducted in an earlier month.
- 10.02.06 Only payroll deductions now or hereafter required by law, deduction of monies due or owing the Company, and pension deductions shall be made from wages prior to the deduction of dues.
- 10.02.07 The Company shall not be responsible financially or otherwise either to ACPA or to any employee for any failure to make deductions or for making improper or inaccurate deductions or remittances. However, in any instance in which an error occurs in the amount of any deduction of dues from a Pilot's wages, the Company shall adjust it directly with the employee. In the event of any mistake by the Company in the amount of its remittance to ACPA, the Company shall adjust the amount in a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Article shall terminate at the time it remits the amount payable to ACPA.
- 10.02.08 The question of what compensation, if any, shall be paid the Company by ACPA in recognition of services performed under this Article shall be subject to reconsideration at the request of either party on 15 days' notice in writing.
- 10.02.09 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to the first paragraph of this Article, both parties shall cooperate fully in the defence of such action. Each party shall bear its own cost of such defence except that if at the request of ACPA, counsel fees are incurred, these shall be borne by ACPA. Save as aforesaid, ACPA shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or

sustained by the Company as a result of any such deduction or deductions from payrolls.

- 10.02.10 Effective with the block month following ratification of the Collective Agreement MPs shall pay dues on basic salary plus \$2000. Basic salary for MPs will be determined as 78 hours DN including OVS and Nav pay where applicable, based on the equipment for which the MP is being paid.

10.03 Pilot Information

- 10.03.01 The Company agrees to maintain and provide access to an electronic logbook of time for flights flown by each Pilot dated January 1, 2011 and later.
- 10.03.02 The Company will continue to provide, to each Pilot, electronic access to the information currently available through Flight Operations systems pertaining to their work schedule.

10.04 Personnel Records

- 10.04.01 The Company will maintain one file containing information relating to items of a personnel nature for each Pilot at the Pilot's Base. A Pilot will be advised prior to having any material of any adverse, unfavourable or disciplinary nature placed in this file. This file may be reviewed by the Pilot, in the presence of Management.
- 10.04.02 Any adverse or unfavourable record, including past discipline, will automatically be deleted from a Pilot's file and will not be referred to or relied upon after a period of 24 months of active service from the date of the letter.
- 10.04.03 Copies of all reports, orders, and all practice, training and flight checks will be available for individual inspection during regular business hours. A Pilot will be advised of any material of a critical or unfavourable nature at the time such material is placed in their file.

10.05 Hold-Harmless Clause

- 10.05.01 The Company shall indemnify a Pilot or their estate and provide defence against any claims, whether by third parties or by fellow employees, arising out of such Pilot's performance of their duties with the Company as a Pilot unless such claims arise from the wilful misconduct of the Pilot.

10.06 Liability for Costs

- 10.06.01 No Pilot shall be required to pay for the use of any Company equipment used in personnel training required by the Company and no Pilot shall be required to pay damage costs of airplanes or equipment damaged in the service.

10.07 Communication with the Company

- 10.07.01 All arrangements with Pilots involving a change in Position will be in writing or via email.

10.08 Telephone Monitoring System

- 10.08.01 Air Canada and the ACPA agree to a telephone monitoring system in the System Flight Crew Scheduling Department.
- 10.08.02 The purpose of the system is to provide a record of conversations between system flight crew schedulers and Pilots covered by the Collective Agreement in the course of performing their duties.
- 10.08.03 It will be referred to when situations such as those listed below, are brought forth by either party:
- 10.08.03.01 incident reports (contractual disputes/violations);
- 10.08.03.02 letters of complaint; and

10.08.03.03 grievances.

10.08.04 The following parameters have been agreed to by both parties:

- 10.08.04.01 The system will not be used to monitor the performance or initiate discipline on an employee.
- 10.08.04.02 When a situation described in A10.08.03 above occurs, ACPA or Crew Scheduling may request a review of a recording by providing a written request to the Manager, System Flight CS. This request will be initiated within 30 days of reasonable knowledge of this situation by ACPA or crew scheduler.
- 10.08.04.03 When there is a requirement to review a recording, at least one representative of the Company and one representative of ACPA will be present. The affected employee(s) may also attend the review.
- 10.08.04.04 An unmonitored telephone line will be provided for calls from ACPA representatives to System Flight Crew Scheduling concerning matters arising from the Collective Agreement or other official business between the Company and ACPA.
- 10.08.04.05 Recorded calls will be kept for at least 75 days.

10.09 ACPA Duty Release

- 10.09.01 The following Designated ACPA Representatives will be released from flight duty for the duration of their term in order that they may attend to ACPA business and related Company/ACPA meetings:
 - President
 - MEC Chair
 - LEC Chairs from each Base
 - Technical/Safety Committee Chair
- 10.09.01.01 The rate of pay for a Designated ACPA Representative will be in accordance with the Pilot's QPOS or APOS according to activation date under A20, and actual years of service to the 12th year. The Designated ACPA Representative will be paid DSC for the days in the Block Period plus appropriate OVS and Nav pay. The Company will bear the cost up to MBG and ACPA will be billed for the remainder.
- 10.09.01.02 Designated ACPA Representatives will be non-bidders for annual vacation. ACPA will inform crew planning when a Representative plans to take vacation, which may be any time during the vacation year. All vacation will be taken within the annual vacation period. Notwithstanding the above, vacation may be deferred under special circumstances as requested by ACPA.
- 10.09.01.03 When a Designated ACPA Representative is on Vacation during their term they will be paid as per A19.07 and paid DSC for any remaining days in the Block Period.
- 10.09.01.04 When a Designated ACPA Representative is on an Aircraft Transition or Upgrade Training Course they will be paid as per A13.14.01 and once qualified, will be assigned as per A29.13 until the start of the next Block Period.
- 10.09.01.05 For Vacation, Aircraft Transition and or Upgrade training, ACPA will designate an alternate representative prior to the setting of DBM. The alternate representative will be paid DSC for each day in that replacement period. The replacement cost will be billed to ACPA.
- 10.09.01.06 Designated ACPA Representatives (DARs) may avail themselves of A28.02 (Step 4 – with applicable VO premium on all flying awarded at this step) and A28.10 (Trip Trade) to a maximum of 50 hours per calendar year. Any flying awarded under A28.02 Step 3 will be applied as per the MOA dated April 25, 2016.

- 10.09.02 ACPA will provide the Company, in advance, with the MEC meeting schedule for the calendar year. All MEC members will be released from flight duty for the regularly scheduled meetings as per A10.09.04.
- 10.09.03 When requested and subject to the needs of the service, other ACPA representatives will be released from flight duty in order that they may attend to ACPA business, in accordance with the following:
- 10.09.03.01 For Blockholders, A10.09.04 or A10.09.05 or A10.09.06.01.
- 10.09.03.02 For PoR A10.09.06.02.
- 10.09.04 When ACPA representatives know the dates they need to be released from flying for ACPA business, the days will be blocked off in PBS. The Pilot will be given a start credit for the time required based on units of DSC. ACPA will provide the Company with a list of ACPA representatives and the days they need blocked off and start credits required by the 10th of the month prior to the Block Period in which the releases and time off are required.
- 10.09.05 When ACPA representatives are unable to confirm the dates they need to be released from flying for ACPA business, the Pilot will be given a start credit in PBS for the time off required based on units of DSC. ACPA will provide the company with a list of ACPA representatives and the start credits required by the 10th of the month prior to the Block Period in which the time off is required.
- 10.09.06 The Company recognizes that there will be times when unplanned displacements for ACPA business will be required during the Block Period. Subject to the needs of the service, the affected Pilot will be displaced from their flying and the flying will be re-allocated or assigned at minimum cost to the party paying (the Company or ACPA). It is agreed that any flying from which a Pilot is released for ACPA business (including business with the Company) may be re-allocated or assigned as follows:
- 10.09.06.01 **Blockholder** – When a Pilot holding a Block is released for ACPA business, the Company will re-allocate such flying at their discretion to Pilots on Reserve, regardless of seniority, to MPs, CPs and FIs for the purposes of training or checking, Pilots in training, Designated ACPA Representative (as defined in A10.09.01) or via the Open Time awarding process in A28.
- 10.09.06.02 **PoR** – A PoR released for ACPA business will be paid and flight time limited for 1/18th or 1/19th of MBG for each displacement day.
- 10.09.06.03 Should the re-allocation of flights for which ACPA is bearing the cost result, at the end of the month, in additional costs to the Company then such costs would in turn be assumed by ACPA. Additional costs may include the PoR flying above MBG to a maximum of the value of the reassigned pairing, the splitting of a pairing (extra DPG/TTG), VO, pay in lieu and overtime costs. If, at any time during the month it becomes apparent that reallocation of such flights will not result in reduced costs to ACPA, then the normal seniority rights to such flying will be followed.
- 10.09.07 The Company will assume the release or displacement costs for ACPA Committee members who attend Company-ACPA meetings.
- 10.09.08 For the duration of negotiations (preparation time that is mutually agreed to, direct negotiations and ratification) up to 5 Pilots will be displaced and paid DSC plus applicable OVS and Nav pay at Company expense and have their banks frozen. Vacation that falls within the negotiation period will be deferred. Deferred vacation will be taken following ratification of the contract as mutually agreed by the Company and ACPA.
- 10.09.09 ACPA Representatives traveling on ACPA business shall be issued passes when conducting Air Canada business.

10.10 ACPA / Management Headquarters Committee (AMHQ)

- 10.10.01 In recognition of the need for increased communication on matters of policy and discussion of issues which may have impact on ACPA, the Pilot group or the Company; a committee composed of senior representatives of ACPA, Flight Operations and Labour Relations will meet on a quarterly basis to review such matters.
- 10.10.02 Topics to be discussed will be exchanged two weeks in advance of the meetings.
- 10.10.03 Minutes of these meetings will reflect the discussion and any resolutions which may have been reached and will be distributed to senior management of Flight Operations and the ACPA Master Executive Council.
- 10.10.04 The Company and ACPA agree that this procedure is intended to complement and enhance current channels of communication.

10.11 New Equipment

- 10.11.01 The hourly, mileage and gross weight rates specified in this Agreement apply only to the equipment specified herein. One year prior to the anticipated date of introduction of a new type of equipment to regular airline operation and regardless of the provisions of A3 of this Agreement, conferences may be requested by either party for the purpose of negotiating Captains Hourly Flight Pay (A12.04.02.01), rules and working conditions which shall apply to such equipment. Conferences shall begin within 30 days after a request for a conference has been made, unless otherwise mutually agreed upon between the Company and ACPA. Failing settlement, provisions of the Canada Labour code will apply. No vacancies will be posted until all pay rates, rules and working conditions associated with the new equipment have been established.
- 10.11.02 The Company will provide ACPA with advance information on the introduction of any future freighter aircraft. At that time, the Company will commence consultation with ACPA regarding the planning for washroom facilities, galley set-ups and other associated pilot amenities on board in future freighter aircraft to ensure a satisfactory level of comfort, hygiene and safety prior to the introduction of the airplane into service.
- 10.11.03 The Company and ACPA agree to enter into discussions to establish pay and working conditions, should it be necessary to re-introduce previously operated Air Canada aircraft types.

10.12 Human Rights

- 10.12.01 The Company and ACPA agree to cooperate as necessary to fulfill their respective obligations under the Canadian Human Rights Act.

ARTICLE 11 – SUPERVISORY FLYING

11.01 Supervisory Flying Allotment

- 11.01.01 Revenue flying equal to 240 hours annually times the number of MPs may be flown by MPs. Non Revenue flying may be flown by MPs without limits. MP revenue flying will be taken from Open Time in accordance with A28. The annual limit does not include displacements or pairings withheld for checking or training. Dual qualified MPs are eligible to pick up Open Time under A28 for all equipment types they are qualified to fly on.
- 11.01.02 Should the MPs exceed the annual limit as per A11.01.01, a pay penalty equal to the dollar amount of the excess flying performed will be credited to ACPA to offset Association business displacement costs.
- 11.01.03 CP's normal flying will consist of pairings withheld for checking events as well as flying withheld for IOE and OE for new qualifications on existing equipment (e.g. A320 ETOPS), or introduction of a new aircraft type.
- 11.01.04 NRFOP's normal duties will consist of pairings built with non-revenue flights.
- 11.01.05 CPs, NRFOPs, FIs, and PrPs will be permitted to access Open Time in accordance with A26 and A28.
- 11.01.05.01 Dual qualified NRFOPs will be limited by A11.05.01.
- 11.01.06 Non revenue flying as per the FOM may be flown by MPs, CPs, NRFOPs, FIs or PrPs provided no revenue passengers or revenue cargo is carried. The pay provisions of A13.06 and A13.12 remain in effect.
- 11.01.06.01 In the event that line Pilots are required to operate non-revenue flying, the normal awarding provisions as outlined in A28 will apply.
- 11.01.07 The Company will provide ACPA with a monthly report of the flying performed and total credits by each MP, CP, FI, NRFOP and PrP. This report will be submitted electronically in a timely fashion.

11.02 Check Pilot, Flight Instructor, NRFOP and Project Pilot

- 11.02.01 CPs, NRFOPs, FIs and PrPs will neither write disciplinary letters nor undertake any other disciplinary action.
- 11.02.02 CPs, NRFOPs, FIs and PrPs will be subject to all the provisions of the Collective Agreement except as amended herein:
 - 11.02.02.01 Simulator training and checking will be credited and Flight Time limited at 5.5 hours per day.
 - 11.02.02.02 Administration (office) days will be credited and Flight Time limited at 5 hours per day.
 - 11.02.02.03 Meetings will be credited and Flight Time limited at a minimum of 2 hours to a maximum of 5 hours per day.
- 11.02.03 CPs, NRFOPs, FIs and PrPs will have vacation scheduled by the Company for a period that is mutually agreeable to the Chief Pilot and the CP, NRFOP, FI or PrP. A maximum of 2 weeks' vacation may be taken from June 15 to September 15. Vacation may not be altered after a block period commences except as provided by A19.03.01.14.
- 11.02.04 A CP, NRFOP, FI or PrP who will be in their assignment for less than an entire vacation year will bid their vacation in accordance with A19.

11.03 Check Pilots

- 11.03.01 CP DBM will be 80 hours every Block Period and will be paid in accordance with A13.

- 11.03.02 CP schedules will be planned by the training department.
- 11.03.03 When a simulator session or an OE or IOE flight is cancelled the CP will be re-assignable in the same Block Period through mutual agreement between the CP and their immediate supervisor.
- 11.03.04 CPs with less than 80 hours of Block Credits will be assignable for extra credit duties.
- 11.03.05 All Block Credits in excess of 80 hours will be cash cleared or, at Pilot option, applied as per A14.01.
- 11.03.06 Once a CP has exceeded 40 hours of AO as a result of training and checking duties, any additional AO, as a result of training and checking duties, will be reconciled as a start credit in the subsequent Block Period. The intent of this language is to ensure that start credits are not rolled into multiple block periods. ACPA will receive a monthly report of start credits.

11.04 Flight Instructor and Project Pilot

- 11.04.01 FI's and PrP's DBM will be 80 hours with a MBG of 74 hours every Block Period and paid in accordance with A13.
- 11.04.02 Prior to obtaining their flying schedule, FIs and PrPs will have days blocked off (including 5 protected days off) and given a credit for preplanned activities such as simulator sessions, administrative (office) days or meetings. They will fill the remainder of their block using one of the following two options:
 - 11.04.02.01 Bid for their monthly flying using the established PBS process; or
 - 11.04.02.02 Pre-select pairings in order of base seniority from the Open Time that remains after the PBS awards have been completed. This preselection process must be completed no later than 24 hours prior to the start of the new block period. In addition, FIs and PrPs may list themselves for Open Time under Step 2 of A28. FIs and PrPs may only select flying that does not interfere with their preplanned duties.
- 11.04.03 FIs and PrPs must advise the Company which of the above two options they have chosen no later than 48 hours after the published pairings are released.
- 11.04.04 FIs and PrPs who are awarded a reserve block in PBS will be removed from reserve and will select their flying in accordance with A11.04.02.02.
- 11.04.05 The PBSC will oversee the application of the FI/PrP PBS awarding process.
- 11.04.06 A33.01.01 applies.
- 11.04.07 Normal PP rules will apply. When a simulator session or a training event is cancelled, a FI or PrP will be re-assignable in the same Block Period through mutual agreement with the Company.
- 11.04.08 A FI performing IOE duties may be assigned flying through the training department or through the above mentioned PBS process for training purposes.
- 11.04.09 All Block Credits in excess of 80 hours will be cash cleared or, at Pilot option, applied as per A14.01.
- 11.04.10 Once a FI or PrP has exceeded 40 hours of AO specific to FI or PrP duties any additional AO, specific to FI or PrP duties, will be reconciled as a start credit in the subsequent Block Period. The intent of this language is to ensure that start credits are not rolled into multiple block periods. ACPA will receive a monthly report of start credits.

11.05 Non-Revenue Flight Operations Pilot (NRFOP)

- 11.05.01 NRFOPs may be qualified on the A320 and the A330 simultaneously but do not need to have Open Time for the aircraft on which they are holding a QPOS (as per

A20) but may only access non NRFOP flying on the second type on which they are qualified through displacement.

- 11.05.02 Where mainline operates the same aircraft type as ACrouge, NRFO flying will be operated by mainline Pilots.
- 11.05.03 Where a fleet transitions from mainline to ACrouge, the Joint Scheduling Committee will meet to discuss a temporary transition agreement that may involve mainline and ACrouge NRFOP's operating together.
- 11.05.04 NRFOP DBM will be 80 hours every Block Period and will be paid in accordance with A13.
- 11.05.05 NRFOP schedules will be planned by the NRFO office. NRFOPs will receive a minimum of 30 days off quarterly. Days off will be mutually agreed between the NRFOP and the NRFO office.
- 11.05.06 All Block Credits in excess of 80 hours will be cash cleared or, at Pilot option, applied as per A14.01.
- 11.05.07 Once a NRFOP has exceeded 40 hours of AO specific to NRFOP duties any additional AO, specific to NRFOP duties, will be reconciled as a start credit in the subsequent Block Period. The intent of this language is to ensure that start credits are not rolled into multiple block periods. ACPA will receive a monthly report of start credits.
- 11.05.08 For overlap flying A13.15.03.01.02 will apply.

11.06 Supervisor/Line Pilot – AO When Transitioning

- 11.06.01 When a Pilot accepts a supervisory position, 50% of their accrued AO as a line Pilot will be deemed to have been earned as a supervisory Pilot for the purpose of establishing eligibility for future supervisory AO. Their accrued line Pilot AO total will not be reduced. A11.03.06, A11.04.10 and A11.05.07 will apply.
- 11.06.02 When a supervisory Pilot returns to the line, the combined total of all accrued AO – supervisory and line flying - will be considered their total accrued AO. A26.04 will apply.

ARTICLE 12 – PAY RATES

12.01 Pay Progression

12.01.01 A Pilot's pay progression date will be the earlier of:

12.01.01.01 The day following the successful completion of their initial line check: or

12.01.01.02 90 days from the start of their Pilot Indoctrination Training course; or

12.01.01.03 The day following the successful completion of the initial line check of a Pilot who is junior to them.

12.02 Accredited Service

12.02.01 Accredited service for pay purposes shall not accrue:

12.02.01.01 During any period of furlough;

12.02.01.02 During that portion of any continuous leave of absence without pay in excess of 30 days, except that leaves granted to permit attendance of pilots at conferences with the Company and leaves granted to permit pilots to attend any conferences with Company permission will be considered as continuous service.

12.03 Fixed Rate

12.03.01 Pilots in their first 4 years of service will receive a monthly salary based on 75 hours and an hourly rate of pay for all the credits above 75 hours in accordance with the following table:

<i>Period</i>	<i>Effective with the April 2020 Block Period Monthly Up to 75 Hours</i>	<i>Effective with the April 2020 Block Period Hourly Above 75 Hours</i>
1 st Year	\$4,595.25	\$61.27
2 nd Year	\$5,024.25	\$66.99
3 rd Year	\$5,725.50	\$76.34
4 th Year	\$6,411.75	\$85.49

12.04 Formula Pay

Note: **ACrouge** pay rates are contained in LOU 74.

12.04.01 All Pilots – Hourly Base Pay

12.04.01.01 Captains in their 1st year of service and above and First Officers and Relief Pilots in their 5th year of service and above will receive Hourly Base Pay in accordance with the following table:

Hourly Base Pay – 4/2/20	
1 st year	\$21.13
2 nd year	\$23.13
3 rd year	\$25.13
4 th year	\$27.14
5 th year	\$29.10
6 th year	\$31.15
7 th year	\$33.11
8 th year	\$35.22
9 th year	\$37.22
10 th year	\$39.22

11 th year	\$41.23
12 th year and thereafter	\$43.22

12.04.02 Captains Flying Pay

12.04.02.01 In addition to Hourly Base Pay, Captains within their 1st year of service and after shall be paid Flying Pay, consisting of Hourly Flight Pay, Hourly Mileage Pay and Hourly Weight Pay in accordance with the following tables:

<i>Hourly Flight Pay – 4/2/20</i>		
	<i>Day</i>	<i>Night</i>
EMJ	\$65.3380	\$84.9393
A-220-300	\$80.5270	\$104.6850
B-737	\$90.0873	\$117.1139
A-320	\$90.0873	\$117.1139
B-767	\$97.1689	\$126.3197
B-787	\$101.9762	\$132.5693
A-330	\$101.9762	\$132.5693
B-777	\$101.9762	\$132.5693

Note: Night rate is 1.3 times Day rate

<i>Hourly Mileage Pay – 4/2/20</i>			
	<i>Mach Number for Variant</i>	<i>Mileage Factor</i>	<i>Hourly Rate</i>
EMJ	M .82	\$66.7956	\$54.7724
A-220-300	M.82	\$66.7956	\$54.7724
B-737	M.82	\$66.7956	\$54.7724
A-320	M .82	\$66.7956	\$54.7724
B-767	M .86	\$66.7956	\$57.4442
B-787	M .89	\$66.7956	\$59.4481
A-330	M .86	\$66.7956	\$57.4442
B-777	M .89	\$66.7956	\$59.4481

<i>Hourly Weight Pay 4/2/20</i>			
	<i>Weight in Tonnes for Variants Flown</i>	<i>Weight Factor</i>	<i>Hourly Rate</i>
EMJ	51.960	\$0.2428	\$12.6159
A-220-300	68.039	\$0.2428	\$16.5201
B-737	82.417	\$0.2428	\$20.0108
A-320	93.400	\$0.2428	\$22.6775
B-767	187.333	\$0.2428	\$45.4845
B-787	See A12.04.02.01.02	\$0.2428	See A12.04.02.01.02
A-330	230.900	\$0.2428	\$56.0625
B-777	351.534	\$0.2428	\$85.3525

12.04.02.01.01 When computing rates of pay for aircraft, the above mileage and weight factors will be used.

12.04.02.01.02 The weight of the B-787 aircraft comprising the B-787 fleet shall be reviewed to address changes in weight upon introduction and each subsequent January and July consistent with A12.04.02.01 to reflect the maximum taxi

weight published in the Air Canada Aircraft Operating Manual for the variant using the following formula:

<i>Variant</i>	<i>Weight in Tonnes</i>
B-787-8	Weight as per AOM
B-787-9	Weight as per AOM

$$\frac{((\text{number of B-787-8}) \times (\text{Weight as per AOM})) + ((\text{number of B-787-9}) \times (\text{Weight as per AOM}))}{\text{Total number of B787 aircraft}}$$

12.04.02.01.03 For the purpose of such reviews, the number of each type of aircraft in service shall be determined by reference to the numbers projected to be in service at the mid-point (i.e. April 1st or October 1st) of the period in question.

12.04.03 FOs and RPs

12.04.03.01 In addition to Hourly Base Pay, FOs and RPs with 5 or more years of service with the Company shall be paid a percentage of the Captain's Flying Pay in accordance with the following table:

<i>Years of Service as Pilot</i>	<i>FO % of Capt Flying Pay</i>	<i>RP % of Capt Flying Pay</i>
5 th Year	48.0%	28.0%
6 th Year	49.5%	29.0%
7 th Year	51.0%	30.0%
8 th Year	52.5%	31.0%
9 th Year	54.0%	32.0%
10 th Year	55.5%	33.0%
11 th Year	57.0%	33.0%
12 th Year and after	58.5%	33.0%

12.04.04 Overseas Pay

12.04.04.01 Overseas Operations is defined as:

12.04.04.01.01 Any flight operation that departs and/or arrives outside of Canada, the United States (excluding Hawaii), Mexico, the Bahamas and the Territorial Collectivity of Saint-Pierre-et-Miquelon; and

12.04.04.01.02 any other flying operations, not described in A12.04.04.01.01, which may be mutually agreed upon between the Company and ACPA to be overseas operation.

12.04.04.02 Except for Pilots on Fixed Rate, each Pilot when serving as Captain, FO or RP who flies on the Company's Overseas Operations shall receive OVS pay for each hour of such flying during the month as follows:

Captain	\$12.4998
FO	\$6.8174
RP	\$4.5453

12.04.05 Nav Pay

12.04.05.01 Except for Pilots on Fixed Rate, a Pilot, when serving as Captain, FO or RP on a NJA who flies on the Company's Overseas Operations shall receive Nav pay

for each hour of such flying during the month as follows:

Captain	\$11.3640
FO	\$5.6815
RP	\$3.4084

12.05 Annual Wage Increases

12.05.01 The rates in A12.03 and A12.04 will be increased according to the following:

<i>Effective Date</i>	<i>Increase</i>
April 2, 2021	2%
April 2, 2022	2%
April 2, 2023	2%

ARTICLE 13 – PAY PROVISIONS

13.01 Pay Advances

13.01.01 A pay advance will be distributed on the 1st banking day of each month:

Captains:	\$5,000
First Officers:	\$4,000
Relief Pilots:	\$3,000

13.01.01.01 All Pilots at the first and second year pay rate who are QPOS First Officers or pay activated APOS First Officers shall receive \$2,500.00 as their monthly pay advance in place of the amount set out in A13.01.01.

13.01.02 The pay advance will be deducted from the subsequent pay cheque paid normally no later than the 17th day of that month.

Example:

First banking day in April - Pay advance for the April Block Period earnings
April 17th - Final pay for the March Block Period earnings

13.02 Calculation of Individual Pay

13.02.01 Except as outlined in A13.02.01.03, each Pilot will be credited with the greater of:

13.02.01.01 Their MBG; or

13.02.01.02 Their actual Block Credits.

13.02.01.03 For Pilots on GDIP, LOA, or furlough the MBG and DBM will be pro-rated as per A13.04.09.

13.02.02 OVS and Nav pay will be paid to the Pilot in the Block Period in which the flight originated.

13.03 Flight Time and Block Growth

13.03.01 For Flying Pay purposes, the hours paid shall be the greater of the published schedule time or the actual Flight Time.

13.03.01.01 Where there is no published schedule, the flight times established for planning purposes shall be considered as the published schedule time for pay purposes.

13.03.01.02 For arrivals ahead of schedule on any flight leg for which premiums and/or DPG/TTG apply, the credits shall be calculated as though the last flight leg was flown according to the published schedule.

13.04 Minimum Block Guarantee (MBG)

13.04.01 Effective at the beginning of the October 2021 Block Period, each Pilot, shall be paid a MBG either as a Fixed Rate (75 hours) or consisting of Hourly Base Pay, hourly, mileage and gross weight pay in accordance with their equipment status at DN rates as indicated below. The total of the MBGs, for each Pilot, for the 12-month period (June 2nd to June 1st) will be a minimum of 900 hours, prorated and reconciled with actual Block Credits at the end of the year.

<i>DBM</i>	<i>MBG Block / Reserve</i>
70	60 / 68
71	60 / 69
72	63 / 70
73	63 / 71
74	63 / 72
75	64 / 73

<i>DBM</i>	<i>MBG Block / Reserve</i>
78	66 / 76
79	67 / 77
80	68 / 78
81	69 / 79
82	70 / 80
83	71 / 81

76	65 / 74
77	66 / 75

84	72 / 82
85	73 / 83

13.04.02 Except for Pilots on Fixed Rate, the MBG as per A13.04.01 will include, OVS and Nav pay as follows:

<i>Equipment</i>	<i>Overseas hours</i>	<i>Nav hours</i>
EMJ	1	1
A-220-300	1	1
A-319/320/321	3	3
B-737	10	10
B-767	71	0
A-330	71	0
B-787	71	0
B-777	71	0

13.04.03 In the event that new aircraft equipment is flown on overseas routes a MBG, including the appropriate OVS and Nav pay, shall be established in accordance with the ratio of overseas/domestic hours to be flown.

13.04.04 A Pilot's MBG (including OVS and Nav pay) will be pro-rated on a daily basis, as per A13.04.09, during a Block Period when removed from or returned to the payroll due to GDIP, LOA or furlough.

13.04.05 A Pilot on Fixed Rate, who drops flying no credit, including TT, will have the credit deducted from the greater of the MBG (75) or their projection at the time of the drop. The Pilots MBG will be adjusted based on this drop.

13.04.06 A Pilot on Fixed Rate, who picks up credit through VO or TT, will, have those credits added to the greater of, their MBG (or adjusted MBG from A13.04.05), or the projection at the time of the pick up.

13.04.07 A PoR who is away for part of a month due to sick leave will be paid as per A31.06.02.

13.04.08 The MBG provided for in this article will not apply to those Pilots who are unable to fly because all or part of the Company's fleet are grounded for reasons beyond the Company's control.

13.04.09 MBG Pro-Rate Formula:

$$\frac{\text{(Number of available work days in period x MBG)}}{\text{Number of days in Block Period}} = \text{Prorated MBG}$$

Example: GDIP, LOA or Furlough (DBM 82 / MBG 74)

A Pilot on GDIP for 14 days in a 31 day Block, and accruing 43 hours of Block Credits, will be paid the greater dollar value of the prorated MBG (17 x 74 hours ÷ 31) 40h35 or 43 hours of Block Credits.

13.05 Minimum Pay – Fail to Fly

13.05.01 When a Pilot reports for duty and, for reasons beyond their control, fails to fly, normal DPG rules will apply, except that they will receive a minimum of 2 hours of Block Credit DN and the applicable VO, Draft and / or 85 hour premium.

13.06 85 hour Premium

13.06.01 When a Pilot's Block Credits exceed 85 hours, those hours in excess of 85 hours, less any credits applied from the Pilot's bank, will attract a 50% premium (cash cleared), with the following exceptions:

- 13.06.01.01 When a Pilot's Block Period consists solely of vacation credits.
- 13.06.01.02 When a PoR's total block credits increase due to a sick book off at the end of the Block Period.
- Note: For the purposes of this article, the end of the Block Period for a PoR who finishes the period with vacation or training will be the day immediately preceding the start of vacation or training.

13.07 Voluntary Overtime Premium

- 13.07.01 For any awarded VO to Blockholders, a premium equal to 50% of the Block Credits above the Pilot's PBS block (or adjusted block, in the case of TT) will be paid and cash cleared.
- 13.07.02 For any awarded VO to PoRs, a premium equal to 50% of the VO Block Credits above the MBG will be paid and cash cleared.

13.08 Reserve Premium – Working On or Into G Days

- 13.08.01 When a PoR accepts flying on a G day, they will receive a premium equal to 50% of the Block Credits, cash cleared, for the duration of the continuous off-duty period, i.e. a 4-day pairing awarded to a Pilot and starting on the Pilot's second G day off during their GGG would attract a premium for 2 days.
- 13.08.02 When a PoR elects to fly into a G day, they will receive a premium equal to 50%, cash cleared, on Block Credits in the off-duty period.
- 13.08.03 When a NJA PoR is assigned flying under the provisions of A29.03.02, a premium equal to 50% of the flight credits that take place within the 2 hours past the start of the G day will be paid and cash cleared.

13.09 Draft Premium

- 13.09.01 A Draft Premium equal to 50% will be paid, if applicable, as per A30.

13.10 Flights Overlapping Calendar Days and Block Period End

- 13.10.01 When a change in calendar date occurs en route the originating date will be the date on which all Block Credits will be applied.
- 13.10.02 In the event of delayed operations at the end of a Block Period, the Pilot's originally scheduled departure date will be the date on which the Block Credits will be applied. This includes a flight(s) which is delayed into a subsequent flight duty period.

13.11 Operating as Augmentation Pilot or Out of Status

- 13.11.01 Captain Operating as Augmentation Pilot, First Officer or Relief Pilot:
- 13.11.01.01 When a Captain operates as Augmentation Pilot, FO or RP, they will be paid at Captain rates.
- 13.11.02 First Officer Operating as Augmentation Pilot or Relief Pilot:
- 13.11.02.01 When a FO operates as Augmentation Pilot or RP, they will be paid at FO rates.

13.12 CP, FI, NRFOP and PrP Premium

- 13.12.01 Pay rates for CPs, FIs, NRFOPs and PrPs will be based on the Pilots' QPOS or APOS activation date under A20, and actual years of service to the 12th year
- 13.12.02 CP and NRFOP:
- 13.12.02.01 Block pay will be a minimum of 80 hours DN plus applicable OVS pay, Nav pay as per the following:
- 13.12.02.01.01 For the WJA: 80 hours DN (plus 71 hours of OVS)
- 13.12.02.01.02 For the B737: 80 hours DN (plus 10 hours of Nav and 10 hours of OVS)

- 13.12.02.01.03 For the A320: 80 hours DN (plus 3 hours of Nav and 3 hours of OVS)
- 13.12.02.01.04 For the A220: 80 hours DN (plus 1 hour of Nav and 1 hour of OVS)
- 13.12.02.01.05 For the EMJ: 80 hours DN (plus 1 hour of Nav and 1 hour of OVS);
- 13.12.02.01.06 Or, the actual flying credits whichever is greater.
- 13.12.02.02 A 12% premium will apply for all of the above except for Block Credits greater than 80 hours which are not for checking or training purposes.
- 13.12.03 FI and PrP:
- 13.12.03.01 Block pay will be a minimum of 74 hours DN plus applicable OVS and Nav pay as per the following:
 - 13.12.03.01.01 For the WJA: 71 hours of OVS
 - 13.12.03.01.02 For the B737: 10 hours of Nav and 10 hours of OVS
 - 13.12.03.01.03 For the A320: 3 hours of Nav and 3 hours of OVS
 - 13.12.03.01.04 For the A220: 1 hour of Nav and 1 hour of OVS
 - 13.12.03.01.05 For the EMJ: 1 hour over Nav and 1 hour of OVS
 - 13.12.03.01.06 Or, the actual Flying Pay whichever is greater.
- 13.12.03.02 The greater of a 12% premium or \$1300 monthly will apply for all of the above except for Block Credits greater than 80 hours which are not for training purposes.

13.13 Initial Operational Experience Training Captain (IOETC)

- 13.13.01 IOETC will receive a premium of 12% on all Flying Pay while performing IOE training. This premium will be applied to the greater of actual or scheduled flying, including applicable deadheads, DPG and TTG. All meetings will be cash cleared at 4 hours DN per day.

13.14 Training Pay

- 13.14.01 A Pilot on Aircraft Transition, Requalification, or Upgrade Training (ground school, simulator, flight training, and/or any necessary additional training), shall be credited with 2h40 DN for flight time limitation and pay purposes for each calendar day of training including OVS and Nav pay.
- 13.14.02 A Pilot will be paid 4 hours per day at DN for each calendar day of Annual Recurrent Training (ART) and ITC under A13.14.04, in addition to the 2h40 DN when ART or ITC is assigned during a QC footprint.
- 13.14.03 Commencing when a Pilot is qualified to be released to the line indoctrination phase of training and ending upon successful completion of their QOE, for pay and flight time limitation purposes a Pilot shall be credited the greater of 2h40 DN (including OVS and Nav pay) for each calendar day or their actual flying performed including all applicable TTG, DPG and deadhead credits. Any excess flying time and credits associated with this flying (including DPG, TTG and deadhead credits) greater than 2h40 times the number of days will be paid at the new Position rates.
- 13.14.04 A Pilot will be paid 4 hours per day at DN for each recurrent simulator session, and each day of ART, in classroom (or virtual classroom). When a Pilot is required to attend any other special training (such as ITC, new aircraft equipment or revised aircraft procedures briefings, etc.) that occurs outside of a qualification course, they will be paid 4 hours per day at DN. These credits will not be used for flight time limitation purposes and will not be part of the MBG.
 - 13.14.04.01 If the Company identifies a need for a briefing time longer than 90 minutes on a recurrent simulator session, the Company will consult with the Association prior to increasing the briefing time.
- 13.14.05 Any additional training resulting from an unsatisfactory or incomplete assessment related to recurrent training events shall not attract additional pay.

- 13.14.06 A Pilot assigned to simulator for the sole purpose of completing a crew complement shall be paid 4 hours, DN per session. This credit will not be used for flight time limitations and will not be part of the MBG.
- 13.14.07 A Pilot who, for reasons beyond their control, is unable to return from their simulator within the same duty period in which they were scheduled to return to their home Base will receive 4 hours pay DN. These credits will not be used for flight time limitation purposes and will not be part of the MBG. This provision will not apply to Pilots who request and are granted changes to their planned simulator period.
- 13.14.08 A Pilot who reports for duty for a scheduled simulator period at home Base or deadhead to simulator and for reasons beyond their control is unable to complete such period will receive 2 hours pay DN. These credits will not be used for flight time limitation purposes and will not be part of the MBG.
- 13.14.09 A Pilot who reports for a scheduled simulator period at other than their home Base and for reasons beyond their control is unable to complete such period will receive 4 hours pay DN. These credits will not be used for flight time limitation purposes and will not be part of the MBG.
- 13.14.10 A Pilot that is still in training and volunteers for a seat fill will be paid as per A13.14.02.
- 13.14.11 **Overseas and Nav on a Training Course:**
- 13.14.11.01 WJA Pilots on a training course will be paid 100% OVS pay in accordance with A12.04.04 and A12.04.05.
- 13.14.11.02 B737/A320 Pilots on a training course will be paid 10% of the OVS and Nav pay. Should future B737/A320 overseas flying increase to a level greater than 10% of all flying performed by the A220-300/EMJ fleet on an annual basis, the parties agree to meet and review an adjustment to the percentage of OVS and Nav pay for the B737/A320 Pilots.
- 13.14.11.03 A220-300/EMJ Pilots on a training course will be paid 1% of the OVS and Nav pay. Should future A220-300/EMJ overseas flying increase to a level greater than 1% of all flying performed by the A220-300/EMJ fleet on an annual basis, the parties agree to meet and review an adjustment to the percentage of OVS and Nav pay for the A220-300/EMJ Pilots.
- 13.14.11.04 ACrouge Pilots on a training course will not be paid OVS and Nav pay.
- 13.14.11.05 Computer Based Training and Assigned:
- 13.14.11.05.01 Pilots shall be paid a minimum of 30 minutes pay at DN at mainline and 30 minutes at ACrouge, for any Computer Based Training (CBT) or other assigned self study not conducted as part of a classroom (or virtual classroom) session and assigned outside of a QC (initial/transition/upgrade) training footprint and/or recurrent simulator session. For the first 30 minutes of pay, the Company can schedule a maximum of 1 hour of CBT or other assigned self study. Beyond 1 hour of training, Pilots shall be paid 1 minute DN at mainline and 1 minute at ACrouge of pay for every 2 minutes of CBT or other assigned self study. The total time pilots will be paid for CBT includes any exam time. The CBT time will be determined by the run time of the CBT or such other time that is agreed to by the Company and the ACPA Training Committee. Exam time will be determined based on 45 seconds per question.
- 13.14.11.05.02 If there is ART training given as CBT ("ART CBT"), it will contain a maximum of 4 hours of training material excluding exam time. Pilots shall be paid a minimum of 2 hours DN at mainline and 2h15 at ACrouge for any ART CBT of up to a total maximum of 4 hours of training material and exam time. In the event that ART CBT exceeds a total of 4 hours of training material and exam time combined (which can only be as a result of the exam time), pilots shall

be paid in accordance with A13.14.11.05.01 for all time over 4 hours (1 minute DN for every 2 minutes of ART CBT at mainline and 1 minute pay for every 2 minutes of ART CBT at ACrouge).

Examples:

3.5 hours of ART CBT training material and 30 minutes of exam time would result in pay of 2 hours DN at mainline and 2h15 at ACrouge

4 hours of ART CBT training material and 20 minutes of exam time would result in pay of 2h10 DN at mainline and 2h25 at ACrouge

2 hours of ART CBT training material and 30 minutes of exam time would result in 2 hours DN at mainline and 2h15 at ACrouge

1. The winter operations CBT module may be scheduled prior to the commencement of winter operations for each training year. The time and pay for this training will be included in the maximum 4 hours of ART CBT training material.
- 13.14.11.05.03 The Company reserves the right to schedule a day of ART (8 hours), which can include up to a half day (4 hours) of ART CBT or other assigned ART self study, and a half day (4 hours) of classroom (or virtual classroom) time paid 4 hours per day at DN at mainline and 4.5 hours per day at ACrouge.

13.15 Duty Period Guarantee (DPG) and Trip Time Guarantee (TTG)

13.15.01 The greater of DPG and TTG will apply.

13.15.02 Duty Period Guarantee (DPG):

13.15.02.01 For each flight duty period worked, a Pilot shall be guaranteed a minimum duty period of 4h25 for pay and flight time limitations, or 1 minute pay and flight time credits for each 2 minutes of duty prorated whichever is greater. Any such credit shall be calculated for pay purposes as an extension of the last leg of the duty period.

13.15.02.01.01 Where a single flight duty period consists of both overseas and domestic operations, the domestic flight DPG shall apply until the departure time of the first flight leg for which Overseas Operations Pay applies and shall apply commencing at the arrival time of the return flight leg for which Overseas Operations Pay applies.

13.15.02.01.02 If a Pilot is held at the airport at Company request, DPG will apply, except that the minimum applicable DPG credit will become a minimum of 2 hours credit if no flying is performed in that duty period.

13.15.02.02 For a Pilot who operates flying after completing periodic training, the DPG will be calculated from the end of the periodic training until the end of their assigned flight duty period and the minimum DPG will apply.

13.15.03 Trip Time Guarantee (TTG):

13.15.03.01 In the case of trips which involve layover(s) away from home Base, a Pilot shall be guaranteed 1 minute of flight time credits and pay for each 4 actual minutes of trip time. Trip time shall be counted from the time a Pilot is required to report for duty at their home Base or actual reporting time, whichever is later, to the time a Pilot is released from duty 15 minutes after arrival at their home Base.

13.15.03.01.01 TTG will be calculated for pay purposes as an extension of the last flight leg of the pairing except where a combination of Overseas and Domestic flight legs are involved; in which case the ratio of Overseas/Domestic Trip time will be calculated as a percentage of the total TTG.

- 13.15.03.01.02 For an overlap pairing where credits are lost or gained resulting in TTG or a change to TTG, the overall credits will be adjusted for each block period. This procedure will neither increase nor decrease Flying Pay and/or Flight Time credits for the pairing as flown.
- 13.15.04 The credit for red-eye pairings in the North American zone (as per A25.03.08) will be calculated based on an average of 4h25 per day.

13.16 Retired Equipment

- 13.16.01 Effective with the 4th Block Period following the CRB that removes all aircraft in a fleet type at a Base, the affected Pilots will be guaranteed the greater of 900 hours per year (June-June), 72 hours per month or the reserve MBG for each block period, until they commence training on another equipment type or retire.
- 13.16.02 Subject to mutual agreement between the Pilot and the Company, Pilots who do not hold an APOS as a result of being posted off pending retirement in accordance with A20, may re-qualify to another equipment type on which the Pilot was previously qualified. Rates of pay for Pilots who re-qualify to a lower rated Position under this provision will be protected at the higher rate of pay.

ARTICLE 14 – OPTIONAL BANK PLAN

14.01 Bank Plan Provisions

- 14.01.01 The Pilot Bank Plan is Optional. All Block Credits will be cash cleared except for Pilots electing to use the Bank Plan. The provisions of A14 will apply to Pilots who elect to use the Bank Plan.
- 14.01.02 Except as outlined in A14.01.03 and A14.01.09 and A14.01.04, when Block Credits, excluding block growth, exceed the DBM when the DBM is at or above 80 hours, the excess will be placed in the bank at the rate it was earned, then converted to night rates, where it will accumulate and be used:
 - 14.01.02.01 To obtain pay to the greater of DBM or 80 hours; or
 - 14.01.02.02 To extend vacation
- 14.01.03 All block growth credits will be cash cleared.
- 14.01.04 Block Credits in excess of the greater of DBM or 80 hours will be credited to the bank to a maximum of 20 hours. Any remaining credits above 20 hours will be automatically cash cleared.
- 14.01.05 When Block Credits are less than the greater of DBM or 80 hours, any credit in the bank will automatically be debited and used to increase the Pilot's Block Credits up to the greater of DBM or 80 hours.
- 14.01.06 The Company will not use Bank time to offset MBG.
- 14.01.07 In cases where MBG does not apply, such as a drop-no-credit or Trip Trade drop, bank time will be debited to increase Block Credits up to the greater of DBM or 80 hours.
- 14.01.08 In the event of a change in a Pilot's Position, bank credits will be converted to hours and minutes reflecting the Pilot's new Position rates. Under this process, credits in excess of 20 hours will be cash cleared. Block Credits that consist solely of vacation credits (including vacation extension using bank credits) will have the hours above the greater of DBM or 80 hours automatically cash cleared.
- 14.01.09 A request to cash clear all or part of a Pilot's bank must be made no later than 2 days after the start of the new Block Period.

14.02 Negative Bank

- 14.02.01 The Negative Bank will be capped at negative 13h30. In exceptional circumstances, the Company may approve requests to borrow up to 25 hours from the bank. In such circumstances, the Pilot will make every effort to restore their bank total to at least negative 13h30 within 6 months.
- 14.02.02 When a Pilot's Block Credits are less than the greater of DBM or 80 hours, the Pilot may elect to borrow from the bank to obtain a maximum of the greater of DBM or 80 hours. The amount borrowed from the bank will be paid out at night rates and will be paid back at an equal dollar value.
- 14.02.03 Any subsequent credits earned above the greater of DBM or 80 will be used to pay back any amounts borrowed from the negative bank.
- 14.02.04 A Pilot who elects to borrow from the bank must make the selection no later than 2 days after Block Period end.
- 14.02.05 When a Pilot ceases employment (e.g. retirement) any negative bank balance owed to the Company will be deducted from the Pilot's final pay.

14.03 Vacation Extension Using Positive Bank Credits

- 14.03.01 A Pilot with positive bank credits may request a bank drop in conjunction with vacation. The bank credit will be applied at a rate of 2h55 per day and will be

limited to a maximum of 6 days per vacation period. Requests for positive bank drops in conjunction with vacation must be received as soon as possible by the Company but no later than the 10th day of the month prior to the beginning of the Block Period in which the days are intended to be used. The Company may decline a bank drop request based on crewing capacity as determined by any one of the following:

14.03.01.01 the DBM for that Position in that Block Period being at the maximum value; or

14.03.01.02 the difference between DBMs for that Position between Bases being at the maximum value; or

14.03.01.03 the projected annual calendar total maximum hours being at the contractual limit.

14.03.02 If bank drop in conjunction with vacation is permitted under the above conditions, it will be awarded in seniority order until one of the above limits is reached.

ARTICLE 15 – INSURANCE, MEDICAL, AND DENTAL

15.01 General

15.01.01 The Company will provide and pay for the benefits outlined in the following benefit plans:

- Basic Group Life plan
- Basic Accidental Death, Dismemberment and Loss of Use Insurance plan
- Accidental Death, Dismemberment and Loss of Use – Crew Cab Insurance plan
- Supplemental Health Plan
- International SOS Medical Assistance Program
- Dental Plan

15.01.02 All Pilots and their eligible dependents will be covered by these plans as of the Pilot's date of employment as a Pilot.

15.02 Group Insurance

15.02.01 Life Insurance:

15.02.01.01 The Company will pay 100% of the first \$100,000 of Group Life Insurance; the premium and the remainder will be shared 50/50 between the Company and the employee. The Company will provide the following coverage through the Basic Group Life Plan:

Captains	\$225,000
First Officers and Relief Pilots (3 rd year and thereafter)	\$175,000
First Officers and Relief Pilots (1 st and 2 nd year)	\$125,000

15.02.02 Retirement Paid Up Life Insurance:

15.02.02.01 The post retirement paid up insurance will be 25% of the group life insurance to a maximum of \$25,000 for Captains and \$17,500 for First and Second Officers and Relief Pilots.

15.02.03 Accidental Death, Dismemberment and Loss of Use:

15.02.03.01 An Accident Insurance policy, including Accidental Death, Dismemberment and Loss of Use (AD&D/LU), will be provided and paid for by the Company with the following coverage:

Captains	\$300,000
First Officers and Relief Pilots (3 rd year and thereafter)	\$250,000
First Officers and Relief Pilots (1 st and 2 nd year)	\$200,000

15.02.03.02 The Company will provide and pay for \$500,000 additional Accidental Death, Dismemberment and Loss of Use insurance for Pilots while travelling in ground transportation provided by Air Canada when on Company business.

15.02.04 Smoke Inhalation Insurance:

15.02.04.01 Smoke inhalation insurance will be provided in the amount of \$110,000.

15.03 Supplemental Health Plan

- 15.03.01 The Company will provide and pay for the present Company Supplemental Health Plan. The Plan includes the International SOS Assistance Access program. www.internationalsos.com
- 15.03.02 The benefits that the Company will provide through the Supplemental Health Plan will be increased in accordance with the following:
- 15.03.02.01 Coverage for vision care will include up to \$325.00 for prescription eyeglasses or contact lenses (including multiple pairs of disposable contact lenses) every 24 months. Pilots who have a License Validation Certificate requiring “glasses must be worn” or “glasses must be available” may claim a second pair of prescription eyeglasses or additional contact lenses (including multiple pairs of disposable contact lenses) to an amount of \$325.00 every 24 months.
- 15.03.02.02 In addition, the Company will reimburse Pilots with severely damaged eyes (meaning that their vision acuity cannot be improved to the 20/40 level in the better eye with spectacle lenses) up to an additional \$675 for contact lenses once in a lifetime. When contact lenses for severely damaged eyes are purchased within the same 24-month period as other eyeglasses, contact lenses or safety glasses, the maximum payable from the plan is \$425 per person or \$650 for Pilots with the applicable License Validation Certificate.
- 15.03.02.03 The lifetime maximum benefit payable under the plan in respect of each eligible person will be \$50,000 with \$2,500 annual reinstatement.
- 15.03.02.04 The coverage for private hospital rooms under the plan will be 90% of the difference between semi-private and private room coverage.
- 15.03.02.05 Psychologist, registered marriage and family therapists and registered psychotherapist services will be covered at 50% of each visit up to a maximum of \$1000 per year per employee or \$2000 per family.
- 15.03.02.06 Coverage will be provided for the purchase or repair of hearing aids up to a maximum of \$2000 per eligible person in a 60-month period. The Plan will also provide for the reimbursement of cochlear implants.
- 15.03.02.07 Coverage for out of hospital nursing services that are determined to be reasonably or medically necessary will be increased to \$150 per day and \$7500 per year for each eligible person.
- 15.03.02.08 Coverage will be provided for hyperbaric oxygen therapy and hyperbaric chamber treatment.
- 15.03.02.09 The eligible expenses for the services of chiropractors, osteopaths, naturopaths, chiropodist and podiatrists will each be covered to a maximum of \$50 per visit and \$100 for x-rays and limited to \$1000 per year per eligible person or \$2,000 per family per year.
- 15.03.02.09.01 The Company will cover the difference between the amount paid under any provincial plan and the benefit that would otherwise be payable pursuant to the Supplemental Health Plan, for chiropractor, osteopathic, naturopathic, and podiatry services. The special undertaking is not extended to any other benefit under the plan.
- 15.03.02.10 Expenses incurred for Massage Therapy, when prescribed by a physician, will be covered at a rate up to \$80 per visit, to a maximum of \$800 per family per year. To be eligible for coverage, the massage therapy must be provided by a Licensed Massage Therapist registered with, and licensed by, the recognized governing body within the province in which the service was rendered.
- 15.03.02.11 The cost of medically prescribed oral contraceptive will be fully covered.
- 15.03.02.12 The Company shall provide to ACPA updates to the Special Authorization Drug List twice per calendar year, and at least three months apart.

15.04 Medical Services for Non-Residents

- 15.04.01 Basic hospital and medical expenses for Pilots residing outside of Canada i.e., standard ward hospital accommodations and related services, as well as physicians' fees, are not covered by the Air Canada Health Plan.
- 15.04.02 Pilots residing outside of Canada are eligible, based on the current cost in Ontario with the applicable "maximums", for all other services described in the Health section of the Employee Handbook. Eligible expenses under the Air Canada Health Plan are; private or semi-private hospital room, ambulance, hearing aids, diabetic supplies, medical services and supplies, surgical brassieres or camisoles, orthopaedic boots or shoes, physiotherapy, drugs requiring a written prescription, prescribed drugs to eliminate the use of tobacco, services of a qualified psychologist, nursing services and speech therapy.
- 15.04.03 Vision care coverage for prescribed lenses and frames and contact lenses is the same as coverage for Pilots residing in Canada with expense amounts being payable in Canadian dollars.
- 15.04.04 The Dental Plan reimburses eligible dental expenses, as described in the Dental Section of the Employee Handbook, subject to certain "maximums", in Canadian dollars based on the current Ontario dental fee guide.

15.05 Dental Plan

- 15.05.01 The Company will provide and pay for the Company Group Dental Plan. The Company will be the sole policy holder and administrator of the above mentioned plan.
- 15.05.02 The Company will provide the following coverage through the Company Group Dental Plan:
 - 15.05.02.01 The annual maximum covered expense is \$2000 per eligible person.
 - 15.05.02.02 Orthodontic coverage for eligible dependent children is \$2500.
 - 15.05.02.03 Basic Dental Services will be 90%.
- 15.05.03 For Pilots married to a member of the Dental and Supplemental Health Plans, co-ordination of benefits is allowed.
- 15.05.04 No changes and/or amendments to the benefits will be made without the agreement from ACPA.

15.06 Company Insurances in War Zones

- 15.06.01 All Air Canada insurances will be in effect while on Air Canada business in areas of both declared and undeclared wars.

15.07 Missing and Internment Benefits

- 15.07.01 Any Pilot who, while engaged in the course of their duties for the Company, becomes missing or is reported interned, captured, or held as a prisoner or hostage or is missing under circumstances which would indicate being interned, captured or held prisoner or hostage, shall be allowed compensation calculated on the average daily earnings of the best three (3) block months during the last twelve (12) months of active line service prior to the time they became missing, was captured or held prisoner or hostage. The daily average flying pay shall be adjusted to include negotiated pay increases.
 - 15.07.01.01 Such compensation will continue for the period during which the Pilot is interned, captured, or held as prisoner or hostage or until the Pilot is able to return to regular line duty, subject to the conditions of A31.08. When a Pilot remains missing, the compensation allowed under this article will continue until the date that the Pilot's death is established in fact or for a maximum of 7½ years (or for the period described in the applicable laws).

- 15.07.02 The monthly compensation allowable under A15.07.01 will be credited to the Pilot and will be dispersed by the Company in accordance with written directions from them. The Company will request from each Pilot hereafter employed to execute and deliver to the Company, prior to such employment, a written direction in the form provided by the Company as approved by the Parties. The Company will, as soon as practicable, request all Pilots now employed to execute and deliver to the Company such a written direction.
- 15.07.03 Any amounts credited to the account of a Pilot or paid to their beneficiary in accordance with the provisions of A15.07, will not be required to be returned by such beneficiary or by the estate of the Pilot even though it is established that such payments were made after the death of the Pilot, nor will such amounts be a charge against the estate of the Pilot, provided that such beneficiary will have furnished the Company with any evidence indicating the death of the Pilot promptly after its receipt.
- 15.07.04 As an alternative to paying compensation in accordance with A15.07.01, the Company may pay the difference between the amount of such compensation and the amount of any compensation provided for by law in respect of persons missing, interned, captured, held as prisoner or hostage as described in A15.07.01.
- 15.07.05 Any payments due to the Pilot under A15.07, which are not covered by a written direction as above requested, will be held by the Company for any such Pilot in an interest bearing account in the Pilot's name. In the event of reasonable presumption of a Pilot's death, in accordance with the applicable laws, all monies will be paid to the legal representative of their estate.

ARTICLE 16 – GROUP DISABILITY INCOME PLAN (GDIP)– PILOTS

16.01 General

- 16.01.01 Purpose of the Plan – The “Air Canada Group Disability Income Plan – Pilots” will provide a reasonable level of income protection during periods that a Pilot is, for medical reasons, unable to perform his regular duties, subject to the limitations herein.
- 16.01.02 Application for Membership – Membership is automatic, no application is necessary.
- 16.01.03 Certificate of Membership – No individual certificates are issued under this plan.
- 16.01.04 Participation in the plan is a condition of employment (including Pilots-in-training).
- 16.01.05 There is no conversion privilege for this insurance.
- 16.01.06 The total monthly premium for GDIP is paid by the Company.

16.02 Covered Earnings for the Calculation of Benefits

- 16.02.01 Maximum Covered Salary:
 - 16.02.01.01 The maximum monthly insurable earnings will be \$21,000.
- 16.02.02 Monthly Earnings:
 - 16.02.02.01 His presumed earnings at the time of his original disability will be based on 3 full Block Period average or the average earnings of the last 12 Block Periods, whichever is the greater, immediately preceding the date on which the disability commenced.
 - 16.02.02.02 If there is a revised salary schedule or Collective Agreement which is retroactive to a date prior to the last day entitled to pay there will be an adjustment to the benefits payable.

16.03 Disabilities Covered by the Plan

- 16.03.01 The following levels of disability conditions are covered by the plan:
 - 16.03.01.01 “Disabled” – A Pilot will be considered disabled if Air Canada Occupational Health Services or Transport Canada determine that, for medical reasons, he is unfit to fly.
 - 16.03.01.02 “Totally Disabled” – A “totally disabled” employee is one whose condition is judged by Air Canada Occupational Health Services to be such that he is unable to work at any job for which he is reasonably fitted by education, training or experience.
 - 16.03.01.03 “Medically Restricted Return to Duty” – A Pilot returning to flight duty with a medically restricted license which precludes him from occupying his former Position will have his Group Disability Benefit pay the difference between his actual earnings in the restricted Position and his presumed earnings at the time of his original disability.
 - 16.03.01.03.01 Allowable service will continue to accrue during the period that a Pilot is in receipt of benefits.
 - 16.03.01.03.02 Pensionable earnings credits will continue to be based on his presumed earnings as defined in A16.02.02.
 - 16.03.01.03.03 All other benefits in accordance with the Position being flown consistent with the terms of the Collective Agreement.
- 16.03.02 Pregnancy Leave – A Pilot who is pregnant is covered under the Plan for the periods during the pregnancy she has been declared unfit to fly for medical reasons by a certified physician. A post partum medical examination will be required within 6 weeks.

- 16.03.02.01 Once she is deemed fit to fly following her child's birth, a Pilot shall be eligible to receive, for the balance of the 17-week period following that birth, benefits equal to the difference between what she was receiving while covered under the Plan and what she is receiving through Employment Insurance/Quebec Parental Insurance Plan (QPIP). Proof that the Pilot is in receipt of Employment Insurance/QPIP benefits is required before this additional benefit will be paid.
- 16.03.03 For the following items the employee is covered when receiving continuing treatment from a physician who is certified in psychiatry, OR unless required to meet the minimum sickness and the injury provisions of the Employment Insurance Act.
- Hysteria
 - Phobic Reactions
 - Obsessive compulsive disorder
 - A psychoneurotic disorder
 - A behavioural disorder
- 16.03.04 For the following items the employee is undergoing an alcohol or drug addiction rehabilitation program that has received the prior approval of the Company but only while the employee is undergoing the program of rehabilitation, OR unless required to meet the minimum sickness and the injury provisions of the Employment Insurance Act.
- Alcoholism
 - Drug addiction
- 16.03.05 Notwithstanding A16.03.03 and A16.03.04, it is the intention to consider each of these claims individually and, based on the assessment of the insurer's Claim Department and Medical Board and the Air Canada Medical Directors made during the initial year to continue payment beyond one year, in accordance with the terms of the policy where the condition is judged to be sufficiently severe as to be comparable to a psychosis. By virtue of the fact, these cases require individual consideration, they do not lend themselves to precise contract definition.
- 16.03.05.01 Subject to the minimum requirements under the sickness and injury provisions of the Employment Insurance Act, and regulations, no benefits are payable to any claimant who fails to undertake and maintain any program of rehabilitative training or treatment which is recommended by his physician or by the Company's Medical Board and is designed to result in any improvement in his condition with a view to making possible his re-qualification for flight duties.

16.04 Disabilities Not Covered by the Plan

- 16.04.01 Benefits are not payable for any of the following:
- 16.04.01.01 An injury or sickness which is a result of a hostile act occurring in a war zone which the employee has entered voluntarily and not in the course of the performance of his duties with the employer.
- 16.04.01.02 An intentionally self-inflicted injury or sickness.

16.05 Suspension/Reinstatement of Coverage

- 16.05.01 Coverage will be suspended on the date:
- 16.05.01.01 Voluntary Leave of Absence – An employee is placed on Voluntary leave of absence, and will remain suspended for the duration of the Leave of Absence. If the employee becomes disabled while on such Leave of Absence, he will be entitled to income benefits from the plan commencing the 31st day from the date he is scheduled to return to active employment.
- 16.05.01.02 Employment Suspension – An employee is suspended from Active employment except that in the case of a member who becomes disabled prior to being placed on suspension, he will continue to be entitled to income benefits until assessed as fit to return to active employment. If an employee becomes

disabled during such period of suspension, he will be entitled to receive income benefits from the plan commencing on the 31st day from the date he is scheduled to return to active employment.

- 16.05.01.03 Furlough – An employee is Furloughed, except that if the employee is disabled prior to being placed on furlough, he will continue to receive the benefits of the plan until such time as he is assessed fit to return to active employment.
- 16.05.01.04 On Strike/Lockout – An employee is On Strike or Locked Out as a result of a dispute between ACPA and Air Canada except that in the case of a member who becomes disabled prior to any such strike or lockout, he will continue to be entitled to income benefits until assessed as fit to return to active duty. If an employee becomes disabled during such period of strike or lockout, he will be entitled to receive income benefits from the Plan commencing on the 31st day from the date he is scheduled to return to active employment.
- 16.05.02 Coverage is automatically reinstated on return to active employment.

16.06 Termination of Coverage

16.06.01 Coverage terminates on the earliest of:

- 16.06.01.01 The date the employee leaves the Company.
- 16.06.01.02 The date the employee ceases to be a Pilot.
- 16.06.01.03 The date the employee retires.
- 16.06.01.04 The date on which he is entitled to receive the benefits provided by the pension plan without adjustment by reason of early retirement.
- 16.06.01.05 The date the employee dies.
- 16.06.02 Coverage may NOT be terminated at the option of the individual member.

16.07 Claims Procedure

16.07.01 Employee Actions:

- 16.07.01.01 The employee will notify his immediate supervisor of the expected duration of his absence on the first day of his disability.
- 16.07.01.02 If absence is likely to last more than 30 days, the employee will obtain the following forms from the Base Personnel Services office:
 - 16.07.01.02.01 the "Pilot Group Disability-Employee's Statement" (ACF863P1),
 - 16.07.01.02.02 the "Pilot Group Disability-Physician's Statement" (ACF863P2) and
 - 16.07.01.02.03 the pre-addressed blue-cornered envelope (ACF851G).
- 16.07.01.03 The employee will complete Part 1 of the "Confidential Statement of Claim" form and return it to his Flight Supervisor or to Personnel Services who will complete Part 2.
- 16.07.01.04 Once Part 1 and Part 2 are completed, the employee will have the Physician complete the "Attending Physician's Statement". If declared "medically unfit to fly" and removed from flight duties, the "Attending Physician's Statement" should be completed by the Company medical officer.
 - 16.07.01.04.01 If there are any problems completing the claim form, contact the Flight Supervisor or a Personnel Services representative for assistance.
 - 16.07.01.04.02 In some cases, to enable payment (or continuation of payment) of benefits, Great-West Life may ask for additional information from the attending physician. It is recommended that the physician be requested to provide the required information as soon as possible in order to avoid any undue delay in the adjudication of the claim.
- 16.07.02 Assessment of Claims:
 - 16.07.02.01 A medical decision will be made to determine whether it is a case of "Total Disability" or "Disabled".

- 16.07.02.01.01 It is not necessary for an employee to be confined to his home in order to be considered "totally disabled"; however, to be eligible for benefits, the employee must be continuously disabled and under the continuous care of a physician legally licensed to practice medicine.
- 16.07.02.01.02 The assessment of disability will be based on reports of the employee, the employer and the attending physician. Consideration will be given to the employee's ability to perform alternative work and the appropriateness of such work for the employee involved.
- 16.07.02.01.03 Prior to the end of the first year of disability, the Underwriters will assess the degree of the employee's disablement to determine whether the employee is disabled or totally disabled as defined under the plan. The results of such assessment will be forwarded to the Corporate & Human Resources Branch, the Advisory Committee and to Payrolls.
- 16.07.03 Follow-Up Information:
- 16.07.03.01 Follow-up medical reports will be required by the Underwriter from time to time while benefits are being paid. These follow-up reports will be requested at varying intervals depending on the nature of the disability.
- 16.07.03.02 While it is the responsibility of the Underwriters to conduct the normal follow-up on disabled employees, Air Canada may require an investigation be made of a particular case where doubt exists as to the validity of the employee's disability or the duration of the period of disablement. When circumstances suggest a special investigation is required, refer the situation to the Corporate & Human Resources Branch, Montreal, as quickly as possible, with full particulars, for further handling with the Underwriters, the Medical Board and/or the Advisory Committee, as applicable. (It may be necessary to withhold further income benefits until the results of the investigation are known.)
- 16.07.04 Disputed Claims:
- 16.07.04.01 Should the employee be dissatisfied with the assessment, he may lodge an appeal through his representatives on the Advisory Committee for reconsideration. (See A16.10 for role of the Advisory Committee).
- 16.07.04.02 Where an assessment is in dispute, a 3-person medical board will be established in accordance with A16.11 and the findings of this board will be considered as final.

16.08 Benefits

16.08.01 Waiting Periods:

- 16.08.01.01 For each separate disability period there is a waiting period of 30 consecutive days, commencing from the date of the original injury or illness, before disability benefit payments commence. During this period, sick leave will be in accordance with the Sick Leave provisions of the Collective Agreement.
- 16.08.01.02 Under the terms of the plan, the disability commences on the date of the original injury or illness and, for successive periods of absence, disability benefit payments will commence immediately without a further waiting period if: such absence is due to the same cause and is separated by less than 180 days of active full time employment, or due to different cause and is separated by less than 30 days of active full time employment.
- 16.08.01.02.01 Employees absent from work due to illness or injury covered under the appropriate provincial workers' compensation legislation will be removed from the payroll in accordance with Company Policy as outlined on ACAeronet.

16.08.02 Disabled Benefit Schedule:

- 16.08.02.01 An employee who is disabled will be paid a benefit, determined by applying that percentage of the employee's monthly earnings shown opposite his applicable

year of service, for the benefit period shown in the following schedule:

<i>Years of Service</i>	<i>Short Term Sickness Waiting Period</i>	<i>Long Term Benefit</i>
1	30 days	+ 11 months at 60% + 2 years at 40%
2	30 days	+ 11 months at 60% + 2 years at 41%
3	30 days	+ 11 months at 60% + 2 years at 42%
4	30 days	+ 11 months at 60% + 3 years at 43%
5	30 days	+ 11 months at 60% + 4 years at 44%
6	30 days	+ 11 months at 60% + 15.5 years at 45%
7	30 days	+ 11 months at 60% + 15.5 years at 47%
8	30 days	+ 11 months at 60% + 15.5 years at 49%
9	30 days	+ 11 months at 60% + 15.5 years at 51%
10	30 days	+ 11 months at 60% + 15.5 years at 53%
11	30 days	+ 11 months at 60% + 15.5 years at 55%
12	30 days	+ 11 months at 60% + 15.5 years at 57%
13	30 days	+ 11 months at 60% + 15.5 years at 59%
14	30 days	+ 11 months at 60% + 15 years at 60%
15	30 days	+ 11 months at 60% + 14 years at 60%
16	30 days	+ 11 months at 60% + 13 years at 60%
17	30 days	+ 11 months at 60% + 12 years at 60%
18	30 days	+ 11 months at 60% + 11 years at 60%
19	30 days	+ 11 months at 60% + 10 years at 60%
20	30 days	+ 11 months at 60% + 9 years at 60%
21	30 days	+ 11 months at 60% + 8 years at 60%
22	30 days	+ 11 months at 60% + 7 years at 60%
23	30 days	+ 11 months at 60% + 6 years at 60%
24	30 days	+ 11 months at 60% + 5 years at 60%
25	30 days	+ 11 months at 60% + 4 years at 60%
26	30 days	+ 11 months at 60% + 3 years at 60%
27	30 days	+ 11 months at 60% + 2 years at 60%
28	30 days	+ 11 months at 60% + 2 years at 60%
29	30 days	+ 11 months at 60% + 2 years at 60%
30	30 days	+ 11 months at 60% + 2 years at 60%
and over		

16.08.02.02 Notwithstanding anything to the contrary expressed or implied in the Disabled Benefit Schedule, if on the date an employee becomes disabled his Years of Service as a Permanent Management Pilot, Acting Check Pilot, or Acting Flight Instructor or Pilot total:

16.08.02.02.01 At least three years but less than 6 years, his "Benefit Period" will be increased by 30 days for each full calendar month worked in excess of the number of full years shown in the column entitled "Years of Service".

16.08.02.02.02 At least 13 years but less than 14 years, his "Benefit Period" will be decreased by 15 days for each full calendar month worked in excess of the employee's number of full years of service as a Permanent Management Pilot, Acting Check Pilot, or Acting Flight Instructor or Pilot.

- 16.08.02.02.03 At least 14 years but less than 27 years, his "Benefit Period" will be decreased by 30 days for each full calendar month worked in excess of the employee's number of full years of service as a Permanent Management Pilot, Acting Check Pilot, or Acting Flight Instructor or Pilot.
- 16.08.03 Totally Disabled Benefit Schedule:
- 16.08.03.01 For claimants who are assessed as "Totally Disabled", benefits in the second and subsequent years will be paid at 60% of salary to the earlier of death, recovery or the date on which he is entitled to receive the benefits provided by the pension plan without adjustment by reason of early retirement.
- 16.08.04 Minimum Benefit:
- 16.08.04.01 Notwithstanding anything to the contrary contained in the Schedule of Benefits, it is hereby provided that in no event will an employee's benefit be less than the monthly equivalent of the current weekly benefit paid under the Employment Insurance Act of Canada.
- 16.08.05 Indexation of Benefits:
- 16.08.05.01 For employees who are classified by the Company as "disabled" or "totally disabled", on January 1 of each year a Pilot's GDIP benefit will be indexed by applying 50% of the change in the CPI for the period November to October in the immediately preceding respective 2 years.
- 16.08.05.02 The indexation benefit will be limited to a maximum increase of 5%.
- 16.08.05.03 The applicable adjustment to benefits will be made effective with the first benefit payment issued on or after January 1 of each year.
- 16.08.05.04 Pilots who are on GDIP benefits less than 1 year as of January 1 will have their CPI increase prorated.
- 16.08.06 Suspension of Benefits:
- 16.08.06.01 Income benefits will be suspended during any period the employee is returned to the payroll at the full pay of his regular job or due to vacation clearance, regardless of the continuing disability.
- 16.08.06.01.01 Should suspension of income benefits occur during the first-year benefit period, the first-year level of income benefits will be extended by a corresponding period.
- 16.08.07 Termination of Benefits:
- 16.08.07.01 All benefits will cease for all employees on the date on which they are entitled to receive the benefits provided by the pension plan without adjustment by reason of early retirement.
- 16.09 Waiver of Premiums for Other Plans**
- 16.09.01 While an employee is in receipt of benefits under the plan:
- 16.09.01.01 For members of the defined benefits plan, contributions are waived and allowable service continues in the Air Canada Pension Plan – Pilots. Pensionable earnings credits will be based on his presumed earnings as defined in A16.02.02.
- 16.09.01.02 The employee is entitled to full coverage under the Group Life, Dental and Supplementary Health Insurance Plans, and the Basic Accidental Death, Dismemberment and Loss of Use (AD&D/LU) Insurance Plan without cost to him.
- 16.09.02 Notwithstanding the above, when employed in Air Canada in either an alternative job or part-time in a regular job, normal payroll deductions will be made for Group insurances, as applicable, and Pension if the salary in the alternative job exceeds that received in his regular job.

16.10 Disability Income Plan Advisory Committee

- 16.10.01 A committee known as the Disability Income Plan Advisory Committee will be formed. This Committee will consist of 3 members appointed by ACPA and 3 members appointed by Air Canada. This Committee will adjudicate all disputed claims. To permit the Committee to perform its function, all pertinent and requested information, other than information considered confidential between the claimant and the attending physician, will be provided to the Committee.
- 16.10.02 The Committee will be informed in all cases where it is the intention of the insurer to terminate a Pilot's benefit (other than for termination of normal "schedule" benefits) and will by majority vote have the authority to extend the period of coverage when in their opinion such extension would contribute to the claimant's ability to return to active status. The duration of any such extension will also be subject to the agreement of a majority of the Advisory Committee.
- 16.10.03 It would be difficult, indeed unwise, to attempt to establish rules and procedures that will apply in each and every case. Guidelines have been provided that should apply in most circumstances. In arriving at its conclusions, the Advisory Committee should be guided by common sense and the purpose of the Plan.
- 16.10.04 Any dispute arising out of the application or interpretation of the Disability Income Plan not resolved by a majority vote of the Committee will be settled by arbitration in accordance with A7 of the Collective Agreement between the Parties except when the dispute is one regarding a medical opinion, a Board will be established.

16.11 Medical Board – Selection and Duties

- 16.11.01 Where a medical assessment is in dispute a 3-person medical board will be established as follows:
- 16.11.01.01 One Medical Examiner selected by Air Canada.
- 16.11.01.02 One Medical Examiner selected by claimant.
- 16.11.01.03 The selected Examiners to agree upon and appoint a third qualified and disinterested Medical Examiner, preferably a specialist in the related field.
- 16.11.02 The findings of this Board will be considered as final.

16.12 Correspondence about the Plan

- 16.12.01 For inquiries about payments, completion of forms, income benefits, individual claims, etc, contact:
- 1 (855) 855-0785 US/CDA
or
hr.rh@aircanada.ca
- 16.12.02 For other inquiries contact ACPA.

ARTICLE 17 – PENSION

17.01 Air Canada Pilot Pension Plan

17.01.01 Introduction

This A17.01 pertains solely to the Pilots who are members of the Air Canada Pension Plan – Pilots.

A separate pension plan and trust fund have been established as at January 1, 1998 for Pilots. These are called respectively the Air Canada Pension Plan – Pilots and the Air Canada Pension Trust Fund – Pilots. The rules of the new pension plan are contained in the plan text of the Air Canada Pension Plan – Pilots.

The Company has co-mingled the assets of the two plans (Air Canada Pension Plan and Air Canada Pension Plan – Pilots) for investment purposes in the Air Canada Pension Master Trust Fund. ACPA's actuaries shall have access to all pertinent information pursuant to the Air Canada Pension Plan – Pilots.

The Air Canada Pension Plan – Pilots shall be administered by a committee ("Committee") comprised of equal numbers of ACPA and Company appointees.

Any costs normally borne by the Air Canada Pension Master Trust Fund are automatically charged on a proportionate basis to the participating funds; however, specific Pilot plan costs that are incurred will be charged to the Pilot plan.

17.01.02 Review of Plan Amendments

Air Canada undertook to amend the text of the Air Canada Pension Plan-Pilots to incorporate amendments to such plan text which were required by A17.01. The amended text has been submitted to ACPA for approval. Thereafter the plan text will not be changed unless required by law or agreed to by the parties.

Amendments which are required by any law which applies to the Air Canada Pension Plan – Pilots can be made unilaterally by Air Canada.

Unless required by any law that applies to the Air Canada Pension Plan – Pilots, the Company shall not, without the consent of ACPA;

17.01.02.01 divide or merge the plan or the trust fund;

17.01.02.02 transfer into the plan, liabilities for pension benefits from another registered or non-registered pension plan or arrangement, except in respect of newly employed plan members in accordance with a reciprocal transfer agreement with an arms length plan or in respect of employees who become members of the Air Canada Pension Plan – Pilots due to a change in job positions; or

17.01.02.03 transfer assets from the trust fund to another registered or non-registered pension plan or arrangement sponsored by the Company or any other entity, except in respect of members whose employment with the Company has terminated or in respect of employees who cease to be members of the Air Canada Pension Plan – Pilots due to a change in job positions.

17.01.03 Maximum Pension Units

Effective January 1, 1990, a Pilot who retires in accordance with the rules of the Air Canada Pension Plan – Pilots ("the Registered Plan") (the Air Canada Pension Plan for those who retired prior to January 1, 1998) shall be entitled to a total pension calculated and payable in accordance with such rules, with the exception of the maximum pension defined in such rules which, instead of the Defined Benefit Limit defined in such rules, multiplied by the Pilot's years of allowable service, shall be equal to new amounts ("maximum pension unit") multiplied by the Pilot's years of allowable service. The maximum pension unit varies with the year of retirement and will be subject to meeting the Benchmarks as defined in the Memorandum of Agreement of September 30, 2014 ("Memorandum of Agreement") as follows:

<i>Maximum Pension Unit</i>			
<i>Benchmark</i>	<i>Year of retirement</i>	<i>For years of allowable service before</i>	<i>For years of allowable service after 01-01-1990</i>
No Benchmark	1990	\$1,784	\$2,277
	1991	\$1,855	\$2,368
	1992	\$1,929	\$2,463
	1993	\$2,006	\$2,561
	1994	\$2,087	\$2,664
	1995	\$2,170	\$2,771
	1996	\$2,257	\$2,881
	1997	\$2,348	\$2,996
	1998	\$2,441	\$3,116
	1999	\$2,539	\$3,241
	2000	\$2,641	\$3,370
	2001	\$2,747	\$3,505
	2002	\$2,857	\$3,645
	2003	\$2,971	\$3,791
	2004	\$3,090	\$3,942
	2005	\$3,213	\$4,100
	2006	\$3,342	\$4,264
	until 2016		
2017 Benchmark	2017	\$3,409	\$4,349
	2018	\$3,477	\$4,436
	2019	\$3,547	\$4,525
2020 Benchmark	2020	\$3,618	\$4,616
	2021	\$3,690	\$4,708
	2022	\$3,764	\$4,802
2023 Benchmark	2023	\$3,839	\$4,898
	2024	\$3,916	\$4,996

2017 Benchmark:

MPUs will be increased, as described in the above table, for the years of retirement 2017, 2018 and 2019 if the 2017 Benchmark is met by the time specified in the Memorandum of Agreement.

If the 2017 Benchmark is not met by the time specified in the Memorandum of Agreement, MPUs will remain unchanged, for all years of retirement on and after 2017, at their level applicable for years of retirement before 2017 and any further increase based on meeting 2020 and 2023 Benchmarks as described in the Memorandum of Agreement shall not apply.

2020 Benchmark:

MPUs will be increased, as described in the above tables, for the years of retirement 2020, 2021 and 2022 if the 2020 Benchmark is met by the time specified in the Memorandum of Agreement.

If the 2020 Benchmark is not met by the time specified in the Memorandum of Agreement, MPUs will remain unchanged, for all years of retirement on and after 2020, at their level applicable for years of retirement before 2020 and any further increase based on meeting the 2023 Benchmark as described in that Memorandum of Agreement shall not apply

2023 Benchmark:

MPUs will be increased, as described in the above tables, for the years of retirement 2023 and 2024 if the 2023 Benchmark is met by the time specified in the Memorandum of Agreement.

If the 2023 Benchmark is not met by the time specified in that Memorandum of Agreement, MPUs will remain unchanged, for all years of retirement on and after 2023, at their level applicable for years of retirement before 2023.

If a Benchmark is met as set out above, the Registered Plan will be amended effective January 1 of the Benchmark year to reflect the increase in MPUs, to the extent permitted by law. Such amendment shall provide solely for the increase in MPUs provided for by meeting such Benchmark. If such amendment is subject to authorization by the Superintendent of the Office of the Superintendent of Financial Institutions and/or the Canada Revenue Agency, the amendment shall be made only if such authorization is obtained.

The pension and the maximum pension shall be calculated separately for allowable service before and after January 1, 1990. For members retiring with 35 years of allowable service, the calculation shall be made using the years in respect of which the member has contributed to the pension plan.

The portion of the pension which cannot be payable from the Air Canada Pension Plan – Pilots due to the limits imposed by the Income Tax Act and Regulations (hereinafter called “supplementary pension”) shall be payable from the Company’s general revenues or the RCA under A17.01.10. The supplementary pension shall be payable in the same form as the pension payable under the Air Canada Pension Plan – Pilots.

In the event a Pilot terminates service, A17.01.03 shall not apply and the pension shall therefore be calculated as specified in the text of the Air Canada Pension Plan – Pilots in respect of such Pilot.

In the event a Pilot dies before pension commences and before having completed 15 years of qualifying service, A17.01.03 shall not apply and the pension shall therefore be calculated as specified in the text of the Air Canada Pension Plan – Pilots in respect of such Pilot.

17.01.04 Members contributions

A member shall not be required to contribute in each calendar year an amount which exceeds a maximum annual contribution determined as three times the maximum pension unit in respect of allowable service after January 1, 1990 applicable for the given calendar year.

For the final year of contribution, the maximum contribution shall be equal to the maximum annual contribution multiplied by the number of months of allowable service recognized during the final year over 12.

17.01.05 Surviving Spouse’s pension

In the event a Pilot dies before pension commences but after having completed at least 15 years of qualifying service, the benefits payable to the surviving spouse, if any, shall be the greater of the death benefits payable from the Air Canada Pension Plan – Pilots and an annual lifetime pension equal to 50% of the accrued pension calculated as per A17.01.03 above.

17.01.06 Automatic indexation until January 1, 2006

17.01.06.01 Effective on each adjustment date, the monthly instalment payable as of December 1st immediately preceding such adjustment date, to any pensioner and to any surviving spouse, including the supplementary pension, shall be increased:

17.01.06.01.01 by the applicable adjustment rate in case of a disability pensioner or in the case of a surviving spouse; or

- 17.01.06.01.02 by the applicable adjustment rate if the pension commenced at least one year prior to the applicable adjustment date, provided that the pensioner has attained 60 years of age prior to such adjustment date; or
- 17.01.06.01.03 by 1/12th of the applicable adjustment rate for each month prior to the applicable adjustment date, if it commenced within one year prior to such adjustment date, provided that the pensioner had attained 60 years of age prior to such adjustment date.
- 17.01.06.02 For the purposes of A17.01.06 “adjustment date” means January 1, 1999, January 1, 2000, January 1, 2001, January 1, 2002, January 1, 2003, January 1, 2004, January 1, 2005 and January 1, 2006, as applicable.
- 17.01.06.03 For the purposes of A17.01.06 “adjustment rate”, applicable as of an adjustment date, means 50% of the first 6% increase in the ratio of the Pension Index as of January 1 of the given calendar year over the Pension Index as of January 1 of the previous calendar year.
- 17.01.06.04 The Pension Index as of January 1 of a year is the average for the 12-month period ending October 31 of the previous year, of the Consumer Price Index for each month in that 12-month period.
- 17.01.06.05 The Consumer Price Index for a month shall be as published by Statistics Canada.

17.01.07 Use of ancillary benefits for funding of a portion of the supplementary pension

Effective January 1, 1998, Air Canada has amended the new Air Canada Pension Plan – Pilots so as to increase the portion of a Pilot’s total pension which is payable from the Air Canada Pension Plan – Pilots. The following ancillary benefits have been added for that purpose alone:

17.01.07.01 Bridge benefit – (As described in Section 6 of the Plan Text)

- 17.01.07.01.01 A Pilot who retires after having completed 25 years of qualifying service or whose age plus qualifying service upon retirement adds up to 80 years or more, will qualify for a bridge benefit.
- 17.01.07.01.02 The amount of monthly bridge benefit shall be equal to:

the maximum monthly pension payable under the Canada Pension Plan to a person retiring at age 65 in the year of retirement of the Pilot

multiplied by

the ratio of allowable service over 35

- 17.01.07.01.03 The bridge benefit will be payable from the Pilot’s retirement date and will cease with the payment due on the first of the month the Pilot reaches age 65, or the first of the month preceding the Pilot’s date of death, if earlier. In the case where the Pilot dies before age 65, 50% of the bridge benefit shall automatically continue to be payable to the Pilot’s spouse, if there is one, until the first of the month during which the Pilot would have reached age 65, or the first of the month preceding the spouse’s date of death, if earlier.
- 17.01.07.02 Indexation – As described in Section 6 and in Section 17 of the Plan Text**
- 17.01.07.02.01 Effective January 1, 1998 and each January 1 thereafter up to and including January 1, 2006, the pension in payment under the Air Canada Pension Plan – Pilots to a Pilot who has retired before such date or to a survivor, shall be indexed by an indexation rate as defined hereinafter.
- 17.01.07.02.02 The indexation rate applicable on January 1 of a given year shall be equal to the first 3% increase in the ratio of the Pension Index as of January 1 of the

given calendar year over the Pension Index as of January 1 of the previous calendar year, where the Pension Index is as defined in A17.01.06 above.

The indexation provided under A17.01.07.02 shall include any adjustments to pensions in payment payable under the Air Canada Pension Plan – Pilots, either as described in A17.01.06 of this Agreement or as provided as at January 1, 1998 under the terms of the Air Canada Pension Plan – Pilots.

Effective January 1, 2000, Air Canada has amended the Air Canada Pension Plan – Pilots so as to extend the indexation provided for in A17.01.07.02.01 above from January 1, 2002 (expiry date applicable before current Collective Agreement) to January 1, 2006.

The sole purpose of the bridge benefit and the indexation described herein above is to increase the portion of a Pilot's total pension which is payable from the Air Canada Pension Plan – Pilots. In no event shall the ancillary benefits provided result in benefits in excess of those which would otherwise be payable if this A17.01.07 was not applicable. Therefore, an additional pension, if any, payable from the Air Canada Pension Plan – Pilots as a result of the above bridge benefit and indexation will result in a decrease, dollar for dollar, of the amount which would otherwise be payable as a supplementary pension from the Company's general revenues or the RCA.

17.01.08 Higher pension to age 65 option

The addition of a bridge benefit under the Air Canada Pension Plan – Pilots, in order to pay a portion of the supplementary pension from the registered plan, shall not prevent a Pilot of electing the higher pension to age 65 option. Any amount of additional pension prior to age 65 which cannot be paid from the Air Canada Pension Plan – Pilots due to limits imposed by the Income Tax Act and Regulations will be paid as a supplementary pension with a corresponding actuarial reduction in the pension from age 65.

17.01.09 Pension Plan Surplus on Termination

17.01.09.01 Subject to any required approval by the Office of the Superintendent of Financial Institutions, the Air Canada Pension Plan – Pilots has been amended to provide that, in case of termination of the plan, no part of the assets of the plan shall revert to the benefit of the Company until the Superintendent's consent has been obtained and:

17.01.09.01.01 provision has been made for the payment to Members and Former Members and their Spouses, Beneficiaries or estates of all accrued or payable benefits in respect of membership up to the date of the termination and, for that purpose, such benefits shall be treated as vested without regard to conditions as to age, period of membership in the plan or period of employment; and

17.01.09.01.02 provision has been made for distribution of surplus to Members, Former Members and Spouses in accordance with section 18.5 of the plan, such distribution to be made by applying the surplus, up to the sum of the actuarial present value of the excess, if any, of the entitlement under A17.01.03 at the date of Plan termination of each Member, Former Member, and Surviving Spouse, over his or her entitlement under the Plan (his or her 'excess commuted value'), to each such individual in the same proportion that his or her excess commuted value bears to the sum of all such excess commuted values.

17.01.09.02 In the event the superintendent or other regulatory authority does not approve any payment of benefits or distribution of surplus to members, such payments or distributions shall be made in another form acceptable to ACPA.

17.01.09.03 Air Canada agrees that any required representation by the Company to Canada Customs and Revenue Agency or the Office of the Superintendent of Financial Institutions with respect to this A17.01.09 will be made jointly with ACPA.

- 17.01.09.04 The purpose of this provision is to secure the supplementary pension described in A17.01.03 in the event of a plan windup and under no circumstances is it intended to provide for any increase in benefits.
- 17.01.10 Use of Retirement Compensation Arrangement to Secure Pension Benefits**
- 17.01.10.01 Effective April 2, 2000, Pilot contributions to the Air Canada Pension Trust Fund – Pilots will be limited to 1.5 times the “post-1989” MPUs of that year. Pilot contributions between this amount and an amount equal to 3 times the “post-1989” MPUs (“Pilot RCA Contribution”) will be deposited into a Retirement Compensation Arrangement fund (“RCA Plan”) to be established and administered by Air Canada.
- 17.01.10.02 For each Pilot, Air Canada will contribute to the RCA an amount equal to the Pilot RCA Contribution (“Basic Company Contribution”).
- For Pilots covered by A16 – Group Disability Income Plan – Pilots, the Basic Company Contribution shall be calculated in the same manner as for Active Pilots based upon the deemed earnings used to determine the Average Annual Compensation for pension calculation purposes.
- For Pilots who have accrued or will accrue 35 years of service before Normal Retirement Age, Air Canada shall continue to make the “Basic Company Contribution” to their account in the RCA Plan. These contributions shall continue from when the member accrues 35 years of allowable service until their retirement date.
- 17.01.10.03 Each Pilot will have an individual account under the RCA which will comprise the Pilots RCA Contributions, the Basic Company Contribution, investment earnings thereon, distributions as set out in A17.01.10.04.05 and A17.01.10.05 and the applicable refundable tax credits.
- 17.01.10.04 If a Pilot retires from employment with eligibility to benefits payable from the Supplementary Plan, the individual account of this Pilot will be used to pay the supplementary pension that otherwise would have been paid by Air Canada, in the following manner:
- 17.01.10.04.01 The Pilot will elect the date at which payments from the RCA will start. Payments shall start no later than age 75.
- 17.01.10.04.02 Payments will be made over a period of 10 years: 1/10 of the account in the first year of payment, 1/9 in the second year and so on until the 10th year, provided that in no event shall such payment exceed the supplementary pension.
- 17.01.10.04.03 In the event the RCA is not depleted at the end of the 10th year, any residual amount in the RCA shall be used to pay the supplementary pension until the RCA has been depleted.
- 17.01.10.04.04 Supplementary pensions payable from Air Canada to the Pilot will be reduced by \$1 for each \$1 received from the RCA.
- 17.01.10.04.05 In cases where the pensioner and his survivor die before the Pilot’s RCA payments have been depleted, the balance of the account will be distributed proportionally between the other RCA members’ accounts. This calculation and distribution will be allocated at the end of each calendar year.
- 17.01.10.05 If a Pilot terminates employment without eligibility for supplementary pension benefits, the Pilot will receive a refund of the contributions made by the Pilot to the RCA with the investment earnings credited thereon. The balance of the Pilot’s RCA account will be distributed proportionally among the other RCA members’ accounts at the end of the calendar year.
- 17.01.10.06 The RCA will be administered by Air Canada. Investments under the RCA will be administered by a committee comprised of equal numbers of ACPA and Air Canada appointees. The parties agree to meet to do all necessary work to establish the operation of the RCA Plan by January 1, 2001. Expenses

associated with the set up of the RCA shall be borne by Air Canada. Ongoing administration costs of the RCA Plan will be assumed by the RCA Plan.

17.01.10.07 In the event that an actuarial valuation of the Supplemental Plan for RCA members reveals that the assets exceed the solvency liabilities, then, such excess may be used to eliminate both the Air Canada and Pilots contributions for the period corresponding to such excess.

For this purpose, the assets shall include, in addition to the RCA assets and applicable refundable tax, a portion of the solvency surplus determined on a valuation of the Air Canada Pension Plan – Pilots, as at the same valuation date. Such portion shall be determined by the ratio of solvency liabilities in the Air Canada Pension Plan – Pilots in respect of the RCA members to the total solvency liabilities in the such plan.

The present value of the supplementary pensions shall be determined using the same assumptions and methods as those used for the solvency valuation of the Air Canada Pension Plan-Pilots on the same date except that an adjustment to the discount rate shall be made for tax purposes.

17.01.10.08 In the event that the RCA is wound-up

17.01.10.08.01 a Pilot who does not satisfy the eligibility criteria for a supplementary pension shall receive a refund of the contributions made by the Pilot to the RCA with the investment earnings credited thereon. The balance of the Pilot's RCA account shall be allocated proportionally among the accounts of those Pilots who do satisfy the eligibility criteria for a supplementary pension.

17.01.10.08.02 a Pilot who does satisfy the eligibility criteria for a supplementary pension shall have that supplementary pension provided, to the extent possible,

1. by any additional benefits payable to the Pilot as a result of the termination of the Air Canada Pension Plan – Pilots, and
2. by his individual RCA account.

17.01.10.08.03 if the combination of any additional benefits payable as a result of the termination of the Air Canada Pension Plan – Pilots and his individual RCA account is more than sufficient to provide for his supplementary pension, the excess in his RCA account over the amount needed to provide the supplementary pension, shall be allocated proportionately to the accounts of those Pilots whose supplementary pensions are not fully funded by A17.01.10.08.02 above, to the extent necessary to fund their supplementary pensions.

17.01.10.08.04 if any assets remain in the RCA, they shall then be used to fund the supplementary pensions of those members who retired prior to April 2, 2000 with an entitlement to a supplementary pension and their survivors, and after taking into account any additional benefits payable to the members as a result of the termination of the Air Canada Pension Plan- Pilots, until all those members are fully funded.

17.01.10.08.05 if, after this process, there remains any assets in the RCA, those assets shall revert to the Company.

17.01.10.09 Within one month of the ratification of the Collective Agreement in year 2000, Air Canada shall make a special contribution of \$11,500,000 to the RCA. On April 2, 2001 and April 2, 2002, Air Canada shall make further special contributions of \$11,500,000 each to the RCA. These special contributions shall be allocated among the individual accounts of all Active and disabled Pilots who, on April 2, 2000, were within 10 years of their Normal Retirement Date. This allocation shall be made in the following manner:

17.01.10.09.01 The individual account of the Pilot shall be credited with an amount equal to the allocation factor, multiplied by:

1. the Pilot's year 2000 Compensation which is in excess of \$93,650 without exceeding \$177,900, multiplied by:
 2. the difference between 10 and the years and completed months (expressed in twelfths of a year) by which April 2, 2000 precedes his or her Normal Retirement Date.
- 17.01.10.09.02 The Compensation used shall be as defined in the Air Canada Pension Plan – Pilots. For Pilots covered by A16, Group Disability Income Plan – Pilots, the year 2000 deemed earnings used to determine the Average Annual Compensation for pension calculation purposes shall be used. For Pilots retiring between April 2, 2000 and January 1, 2001, the actual Compensation until retirement shall be annualized.
- 17.01.10.09.03 The allocation factor shall be established in such a way that the special contribution will be fully allocated among Active and disabled Pilots who, on April 2, 2000, have attained age 50. The allocation factor is estimated at approximately 5.8%.
- 17.01.10.10 The agreement described under this A17.01.10 is effective from April 2, 2000 and is based on the current Income Tax Act and regulations then in effect. In the event that changes to the Income Tax Act and/or its regulations would change the amount of pension that can be paid from a registered pension plan, and/or the members' contributions that can be paid to a registered pension plan, and/or the rules applying to retirement compensation arrangements, the RCA Plan may be amended. Any amendment to the RCA Plan resulting from any legislative or regulatory change shall be made by mutual agreement.

17.01.11 Top-Up of Benefits on Grounded Retirement

A Pilot who exhausts benefits under the GDIP Plan and does not qualify for Disability Retirement, but elects, after ratification of the Collective Agreement, Grounded Retirement under Section 5.4 of the Air Canada Pension Plan – Pilots shall receive a monthly amount payable from the Company's general revenues equal to the Disability Retirement Pension the Pilot would have received had the Pilot retired with a Disability Retirement Pension less the Grounded Retirement Pension payable.

Pilots who are currently receiving or have received benefits under the Grounded Retirement provisions of the Air Canada Pension Plan – Pilots and are shown on the attached letter shall be paid the difference between what they would have received had they been entitled to a Disability Pension based on their earnings and service at the time their GDIP benefits were exhausted, and what they received or are receiving under Grounded Retirement benefits.

17.02 CAIL Pilot Pension Plan

17.02.01 Introduction

On the 20th day of November 2002, the Honorable George W. Adams issued an Award in the matter of a mediation – arbitration between ACPA and Air Canada. This A17.02 essentially reproduces the Order included in such Award.

In this A17.02, "Registered Plan" refers to the Pension Plan for former CAIL Pilots (Pension Plan for Pilots, as represented by the Canadian Air Line Pilots Association of Canadian Airlines International Ltd.), "Plan" refers to the pension arrangement providing total benefits to former CAIL Pilots and "Supplemental Plan" refers to the pension arrangement provided by the Plan in excess of benefits provided by the Registered Plan. The "Air Canada Pension Plan" refers to the Pension Plan applicable to pre-merger Air Canada Pilots (Air Canada Pension Plan – Pilots).

Air Canada undertakes to amend the text of the Registered Plan to incorporate the modifications described in this A17.02. Such modifications shall be effective as of

July 1, 2003. For greater clarity, it is specifically provided that no provision herein shall cause the Registered Plan to be amended before July 1, 2003.

All other provisions of the text of the Registered Plan remain unchanged unless required by law or agreed to by the parties.

17.02.02 Level of Benefits for Service before July 1, 2003

A Pilot who retires or terminates above age 50 with the right to an immediate pension, on or after January 1, 2001, shall be entitled, in respect of his pensionable service before July 1, 2003 excluding service bought back, to a total pension from the Plan, calculated in accordance with the rules of the Registered Plan except for the following:

17.02.02.01 The annual amount of maximum lifetime pension defined in the rules of the Registered Plan shall be equal to Maximum Pension Units (“MPUs”) multiplied by the Pilot’s years of pensionable service. The Maximum Pension Unit shall vary with the year of retirement and will be subject to meeting the Benchmarks defined in A17.01.03 as follows:

<i>Benchmark</i>	<i>Year of retirement</i>	<i>Maximum Pension Unit for years of pensionable service before January 1, 1990</i>	<i>Maximum Pension Unit for years of pensionable service from January 1, 1990 to December 31, 2000</i>	<i>Maximum Pension Unit for years of pensionable service from January 1, 2001 to July 1, 2003</i>
	2001	\$2,444	\$2,491	\$3,505
	2002	\$2,542	\$2,640	\$3,645
	2003	\$2,644	\$2,799	\$3,791
	2004	\$2,750	\$2,967	\$3,942
	2005	\$2,860	\$3,145	\$4,100
	2006	\$2,974	\$3,334	\$4,264
	until 2016			
2017 Benchmark	2017	\$3,048	\$3,434	\$4,349
	2018	\$3,124	\$3,537	\$4,436
	2019	\$3,202	\$3,643	\$4,525
2020 Benchmark	2020	\$3,282	\$3,752	\$4,616
	2021	\$3,364	\$3,865	\$4,708
	2022	\$3,448	\$3,981	\$4,802
2023 Benchmark	2023	\$3,534	\$4,100	\$4,898
	2024	\$3,622	\$4,223	\$4,996

The MPU increases set out in the table above as the 2017, 2020 and 2023 Benchmarks will only take effect on the same basis as those set out in A 17.01.03. If the condition is met for those MPU increases to take effect, the Registered Plan will be amended effective January 1 of the Benchmark year to reflect the increase in MPUs, to the extent permitted by law. Such amendment shall provide solely for the increase in MPUs provided for by meeting such Benchmark. If such amendment is subject to authorization by the Superintendent of the Office of the Superintendent of Financial Institutions and/or the Canada Revenue Agency, the amendment shall be made only if such authorization is obtained.

17.02.02.02 The Maximum Pension Units referred to above shall be reduced upon early retirement by the early retirement reduction factors provided for under Section 2.

of Article VI of the Registered Plan, provided however the resulting amount of maximum pension from the Plan shall not be less than the maximum pension calculated based on an MPU of \$2,350 without applying such early retirement factors.

17.02.02.03 The provisions of Section 5. of Article VI of the Registered Plan shall be modified effective July 1, 2003 to provide that the maximum pension payable upon early retirement as defined in the Registered Plan shall be reduced by $\frac{1}{4}$ of 1% for each complete month that the Pilot's retirement date precedes age 60.

17.02.02.04 A retirement is defined as occurring after the completion of 25 years of qualifying service or after attainment of 80 points where points are defined as the sum of age and qualifying service. Qualifying service shall be defined as under the Air Canada Pension Plan – Pilots and includes service bought back under CAIL rules.

17.02.03 Level of Benefits for Service from July 1, 2003

A Pilot who retires on or after July 1, 2003, shall be entitled, in respect of his pensionable service from July 1, 2003 excluding service bought back, to a total pension from the Plan, calculated in the same manner as the one payable under the Air Canada Pension Plan – Pilots. The main provisions are as follows:

17.02.03.01 The pension formula used to calculate benefits shall be 1.5% of Final Average Earnings not exceeding Final Average YMPE plus 2.0% of Final Average Earnings in excess of Final Average YMPE;

17.02.03.02 Final Average Earnings and Final Average YMPE shall be based over 5 years;

17.02.03.03 The annual amount of maximum lifetime pension defined in the rules of the Registered Plan shall be equal to the Maximum Pension Units in the Air Canada Pension Plan – Pilots multiplied by the Pilot's years of pensionable service. Accordingly, the Maximum Pension Units shall vary with the year of retirement and will be subject to meeting the Benchmarks defined in A17.01.03 as follows:

	<i>Year of retirement</i>	<i>Maximum Pension Unit for years of pensionable service from July 1, 2003</i>
No Benchmark	2001	\$3,505
	2002	\$3,645
	2003	\$3,791
	2004	\$3,942
	2005	\$4,100
	2006 until 2016	\$4,264
2017 Benchmark	2017	\$4,349
	2018	\$4,436
	2019	\$4,525
2020 Benchmark	2020	\$4,616
	2021	\$4,708
	2022	\$4,802
2023 Benchmark	2023	\$4,898
	2024	\$4,996

The MPU increases set out in the table above as the 2017, 2020 and 2023 Benchmarks will only take effect on the same basis as those set out in A 17.01.03. If the condition is met for those MPU increases are to take effect, the Registered Plan will be amended effective January 1 of the Benchmark year to reflect the increase in MPUs, to the extent permitted by law. Such amendment shall provide solely for the increase in MPUs provided for by meeting such

Benchmark. If such amendment is subject to authorization by the Superintendent of the Office of the Superintendent of Financial Institutions and/or the Canada Revenue Agency, the amendment shall be made only if such authorization is obtained.

17.02.04 Termination or Death before Retirement

- 17.02.04.01** In the event a Pilot terminates service before qualifying for retirement and before being at least age 50 with the right to an immediate pension under the Registered Plan, A17.02.02 shall not apply and the pension shall therefore be calculated as specified in the Registered Plan in respect of such Pilot. For greater clarity, no benefits shall be payable to such Pilot from the Supplemental Plan and no Ancillary Benefits referred to in A17.02.09 shall be provided.
- 17.02.04.02** In the event a Pilot terminates service before qualifying for retirement under the Registered Plan, A17.02.03 shall not apply and the pension shall therefore be calculated as specified in the Registered Plan in respect of such Pilot. For greater clarity, no benefits shall be payable to such Pilot from the Supplemental Plan and no Ancillary Benefits referred to in A17.02.09 shall be provided.
- 17.02.04.03** In the event a Pilot dies before pension commences, before having completed 15 years of qualifying service and before being at least age 50 with the right to an immediate pension under the Registered Plan, A17.02.02 shall not apply and the pension shall therefore be calculated as specified in the Registered Plan in respect of such Pilot. For greater clarity, no benefits shall be payable to such Pilot's spouse from the Supplemental Plan and no Ancillary Benefits referred to in A17.02.09 shall be provided.
- 17.02.04.04** In the event a Pilot dies before pension commences and before having completed 15 years of qualifying service, A17.02.03 shall not apply and the pension shall therefore be calculated as specified in the Registered Plan in respect of such Pilot. For greater clarity, no benefits shall be payable to such Pilot's spouse from the Supplemental Plan and no Ancillary Benefits referred to in A17.02.09 shall be provided.

17.02.05 Portion of Pension Payable from Registered Plan

The portion of the pension which cannot be payable from the Registered Plan shall be payable from the Company's general revenues or from the RCA set up as per A17.02.12. The supplemental pension shall be payable in the same form as the pension payable under the Registered Plan.

17.02.06 Pilot contributions

Effective July 1, 2003, Pilots are required to contribute 4.5% of earnings up to YMPE and 6.0% of earnings in excess of YMPE ("Air Canada contribution formula"). A member shall not be required to contribute to the Registered Plan, in any calendar year on and after 2003, an amount which exceeds a maximum annual contribution determined as 1.5 times the MPU in respect of pensionable service after July 1, 2003 applicable for the given calendar year.

For the final year of contribution, the maximum contribution shall be equal to the maximum annual contribution multiplied by the number of months of allowable service recognized during the final year over 12.

17.02.07 Surviving Spouse's Pension

In the event a Pilot dies after July 1, 2003 and before pension commences and after having completed at least 15 years of qualifying service, the benefits payable to the surviving spouse, if any, shall be established based on the provisions of the Registered Plan but using the maximum amount of pension modified as per A17.02.02 and A17.02.03.

17.02.08 Automatic Indexation until January 1, 2006

- 17.02.08.01 Effective on each adjustment date, the total monthly instalment payable under the Plan as of December 1st immediately preceding such adjustment date, to any pensioner and to any surviving spouse shall be increased:
- 17.02.08.01.01 by the applicable adjustment rate in case of a disability pensioner or in the case of a surviving spouse; or
- 17.02.08.01.02 by the applicable adjustment rate if the pension commenced at least one year prior to the applicable adjustment date, provided that the pensioner has attained 60 years of age prior to such adjustment date; or
- 17.02.08.01.03 by 1/12th of the applicable adjustment rate for each month prior to the applicable adjustment date, if it commenced within one year prior to such adjustment date, provided that the pensioner had attained 60 years of age prior to such adjustment date.
- 17.02.08.02 For the purposes of A17.02.08 “adjustment date” means January 1, 2001, January 1, 2002, January 1, 2003, January 1, 2004, January 1, 2005 and January 1, 2006, as applicable.
- 17.02.08.02.01 For the purposes of A17.02.08 “adjustment rate”, applicable as of January 1, 2001, January 1, 2002, January 1, 2003, January 1, 2004, January 1, 2005 and January 1, 2006 means 50% of the first 6% increase in the ratio of the Pension Index as of January 1 of the given calendar year over the Pension Index as of January 1 of the previous calendar year.
- 17.02.08.02.02 The Pension Index as of January 1 of a year is the average for the 12-month period ending October 31 of the previous year, of the Consumer Price Index for each month in that 12-month period.
- 17.02.08.02.03 The Consumer Price Index for a month shall be as published by Statistics Canada.
- 17.02.09 Use of Ancillary Benefits for Funding a Portion of the Supplementary Pension**
- Effective July 1, 2003, Air Canada shall amend the Registered Plan so as to increase the portion of a Pilot’s total pension which is payable from the Registered Plan. The following ancillary benefits are being added for that purpose alone:
- 17.02.09.01 Bridge benefit**
- Such bridge benefit is already provided for by Section 7 of Article VI of the Registered Plan text.
- 17.02.09.02 Indexation**
- Subject to the provisions of A17.02.10, indexation of the Registered Plan pension shall be as follows:
- 17.02.09.02.01 On January 1, 2004, January 1, 2005 and January 1, 2006, the pension in payment under the Registered Plan to a Pilot who has retired before such date or to a survivor, shall be indexed by an indexation rate as defined hereinafter.
- 17.02.09.02.02 The indexation rate applicable on January 1 of a given year shall be equal to the first 3% increase in the ratio of the Pension Index as of January 1 of the given calendar year over the Pension Index as of January 1 of the previous calendar year, where the Pension Index is as defined in A17.02.08.02.02 above.
- The sole purpose of the bridge benefit and the indexation described herein above is to increase the portion of a Pilot’s total pension which is payable from the Registered Plan. In no event shall the ancillary benefits provided result in benefits in excess of those which would otherwise be payable if this A17.02.09 was not applicable. Therefore, an additional pension, if any, payable from the Registered Plan as a result of the above bridge benefit and

indexation will result in a decrease, dollar for dollar, of the amount which would otherwise be payable from the Supplemental Plan.

17.02.10 Condition on Use of Ancillary Benefits for Funding a Portion of the Supplementary Pension

The ancillary benefits indexation provisions as per A17.02.09.02 shall not apply to a date earlier than the date, if any, on which the Company obtains the approval from regulatory authorities to modify the Registered Plan provisions as per A17.02.02.03.

17.02.11 Defined Contribution Ancillary Supplement (DCAS)

17.02.11.01 Effective July 1, 2003, no more contributions shall be paid into DCAS. The accumulated amount in the DCAS as at July 1, 2003 shall cease to be considered as DCAS assets and shall be co-mingled with other assets of the Plan. DCAS shall cease to exist effective July 1, 2003. Members of the Registered Plan shall not have individual right to any amount under DCAS as at that date.

17.02.11.02 Notwithstanding the above, for Pilots who retired before January 1, 2001, the present value as at January 1, 2003 of additional benefits granted as per A17.02.08, shall be at least equal to the individual account this member would have been attributed if the individual allocation provided in LOU 52 of the Air Canada/ACPA Collective Agreement had taken place on July 1, 2000.

17.02.11.03 If, for a Pilot who retired before January 1, 2001, the present value of additional benefits granted as per A17.02.08 is less than his individual allocation, the temporary indexation for this member shall be extended for a period so that such present value be equal to the individual allocation.

17.02.12 Use of Retirement Compensation Arrangement to Secure Pension Benefits

17.02.12.01 Effective from fiscal year 2003, a Pilot's contribution to the Registered Plan will be limited to 1.5 times the MPU in respect of pensionable service after July 1, 2003 applicable for that year. From July 1, 2003, a Pilot's contribution between this amount and an amount equal to 3 times the MPU in respect of pensionable service after July 1, 2003 applicable for that year ("Pilot RCA Contribution") will be deposited into a Retirement Compensation Arrangement fund ("RCA Plan") to be established and administered by Air Canada.

17.02.12.02 From July 1, 2003, Air Canada will contribute to the RCA, for each Pilot, an amount equal to the Pilot RCA Contribution ("Basic Company Contribution").
For Pilots covered by Group Disability Income Plan – Pilots, the Basic Company Contribution shall be calculated in the same manner as for active Pilots based upon the deemed earnings used to determine the Average Annual Compensation for pension calculation purposes.

For Pilots who have accrued or will accrue 35 years of service before Normal Retirement Age, Air Canada shall continue to make the "Basic Company Contribution" to their account in the RCA Plan. These contributions shall continue from when the member accrues 35 years of allowable service until their retirement date.

17.02.12.03 Each Pilot will have an individual account under the RCA which will comprise the Pilots RCA Contributions, the Basic Company Contribution, investment earnings thereon, distributions as set out in A17.02.12.04.05 and A17.02.12.05 and the applicable refundable tax credits.

17.02.12.04 If a Pilot retires from employment with eligibility to benefits payable from the Supplementary Plan, the individual account of this Pilot will be used to pay the supplementary pension that otherwise would have been paid by Air Canada, in the following manner:

17.02.12.04.01 The Pilot will elect the date at which payments from the RCA will start. Payments shall start no later than age 75.

- 17.02.12.04.02 Payments will be made over a period of 10 years: 1/10 of the account in the first year of payment, 1/9 in the second year and so on until the 10th year, provided that in no event shall such payment exceed the supplementary pension.
- 17.02.12.04.03 In the event the RCA is not depleted at the end of the 10th year, any residual amount in the RCA shall be used to pay the supplementary pension until the RCA has been depleted.
- 17.02.12.04.04 Supplementary pensions payable from Air Canada to the Pilot will be reduced by \$1 for each \$1 received from the RCA.
- 17.02.12.04.05 In cases where the pensioner and his survivor die before the Pilot's RCA payments have been depleted, the balance of the account will be distributed proportionally between the other RCA members' accounts. This calculation and distribution will be allocated at the end of each calendar year.
- 17.02.12.05 If a Pilot terminates employment without eligibility for supplementary pension benefits, the Pilot will receive a refund of the contributions made by the Pilot to the RCA with the investment earnings credited thereon. The balance of the Pilot's RCA account will be distributed proportionally among the other RCA members' accounts at the end of the calendar year.
- 17.02.12.06 The RCA will be administered by Air Canada. Investments under the RCA will be administered by a committee comprised of equal numbers of the Association and Air Canada appointees. The parties agree to meet to do all necessary work to establish the operation of the RCA Plan by July 1, 2003. Expenses associated with the set up of the RCA shall be borne by Air Canada. Ongoing administration costs of the RCA Plan will be assumed by the RCA Plan.
- 17.02.12.07 In the event that an actuarial valuation of the Supplemental Plan for RCA members reveals that the assets exceed the solvency liabilities, then, such excess may be used to eliminate both the Air Canada and Pilots contributions for the period corresponding to such excess.
- For this purpose, the assets shall include, in addition to the RCA assets and applicable refundable tax, a portion of the solvency surplus determined on a valuation of the Registered Plan, as at the same valuation date. Such portion shall be determined by the ratio of solvency liabilities in the Registered Plan in respect of the RCA members to the total solvency liabilities in the said plan.
- The present value of the supplementary pensions shall be determined using the same assumptions and methods as those used for the solvency valuation of the Registered Plan on the same date except that an adjustment to the discount rate shall be made for tax purposes.
- 17.02.12.08 In the event that the RCA is wound-up:
- 17.02.12.08.01 a Pilot who does not meet the eligibility criteria for a supplementary pension shall receive a refund of the contributions made by the Pilot to the RCA with the investment earnings credited thereon. The balance of the Pilot's RCA account shall be allocated proportionally among the accounts of those Pilots who do satisfy the eligibility criteria for a supplementary pension.
- 17.02.12.08.02 a Pilot who meets the eligibility criteria for a supplementary pension shall have that supplementary pension provided, to the extent possible,
1. by any additional benefits payable to the Pilot as a result of the termination of the Registered Plan, and
 2. by his individual RCA account.
- 17.02.12.08.03 if the combination of any additional benefits payable as a result of the termination of the Registered Plan and his individual RCA account is more than sufficient to provide for his supplementary pension, the excess in his RCA account over the amount needed to provide the supplementary pension, shall be allocated proportionately to the accounts of those Pilots

whose supplementary pensions are not fully funded by A17.02.12.08.02 above, to the extent necessary to fund their supplementary pensions.

- 17.02.12.08.04 if any assets remain in the RCA, they shall then be used to fund the supplementary pensions of those members who retired prior to July 1, 2003 with an entitlement to a supplementary pension and their survivors, and after taking into any additional benefits payable to the members as a result of the termination of the Registered Plan, until all those members are fully funded.
- 17.02.12.08.05 if, after this process, there remains any assets in the RCA, those assets shall revert to the Company.
- 17.02.12.09 The agreement described under this A17.02.12 is based on the current Income Tax Act and regulations in effect as of the date the Order was issued by the Honourable George W. Adams. In the event that changes to the Income Tax Act and/or its regulations would change the amount of pension that can be paid from a registered pension plan, and/or the members' contributions that can be paid to a registered pension plan, and/or the rules applying to retirement compensation arrangements, the RCA Plan may be amended.

17.02.13 Pension Plan Surplus on Termination

- 17.02.13.01 The Registered Plan shall be amended to provide that, in case of termination of the plan, no part of the assets of the plan shall revert to the benefit of the Company until the Superintendent's consent has been obtained and:
 - 17.02.13.01.01 provision has been made for the payment to Members and Former Members and their Spouses, Beneficiaries or estates of all accrued or payable benefits in respect of membership up to the date of the termination and, for that purpose, such benefits shall be treated as vested without regard to conditions as to age, period of membership in the plan or period of employment; and
 - 17.02.13.01.02 provision has been made for distribution of surplus to Members, Former Members and Spouses, such distribution to be made by applying the surplus, up to the sum of the actuarial present value of benefits under the Supplemental Plan (his or her "excess commuted value"), to each such individual in the same proportion that his or her excess commuted value bears to the sum of all such excess commuted values.
- 17.02.13.02 In the event the Superintendent or other regulatory authority does not approve any payment of benefits or distribution of surplus to members, such payments or distributions shall be made in another form acceptable to the Association.
- 17.02.13.03 The purpose of this provision is to secure the benefits under the Supplemental Plan in the event of a plan wind-up and under no circumstances is it intended to provide for any increase in benefits.

17.02.14 Additional Remedies

- 17.02.14.01 No benefits shall accrue after July 1, 2003 to members who have accumulated 35 or more years of pensionable service in the Registered Plan. This shall exclude years of service bought back by Pilots pursuant to Section 3 of Article IV of the Registered Plan. Pilot contributions shall also cease on that same date.
- 17.02.14.02 For Pilots who reach 35 years of pensionable service (excluding years of service bought back by Pilots pursuant to Section 3 of Article IV of the Registered Plan) after July 1, 2003, benefits shall cease to accrue from the date 35 years of pensionable service is reached. Pilot contributions shall cease on the same date.
- 17.02.14.03 For greater certainty, periods of service already bought back pursuant to Section 3 of Article IV of the Registered Plan shall continue to be subject to the same rules as those applicable before this agreement.
- 17.02.14.04 For service from July 1, 2003, the provisions of the Registered Plan and Supplemental Plan concerning benefits provided, not specifically addressed in

this agreement, shall be substantially similar to those applicable to pre-merger Air Canada Pilots.

17.02.14.05 The form of payment providing for the continuation of 100% of the pension to the surviving spouse shall be offered to retiring members.

17.02.14.06 Ancillary benefits provided under the Pension Arrangement may be harmonized by the Company to facilitate the administration and communication of the Pension Arrangement. Such harmonization shall not decrease the actuarial value of the benefits payable under the Pension Arrangement.

17.02.14.07 Former CAIL Pilots who have pre-2000 military or pre-2000 furloughed service and who have not bought back these periods of service will be given the option to buy back these periods of service. Former CRA Pilots hired by AC/CAIL after April 2, 2000 will be given the option to buy back service pursuant to LOU 41 of the Air Canada/ACPA Collective Agreement.

Pilots wishing to elect to buy back past service under A17.02.14.07 must make their election between January 1, 2003 and April 30, 2003. The buy-back of past service shall be at no cost to Air Canada.

17.02.15 **Applicability of agreement**

This agreement described under this A17.02 is subject to any review or approval that may be required under applicable pension or income tax legislation. The parties shall take any action that may be required to have the modifications contained in this agreement approved by the regulatory authorities.

The parties also agree that the normal selection process for a Board of Arbitration or sole arbitrator under A30 of the Collective Agreement does not apply to the implementation, interpretation and administration of 17.02. The parties recognize that, by virtue of the award of November 20, 2002 issued by the Honourable George W. Adams Q.C., Arbitrator Adams retains jurisdiction to resolve any dispute over the implementation, interpretation and administration of the November 20, 2002 award (as incorporated into A17.02) and shall do so in a summary mediation-arbitration manner as he deems appropriate. The parties further recognize that, pursuant to the mediation-arbitration protocol, the terms of Arbitrator Adams' appointment will continue to apply with respect to his retained jurisdiction.

In the event that Arbitrator Adams is unable to act, the parties agree to mutually select a replacement Arbitrator. Failing agreement between the parties on the selection of the arbitrator, the arbitrator will be appointed by the Minister of Labour.

17.02.16 **Top-Up of Benefits on Grounded Retirement**

A Pilot who exhausts benefits under the GDIP Plan and does not qualify for Disability Retirement, but elects, after ratification of the Collective Agreement, Grounded Retirement under Section 5.4 of the CAIL Pilot Pension Plan shall receive a monthly amount payable from the Company's general revenues equal to the Disability Retirement Pension the Pilot would have received had the Pilot retired with a Disability Retirement Pension less the Grounded Retirement Pension payable.

17.03 **ACPA Multi-Employer Pension Plan (MEPP)**

17.03.01 Subject to the terms set out in MOA #1 dated July 24th, 2017 and its enclosed Agreement to Participate, ("**MOA #1**"), every Air Canada employee who is a member of ACPA and who is hired on or after January 01, 2018 shall join the Canada-Wide Industrial Pension Plan, a Multi-Employer Pension Plan, ("**CWIPP MEPP**"). The Agreement to Participate enclosed with MOA#1 has been amended pursuant to the Supplement to the Agreement to Participate in the Canada-Wide Industrial Pension Plan dated September 2020 ("**Supplement**"). Such Pilot is not eligible to join the Air Canada Pension Plan – Pilots or the Air Canada Defined

Contribution Pension Plan for Pilots. For clarity, a Pilot will continue to not have the opportunity to transfer previous military service to Air Canada.

- 17.03.02 MOA #1, the Agreement to Participate and the Supplement will be attached to and considered part of the Collective Agreement between the parties.
- 17.03.03 Subject to the terms agreed to by ACPA and the Company in a Letter of Commitment agreed to on August 1, 2017 and as amended on February 1, 2021 related to Pension Payback – Disability Leave and Other Eligible Leaves (“**MOA #2**”), Members who are returning from an authorized leave of absence shall have the opportunity to payback their pension contributions. MOA #2 will be attached to and constitute part of the Collective Agreement between the parties.
- 17.03.04 Once the Air Canada Defined Contribution Pension Plan for Pilots is terminated in accordance with the terms of MOA #1, sections 9 to 18 of LOU #77 of the Collective Agreement shall be suspended. However, further to s. 6 (iii) of MOA #1, should eligible ACPA members cease to participate in the ACPA MEPP, sections 9 to 18 of LOU #77 will be effective again.

ARTICLE 18 – MEALS AND ACCOMMODATION EXPENSES

18.01 General

18.01.01 All Pilots, when away from domicile on flight duty, deadheading, training or traveling under orders from the Company, will be allowed reasonable and necessary expenses for single room accommodations, meals, meal allowances and transportation in accordance with the following provisions.

18.02 Meals and Accommodations Standards Committee (MASC)

18.02.01 A Meals and Accommodations Standards Committee (MASC) comprised of Company and ACPA representatives will meet quarterly or otherwise as required for the purpose of reviewing adjustments in meal allowance rates, issues with on-board meals, crew transportation and hotel accommodations.

18.02.02 Where standards involving quality, quantity and/or variety of the meals are deemed to be deficient or deteriorating, or when any significant substantiated deterioration of accommodation or transportation is reported to the Company in writing by MASC, the Company will, within thirty (30) days investigate the situation and take appropriate action, if required.

18.02.03 In the event MASC cannot reach an agreement on the items detailed in A18.02.01 and A18.02.02 above or the suitability of any specific hotel as in A18.07, ACPA shall provide reasons in writing to the Vice-President, Flight Operations. The MEC Chair and the Vice-President, Flight Operations will meet and resolve the matter.

18.03 Meals Allowances and Crew Meals

18.03.01 Air Canada shall implement an electronic means to allow Pilots to view boarded crew meals and reasonably up to date meal allowances, gratuities and other allowances, while operating or while deadheading. For day of flight schedule changes, these allowances will be updated as soon as practicable.

Effective September 30, 2017, meal allowances for Domestic Operations

18.03.02 (Canada and the United States) shall be:

	<i>Effective September 30, 2017</i>	<i>April 1, 2018</i>	<i>April 1, 2019</i>	<i>April 1, 2020</i>
Breakfast (B)	\$15.62	\$15.93	\$16.25	\$16.58
Lunch (L)	\$17.70	\$18.05	\$18.41	\$18.78
Dinner (D)	\$35.06	\$35.76	\$36.48	\$37.21
Snack (S)	\$9.16	\$9.34	\$9.53	\$9.72
Total	\$77.54	\$79.08	\$80.67	\$82.29

	<i>April 1, 2021</i>	<i>April 1, 2022</i>	<i>April 1, 2023</i>	<i>April 1, 2024</i>
Breakfast (B)	\$16.91	\$17.25	\$17.60	\$17.95
Lunch (L)	\$19.16	\$19.54	\$19.93	\$20.33
Dinner (D)	\$37.95	\$38.71	\$39.48	\$40.27
Snack (S)	\$9.91	\$10.11	\$10.31	\$10.52
Total	\$83.93	\$85.61	\$87.32	\$89.07

- 18.03.02.01 The United States meal allowance will be in U.S. funds and indicated on the pairing in Canadian funds at the official rate of exchange in effect at the beginning of the preceding block month.
- 18.03.02.02 Crew meals on Domestic Operations (Canada, USA, Mexico and the Bahamas and excluding Hawaii) will not be boarded and shall be paid as per A18.03.02 for duty periods and layovers during the recognized meal periods.
- 18.03.02.03 For greater clarity; meal allowances paid during the Domestic Operations portion of a pairing shall be as follows:
- 18.03.02.03.01 Breakfast allowances will be paid as per A18.03.07.01.
- 18.03.02.03.02 When determining Lunch and Dinner allowances paid at the start of a pairing, the appropriate meal rate designated as per A18.03.02 will be paid if the first flight is scheduled to depart at, or prior to the end of the meal periods defined in A18.03.06.02.
- Example 1: A Lunch allowance shall be paid if the flight is scheduled to depart at, or prior to 13:30.
- Example 2: A Dinner allowance shall be paid if the flight is scheduled to depart at, or prior to 19:30.
- 18.03.02.03.03 When determining Lunch and Dinner meal allowances paid at the end of a pairing, the appropriate meal rate designated as per A18.03.02 will be paid if the last flight is scheduled to arrive, or arrives during the applicable meal period as follows:
1. A Lunch allowance shall be paid if the flight is scheduled to arrive, or arrives at or after 12:30. (local time at the arrival station) and a Dinner allowance shall be paid if the flight is scheduled to arrive, or arrives at or after 18:30 (local time at the arrival station).
- 18.03.02.03.04 Single day pairings that do not operate during a meal period shall not be eligible for a meal allowance.
- 18.03.02.03.05 The applicable meal allowance rate (CDN, USD or other country) shall normally be paid as follows:
1. A minimum ground time of 1:15 in Canada and 1:30 for transborder, and station stops in the US (excluding Hawaii), Mexico and Bahamas, is required to change the allowance rate.
 2. If a flight is scheduled to depart prior to the start of the Lunch or Dinner meal period, and the previous station stop meets the criteria set out in A18.03.02.03.05 (1) above, the applicable meal allowance rate will be that of the arrival station.
 3. If the flight is scheduled to depart, or departs at or after the start of the Lunch or Dinner meal period, and the next station stop meets the criteria set out in A18.03.02.03.05 (1) above, the applicable meal allowance rate will be that of the departure station.
- 18.03.02.03.06 Exceptions to the above will be made in consultation with MASC.
- 18.03.02.03.07 A snack allowance will be paid whenever a legal layover extends through the hour of 02:00 local time.
- 18.03.02.04 A single Lunch (L) allowance will be paid outside of a recognized meal period for red-eye flight legs that meet all the requirements listed below:

The flight is within the North American Zone;
The flight crosses 1.5 time zones or greater;
The flight leg is greater than 3 hours;

<u>And the criteria from A) or B) below;</u>	
A	B
The flight leg starts after 21:30 and before 02:01 <u>local time</u> ; and	The flight is traveling west to east;
	The flight leg starts after 21:30 and before 02:01 <u>home Base time</u> ; and
The flight leg ends after 02:00 <u>local time</u> at the arrival station	The flight leg ends after 02:00 <u>home Base time</u> ;

- 18.03.02.05 For layovers at all-inclusive resorts, meal allowances shall not apply to the layover period. Gratuities shall apply.
- 18.03.02.06 For pairings that combine domestic and Overseas Operations, the domestic meal allowances will apply until the departure of the overseas flight or after the arrival of the overseas flight.
- 18.03.03 Meal Allowances for Overseas Operations shall be as follows:
- 18.03.03.01 For overseas stations, the meal allowances, the rates of exchange and changes in the cost of food at that location shall be used in the adjustment of these meal allowances. However, the meal allowances will not be less than those specified in A18.03.02.
- 18.03.03.01.01 Meal Allowances at Overseas locations will only be adjusted when there is a 5 percent change on the basis of 6 month running average plus or minus.
- 18.03.03.02 For greater clarity, meal allowances paid during Overseas Operations at a layover point shall be as follows:
- 18.03.03.02.01 When determining the meal allowance paid at the start of a layover, the appropriate meal allowance will be paid if the arrival flight is scheduled to arrive prior to the end of the meal periods (local time at the arrival station) defined in A18.03.06.02.
- 18.03.03.02.02 When determining Lunch and Dinner meal allowances paid at the end of a layover, the appropriate meal allowance will be paid if the departing flight is scheduled to depart, or departs at or after 13:01 for lunch and 19:01 for Dinner.
- 18.03.03.02.03 Breakfast allowances will be paid as per A18.03.08.03.01.
- 18.03.03.02.04 A snack allowance will be paid whenever a legal layover extends through the hour of 02:00 local time.
- 18.03.03.03 Pilots terminating duty at home Base will be paid the lunch allowance for arrivals of 12:30 or later (local time), providing the applicable meal was not already boarded on a previous flight leg.
- 18.03.03.04 Pilots terminating duty at home Base will be paid the dinner allowance for arrivals of 18:30 or later (local time), providing the applicable meal was not already boarded on a previous flight leg.
- 18.03.03.05 For all-inclusive resorts at overseas stations, A18.03.02.06 shall apply.
- 18.03.04 Meal Allowances while Deadheading (Domestic and Overseas)
- 18.03.04.01 A Pilot deadheading, training or traveling on Company business in J Class shall not be paid or normally be eligible to claim the applicable meal allowance(s). If a meal is not available for the Pilot, or the Pilot is not seated in J Class, they shall be eligible to claim the meal(s). The claim must be submitted within 30 days using a Voyage report. In order for the matter to be investigated, the Pilot must provide a reasonable basis to support their claim.
- 18.03.04.02 A Pilot deadheading, training or traveling on Company business on an OAL (Other Airline) and not provided a Business Class meal(s), shall be eligible to

claim the applicable meal allowance(s). The claim must be submitted within 30 days using a Voyage report. In order for the matter to be investigated, the Pilot must provide a reasonable basis to support their claim.

18.03.04.03 Meal allowances shall be paid at the applicable rate of the arrival station and shall apply to the recognized meal periods in local time of the departure station. Deadheading Pilots are not eligible for the lunch or dinner allowance detailed in A18.03.03.03 or A18.03.03.04.

18.03.05 Establishing Meal Allowances at New Stations

18.03.05.01 For stations where an unplanned layover occurs such as during a diversion, and a Meal Allowance rate has not been established at that location, the National Joint Council (NJC) rate shall apply.

18.03.05.02 For new Overseas stations, MASC shall determine the meal allowances based upon the following criteria:

1. Meal Allowances shall be calculated using either hotel menus or menus from restaurants in the vicinity of the layover hotel as determined by MASC.
2. Hotel menu will be used exclusively if either of the following conditions exist:
 - a) The layover is less than 14 hours duration, or
 - b) For either security or health reasons, MASC deems it unsafe or unreasonable to expect crews to have their meals outside the hotel.
3. If hotel menus are used, the Meal Allowance will be recalculated every time crews are moved to a new hotel.
4. If restaurant menus are used, only full-service North American/European style restaurants with high standards of food safety and hygiene will be considered.
5. Meal allowances will be calculated using the following standard meals:
 - a) Breakfast – Egg dish (omelet, bacon and eggs etc.), toast (if not included with eggs), juice, coffee;
 - b) Lunch – Soup, sandwich or burger, dessert, coffee;
 - c) Dinner – Salad, entrée, dessert, coffee;
 - d) Snack – Sandwich or similar, coffee.
6. Buffet prices will not be used to determine Meal Allowance, unless that is the only meal choice available at the hotel.
7. When calculating the price of an item, the average price of all the selections on the sample menu will be used to calculate the appropriate allowance for that meal.
8. If hotel menus are not available prior to a new overseas pairing being published, then MASC will set an interim rate using the Domestic Meal Allowance set out in A18.03.02; Upon the setting of the final rate by MASC, in accordance with these protocols, retroactive adjustments will be made, as may be necessary, from the original date of the new overseas pairing/layover.

18.03.06 Crew Meals – General

18.03.06.01 Unless otherwise agreed to by MASC, crew meals for operating Pilots on Company aircraft will be boarded in accordance with the following provisions.

18.03.06.02 Recognized Meal Periods will be:

Meal	Meal Periods
------	--------------

Breakfast	Up to 08:30
Lunch	12:00 to 13:30
Dinner	17:30 to 19:30
Snack	Paid on Layovers through 02:00 Local Time

- 18.03.06.02.01 Meal Periods are in local time based on the departure station at the start of each duty period.
- 18.03.06.02.02 Upon arrival at a subsequent layover point, Meal Periods will automatically revert to the local time.
- 18.03.06.03 A 1 litre bottle of water will be boarded for each Pilot for each 8 hours on duty or portion thereof.
- 18.03.06.04 The following symbols appear on the pairing sheets to indicate food service boarded for Pilot consumption:
- HB – Hot Breakfast
 - CB – Cold Breakfast
 - HM – Hot Meal (Catering code for Hot Meal that may represent a HB, HL or HD)
 - HL – Hot Lunch
 - HD – Hot Dinner
 - SS – Sandwich Snack
- 18.03.06.05 This Article is meant to cover the majority of situations. Some adjustments to the meals, SS, CBs, boarded and/or allowances may be required on certain routes in order to maintain proper nutrition.
- 18.03.06.06 Pilots requesting a review of a specific meal issue should contact their ACPA MASC representative, who will present the request to MASC for consideration.
- 18.03.07 Crew Meals – Domestic Operations
- 18.03.07.01 A cold breakfast (CB) will be boarded on Domestic flights away from a Pilot's home Base departing up to 08:30 inclusive local time, and a breakfast allowance will be paid. However, CBs will not be boarded and breakfast allowance will not be paid on departures from a Pilot's home Base.
- 18.03.07.02 Sandwich Snacks (SS) will be boarded as follows:
- 18.03.07.02.01 A maximum of one SS per Pilot will be boarded on flights that meet all the following requirements:
- a) The flight is part of a multi-day pairing;
 - b) The flight is part of a Duty Period that is greater than 8 hours;
 - c) The flight and all flights (including deadheads) in the applicable Duty Period are less than 2 hours;
 - d) All ground times in the applicable Duty Period are less than 1h15 Canada/1h30 USA;
 - e) The flight is the first leg of the eligible Duty Period;
 - f) No other SS have been boarded for the corresponding Duty Period; and
 - g) No Cold Breakfast (CB) has been boarded for the applicable Duty Period.
- 18.03.07.03 To ensure adequate and proper nutrition for flight crew members on these operations, Pilots on duty will have priority over passengers to purchase food on flights where buy on board (BOB) is offered, provided the Pilot informs the Service Director upon boarding.
- 18.03.08 Crew Meals – Overseas Flights

- 18.03.08.01 Recognizing all aspects of Flight Safety as its primary objective, Flight Operations will ensure balanced meals are provided to the Pilots at regular intervals. The casserole portion of the meals will be 'J' class casseroles for hot breakfast, lunch and dinner. Whenever possible, meals will be boarded according to the Pilots normal eating periods, thereby satisfying the nutritional needs of the operating crews.
- 18.03.08.02 The type of in-flight meal boarded will depend on the time of day at the departure station and follow the normal breakfast, lunch, dinner sequence or part thereof.
- 18.03.08.03 Flight Operations will attempt to keep meal intervals to a 5 hour maximum and at the appropriate recognized meal periods as follows:
 - 18.03.08.03.01 Cold Breakfast: A cold breakfast (CB) will be boarded on Overseas flights away from a Pilot's home Base departing up to 08:30 inclusive local time, and a breakfast allowance will be paid. However, CBs will not be boarded and breakfast allowance will not be paid on departures from a Pilot's home Base.
 - 18.03.08.03.02 Hot Breakfast: A hot breakfast (HB) will be boarded on all flight legs greater than 1:35 hrs which operate over the breakfast period and on overseas flight legs scheduled to arrive after 08:30 local time at destination.
 - 18.03.08.03.03 Lunch: A Hot Lunch (HL) will be boarded on all flight legs greater than 1:35 hrs which operate over the lunch period (12:00 to 13:30) local time of departure station.
 - 18.03.08.03.04 Dinner: A Hot Dinner (HD) will be boarded on all flight legs greater than 1:35 hrs which operate over the dinner period (17:30 to 19:30) local time of departure station.
 - 18.03.08.03.05 Sandwich snacks (SS) will be boarded in addition to a hot meal on certain overseas flights as identified on the published pairings.

18.04 Allowances While Training

- 18.04.01 Pilots while training at home Base shall not be eligible for Meal Allowances but shall receive the transportation allowance for each day of training.
- 18.04.02 Pilots when away from home Base on training courses shall be allowed reasonable and necessary expenses for rooms and transportation.

18.05 Allowances, Travel and Accommodations for New Hires

- 18.05.01 Pilots in their Pilot Initial Training (PIT) course that live more than 30 km from the training centre, shall be eligible for Company provided hotel accommodations, transportation, meals and/or meal allowances in accordance with the following provisions:
 - 18.05.01.01 Meal Allowances shall be in accordance with A18.03. A meal allowance shall not be paid where the meal is provided by the hotel or the Company.
 - 18.05.01.02 Hotels provided by the Company for new hire Pilots shall be approved by MASC and shall be provided for each day the Pilot is in training. For example, if the Pilot is scheduled for training Monday to Friday, hotel accommodations shall be provided for check in Sunday night to check out on Friday morning.
 - 18.05.01.03 Pilots that live more than 60 km from the training facility may, at their option, in lieu of returning home on days off, be provided hotel accommodation and meal allowances.
 - 18.05.01.04 Transportation to and from the hotel, airport and training facilities shall be provided. In the event that transportation is not provided, a taxi may be used and the expense claimed with supporting receipts.
 - 18.05.01.05 Air travel will be to the Pilots' home within Canada, consistent with the Company Policy for business travel of flight crew in training.

18.05.02 Pilots that live within 30 km of the training center are not eligible for meal allowances or hotel accommodations, but shall be paid the transportation allowance.

18.06 Other Allowance

- 18.06.01 For each round trip to the airport at their home Base for flight duty, periodic training, annual briefing, medical and ground school, a transportation expense of \$5.30 shall be paid.
- 18.06.02 Gratuity Allowance: For flights involving hotel accommodation, a check in and gratuity allowance (G) shall be paid \$5.05 for each night of hotel accommodations.
- 18.06.03 Extended Duty Allowance: For flights involving time away from home Base in excess of 120 hours, an allowance of \$12.50 for each complete 24 hour period thereafter shall apply. For Example, a Pilot away from base for greater than 144 hours would receive \$12.50 and another \$12.50 after more than 168 hours.
- 18.06.04 Passport Allowance: For fees relating to procuring and renewing a passport, including express fees and photos, an annual allowance of \$34.25 will be provided. The allowance shall be paid to each Active Pilot in conjunction with the December block month.
- 18.06.05 Vaccinations: The Company will reimburse, with supporting receipts, fees for all vaccinations required by the Public Health Agency of Canada for each region visited while on Company duty so long as it is confirmed as necessary by Air Canada Occupational Health Services.
- 18.06.06 Visas and Departure Fees: Pilots shall, upon submitting a receipt, be reimbursed for the full cost of any and all visas and departure taxes that are required to perform flight duties when operating or deadheading.
- 18.06.07 Licensing Fees: Any fees assessed by Transport Canada for the purpose of attaining or maintaining Pilot licensing qualification to operate Air Canada aircraft will be paid for by the Company.

18.07 Hotel Accommodations

- 18.07.01 Prior to establishing, changing or renewing hotel accommodations, the Company shall consult with the members of MASC.
- 18.07.02 MASC will develop a list of suitable hotels at both airport and downtown locations for each layover point.
- 18.07.03 The Company commits that, when selecting layover accommodations under this Article it will be guided by the following:
- 18.07.03.01.01 Location:
- (a) ACPA order of preference
 - (b) Length of the off-duty layover (Time)
 - (c) Transportation factors (Time, Quality, Cost)
 - (d) Availability of suitable accommodation at either location
- 18.07.03.01.02 Hotel:
- (a) ACPA order of preference
 - (b) Safety/Security issues
 - (c) Quality
 - (d) Availability
 - (e) Cost comparison

18.08 Parking

- 18.08.01 The Company shall provide parking facilities for a Pilot at their Base while in the performance of their normal duties. Alternatively, the Pilot may elect to park at their

domicile airport and the Company will pay up to the cost of the parking at their Base airport, whichever is less.

18.08.02 Pilots reporting to the airport for a short call under A28.05.04 shall be authorized to park at the airport and shall be reimbursed with supporting receipts.

18.08.03 Prior to establishing, changing or renewing hotel accommodations, the Company shall consult with the members of MASC.

18.09 Moving Expenses

18.09.01 Pilots when transferring from one Base to another at Company request, will be allowed moving expenses for normal personal and household effects.

18.09.02 Pilots, when transferring from one station to another at their own request, or as successful Base bidders, will bear their own expenses.

18.09.03 Pilots, making mutual transfers with the joint approval of the Company and the Association, or otherwise transferring at their own expense, shall be provided space available transportation for themselves and dependent members of their families to the extent permitted by law.

18.09.04 Pilots, temporarily or permanently transferred from one Base to another at Company request, shall be allowed temporary or permanent transfer expenses, as the case may be, in accordance with Company Policy.

18.09.05 Pilots may be allowed additional expenses when special occasions arise, subject to the approval of the Company.

18.09.06 A Pilot, when transferring from one Base to another at Company request, shall be allowed a reasonable period of travelling time, during which they will be allowed expenses in accordance with Company Policy.

18.10 Uniforms

18.10.01 The Company will arrange for the manufacture and supply of Pilot uniforms. The cost of a uniform, including: raincoat/topcoat, tunic, shirts, belt, hat and trousers and uniform accessories to be paid 100% by the Company.

18.10.02 The Company will supply 3 trousers every 3 years at no cost to the Pilot.

18.10.03 The Company will supply 1 tunic every 3 years at no cost to the Pilot.

18.10.04 The Company will supply 1 belt every 3 years at no cost to the Pilot.

18.10.05 The Company will supply 1 raincoat/topcoat every 4 years at no cost to the Pilot.

18.10.06 The Company will supply 2 ties every 2 years at no cost to the Pilot.

18.10.07 The Company will supply 4 shirts per year at no cost to the Pilot and up to an additional 4 shirts per year at 50% cost to the Pilot

18.10.08 Uniform Accessories – The Company will supply or assume the cost of lanyards, buttons, uniform hat, epaulettes and wings as prescribed by the Company.

18.10.09 The Company will supply at no cost to the Pilot 1 suitcase every 4 years, as prescribed by the Company, and to be used while on duty.

18.10.10 Any additional items, as listed above, purchased by the Pilot, at company cost, and will be recovered through payroll deductions at 1% of gross Block Period pay.

18.10.11 Considering the acceptability of uniforms to be an important matter, the Company will hold a full consultation with an ACPA representative prior to making any change in the style, colour or material of the uniform.

18.10.12 As required and upon request, the Company will provide a maternity uniform.

18.10.13 Dry Cleaning Allowance: A uniform maintenance allowance of \$55.00 per month shall be paid to all Active Pilots from the beginning of line assignment.

18.10.14 Shoe Allowance: The Company will provide an allowance of \$120.00 to each Pilot every year for the purchases of shoes on the condition that they conform to uniform standards as prescribed by the Company. The allowance shall be paid to each Active Pilot in conjunction with the November block month.

ARTICLE 19 – VACATION

19.01 General

19.01.01 The vacation year is May 1 to April 30. Vacation periods will be available during the 12 months following the year in which they were accrued. From vacation period June 15th to September 15th not less than 10% of vacation allotments in each Position will be available. From vacation period December 15th to January 15th not less than 5% of vacation allotments in each Position will be available. These allotments will be scheduled evenly over these designated periods subject to operational requirements.

19.02 Entitlement

19.02.01 Annual vacation entitlement is based on years of service with the Company as of April 30 each year as outlined below:

<i>Years of Company Service as of April 30th</i>	<i>Vacation Entitlement</i>
1 year or more, but less than 5 years	14 calendar days
5 years or more, but less than 10 years	21 calendar days
10 years or more, but less than 25 years	28 calendar days
25 years or more	35 calendar days

- 19.02.02 The above entitlement is increased by an additional number of days equivalent to the number of general holiday days under the Canada Labour Code (but not less than 9 additional days) in lieu of general holidays as provided for in the Canada Labour Code. These extra days off will accumulate at the rate of 3 calendar days per 4 full calendar months. The total accumulated days off in the calendar year will be added to the Pilot's vacation for the following year.
- 19.02.03 The vacation entitlements in A19.02.01 and A19.02.02 will apply following a full year of employment. Vacation entitlements for Pilots with less than a full year of service in the 12 months prior to April 30th, is prorated and is detailed in ACAeronet.
- 19.02.04 Vacation will not be cumulative and will be taken during the 12 months following the year in which they were accrued (unless special circumstances warrant otherwise and prior arrangements are made in writing with the Company). In cases where authorization has been granted to defer vacation in accordance with the provisions of A19.06, it will be carried forward and taken in the next vacation year.
- 19.02.05 The Company may offer vacation buy-back opportunities on a Block Period basis throughout a vacation year in accordance with the following parameters:
- 19.02.05.01 Subject to the availability of vacation buy-back, Pilots with a total yearly vacation entitlement of 37 days or more may, at their option, cash clear up to a maximum of 14 days of vacation. Pilots with a total yearly vacation entitlement of 23 days or more may, at their option, cash clear up to a maximum of 7 days vacation.
- 19.02.05.02 Vacation buy-back will be offered by Position. Notification to Pilots will be issued in the month prior to the Block Period in which the vacation period(s) commence(s).
- 19.02.05.03 Pilots interested in vacation buy-back must apply to the Crew Resources Department in writing (e-mail) no later than the 10th day of the month prior to the beginning of the Block Period in which the vacation was scheduled. Requests will be considered in seniority order. Outstanding unbid vacation will be considered subsequent to planned periods within the Block Period. Pilots will be advised of the status of their request a minimum of 3 days prior to the closing of the Block bid.

19.02.05.04 Vacation buy-back will not be offered in any Block Period during which any Pilot is on furlough or there is a surplus of Pilots on the current Pilot Position Assignment List.

19.03 Bidding

19.03.01 General:

- 19.03.01.01 Vacation scheduling, bidding and awarding of vacation periods will normally be processed in February or March. Vacation periods will be awarded in order of seniority in accordance with the Pilot's awarded Position.
- 19.03.01.01.01 A Pilot may bid a maximum of 14 days vacation on their primary bid for the period from June 15 to September 15.
- 19.03.01.02 ACPA "monitors" will observe the process and if any irregularities are discovered or reported, a review and resolution of irregularities will be undertaken by ACPA and Air Canada personnel.
- 19.03.01.03 Vacation for CPs, PPs and FIs will be handled as per A11.
- 19.03.01.04 A Pilot may not bid a vacation period during a known equipment conversion course.
- 19.03.01.05 Pilots will be entitled to unlimited vacation splits.
- 19.03.01.06 All vacation bids will be in 7 day periods. A Pilot may not leave less than 7 days of vacation unbid at any time during the vacation bid process. A Pilot with less than 7 days vacation entitlement will bid all vacation during the primary bid. For example, if a Pilot has less than 14 days of vacation remaining after the Primary bid, the Pilot must bid the remainder as a single period either during the Secondary or the Tertiary bid.
- 19.03.01.07 A Pilot must bid a minimum of 14 days in either a Primary bid or combined Primary/Secondary bid. By the completion of bidding the Primary, Secondary, and Tertiary vacation, a Pilot may not leave more than 28 days of vacation outstanding.
- 19.03.01.08 Except for Pilots retiring immediately following vacation, Pilots who are unable to take planned vacation due to illness will have such vacation considered as unbid vacation. Pilots who will retire immediately following their scheduled vacation will take their vacation as planned.
- 19.03.01.09 Once the annual vacation bid closes, unused vacation periods will no longer exist.
- 19.03.01.10 Pilots with unbid vacation may be assigned vacation at the Company's discretion in reverse seniority order from a Pilot's QPOS. The assigned periods will be 7 days or the balance of their entitlement, if less than 14 days are outstanding. Vacation can be assigned to a Pilot in consecutive Block Periods and in a Block Period where the Pilot already has vacation.
- 19.03.01.11 A Pilot may not be assigned to fly into their scheduled vacation period.
- 19.03.01.12 A Pilot will not be assigned to a vacation period with less than 30 days advance notice. Such notice will specify the beginning and ending dates of their vacation period. Vacation periods will commence and terminate at midnight. Vacation assignments once established may be re-scheduled outside the vacation year only by mutual agreement of the Pilot, the Company and ACPA. ACPA will be advised of all vacation deferrals within the vacation year.
- 19.03.01.13 A Pilot who changes their Position will tentatively be scheduled to take their vacation on the dates they bid.
- 19.03.01.14 Notwithstanding the provisions of A19.03.01.12, within 30 days of the scheduled commencement of a Pilot's vacation period, alteration of such vacation period may be made only under extenuating circumstances, such as an urgent personal matter, and at Pilot option subject to Company concurrence.

19.03.02 Primary Bid:

19.03.02.01 Primary vacation will be awarded in seniority order based on each Pilot's APOS. A Pilot may bid all or part of their vacation allotment during the primary vacation bid, but must bid a minimum of 7 days. A Pilot who does not leave a vacation proxy bid, or cannot be contacted by the vacation bid monitors will forfeit the right to a Primary vacation slot. An awarded Primary vacation period can be changed only with the mutual agreement of the Company, the Pilot and ACPA, or if the Pilot is awarded a new APOS with a SPB bid line that indicates their willingness to move the vacation [VM] in order to accommodate the required training course. In the event the vacation is changed due to [VM], the changed vacation will be treated in accordance with A19.09.

19.03.03 Secondary Bid:

19.03.03.01 Secondary vacation will be bid immediately following the completion of the Primary bid. Secondary vacation will be awarded in seniority order based on the Position each Pilot holds on the current equipment list (APOS). A Pilot may bid any or all of their remaining vacation allotment during this bid but may not leave less than 7 days. A Pilot that does not leave a vacation proxy bid, or cannot be contacted by the vacation bid monitors will forfeit the right to a Secondary vacation slot. By mutual agreement between the Pilot and the Company, a Secondary vacation period may be changed including vacation moved to accommodate a training course [VM]. In the event the vacation is changed due to [VM], the changed vacation will be treated in accordance with A19.09.

19.03.04 Tertiary Bid:

19.03.04.01 Tertiary vacation bid will immediately follow completion of the Secondary bid. Tertiary vacation will be awarded in seniority order based on the Position each Pilot holds on the current equipment list (APOS). By mutual agreement between the Pilot and the Company, a Tertiary vacation period may be changed including vacation moved to accommodate a training course [VM]. In the event the vacation is changed due to [VM], the changed vacation will be treated in accordance with A19.09.

19.03.05 Additional Vacation:

19.03.05.01 During the vacation year, the Company may identify additional available vacation periods in a specific Position. These periods will be posted 45 to 60 days prior to the availability date. Any Pilot may bid in seniority order according to their QPOS. Any vacation that becomes available as a result of a deferral for training will be posted for bid. A Pilot will not be forced to take vacation with less than 30 days notice.

19.03.05.01.01 Additional vacation slots will be awarded in the following order:

1. Pilots with unbid vacation entitlement; then
2. Pilots who want to move a previously bid vacation (except Primary); then
3. Pilots who wish to defer vacation (except Primary) from a preceding Block Period, should the Company identify a need for deferments.

19.03.05.01.02 The Company will post additional vacation periods for bid should they become available and award them in order of seniority.

19.04 Optional 24 or 48

19.04.01 A Blockholder will have the option of adding an Optional 24 or 48 to each of their vacation periods. This Optional 24 or 48 will be placed immediately preceding or following the assigned vacation period. A Pilot's bank will not be debited in association with the use of an Optional 24 or 48.

19.04.02 A PoR will have the option of adding an Optional 24 or 48 to each of their vacation periods. This Optional 24 or 48 will be placed immediately preceding or following the assigned vacation period. This option will be treated as a leave of absence

without pay and the MBG will be prorated accordingly. The PoR will have the option of moving any available days-off, from their Reserve Block in lieu of the leave of absence without pay.

19.04.03 Pilots must exercise their option when submitting their PBS bid.

19.05 Pilots Returning from GDIP

19.05.01 A Pilot returning from GDIP will be required to take outstanding vacation immediately unless otherwise mutually agreed to by the Pilot and the Company.

19.06 Deferment

19.06.01 In the event a vacation period or, part thereof, is deferred, because of training or sickness, the vacation period may be deferred to specific dates preferably within the current vacation year. ACPA will be advised of all deferments. Payment in lieu of vacation will not be made without mutual agreement of the Company and ACPA.

19.06.02 Vacation assignments, once established may be rescheduled outside of the vacation year only by mutual agreement of the Pilot, the Company and ACPA.

19.06.03 Once mutual agreement has been obtained:

19.06.03.01 the deferred vacation will be added as a separate item to the Pilot's vacation entitlement for the next year;

19.06.03.02 at vacation bid time, the Pilot may include their "deferred" allotment with their subsequent vacation bids;

19.06.03.03 a Pilot may retain their deferred vacation until all Pilots have completed their vacation bids, and, in seniority order, bid for the remaining periods available.

19.06.04 Sufficient vacation periods must be made available at vacation bid time to cover all outstanding vacation requirements, including any deferred allotment.

19.07 Vacation Pay and Credits

19.07.01 Pay and Flight Time limitations are calculated from and to midnight. Blockholders and Pilots on Reserve will be credited as follows:

19.07.01.01 During a vacation period, Pilots will be paid and Flight Time limited 2h55 at DN for each calendar day.

19.08 Pilots Retiring or Approaching the ICAO Limit (A20.18)

19.08.01 Pilots retiring in the next vacation year must bid at least a prorated vacation entitlement based on the number of calendar months remaining in the year from May 1st to their retirement date.

Example: A Pilot retiring at the end of November with 44 days of vacation entitlement must bid at least:

$$7/12 \times 44 \text{ days} = 25.66 = 26 \text{ days}$$

19.08.02 A Pilot reaching the ICAO Limit during the period covered by the annual vacation bid will be allowed to fill the Block Month in which their birthday falls with vacation between their birthday and the end of the month regardless of their seniority. A Pilot retiring the first day of the month after reaching the ICAO Limit will be deemed to be on an Article 8 (LOA) from their birthday (inclusive), the end of any vacation, or from their last duty period, whichever occurs later, until their retirement date.

19.09 SPB Vacation Move for Training

19.09.01 Pilots who select vacation move for training (VM) on their SPB and are subsequently required to move their vacation for a course, may move it to a time mutually agreeable to both the Company and the Pilot. If no mutually agreeable date is found, the vacation will be treated as unbid vacation as per A19.03.05.

ARTICLE 20 – PILOT POSITION ASSIGNMENT

20.01 Status and Groups

<i>Captain Status</i>			<i>First Officer Status</i>			<i>Relief Pilot Status</i>		
<i>Group</i>	<i>Equip-Status</i>	<i>Rating</i>	<i>Group</i>	<i>Equip-Status</i>	<i>Rating</i>	<i>Group</i>	<i>Equip-Status</i>	<i>Rating</i>
WC	B-777 C	1	WF	B-777 FO	12	RP	B-777 RP	23
	B-787 C	2		B-787 FO	13		B-787 RP	24
	A-330 C	3		A-330 FO	14		A-330 RP	25
	B-767 C	4		B-767 FO	15		B-767 RP	26
F-767 C	5	F-767 FO		16				
A-320 C	6	A-320 FO	17					
B-737 C	7	B-737 FO	18					
ACrouge	8	ACrouge	19					
B-767 C		B-767 FO						
ACrouge	9	ACrouge	20					
A-319 C		A-319 FO						
A220-300	10	A220-300	21					
C		FO						
EMJ C	11	EMJ FO	22					

20.01.01 Upon introduction of a new aircraft type, the CMSC will amend this table.

20.01.02 The Captain's position on any new WJA type at rouge will be in the WC Group. The First Officer's position on a new widebody aircraft type at ACrouge will be in the WF Group.

20.02 Active Pilot

Every Pilot will be deemed an Active Pilot and will hold an APOS with the exception of inactive Pilots who are:

MPs	Retired
Designated ACPA Representatives (DAR) (A10.09)	Resigned
Long Term LOA (greater than 12 months)	Dismissed (A7)
GDIP (unlikely to return within 12 months)	Terminated (A21)
Surplus	Deceased
Furlough	Ineligible to fly due to the ICAO limit (ITF)
or as determined by CMSC.	

20.03 Crew Manning Steering Committee Review

20.03.01 The Crew Manning Steering Committee (CMSC) will consist of at least 2 representatives from the Company and up to 4 from ACPA. Company-paid releases for up to 4 ACPA representatives per joint meeting will be provided in accordance with A10.09.04.

20.03.02 A CMSC Review may take place up to 6 times per year as determined by the CMSC, and consists of:

20.03.02.01 a meeting of the CMSC where the past 12 months actual flying compared to the forecast flying will be reviewed, as well as future forecast flying; the establishment of Pilot requirements and vacancy and/or reduction requirements

- for each Position; the production and posting of a Crew Requirements Bulletin (CRB);
- 20.03.02.02 a period of at least 7 days after the posting of the CRB for the Pilots to be able to adjust their SPBs;
- 20.03.02.03 a Bid Award;
- 20.03.02.04 a second meeting of the CMSC where the results of the Bid Award and the resultant Pilot Position Assignment List (PPAL) which includes the Pilot's seniority number, activation date and relative position (%) is approved;
- 20.03.02.05 the posting of the PPAL (up to 7 days after the Closing Time);
- 20.03.02.06 the posting (in advance of the next bid or a maximum of 60 days after the Closing Time, whichever is less) of training dates of any Pilot whose QPOS is different from their APOS.
- 20.03.03 CMSC Reviews will take place in February, April, June, August, October and December. Specific dates for the CMSC Reviews will be established one year in advance by the CMSC.
- 20.03.04 During a CMSC Review, the CMSC has the authority to interpret and apply the provisions of A20 and related provisions of the Collective Agreement as they affect Pilots. In doing so, the CMSC will be guided by the intention and principles reflected in the relevant provisions of the Collective Agreement.
- 20.03.05 A CRB may be delayed or cancelled by the CMSC prior to the Closing Time.
- 20.03.06 The number of Pilots required in each Equipment-Status will be determined by the following formula:
- 20.03.06.01 Forecast monthly flying hours plus flight time credits for each equipment type and Status divided by 81 hours; PLUS
- 20.03.06.02 a minimum of 7% for reserve coverage; PLUS
- 20.03.06.03 vacation people-month requirements; PLUS
- 20.03.06.04 a factor to account for CPs, FIs, PPs and NRFOP's.
- 20.03.06.05 The number of Pilots required in each Equipment-Status shall not be reduced as a result of removing the AO maximum.
- 20.03.06.06 The Company will provide ACPA with all the necessary data for ACPA to confirm that the Company is in compliance with A20.03.06.05.
- 20.03.07 The CMSC may deem a certain number of RP Positions to be seasonal. These Positions will be created for peak seasonal flying and reduced or eliminated after the peak. These Positions will only be awarded to new hire Pilots. A Pilot force reduced from these Positions will not be given a RIR. A Pilot force reduced from this Position to another RP Position will not have the course right spent to be trained to the Position restored. A Pilot force reduced to another Group from this Position will spend the appropriate course right when trained and will have the RP course right restored.

20.04 Standing Preferential Bid (SPB)

- 20.04.01 A Pilot will be responsible for submitting a SPB which reflects their Position preferences.
- 20.04.02 A Pilot who does not submit a SPB or who submits an insufficient number of choices will be considered as requesting to remain in their APOS.
- 20.04.03 A Pilot may qualify any or all bid preference lines as follows:
- 20.04.03.01 [P] percentile or [B] Positions from the bottom; or
- 20.04.03.02 [PMO] Company paid move only; or
- 20.04.03.03 [NoCr+RO] a Pilot will accept the Position only if it does not require a course right; or

- 20.04.03.04 [VM] vacation move for training. This means that the Company has the right to move a Pilot's vacation as per A19.09 when it is necessary to schedule the Pilot for a training course. This will only apply where the training course falls within the period beginning at the Closing Time of the CMSC Review in which the new APOS is awarded and ending 60 days after the Pilot's AD (as determined by A20.09.02.04).
- 20.04.03.05 [RO Pay] keeping mainline pay at a ACrouge position as per A20.08.08 and A20.08.09.
- 20.04.04 Bid preference lines must be complete with regard to Base, Equipment, and Status.

20.05 Course Rights

20.05.01 Bidding

- 20.05.01.01 In order to bid to a Position, a Pilot must: have either a restricted or unrestricted course right that can be spent towards training to that Position; or be bidding to a Position that does not require the use of any course rights.
- 20.05.01.02 With the exception of the restrictions in A21.02, A21.03, A21.04, A20.09.11, and A20.17, where a Pilot has a course right that can be spent to train to a Position, a Pilot may bid and be trained to that Position.
- 20.05.01.03 The Company may release a Pilot from the restrictions in A21.02, A21.03, A21.04, A20.09.11, and A20.17 based on consistent economic principles with due regard to seniority, to a preferred higher paying Position as indicated on the Pilot's SPB.
- 20.05.01.04 A Pilot who is restricted as to equipment and/or status by specific individual agreement between the Pilot and the Company will be allowed to change equipment and/or status only with Company approval.

20.05.02 Restricted Course Rights

- 20.05.02.01 Each New Hire Pilot shall be granted one restricted course right for each Group (WC, NC, WF, NF, RP).
- 20.05.02.02 A restricted course right can only be spent for training to a Position within the Group associated with the restricted course right. Where a Pilot has a restricted course right to a specific Group, it shall be the course right spent to train to the Position.
- 20.05.02.03 A New Hire Pilot trained to their first Position with the Company will be deemed to have spent the restricted course right for that Group.

20.05.03 Unrestricted Course Rights

- 20.05.03.01 Each New Hire Pilot shall be granted one unrestricted course right.
- 20.05.03.02 For years of service accumulated after Jan 1st, 2012, each Pilot will be granted one additional unrestricted course right after 15 years of service and another after 25 years of service.
- 20.05.03.03 Unrestricted course rights can be spent towards training to any Position.

20.05.04 Amount of Course Rights Spent

- 20.05.04.01 A full course right is spent when the TC-approved training footprint for the equipment course exceeds 75% of a full course.
- 20.05.04.02 Where the projected training footprint is 75% of a full course or less, but more than 25% of a full course only half of a course right is spent. When a Pilot uses ½ of a restricted course right, the remaining ½ will be converted to ½ of an unrestricted course right.
- 20.05.04.03 Where the projected training footprint is less than 25% of a full course (e.g. a differences course) no course right is spent.

20.05.05 Spending Course Rights

- 20.05.05.01 A full or ½ course right is deemed to have been spent on the completion of the required training and the subsequent line check or command final.
- 20.05.05.02 When a Pilot has been awarded a new APOS, the course right that they will spend upon completion of the training is only available to allow them to bid, be awarded and train to a different APOS up to the start of the training course, except for A20.05.07.01.05.
- 20.05.05.03 Course rights are based on a Pilot's QPOS. That is, in determining what course rights a Pilot has spent and/or had restored, the CMSC will be guided by the Pilot's QPOS before a move and the position that the Pilot is ultimately trained to and not by any positions that a Pilot might have been awarded in the interim. The exception to this is that Pilots that take a junior Pilot's reduction to a position that they are not trained to and then move to a position that is higher rated than their original position will be charged a course right. This is illustrated in the examples below.

Example #1:

A 767 FO (QPOS) who was force reduced to a 777 RP Position (APOS) would receive a RIR to the 767 FO Position and would have the course right used to get to the 767 FO Position restored to them but only after being trained to the 777 RP Position (i.e. only after the 777 RP became their QPOS).

Example #1a)

If the same Pilot moved to the L767 FO Position after they were forced reduced to the 777 RP position but before they were trained, they would get a RIR to the 767 FO position and, after being trained to the L767 FO position, they would have the course right used to get to the 767 FO position restored to them. They would not be charged a course right for training to the L767 FO position. In addition, they would maintain their mainline 767 FO pay rates in accordance with A20.08.08.

Example #1b)

If the same Pilot in example #1 moved to the 787 FO position after they were force reduced to the 777 RP position but before they were trained, they would receive a RIR to the 767 FO position and, after they were trained to the 787 FO position, they would receive a CR specific to the 767 FO position. They would not be charged a CR for training to the 787 FO position.

Example #2:

A 767 FO (QPOS) who took a junior Pilot's reduction to a 777 RP position (APOS) would have the course right used to get to the 767 FO position restored to them but only after being trained to the 777 RP position (i.e. only after the 777 RP became their QPOS). They would not be charged a course right for training to the 777 RP position.

Example #2a)

If the same Pilot moved to the L767 FO position after they took a junior Pilot's reduction to the 777 RP position but before they were trained, they would have the course right used to get to the 767 FO

position restored to them when they were trained to the L767 FO position. They would not be charged a course right for training to the L767 FO position. In addition, they would not maintain their mainline 767 FO pay rates.

Example #2b)

If the same Pilot in example #2 above moved to the 787 FO position after they took a junior Pilot's reduction to the 777 RP position but before they were trained, they would be charged a course right.

- 20.05.05.04 A senior Pilot who takes a junior Pilot's reduction to move to a higher rated vacant Position will be charged a course right if applicable, except for A20.05.07.01.04.
- 20.05.06 Restoring Course Rights
- 20.05.06.01 A course right spent to be trained to a Position will be restored when a Pilot:
- 20.05.06.01.01 has been either force reduced or takes a junior Pilot's reduction; and
- 20.05.06.01.02 is trained to a lower rated Position.
1. Pilots who are in a position that they obtained without a course right and who are either force reduced or take a junior Pilot's reduction and are trained to a lower rated position will be provided with the restricted course right to the group associated with the position they moved from, provided that they do not already have the applicable course right.
 2. Pilots who already have the applicable course right, will receive a course right specific to the position they moved from if they are entitled to a reinstatement right to this position. This position-specific course right will be spent when the associated reinstatement right is exercised and will expire when the associated reinstatement right expires.
- 20.05.06.02 When a Pilot exercises a RIR to return to a higher rated Position, the Pilot will spend the course right that was restored to them due to the reduction regardless of whether or not the course is one that would otherwise require the Pilot to spend a course right.
- 20.05.06.03 A Pilot who is force reduced from a Position for which they spent a course right and moves to a higher rated Position on their Base will receive a course right specific to the Position from which they were force reduced. This course right will expire if the RIR from the associated force reduction is forfeited.
- 20.05.06.04 A Pilot who is force reduced to the extent that they can no longer maintain a Position on their current Base and moves to a higher rated Position at another Base will receive a course right specific to the Position from which they were force reduced. This course right will expire if the RIR from the associated force reduction is forfeited.
- 20.05.07 Training That Does Not Spend a Course Right
- 20.05.07.01 A Pilot does not spend any course rights when that Pilot:
- 20.05.07.01.01 Is force reduced; or
- 20.05.07.01.02 A senior Pilot holding the same APOS as a force reduced Pilot moves to a lower Position with or without a vacancy; or
- 20.05.07.01.03 A senior Pilot holding the same APOS as a force reduced Pilot moves to a higher Position without a vacancy; or
- 20.05.07.01.04 At the time of a force reduced Pilot's award, a senior Pilot holding the same APOS moves to a higher rated Position where a vacancy exists in order to prevent a force reduction; or
- 20.05.07.01.05 Where the course is not completed after a training failure has occurred as described in A21; or

- 20.05.07.01.06 Uses a RIR to a lower rated Position in order to return to the Base from which the Pilot acquired the RIR; or
- 20.05.07.01.07 Loses their competency or as determined by CMSC.
- 20.05.08 Course Rights After Furlough
- 20.05.08.01 A Pilot that is furloughed, upon return to active employment, will have their course rights restored as if newly hired.

20.06 Reinstatement Rights (RIR)

- 20.06.01 RIRs are Position specific and entitle a Pilot to be preferentially awarded the Position, without regard to normal seniority provisions and/or any freeze.
- 20.06.02 When more than one Pilot holds RIRs to a specific Position, those RIRs will be actioned in seniority order subject to the Pilots' SPBs.
- 20.06.03 When a Pilot is force reduced from their APOS they will be assigned a RIR to that Position. Any Pilot who elects to change Base without being forced will not be entitled to RIRs at the Base they elect to move from.
- 20.06.04 A RIR to their previous APOS will be assigned to the senior Pilot who is awarded a junior Pilot's reduction in accordance with A20.08.08 and A20.08.09.
- 20.06.05 A Pilot who is force reduced out of their Group and remains on Base will acquire any RIRs, held by Pilots junior to them, to any Position within the Pilot's former Group. Should the Pilot reinstate to their original Position, all acquired RIRs will expire.
- 20.06.06 A Pilot who has been reduced to the extent that they can no longer maintain a Position in their Base will also acquire any RIRs held by Pilots junior to them at the Base they were force reduced from, to any Position in that same Base. RIRs so acquired shall include an associated course right that is specific to those RIRs. Once awarded and trained to a new Position using one of these course rights, the Pilot's other such RIRs and associated course rights to Positions in that Group or lower Groups will expire.
- 20.06.07 A Pilot who is forced to change Base shall inherit any RIRs, held by Pilots junior to them at their new Base, to a Position that they cannot hold at their new Base.
- 20.06.08 A Pilot will forfeit a RIR whenever they forego an opportunity to exercise that RIR.
- 20.06.09 A Pilot will forfeit all their RIRs if furloughed.

20.07 Vacancies and Reductions

- 20.07.01 A vacancy exists whenever there is an insufficient number of Pilots assigned to a Position.
- 20.07.02 A reduction exists whenever there is an excess number of Pilots assigned to a Position.
- 20.07.03 A subsequent vacancy, reduction or RIR created as a result of a change in a Pilot's APOS during a Bid Award will be actioned automatically during the Bid Award process.
- 20.07.04 Retirements and Surplus Pilot vacancies may be posted up to 1 year in advance on a CRB.

20.08 Awarding Vacancies and Reductions

- 20.08.01 A Pilot's SPB will be honoured in seniority order with vacancies and reductions being awarded as available at the time of their award, except in A20.05.07.01.04.
- 20.08.02 Only Pilots holding an APOS or RIR in the Base in which a vacancy occurs shall be eligible for award of the vacancy if the number of Pilots required for the Base is less than or equal to the existing number for that Base.

- 20.08.03 Only Pilots holding an APOS or RIR in the Base-Group in which a vacancy occurs shall be eligible for award of the vacancy if the number of Pilots required for the Base-Group is less than or equal to the existing number for that Base-Group.
- 20.08.03.01 If a Base and/or Base-Group is closed, Pilots with a RIR to a position in the Base-Group and/or Base shall only be eligible for the award of a vacancy in another position (meaning a position other than the position they have the RIR to) in the Base-Group in accordance with A20.08.02 and A20.08.03 if they were forced out of the Base and/or Base-Group and have not foregone an opportunity to return to the Base and/or Base-Group.
- 20.08.03.02 Pilots with a RIR to a position in a Base-Group are eligible to exercise their RIR regardless of whether or not the Base-Group and/or Base is closed.
- 20.08.03.03 If a Pilot foregoes an opportunity to return to the Base-Group as referenced in A20.08.03.01, the Pilot is not included in the calculation to determine whether the Base-Group is open or closed, as outlined in A20.08.03.
- 20.08.04 A Pilot changing Positions on a reduction can assume any Position on their Base that their seniority allows them to hold, subject to A20.08.05.02. A change of Position on a reduction takes precedence over a RIR of a junior Pilot.
- 20.08.05 A reduction may only be awarded to:
- 20.08.05.01 A Pilot as described in A20.08.06 or A20.08.07; or
- 20.08.05.02 A Pilot who is currently holding the same APOS as a Pilot junior to them who would be force reduced. The senior Pilot will use the seniority number of the most senior of the Pilots who would be force reduced to determine the Position they can hold.
- 20.08.06 A "Triple Reduction" may be awarded to a Pilot if the following conditions are met:
- 20.08.06.01 more Pilots in the Pilot's APOS than required; and
- 20.08.06.02 more Pilots in the Pilot's awarded Base-Group than required; and
- 20.08.06.03 more Pilots in the Pilot's awarded Base than required; and
- 20.08.06.04 the Pilot is moving to an equal or lower rated Group on a Base which has fewer awarded Pilots than jobs available.
- 20.08.07 A force reduction is assigned to a Pilot whenever the Pilot can no longer hold their APOS. Force reduction will be in accordance with the Pilot's SPB.
- 20.08.08 A Pilot who is force reduced will be paid the greater of the Hourly Base Pay and Flying Pay for the ACrouge Position, or the Position they were force reduced from (a "Protected Hourly Rate"), if they bid in the following order and is awarded one of the following Positions on their Base:
- from B-767 Cs: ACrouge B-767 C, ACrouge A-319 C, ACrouge B-767 F, ACrouge A-319 F;
 - from A-320 Cs: ACrouge A-319 C, ACrouge B-767 C, ACrouge A-319 F, ACrouge B-767 F;
 - from EMJ Cs: ACrouge B-767 C, ACrouge A-319 C, ACrouge B-767 F, ACrouge A-319 F;
 - from B-767 Fs: ACrouge B-767 C, ACrouge B-767 F; ACrouge A-319 C, ACrouge A-319 F;
 - from A-320 Fs: ACrouge A-319 C, ACrouge A-319 F, ACrouge B-767C, ACrouge B-767 F;
 - from EMJ Fs and non B-767 RPs: ACrouge B-767 C, ACrouge A-319 C, ACrouge B-767 F, ACrouge A-319 F;
 - from B-767 RPs: ACrouge B-767 C, ACrouge B-767 F; ACrouge A-319 C, ACrouge A-319 F; or

- from any other mainline position: the same ACrouge Equipment-Status.

This Protected Hourly Rate will apply until the Pilot forfeits their RIR, or they forego an opportunity to bid a Position on their Base or another Base (their option), that is higher paying than the Position that they were force reduced from, whichever occurs first. Should the Pilot at this first opportunity be awarded the higher paying Position, the Protected Hourly Rate will continue until their AD. In addition to the Protected Hourly Rate, Pilots who have their pay protected under this article will receive 1 hour of OVS and Nav pay for the EMJ, 3 hours of OVS and Nav pay for the A-320 and 71 hours of OVS pay for the B-767 per month.

- 20.08.08.01 In the CMSC process a Pilot's bid lines will be evaluated based on the Pilot's APOS at the beginning of the bid.
- 20.08.08.02 A Pilot does not have to bid all of the positions in the list associated with the position they are bidding from. A Pilot only has to bid a position on the list if it is one that they would have been able to be awarded on the applicable CMSC review. In other words, to maintain their Protect Hourly Rate a Pilot must not forego the opportunity to be awarded any of the positions listed after the position they are bidding from.
- 20.08.08.03 Failing to bid in the specified order will not have the effect of invalidating all of a Pilot's A20.08.08 or A20.08.09 bid lines. If one of a Pilot's bid line is invalid because the Pilot failed to bid in the specified order, the system will ignore the bid line and continue to evaluate the subsequent lines.
- 20.08.08.04 A Pilot who is force reduced from the Captain status awarded positions prior to qualifying as a Captain will have the following protection:
- 20.08.08.04.01 Will be paid according to their QPOS.
- 20.08.08.04.02 In accordance with A20.09.06, upon successful qualification as a Captain, will be paid retroactively the difference between the rates of pay they received and the Captain APOS rate for each hour flown for the period from 60 days after their AD to the Position they were force reduced to until the successful qualification as a Captain.
- Example 1: A 767 FO is awarded EMJ Captain, on a subsequent bid they are force reduced prior to training and now holds L319 Captain. They will be paid EMJ Captain rates as per A20.09.*
- 20.08.08.04.03 Should the Pilot forfeit their RIR, or forego an opportunity to bid a higher paying position on base or another Base (their option), their eligibility for the retroactivity outlined in A20.08.08.04.02 will cease. If this occurs, the retroactive payment upon reaching Captain Status will only be payable for the period between 60 days after their AD to the Position they were force reduced to and the date they lost their eligibility for retroactivity.
- 20.08.08.04.04 In accordance with A20.09.07, should a Pilot fail at any stage of Captain Upgrade Training, the effective date of the pay benefits outlined in A20.08.08.04.02 will be delayed by the amount of time that the Pilot exceeds the normal training footprint.
- 20.08.09 At the time of a force reduced Pilot's award, A20.08.08 will also apply to a senior Pilot holding the same APOS as the force reduced Pilot who is awarded the junior Pilot's reduction.
- 20.08.10 Upon introduction of a new aircraft type at ACrouge, the CMSC will amend A20.01 and A20.08.08 as necessary to include Positions for those new aircraft types.
- 20.08.11 A Pilot force reduced from their APOS to a Position in a lower rated Group, who has sufficient seniority to hold a Position at another Base which would enable them to maintain or improve their Group, may elect to move to that Base.

- 20.08.12 If a Pilot is force reduced off their Base, they shall have the option of moving to any Position that they have sufficient seniority to hold in the system. If the Pilot elects to move to a Base that has more Positions than Pilots, the move shall be at Company expense.
- 20.08.13 If a Pilot subject to force reduction has no SPB on file or if there are an insufficient number of choices on their SPB, they will be awarded a Position, in accordance with the following priority:
 - 20.08.13.01 Their QPOS, if on Base, given sufficient seniority to hold it;
 - 20.08.13.02 Highest Position in their Group on their Base that they can hold until exhausted;
 - 20.08.13.03 The next lower rated Position on Base that they can hold until exhausted;
 - 20.08.13.04 The next highest Position on their Base that they can hold until exhausted;
 - 20.08.13.05 The lowest rated vacant Position on the most junior Base that has more Positions than Pilots.

20.09 Pay & Training

- 20.09.01 The Activation Date (AD) is the date a Pilot will receive their new pay rate and benefits (including the applicable Nav & OVS pay) following a change of APOS.
- 20.09.02 Subject to A20.09.09, if a Pilot is changing to a higher paying Position, their AD will be the earliest of:
 - 20.09.02.01 when they are qualified in their new Position; or
 - 20.09.02.02 when a junior Pilot who was awarded the same Position on the same bid has completed their training and the first Pilot had no vacation conflict with training and no training delay for personal reasons within the meaning of A20.09.09; or
 - 20.09.02.03 when any Pilot who was awarded the same Position on a later bid has completed their training and the first Pilot had no vacation conflict with training and no training delay for personal reasons within the meaning of A20.09.09; or
 - 20.09.02.04 for Pilots moving to Positions in the following Groups;
 - 20.09.02.04.01 WC 300 days following the Closing Time if the Pilot has selected VM, or if the Pilot has not selected VM and there is no vacation conflict with training.
 - 20.09.02.04.02 NC 240 days following the Closing Time if the Pilot has selected VM, or if the Pilot has not selected VM and there is no vacation conflict with training.
 - 20.09.02.04.03 WF 210 days following the Closing Time if the Pilot has selected VM, or if the Pilot has not selected VM and there is no vacation conflict with training.
 - 20.09.02.04.04 NF and RP 150 days following the Closing Time if the Pilot has selected VM, or in the Pilot has not selected VM and there is no vacation conflict with training.
 - 20.09.02.05 The AD determined in accordance with A20.09.02.04 will increase by 60 days for each vacation conflict.
- 20.09.03 A Pilot who changes their APOS before the start of training will forfeit their AD, except for A20.09.06 unless the Pilot is willing to spend the CR associated with this move.
- 20.09.04 A20.09.02.02 and A20.09.02.03 will not apply when another Pilot's training is rescheduled to an earlier date to fill an unanticipated training vacancy or when another Pilot's training is scheduled who has previously held their newly awarded equipment and status and who is planned for less than a full transition course or when the CMSC so agrees.
- 20.09.05 If a Pilot is changing to a lower paying Position, their AD will be the date they are qualified in their new Position.
- 20.09.06 A Pilot who is force reduced to a lower paying Position and assumes the highest paying Position on their Base their seniority entitles him to hold will not lose their

current pay or AD until all junior Pilots who have been force reduced from the same or higher Position (on Base) to the same or lower Position (on Base) have been trained (or granted a training delay for personal reasons) or until all Pilots that are deemed surplus and are QPOS on a higher paying Position are furloughed.

- 20.09.07 The AD provided for in A20.09.02.04.01 and A20.09.02.04.02 will be delayed by 60 days for a Pilot scheduled for Captain Upgrade Training. The AD provided for in A20.09.02.02 or A20.09.02.03 will increase by 60 days if the Pilot who triggered the application of these Articles did not require Captain Upgrade training. A Pilot, who has not completed their training by their AD, will on successful qualification as Captain be paid retroactively the difference between their rate of pay and the rate of pay of their APOS for each hour flown for the period from their AD to the date they successfully qualifies as a Captain.
- 20.09.08 When a Pilot fails at any stage of Captain Upgrade Training, the effective date of the pay benefits specified in this Article shall be delayed by the amount of time that the Pilot exceeds the normal training footprint.
- 20.09.09 A Pilot may request a training delay for personal reasons. If granted, their AD will be delayed by the duration of the training delay. If a Pilot is already pay activated the Pilot will revert to their QPOS pay rates unless they are willing to spend the CR associated with this move. If a Pilot is unable to start and/or complete training as scheduled for reasons of illness or injury they will be deemed to have requested a training delay for personal reasons. Once they are available for training, they will be placed on the first available course that would minimize disruptions in the training plan.
- 20.09.10 A Pilot has a one-time option of changing their VM selection from 'VM not selected' to 'VM selected' for a currently held Position. A20.09.02.02 and A20.09.02.03 will apply to a Pilot who makes such a change, commencing from 60 days after the Closing Time of the CMSC Review in which the change was made.
- 20.09.11 Pay-In-Lieu:
- 20.09.11.01 A Pilot who is in their last 30 months of service as a Pilot as of the Closing Time of a CMSC Review may be frozen at the discretion of the Company from the award of any vacancy or reduction in that Review, other than a force reduction. If the Pilot is frozen and for so long as the Pilot continues to be frozen, notwithstanding A20.20.02, the notice of intent to retire is irrevocable.
- 20.09.11.02 A Pilot who is restricted in accordance with A20.09.11.01 from a Position which they would have otherwise held, will be paid hour for hour at the greater of the rates for their current Position or the rates for the denied Position effective with the AD the Pilot would have received had the Pilot not been frozen. The Pilot will be charged the associated course right when pay activated. This course right will be restored when the Pilot loses this Pay-In-Lieu.
- 20.09.11.03 Pay as described in A20.09.11.02 will continue until the Pilot's seniority does not otherwise entitle them to hold the associated Position, (i.e. pay will be discontinued when there are no Pilots junior to such Pilot who are awarded or qualified in the associated Position).

20.10 Base Transfer

- 20.10.01 A Pilot who is awarded a vacancy involving a Base transfer shall be transferred as follows:
- 20.10.01.01 If no training is required – the beginning of the first Block Period that commences after 60 days following the award, or as agreed by the Pilot and the Company;
- 20.10.01.02 If training is required and the Pilot is moving to a:

- 20.10.01.02.01 higher paying Position: on completion of training, or while on training as agreed by the Pilot and the Company. The training will be scheduled to start no later than their AD.
- 20.10.01.02.02 lower or equal paying Position: on completion of training, or while on training as agreed by the Pilot and the Company. The training will be scheduled to start no later than 300 days from the Closing Time of the CMSC Review on which the Pilot was awarded the lower paying APOS.
- 20.10.02 A Pilot transferring on a Company paid move shall be entitled to travel to facilitate accommodation pursuant to A23. Moving expenses will be in accordance with Company Policy.

20.11 Compassionate Transfer

- 20.11.01 The Company and ACPA agree upon the need for a method of dealing compassionately with Pilots who may, in exceptional circumstances, require transfer to a Base other than the Base to which they are assigned.
- 20.11.02 The Compassionate Transfer Review Committee (CTRC) will be composed of 2 members from Air Canada (a management representative and an Air Canada OHS doctor), and 2 members appointed by ACPA. The ACPA members will not be ACPA Pilot Assistance Representatives. The CTRC will develop and utilise a criteria test with the objective of achieving a fair, equitable and consistent system-wide adjudication process.
- 20.11.03 Requests for compassionate transfer will be made through their ACPA Pilot Assistance representative or Chief Pilot.
- 20.11.04 All such requests must be forwarded to the CTRC and approval will require a majority vote. If the Committee vote is deadlocked, the ACPA MEC Chair will cast the deciding vote. This decision will then be returned to the CTRC for implementation.
- 20.11.05 Should such transfer be approved, the Company will create a temporary Position (surplus to requirements) at the new Base.
- 20.11.06 When a transfer is approved under this Article, the Pilot's rights at the new Base will be determined by the Company and ACPA using the following principles:
 - 20.11.06.01 The Pilot will retain their same Equipment-Status at the new Base with the exception that, if the Equipment-Status does not exist they will be allowed to qualify for a new Position. The CMSC will determine what Position the Pilot must bid at their new Base.
 - 20.11.06.02 The Pilot will be assigned the most junior Position on the Equipment-Status. Bidding for vacation periods, blocks, and all other contractual rights associated with seniority, will be based on the assigned Position.
- 20.11.07 The Pilot will absorb all costs associated with any moves.
- 20.11.08 Compassionate transfer provisions will cease once the Pilot is awarded a Position at the new Base.
- 20.11.09 The ongoing justification for all compassionate transfers will be reviewed annually by the CTRC. When a Pilot is required by the CTRC to return to their original Base, they will be reinstated in their original Position, with all associated bidding rights.

20.12 Inactive Pilots

- 20.12.01 An Inactive Pilot who is eligible to return to Active status will have a Declared Position (DP) assigned at the time they are posted as inactive. The Base associated with their DP will be their Designated Base (DB).
- 20.12.02 When a Pilot is furloughed, any RIR they hold will expire. During the period in which a Pilot is posted as inactive, except for furlough, their RIRs will not expire, but will remain dormant and will not prevent Active Pilots or other Pilots returning

from Inactive Status from being awarded a Position for which an Inactive Pilot holds a RIR.

20.12.03 Designated ACPA Representatives (DAR):

- 20.12.03.01 A DAR will be allowed to move to a higher paying Position that they can hold as approved by the CMSC and that Position will be deemed to be their DP. At the Company's discretion, they will be permitted to train to that Position while still inactive.
- 20.12.03.02 Whether training is permitted or not, the DAR will be provided an AD in accordance with A20.09.
- 20.12.03.03 A DAR who moved to a higher paying Position will be charged the appropriate course right upon reaching their AD.
- 20.12.03.04 If a DAR can no longer hold their DP and there is no Pilot junior to them still being paid that Position, they will be paid the next lower paying Position as determined by the CMSC.

20.13 Return from Inactive Status

- 20.13.01 The Pilot's DP is the Position that they held when they were posted inactive.
- 20.13.02 The Pilot's DP shall be considered by the CMSC to determine which Position the Pilot is entitled to. When determining which Position a Pilot is entitled to upon their return from inactive status, the CMSC may also consider assigning a RIR and/or Course Right to a Position their seniority would have entitled them to.
- 20.13.03 A Pilot returning to Active Pilot status from MP, Designated ACPA Representative, GDIP and Long term LOA, subject to CMSC agreement, may elect to assume any Position that they would have been eligible to be awarded on previous bids and may change their DB provided their seniority would allow such a move without a Group reduction. A Pilot will be deemed active once they have made their election.
- 20.13.04 A Pilot returning from inactive status to a different equipment-status than their DP will be charged a course right, unless the CMSC did not allow them to return to their DP.
- 20.13.05 When a Surplus Pilot is to return to Active Status, they will be Active for the purposes of bidding on the CMSC Review on which they will to return. Their RIRs will become Active for this Review as well. Once the PPAL from this Review is published, the Surplus Pilot's RIRs to Positions that are in a lower or the same Group as that awarded will expire.
- 20.13.06 If a Surplus Pilot cannot return to their DB, they will be eligible for a Company-paid move.
- 20.13.07 A Furloughed Pilot will assume any vacancy their seniority entitles them to. They will return to the payroll on the first day they report for training. For the purposes of course rights entitlement, Pilots recalled from Furlough will be treated the same as a New Hire Pilot.
- 20.13.08 Any Pilot returning to Active status (other than from "Surplus" or "Furlough") who cannot return to their DB will be eligible for a Company-paid move if moving to a Base designated by the Company as open to additional assignments.

20.14 Base Exchange

- 20.14.01 Pilots holding the same equipment-status shall be permitted to make a mutual exchange of Bases provided that the Pilots concerned are entitled by seniority to hold the Position at the Bases of intended transfer and provided that approval is obtained from ACPA.

20.15 Introduction of New Equipment

- 20.15.01 For a period of 30 months from the date of the first CRB on which the new equipment appears in the system, or 24 months from the first revenue flight of the new equipment, whichever is longer, the Company will inform ACPA of the number of A11.02 Pilot required that will be trained out of seniority on the new equipment to perform the duties as per A11.
- 20.15.02 For a period of 24 months from the date of the first CRB on which new equipment appears at a Base, or 18 months from the first planned pairing for the new equipment at that Base, whichever is longer, the Company will inform ACPA of the number of A11.02 Pilots required that will be trained out of seniority on the new equipment to perform the duties per A11.
- 20.15.03 A Pilot covered under these provisions whose APOS does not reflect the new equipment type will be paid as per their original QPOS or APOS as per A13.13 and A20.09. If the APOS is not the new equipment, the Pilot training to the new equipment for the purposes of this Article will not spend a course right. At the expiry of A20.15.01 or A20.15.02, or when the Pilot is no longer required under the above Articles, the following will apply:
- 20.15.03.01 if the Pilot returns to their original QPOS, no course right will be spent.
- 20.15.03.02 if the Pilot trains to their APOS, or the APOS is the new equipment type, the applicable course right will be spent as mutually agreed by the CMSC.
- 20.15.03.03 Training these Pilots will not trigger activation pay as per A20.09.02.02 or A20.09.03

20.16 Removal of Equipment from a Base

- 20.16.01 From the date of the first CRB on which the equipment does not show on a Base until the last planned pairing from that Base, the Company and ACPA will meet to ensure the flying is balanced regarding scheduling and pay issues for the remaining Pilots on that equipment.
- 20.16.02 From the date of the first CRB on which the equipment does not show on a Base until the last planned pairing from that Base, the Company will inform ACPA of the number of CP's remaining on the equipment to continue to perform the duties of a CP. The Company will identify to ACPA the final Block Period the equipment will be operating on a Base.

20.17 New Hire Pilot

- 20.17.01 A new hire Pilot will submit a Position preference during the PIT course, but may be awarded any vacant Position.
- 20.17.02 A new hire Pilot will be frozen from the awarding of a new Position that requires training for a period of 4 years from their date of employment as a Pilot. This freeze may be removed by the Company in seniority order.
- 20.17.03 Notwithstanding the above, such a Pilot will be:
- 20.17.03.01 allowed to move to a different Position on a reduction in accordance with A20.08.05;
- 20.17.03.02 allowed to be awarded a Position on another Base that requires training once during this freeze.
- 20.17.04 A Pilot who is prevented from being awarded a new APOS on their Base because of the freeze in A20.17.02, and has sufficient seniority to hold the Position, will receive the rate of pay for the new Position from the end of their fourth year onwards. This rate of pay will continue until such time as the Pilot fails to indicate a preference for this Position on their SPB or the Pilot's seniority does not entitle them to hold the associated Position (the rate of pay will be discontinued when

there are no Pilots junior to them who are assigned or qualified in the associated Position).

20.18 ICAO Limit

- 20.18.01 A Pilot may not be an operating crew member of a flight once they reach age specified in the ICAO standards (the "ICAO limit"), unless they can be reasonably accommodated, within the meaning of the Canadian Human Rights Act, in a manner which complies with the ICAO limit, as it applies to Air Canada operations. A Pilot who cannot be reasonably accommodated is not eligible to bid a block following the month in which they reach the ICAO limit and will be presumed to retire from employment with Air Canada no later than the 1st day of the month following the month in which they reach the ICAO limit.
- 20.18.02 A Pilot who intends to retire at the ICAO limit will notify Air Canada HR Connex Pension of their intent to retire at least 90 days prior to reaching that limit.
- 20.18.03 The notice requirements in A20.20.01 will apply to Pilots retiring at the ICAO limit for the purposes of the retention bonus in A20.20.03.

20.19 Pilots Approaching the ICAO Limits

- 20.19.01 On the first CMSC Review in the 12 months prior to a Pilot reaching the ICAO limit, they will be posted as "Inactive". If they are accommodated under A20.18.01, they will be trained to the Position in which they are accommodated.

20.20 Notice of Intent to Retire

- 20.20.01 A Pilot who is active pursuant to A20.02 will notify Air Canada in writing of their intent to retire prior to the planned retirement date, with the notice period set out below.

QPOS	Number of days for Retirement Notice
WC	320 days
NC	290 days
WF	260 days
NF	180 days
RP	180 days

Note: When a Pilot submits their notice of intent to retire, upon the next CRB they will be posted as inactive due to retirement.

- 20.20.02 If a Pilot notifies Air Canada in writing of their intent to retire in excess of the notice period set out above such notice is revocable by the Pilot until the above notice period is reached in advance of the planned retirement date, subject to A20.09.11.01.
- 20.20.03 Pilots (except those retiring at the ICAO limit) who comply with the notice period requirements in A20.20.01 and who do not go on GDIP or use more than the number of sick days listed below during their notice period, will be given a retention bonus of 40 hours of pay ½ DAY ½ Night as part of their final pay cheque. Pilots retiring at the ICAO limit who do not go on GDIP or use more than the number of sick days listed below during the notice period in A20.20.01 will be given this retention bonus.

QPOS	Sick Days
WC	7
NC	6
WF	5
NF	4
RP	4

- 20.20.04 Subject to any applicable duty to accommodate pursuant to the *Canadian Human Rights Act*, Pilots who intend to retire prior to the ICAO limit and who do not give

notice in accordance with A20.20.01 will not receive disbursements from the Supplemental Pension Plan until the notice period set out above has expired following the date of notification. In any event, such disbursements will commence no later than the ICAO limit.

20.20.05 The CMSC may temporarily reduce the period of advance notice provided for in A20.19.01. This reduction may be limited to a specific Position(s) and to specific numbers.

ARTICLE 21 – TRAINING

21.01 Administration

- 21.01.01 The development and monitoring of Pilot proficiency standards and the quality of training are the ultimate responsibility of the Company. The Company will publish the Training Boundary Guidelines applicable to Pilots, for each fleet type and position, in a location readily accessible to all Pilots and ACPA. If these Guidelines are amended or replaced, the Company will notify ACPA and publish the new Guidelines as soon as practicable.
- 21.01.02 For the purposes of this Collective Agreement Checks include:
- 21.01.02.01 Pilot Proficiency Check (PPC)
- 21.01.02.02 Line Operational Evaluation (LOE)
- 21.01.02.03 Online Evaluation (OE)/ Line Check
- 21.01.02.04 Qualifying Online Evaluation (QOE)
- 21.01.02.05 Command Simulator day 2
- 21.01.03 Simulator Training and Line Indoctrination include:
- 21.01.03.01 Initial Pilot Proficiency (IPF)
- 21.01.03.02 Manoeuvres Training (MT)
- 21.01.03.03 Manoeuvres Proficiency Validation (MPV)
- 21.01.03.04 Line Oriented Flight Training (LOFT)
- 21.01.03.05 Special Purposes Flight Training (SPOT)
- 21.01.03.06 Manoeuvres Training Validation (MTV)
- 21.01.03.07 Initial Operating Experience (IOE)
- 21.01.03.08 Command Simulator day 1
- 21.01.04 A Pilot will be entitled to 2 consecutive days off out of each 7 days while in ground school, simulator or flight training. These days off will be from midnight to midnight. At Pilot option, if training is not at the Pilots home Base the Pilot will be entitled to 1 day off at home Base for every 2 days off taken in the training city.
- 21.01.04.01 Pilots who are required to complete a full training footprint away from home Base will be provided with at least 2 full days off, at home Base, not including travel between ground school and simulator.
- 21.01.05 Days off which a Pilot is unable to take during training may be accumulated but must be cleared prior to returning to duty at home Base. Such days off will be credited as per A13.14.01 and reconciled as per A13.14.03.
- 21.01.06 A Pilot may elect to forego any part or all of the above days off.
- 21.01.07 A Pilot will not be required to fly their previous equipment once they have commenced training on their new equipment.
- 21.01.08 A Pilot will, at their option, have a minimum of 1 calendar day off prior to the start of a Transition or Upgrade Training course including a simulator only course. For this day the Pilot will receive 2h40 per day DN for Flying Pay and Flight time credits.
- 21.01.09 For a Transition course with a known start date, this/these day(s) off will be scheduled in PBS. A Pilot who elects to be planned to work this/these Optional day(s) must notify CS of their preference no later than 48 hours prior to PBS block closing. After block closing, a Pilot electing to forgo this/these Optional day(s) off may do so by notifying CS.
- 21.01.09.01 A Pilot may, at their option, request an additional day off for the purposes of travelling to training. In such cases, no Flying Pay or Flight Time limitation

credits for this travel day will apply and the additional day off must be planned using PBS prior to block close.

- 21.01.10 A Pilot will have a minimum of 24 hours rest upon completion of Transition or Upgrade training before commencing line duties. Completion of Transition or Upgrade training occurs following the OE (line check). This 24 hour period will be at Pilot option.
- 21.01.11 The silent hour simulator training period is from 02:00 – 06:00 home Base time and excludes briefing and de-briefing. Checking events during silent hours will not be permitted. A Pilot may be scheduled for simulator training, excluding briefing and de-briefing, between 02:00 and 06:00 home Base time only when training requirements exceed the available non-silent hour time slots of the Pilot's specific equipment type at any Air Canada training facility, or due to unforeseen circumstances such as, but not limited to, simulator breakdown or other events beyond the Company's control. ACPA will be notified in writing when a training period has been conducted during 02:00 – 06:00 home Base time, with a brief statement of the reason. No Pilot will be planned to attend training during the silent hours if non-silent hour sim slots have been sold to external customers during the monthly simulator schedule unless required to unforeseen circumstances such as, but not limited to, simulator breakdown or other event beyond the Company's control. Any unsatisfactory assessments /failures during this period will be administered in accordance with A21.02, but the event will not be counted as an unsatisfactory assessment/failure by Air Canada.
- 21.01.12 Up to 10% of available non-silent hour simulator sessions may be reserved for contingency purposes to deal with ATO sessions. These reserved contingency sessions may not be sold to external customers.
- 21.01.13 Pilots planned for simulator training during the silent hours will be limited to three consecutive silent hour simulator sessions. Pilots planned for 2 or 3 consecutive silent hour sessions will received 2 days off that will include three consecutive local nights' rest, 22:30 – 07:30 acclimatized times as defined below, prior to their next simulator session. A Pilot planned for a single silent hour simulator session, and transitioning back to regular non-silent hour simulator training, may be planned for a simulator session no earlier than 12:00 the following day.
- 21.01.14 For the purposes of simulator training that takes place away from home Base, a Pilot will be deemed to have acclimatized to local time if the new time zone is within 1 hour of HBT or, for time zones greater than 1 hour of home Base time, after 72 hours in the new time zone. In addition, for Winnipeg based crews, silent hour simulator sessions will not be conducted immediately following travel from Winnipeg.
- 21.01.15 A Pilot will not be planned for more than 4 hours of simulator training, or more than 8 consecutive hours of training. Pilots will be planned with a rest period of at least 16 hours, excluding briefing and debriefing prior to their next simulator session. All Pilots assigned to a simulator period, whether completing crew complement, transition training (QC), recurrent training (CQ), or other special training will be subject to normal duty day and crew rest limitations as applicable.
- 21.01.16 A Pilot assigned to flight simulator for the sole purpose of completing a crew complement will be limited to 1 period of 4 hours per day and may be extended to 8 hours due to simulator breakdown.
- 21.01.17 A Pilot required to complete a crew complement in the simulator will not have their performance formally assessed. If it is apparent the Pilots performance is sub-standard the Pilot will be advised of the situation and given an opportunity to demonstrate their competence. Should this occur, the Pilot will be handled in accordance with A21.02.

- 21.01.18 Prior to PBS bidding, normally 45 days (SIM) / 21 days (ART) prior to the applicable month, the Company will issue a bulletin to notify Pilots of the closing times and dates for recurrent SIM and ART.
- 21.01.19 A Pilot on Captain Upgrade Training who has completed the simulator portion of the Transition Training Element and is subsequently awarded a First Officer Position will be allowed to complete this training and be promoted to Captain before reverting to First Officer status.
- 21.01.20 A Pilot may request that another Air Canada Pilot be present in the Flight Deck or in the simulator as an observer for any Check. The Pilot selected as an observer must be acceptable to both parties. Reasonable time and any necessary displacement will be provided to ACPA to meet the Pilot's request, operations permitting.
- 21.01.21 All Airborne Training, and Checks will be completed by an Air Canada MP, CP, FI or a Transport Canada Air Carrier Inspector. When an Air Carrier Inspector is conducting the Check, the simulator, airborne training or line check must be operated by an MP, CP or FI.
- 21.01.22 All IOE will be completed by an Air Canada Pilot qualified on type. Where a new aircraft type is being introduced to the Air Canada fleet, a manufacturer's representative may be used for IOE or line checks only until sufficient Air Canada MPs, CPs, FIs are qualified on type.
- 21.01.23 The Company will make best efforts to help ensure a crew complement of Captain/First Officer or Relief Pilot/Relief Pilot for all training and checking events on each fleet type for recurrent (CQ) training. The Company shall publish all crew complement statistics by fleet type for Pilots on recurrent (CQ) training on a quarterly basis. If ACPA has a specific concern with the crew complement statistics for one or more fleet type the Joint Training and Standards Committee will meet within 30 days to discuss what efforts can be made to improve the results on a go forward basis.
- 21.01.24 Simulator crewing will normally be completed with a crew combination of Captain (CA)/First Officer (FO) or Relief Pilot/Relief Pilot. However, at Company discretion, simulator crewing with Captain/Captain, First Officer/First Officer, and/or, subject to A28.08, with Contract Instructors, may be permitted. At least until Transport Canada removes jeopardy for any such checking events, the key factor used for scheduling SIMs will be to minimize checking events with a crew complement of CA/CA or FO/FO crew combination. Any unsatisfactory assessments/failures during these sessions will be administered in accordance with A21.02, however, the event will not be counted as an unsatisfactory assessment/failure for Air Canada, however, Transport Canada may be advised of the failure. Any Pilot receiving an unsatisfactory assessment or failure during one of these sessions will have the option of having a Captain / First Officer crew combination on the subsequent assessment. No checking events as described in A21.01.02 will be permitted with a crew combination involving any Contract Instructor.
- 21.01.25 The Company and the ACPA Training Committee will meet regularly for reviewing and improving the bidding process for simulator training and checking. As part of the simulator bidding process, Pilots will be entitled to bid their preference to avoid training which could take place during silent hours (between 02:00 and 06:00), excluding briefing and debriefing, and/or to avoid crew combinations of Captain/Captain or First Officer/First Officer.
- 21.01.26 Audio-visual recordings taken during any training or checking sessions will not be used for Pilot monitoring, or Checking or in any disciplinary action without the written consent of the Pilots involved and ACPA. Further, Air Canada agrees that audio-visual recordings will be erased in full view of the Pilots at the conclusion of the debriefing.

- 21.01.27 If a Pilot requests printed materials to assist with their QC training they shall be provided with the following:
- AOM (section 1.04);
 - For New Hire Pilots – FOM (sections 8 and 12);
 - For New Hire Pilots – FOM (section 9) – when overseas training is required; and
 - Any other materials as agreed to by the Joint Training and Standards Committee.
- 21.01.27.01 The materials set out in A21.01.27 shall be provided to the Pilot in advance, usually within 3 business days of the Pilot making the request. The materials will be available for pick-up at locations designated by the Company or at the first day of ground school at Pilot option.
- 21.01.28 In the event that a Pilot is required to complete Introduction to Command (ITC) it shall be scheduled by the Company. If a Pilot is scheduled to complete ITC in a month that they are scheduled to fly, and it results in a Pilot being scheduled to work more than 18 days in a month, the Pilot will be entitled to drop no credit a pairing, or partial pairing back to 18 days, coverage permitting and in consultation with the Company.
- 21.01.29 Self Study Days within the Training Footprint**
- 21.01.29.01 In recognition of the self study work required to complete a training course, self study days will be provided by the Company, free from flying duty, paid at 2h40 per day DN for Flying Pay and Flight time credits up to a maximum of 5 days.
- 21.01.29.02 Self study days will not be scheduled for more than 8 hours per day.
- 21.01.29.03 The scheduling of self study and other course work to be completed on a given day will be at the discretion of the Company. A self study curriculum will be provided by the Company to the Pilot describing the work to be completed prior to the first day of Ground School.
- 21.01.29.04 LMS/CBT Air Canada systems course work will not be made available to a Pilot until 14 days prior to the beginning of their scheduled course date. Pilots may request to have access to the materials prior to the 14-day time period. This time period may be amended upon agreement of the Joint Training and Standards Committee as they deem necessary.
- 21.01.29.05 The number of self study days assigned will depend on the number of hours required to complete the CBT/LMS aircraft systems modules per type, AOM, memory items, and flight deck introduction. The total number of days will not be less than 4 without the agreement of ACPA.
- 21.01.29.06 The following applies to all current Air Canada fleet types using the training footprints as of May 1, 2017:
- 21.01.29.06.01 B777, B787, B767, A330 & A319/320/321 - total of 5 self study days will be provided; and
- 21.01.29.06.02 EMJ – total of 4 self study days will be provided.
- 21.01.30 The Company and ACPA agree that the process described in A21.01.29 will apply to each of the current fleet types. The training footprints described in A21.01.29.05 and A21.01.29.06 may be modified for one or more fleet types, or introduced to new fleet types base on an existing template (with or without modifications), with agreement from the Joint Training and Standards Committee. In the event that the Company implements a training footprint for a new fleet type, which follows instructional design principles, or applies these principles to an existing fleet type, the process will be as follows:
- A) The Company will provide the Joint Training and Standards Committee notice of the potential changes as soon as possible;

- B) The Company will provide the Joint Training and Standards Committee with the rationale for the change and access to data and supporting documents;
- C) The Company will provide the Joint Training and Standards Committee an opportunity to make representations on the proposed change prior to implementation.

21.01.31 In the event of a dispute between the members of the Joint Training and Standards Committee, any unresolved concerns will be directed to the ACPA MEC Chair and the Vice President of Flight Operations for resolution.

21.01.32 In the event that the Company implements a training footprint that does not require self study for one or more fleet types, the language for days off, as set out in A21.01.08 and A21.01.09, will not apply. Instead, for those Pilots on any fleet type that does not require self study the following language will apply:

21.01.32.01 A Pilot will, at their option, have a minimum of 2 calendar days off prior to the start of a Transition or Upgrade Training course including a simulator only course. For these 2 days the Pilot will receive 2h40 per day DN for Flying Pay and Flight time credits.

21.01.32.02 For a transition course with a known start date, these days off will be scheduled in PBS. A Pilot who elects to be planned to work the first or both of these Optional day(s) must notify CS of their preference no later than 48 hours prior to PBS block closing. After block closing, a Pilot electing to forgo the first or both of these Optional day(s) off may do so by notifying CS.

21.01.32.03 A Pilot may, at their option, request an additional day off for the purposes of travelling to training. In such cases, no Flying Pay or Flight Time limitation credits for this travel day will apply and the additional day off must be planned using PBS prior to block close.

21.01.32.04 For clarity, Pilots undergoing the upcoming 737 training program and any other similar course shall receive 2 days off prior to the start of the course paid at 2h40 per day DN for Flying Pay and Flight time credits.

21.02 Failure Handling Procedures

21.02.01 Training and Checking:

21.02.01.01 When a Pilot's performance is assessed as unsatisfactory or incomplete, the Pilot and ACPA will be advised and the candidate will be returned to the training department for additional training.

21.02.01.02 During this process the Pilot candidate will have the option of requesting that a different CP, FI, MP or Transport Canada Air Carrier Inspector will conduct the check.

21.02.01.03 In the event that additional training does not result in the candidate's successful completion of the check a meeting will be convened with a MP, the Pilot and an ACPA representative. In addition, an appropriate medical evaluation will be completed to determine if a medical condition exists and is a contributing factor to the candidate's inability to complete the check.

21.02.01.04 If, as a result of this medical evaluation, the Pilot is assessed as unfit, the Pilot will be placed on medical leave until such time as the Pilot is considered fit to resume training. If the Pilot is assessed as fit, the Pilot will continue training until a successful assessment has been achieved.

21.02.01.05 A Pilot, assessed as unsuccessful during transition training will have the option of either completing the steps in A21.02.01 and A21.02.02 or returning to their previous Position.

21.02.01.06 If the Pilot chooses to return to their previous Position they will be paid at the appropriate rates for the Position that they are qualified for and will be frozen

from bidding on a Vacancy for a period of 36 months from the date of requalification to their previous Position.

- 21.02.01.07 If, at the end of the 36 month freeze, the Pilot is awarded a Vacancy but is subsequently unsuccessful, they will be returned to their previous Position and will be frozen from bidding on a Vacancy for a period of 60 months from the date of requalification to their previous Position.
- 21.02.01.08 In the event that the Pilot's previous Position is no longer in the fleet plan or they can no longer hold their previous Position, they will be entitled to bid any lower rated Position in their status their seniority can hold.
- 21.02.02 Failure to Progress:
 - 21.02.02.01 Failure to progress will only apply to Initial Captain Upgrade and Initial Relief Pilot to First Officer Upgrade consisting of the following:
 - 21.02.02.01.01 Simulator training prior to LOE
 - 21.02.02.01.02 Initial operating experience prior to the Command OE
 - 21.02.02.01.03 Any remedial training as defined in the AQP/Traditional training program
 - 21.02.02.02 When the Chief Pilot, is notified of a Pilots lack of progress there will be a complete review of the Pilot's training file and an interview shall be conducted with the Pilot. As part of the interview the Pilot will be informed of the reason(s) they were not recommended to proceed with training. In addition, the interview will include a discussion of the circumstances which may have given rise to the Pilot's lack of progress and the training plan going forward. The results of this process will be one of the following:
 - 21.02.02.02.01 recommend the Pilot for a Check; or
 - 21.02.02.02.02 arrange for a Progress Assessment to be conducted.
 - 21.02.03 Progress Assessment:
 - 21.02.03.01 A Progress Assessment will only be conducted by a MP/CP/FI.
 - 21.02.03.02 The Pilot may request the attendance of an ACPA representative as an observer during any Progress Assessment. If the Assessment is conducted on a line flight the ACPA representative will be designated an ADC. Qualification on type is preferred but not a requirement. The MP/CP/FI and the ACPA representative will confer prior to the Pilot being debriefed on their performance. Reasonable time and necessary displacement will be provided to ACPA to meet the Pilot's request, operations permitting.
 - 21.02.03.03 Where a Pilot was in training for a simulator check, the Progress Assessment will be conducted in the simulator.
 - 21.02.03.04 Where a Pilot was in training for an OE, the Progress Assessment will be conducted on a line flight and the MP/CP/FI will be an operating member of the crew. If safety is a concern, the Assessment will be conducted in the simulator.
 - 21.02.03.05 After the completion of the Progress Assessment, the Chief Pilot, in consultation with the parties involved, will do the following:
 - 21.02.03.05.01 Recommend the Pilot for the relevant Check; or
 - 21.02.03.05.02 Assess the Pilots performance as unsatisfactory.
 - 21.02.03.06 An unsatisfactory assessment will constitute a failure within the meaning of A21.03 and A21.04.

21.03 Captain Upgrade Training

- 21.03.01 A Pilot will have two attempts to Upgrade to Captain. Each attempt will be limited to 3 failures.
- 21.03.02 A Pilot undergoing Captain upgrade training will have the option of terminating training and returning to their previous Position, or any other position agreed to by the Company and ACPA, any time after their first unsuccessful assessment and

prior to any further training or checking event. The Pilot returning to their previous Position, or any other position agreed to by the parties, will be frozen from bidding another Captain position for a period of 36 months from the date of requalification to their previous equipment. This freeze may be waived at Company discretion. For clarity, if the Pilot returns to their previous position, or another position agreed to, this Captain upgrade attempt will not be counted as one of their two Captain upgrade attempts. Conversely, the continuation of training results in a loss of one of the Pilot's upgrade attempts.

- 21.03.03 Following a first failure, and prior to the continuation of training, a meeting will be convened with a Management Pilot, the Pilot and an ACPA representative. Following that meeting, the Pilot will be given the option of continuing training or returning to their previous Position, or any other position agreed to by the Company and ACPA as set out in A21.03.02.
- 21.03.04 After a second failure, the Pilot has the option of returning to their previous position, or to any other position agreed to by the parties, or to continue their upgrade attempt. In the event that the Pilot returns to their previous position, or to any other position agreed to by the parties, the Pilot will be frozen from bidding on a Captain Vacancy for a period of 36 months from the date of requalification to that Position. The continuation of training beyond the first failure results in a loss of one of the Pilot's upgrade attempts.
- 21.03.05 Following a second failure, and prior to the continuation of training, a meeting will be convened with a Management Pilot, the Pilot, and an ACPA representative. In addition, an appropriate medical evaluation will be completed to determine if a medical condition exists and is a contributing factor to the candidate's inability to complete the check.
- 21.03.05.01 If, as a result of this medical evaluation, the Pilot is assessed as unfit, the Pilot will be placed on medical leave until such time as the Pilot is considered fit to resume training.
- 21.03.05.02 If the Pilot is assessed as fit, the Pilot will return to training.
- 21.03.06 If the Pilot has a second failure and pursues a third attempt and is also unsuccessful, the Pilot will return to their previous Position, or any other Position agreed to by the Company and ACPA.
- 21.03.07 A Pilot returning to their previous Position, or any other position agreed to by the Company and ACPA, after a second or a third failure will be frozen from bidding on a Captain Vacancy for a period of 36 months from the date of requalification to that Position. The continuation of training beyond the first failure results in a loss of one of the Pilot's upgrade attempts.
- 21.03.08 If, after the 36 month freeze, the Pilot bids another Captain upgrade course and is unsuccessful, they may be returned to their previous Position and will be restricted to First Officer status for the remainder of their career.
- 21.03.08.01 In the event that a Pilot is frozen pursuant to A21.03.08, after a period of 60 months or more from the date of requalification, the Pilot may apply to the Company to be assessed and have their freeze reconsidered. The onus will be on the Pilot to establish, on a balance of probabilities, that there has been a change in their circumstances and there is a reasonable likelihood of success at a Captain upgrade. If the Company agrees, then a Command Potential Assessment, will be held, and, if successful, the Pilot will proceed to the Captain Upgrade opportunity. If the Company reconsiders the freeze and the Pilot is unsuccessful, they will be returned to their previous position and restricted to First Officer status for the remainder of their career.
- 21.03.09 In the event that the Pilot's previous equipment is no longer in the fleet plan or they are unable to hold their previous equipment, they will be entitled to bid any First Officer or RP Position that their seniority can hold.

21.04 Relief Pilot to First Officer Initial Upgrade

- 21.04.01 A Pilot assessed as unsuccessful during Relief Pilot to First Officer transition training will have the option of either completing the applicable steps in A21.02.01.01 and A21.02.01.02 or returning to their previous Position anytime after their first failure.
- 21.04.02 If the Pilot chooses to return to their previous Position, they will be paid at the appropriate rates for the Position that they are qualified on and will be frozen from bidding on a Vacancy for a period of 36 months from the date of requalification to their previous Position.
- 21.04.02.01 If, at the end of the 36 month freeze, the Pilot is awarded a Vacancy but is subsequently unsuccessful, they will be returned to their previous Position and will be frozen from bidding on a Vacancy for a period of 60 months from the date of requalification to their previous Position.
- 21.04.02.02 In the event that the Pilot's previous Position is no longer in the fleet plan or they cannot hold their previous Position, they will be entitled to bid any RP Position in their status their seniority can hold.

21.05 Career Re-Orientation Plan

- 21.05.01 A Pilot who fails to maintain or achieve competency and, as a result, whose services with the Company are terminated, will be paid the following allowances:
- 21.05.01.01 5 weeks for the first three years, prorated;
- 21.05.01.02 3 weeks per year, prorated until the maximum of 52 weeks has been reached.
- 21.05.01.03 The maximum benefit of 52 weeks will be reduced by 6 weeks per year, prorated commencing on the Pilot's 51st birthday. This allowance will be based on the average daily earnings of the last 12 full calendar months prior to the effective date of termination.
- 21.05.02 The rate of pay will be the average daily earnings of the last 12 full calendar months on the equipment and status held immediately prior to the competency problem.
- 21.05.03 The above allowances will not apply to a Pilot who is on probation.
- 21.05.04 A Pilot will become eligible upon commencing their third year of employment with the Company at which time their past service will accrue.
- 21.05.05 The provisions of the plan will not apply where the service will terminate because of resignation, normal or early retirement, medical or health reasons, or discharge as a result of wilful misconduct.
- 21.05.06 Should a Pilot otherwise entitled to the benefits of this plan accept alternate employment with the Company, they will forfeit any claim to the above allowances.
- 21.05.07 This Agreement will have no effect on the rights of the individual under the terms of the Collective Agreement.
- 21.05.08 The payment of a Career Re-Orientation Allowance, as defined under the Collective Agreement, to a Pilot grounded for competency reasons, will not affect their eligibility for an early retirement pension, provided they have attained the necessary age and service; nor will it affect the pass privileges that apply to a retired employee.

21.06 Pilots Not Current in the Atlantic, Pacific or WATRS

- 21.06.01 For Pilots not current in the Atlantic, Pacific or WATRS airspace procedures, Air Canada agrees to design and implement, within the QC footprint, training that provides:

- 21.06.01.01 For WJA Pilots: a briefing and at least 1 LOFT sector focused on Atlantic and/or Pacific normal and emergency procedures, as required, based on the route structure of the aircraft and the Pilot's previous QPOS, and/or Pilot Base;
- 21.06.01.02 For NJA Pilots: a briefing and at least 1 LOFT sector focused on Atlantic, Pacific or WATRS airspace requirements, normal and emergency procedures as required based on the route structure of the aircraft and the Pilot's previous QPOS, and/or Pilot Base.

ARTICLE 22 – SCHEDULING PREAMBLE

- 22.01** The objective of the Air Canada Pilot Scheduling System is to provide the best possible working conditions for the Pilots at each base with due regard to seniority and consistent with the necessary operational requirements and economy. The best way to achieve this objective is to provide, wherever possible, the maximum amount of flying and the minimum amount of ground time in the pairing of flights.
- 22.02** Seasonal schedule changes, irregularities that result from weather and aircraft mechanicals, and maintaining a high standard of Pilot competency on the various types of equipment and routes, make Air Transportation a dynamic and complex business.
- 22.03** These factors make it extremely difficult to completely stabilize working conditions for flight crews. A cooperative working relationship between the Air Canada Crew Scheduling department and the ACPA Scheduling Committee, results in a sound and mutually satisfactory Pilot Scheduling System. All the scheduling provisions will be applied uniformly in order to maintain consistency in scheduling Pilots across the system. Due to the many factors involved, it may not be feasible to have a specific rule to cover every situation that may arise, and in the final analysis we must rely on sound judgment in assessing and resolving any particular situation. If it is found that any of the rules require change, or alternatively, additional rules should be adopted, such changes or additions will be agreed to by the Company and ACPA.
- 22.04** The Crew Scheduling function in this system is an extremely important one. Educational programs will be conducted to ensure that Crew Scheduling personnel have a complete and thorough understanding of this Agreement. The objective is to avoid interruption of service wherever possible. While taking into consideration the operational requirements, it is important that the Crew Scheduler understands the Pilot's point of view. A cooperative relationship between Pilots and Crew Scheduling personnel is a valuable asset and it is anticipated that both groups will do their utmost to this end.

ARTICLE 23 – DEADHEAD AND PILOT TRAVEL

23.01 Deadhead Movements

23.01.01 Flying Pay and Flight Time credits:

23.01.01.01 General Pay – When a Pilot deadheads under Company orders (including CP's and FI's deadheading to conduct simulator training and checking), they will receive credit for Flight Time limitation and Flying Pay purposes, DN, based on the greater of the actual deadhead time, scheduled time, or computed time where no schedule exists, as outlined below:

- 23.01.01.01.01** All deadheads in a pairing as awarded or assigned are at half pay and half credit.
 - 23.01.01.01.02** All deadheads that result from the modification of a planned pairing as a result of consolidation, cancellation, substitution or misconnection of an operating leg, where the modified pairing does not include new or additional operating legs are at full pay and full credit.
 - 23.01.01.01.03** Notwithstanding A23.01.01.01.02 when a Pilot is required to deadhead as a direct result of a modified pairing that includes new or additional operating legs, such deadheads will be at half pay and half credit.
 - 23.01.01.01.04** A deadhead resulting from the cancellation of a previously planned deadhead will attract the greater of the original deadhead or actual deadhead for pay and credits
- 23.01.01.02** Other Carriers – Pay and Flight time credits for deadheading on other than Air Canada flights will be based on published scheduled times.

23.01.02 Surface Deadhead:

23.01.02.01 When a Pilot is required to deadhead via surface transport, they will receive pay and Flight time credits in accordance with A23.01.01.01 for the actual times involved. Pilots must notify the CS office of the actual times involved, should these times be different than planned.

Note: A Pilot who arrives at one airport and, after layover, departs from another airport that is part of a Co-terminal, is not considered to be on a surface deadhead.

23.01.03 Exceptions:

- 23.01.03.01** A Pilot traveling for the purpose of ground, simulator, or flight training will be paid half DN for the actual Flight Time. Such credits will be cash cleared and flight time credits and DPG will not apply.
- 23.01.03.02** A Pilot transferring to another Base will not be entitled to Flying Pay or Flight time credits.

23.01.04 Seating:

23.01.04.01 Flight Duty – The Company will provide Highest Class Positive Space travel for Captains PJ2 (except as outlined in A23.01.04.02) and Positive Space Travel for First Officers PJ3 (except as outlined in A23.01.04.03). Relief Pilots will be provided Economy Positive Space travel PY0, with move-up privileges to the Highest Class (J then O). For an all-Economy class flight, the Highest Class is Economy. A mainline Pilot will not be required to deadhead on ACrouge provided they can complete the flights required of them within the same Flight Duty Period by deadheading on an Air Canada flight. These provisions apply to CP's and FI's travelling to another Base to conduct simulator training and checking.

23.01.04.01.01 Under this provision, a Relief Pilot who is erroneously denied a J-class seat when otherwise entitled to one pursuant to the applicable rules and policies will be compensated with a 50% premium (cash cleared) on their hourly wage for the duration of the flight. In order to be eligible for compensation,

claims must be initiated following the procedures outlined in A7.13, except that the claim must be submitted within 10 days of the suspected error. In order for the matter to be investigated, the Pilot must provide a reasonable basis to support their claim. The company will make every effort to respond to claims within a reasonable time period.

- 23.01.04.02** For CA deadheads that have not been secured within 36 hours of departure time, the Company will make the booking as soon as it becomes aware of the requirement. Where no Business class seat is available at the time of booking on flights equipped with a business class seat configuration, and for flights that are scheduled for 4 hours or less, the following rules will apply:
- 23.01.04.02.01** The Captain will be assigned in priority, to a premium economy, then if unavailable, to an economy seat, and CS will ensure that they are wait listed in Business class.
- 23.01.04.02.02** The Captain will be compensated with a 50% premium (cash cleared) on their hourly wage for the duration of the flight if required to deadhead in premium economy or economy due to Business class not being available on flights equipped with a business class seat configuration.
- 23.01.04.03** For First Officer deadheads that have not been secured within 36 hours of departure time, the Company will make the booking as soon as it becomes aware of the requirement.
- 23.01.04.03.01** When no Business class seat is available at the time of booking, the FO will be assigned in priority, to a premium economy, then if unavailable, to an economy seat, and CS will ensure that they are wait listed in Business class. Under this provision, if a FO is erroneously denied a J class seat A23.01.04.01.01 will apply.
- 23.01.04.03.02** For deadheads outside the limitations in A23.01.04.02, and at the request of CS, the CA or FO may accept to deadhead in other than Business class in exchange for the premium outlined in this article. Under this provision, CS must inform the affected Pilot prior to the start of their pairing.
- 23.01.04.03.03** In the event of a claim or dispute, upon ACPA's request, the Company will provide ACPA with the data necessary to verify compliance.
- 23.01.04.04** Seating priority for all Pilots will be aisle seat, followed by window seat, then middle seat.
- 23.01.04.05** All economy Flights with F/J/O Cabins – The Company will make every effort to assign seats in the F/J/O class cabin when Pilots deadhead on flights that are designated as all economy flights.
- 23.01.05** Deadheading on other Carriers – Pilots will be booked in the following priority:
- 23.01.05.01** Positive J Class (Business Class) or if not available;
- 23.01.05.02** ID50 First Class;
- 23.01.05.03** In priority of the next highest class (J/O/Y) and waitlisted for the highest class.
- 23.01.05.03.01** The company will waitlist the Pilot in advance when possible.
- 23.01.05.03.02** When not possible, the Company will advise the Pilot that they may have to waitlist themselves at time of Check-in.
- 23.01.05.03.03** A Pilot who is waitlisted and is provided an upgrade may be required to pay for the upgrade and will submit this expense on their normal crew cycle expense claim.
- 23.01.06** Smoking Flights – Pilots will not deadhead on smoking flights.
- 23.01.07** Freighters – Pilots will not deadhead on Freighter aircraft.
- 23.01.08** Changes to Designated Deadhead Flights:
- 23.01.08.01** Pilots may deadhead on other than designated flights on an individual basis provided permission is obtained from the Chief Pilot. Requests will be given

every consideration but there may be occasions when it is not possible to grant this permission.

- 23.01.08.02 A Pilot will not normally be required to deadhead between 22:00 and 05:00 of the start duty period time zone if other Air Canada flights are available. Guarantees will be calculated as if the deadhead actually took place on the flight available during this period. A Pilot who is planned to deadhead to home Base during this period will normally be allowed to deadhead home on the first available flight after 05:00, and the minimum off-duty rest period will commence 15 minutes after arrival at home Base. Any additional layover expenses incurred using this procedure will be paid by the Company. A Pilot will neither increase nor decrease their Flying Pay and/or Flight time credits as indicated on the original pairing by this procedure.

23.02 Training

- 23.02.01 Pilots will be provided with PY1/J05 priority passes when travelling for training.

23.03 Base Transfers

- 23.03.01 Space available passes issued in conjunction with Base transfers will be a 'C' priority.
- 23.03.02 Pilots entitled to positive space passes as a result of not being trained/transferred by the posted activation date will be issued PY1/J05 priority pass.

23.04 Company Paid Moves

- 23.04.01 Positive Space passes issued in conjunction with a Company paid move will be priority PY1/J05.

ARTICLE 24 – CREW REST FACILITIES

24.01 Crew Rest Definitions

- 24.01.01 **“Onboard Crew Rest Facilities”** – These facilities will be for the exclusive use of Pilots, and will be located to provide quick access to the flight deck. They must include either a “Flight Relief Bunk” and a “Crew Rest Seat”; a “Flight Relief Bunk and “J” class seat; or a “Flight Relief Seat” for each augment or Relief Pilot.
- 24.01.02 **“Crew Rest Seat”** – A reclining seat in the Pilot crew rest module equipped with leg rests, portable oxygen, a call device enabling the flight deck to immediately summon the resting crew member and an in-flight entertainment system (IFE).
- 24.01.03 **“Flight Relief Seat”** – A reclining seat in the cabin that will not be subject to distraction from noise (particularly random noise), movement or vibration in the cabin. Approval of this seat will be by mutual agreement between the Company and ACPA.
- 24.01.03.01 **“Class 2 Relief Seat”** – A comfortable seat located in the forward passenger cabin that fully reclines to a 180° lie-flat position parallel to the cabin floor, has leg rests and is separated and screened from the passengers and flight deck. It must also be equipped with adequate airflow, a call device enabling the flight deck to immediately summon the resting crew member, a sleep restraint, portable oxygen.
- 24.01.03.02 **“Class 3 Relief Seat”** - A seat that reclines at least 40° from vertical and that has leg and foot support.
- 24.01.04 **“Flight Relief Bunk” (“Class 1 Bunk”)** – A bunk for each resting crew member which meets, as a minimum, the requirements set out in SAE ARP4101/3 “Crew Rest Facilities” and is free from sources of noise (particularly random noise). Approval of this bunk will be by mutual agreement between the Company and ACPA.

24.02 General

- 24.02.01 On flights that require augmentation the aircraft will be equipped with an “Onboard Crew Rest Facility”, as stipulated in A24.01.01.
- 24.02.02 On flights that require augmentation, fresh pillows and blankets, will be provided for each crew member. On bunked aircraft, fresh sheets will also be provided for each crew member.
- 24.02.03 If required, the Crew Rest Facility will be attended to by maintenance with the same priority as the J Class cabin.
- 24.02.04 Where an additional crewmember is operating due to IOE training an additional crew rest facility is not required. If there is an available J seat after departure the Pilots may utilize that seat.
- 24.02.05 A24 will apply to all flying performed on behalf of Air Canada or its Affiliates, unless otherwise expressly excluded under this Collective Agreement.

24.03 Aircraft

- 24.03.01 Boeing 777 – the bunks and seats in the crew rest module on the 777 meet the requirements of “Onboard Crew Rest Facilities” i.e. “Flight Relief Bunk” and “Crew Rest Seat” for single and double augmentation.
- 24.03.02 Boeing 787 Aircraft – The bunks in the Boeing crew rest module on the 787 meet the requirements for a “Flight Relief Bunk”. In addition to the single Crew Rest Seat in the crew rest module, for all flights requiring double augmentation, a J-Class seat will be provided.
- 24.03.03 A330/A321 Aircraft – One Class 2 Flight Relief Seat will be deemed to meet the requirements of an Onboard Crew Rest Facility for single augmentation.

- 24.03.04 Boeing 767 Aircraft – on the 767-300 aircraft, one Flight Relief Bunk and one J-Class seat, or one Class 2 Flight Relief Seat will be deemed to meet the requirements of an Onboard Crew Rest Facility for single augmentation. Notwithstanding the above, in order to operate all economy configured 767-300 aircraft, the existing crew rest seat on the 3Y0 aircraft will meet the requirement of an Onboard Crew Rest Facility.
- 24.03.05 For all single augmented flights on aircraft not equipped with a Class 1 Bunk or Class 2 Flight Relief Seat, a Class 3 Flight Relief Seat located in the J-class cabin meets the Onboard Crew Rest Facility requirement. In the event the seat is an adjoining J-class seat, the Pilots will be assigned both J-class seats.
- 24.03.06 For all single augmented flights on a NJA (as per A25.03.04) not equipped with a Class 2 or Class 3 Flight Relief Seat, a J-class seat (or adjoining J-class seat) will meet the requirements of an Onboard Crew Rest Facility.

24.04 Introduction of New Aircraft

- 24.04.01 Upon the introduction of a new type of aircraft, or re-introduction of previously operated Air Canada types, the Company and ACPA will enter into discussions to establish appropriate “Onboard Crew Rest Facilities”

ARTICLE 25 – PAIRING RULES

25.01 Duty Period Start and End

25.01.01 Operating:

25.01.01.01 The flight duty period will commence 1h15 prior to the scheduled departure or the required reporting time, and will end 15 minutes after actual arrival.

25.01.01.02 The Company may modify the Duty Period start time as follows:

25.01.01.03 At Home Base: by contacting the Pilot prior to leaving their domicile, or by leaving a message for the Pilot at least 3h15 prior to the original scheduled departure time; or;

25.01.01.03.01 On Layover: by contacting the Pilot directly or leaving a message for the Pilot.

25.01.02 Notifications:

25.01.02.01 Passive notifications may be issued to relay operational information at any time.

25.01.02.02 Pilots are required to acknowledge notifications of pairing assignments, changes to pairings, and/or delays via the crew mobility application as follows:

25.01.02.02.01 At Home Base: At least 3h15 prior to planned departure unless the Pilot is on a rest period.

25.01.02.02.02 On layover: At least 30 minutes prior to planned pick-up from the hotel.

25.01.03 Deadheading:

25.01.03.01 From Canadian Airports to Canadian Airports – The flight duty period will commence 45 minutes prior to the scheduled departure, or the required reporting time, whichever is later, and will end 15 minutes after actual arrival of the designated flight.

25.01.03.02 From Canadian Airports to Non-Canadian Airports – The flight duty period will commence 1 hour prior to the scheduled departure, or the required reporting time, whichever is later, and will end 15 minutes after actual arrival of the designated flight.

25.01.03.03 From Overseas Operations Airports to Any Airport – The flight duty period will commence 1 hour prior to the scheduled departure, or the required reporting time, whichever is later, and will end 15 minutes after actual arrival of the designated flight.

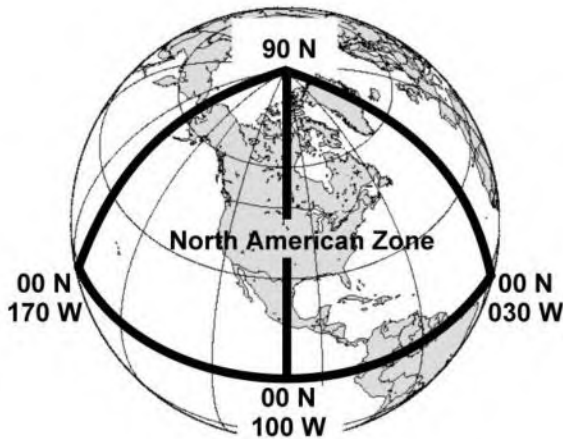
25.01.03.04 From All Other Airports to Any Airport – The flight duty period will commence 45 minutes prior to the scheduled departure, or the required reporting time, whichever is later, and will end 15 minutes after actual arrival of the designated flight.

25.01.03.05 For duty period limitation purposes only, a Pilot deadheading without deadhead credits will be deemed to have been on duty 45 minutes to the planned departure time and until 15 minutes after arrival of the deadhead flight.

25.01.03.06 When a Pilot commences a flight duty period with a deadhead and there is less than 1h15 planned connection time to the operating flight, the duty time will commence 1h15 prior to the planned departure time of the deadhead flight.

25.02 North American Zone

25.02.01 The North American Zone is bounded by 30W, 170W and the equator.



25.03 Planned Flight Duty Period Limitations

- 25.03.01 Pairings created or modified by the Company will be planned using the rules below and in table A, B, C and D.
- 25.03.02 The maximum planned flight duty period will be governed in accordance with acclimatized time at commencement of the flight duty period. Flight duty periods may be planned in excess of those specified in the tables below subject to a FRMS variance or agreement with ACPA (as per A6).
- 25.03.03 For ULR operations the following will apply:
- 25.03.03.01 2 Captains and 2 First Officers will be scheduled for a flight operation with more than 16h29 planned Flight Time or more than 18h15 planned flight duty period; and
- 25.03.03.02 ULR operations will have a maximum of 1 planned flight leg per flight duty period; and
- 25.03.03.03 In the event that 1 leg to or from a city pairing is considered an ULR operation, then the reciprocal leg will be considered an ULR operation as well; and
- 25.03.03.04 The maximum planned duty time will be 20 hours in any consecutive 24 hour period.
- 25.03.04 Atlantic (EU/UK) augmentation: All flights planned to depart Canada after 2100 local and with a planned Flight Time greater than 7 hours will be planned with augmentation.
- 25.03.05 A Pilot who undergoes training prior to line flying will be considered as on flight duty for flight duty period limitation purposes only, from the time they are required to report for training or as detailed in A25.01.03 prior to a deadhead movement to the training location, whichever is earlier. DPG and/or TTG, if applicable, will commence at the reporting time for line flying.
- 25.03.06 Planned turnarounds for a basic crew between the Hawaiian Islands and the North American mainland may consist only of an operating leg followed by a deadhead leg.

25.03.07 Planned turnarounds with an augmented crew between the Hawaiian Islands and the North American mainland must have a Class 1 Bunk or Class 2 Relief Seat.

25.03.08 Red-eye pairings in the North American zone will be planned to a maximum of 3-days excluding the Hawaiian Islands.

25.04 Planned Rest Periods – Layover

25.04.01 On layovers, the minimum planned rest period will be 10 hours (excluding travel time) or the length of the preceding flight duty period whichever is greater.

25.04.02 Layovers of 16 hours or greater will be planned at a suitable downtown location, except by prior mutual agreement between the Company and ACPA.

25.05 Planned Rest periods – Home Base

25.05.01 The minimum planned rest period will be 12 hours off duty or the length of the preceding flight duty period whichever is greater.

TABLE A PLANNED DUTY PERIODS FOR BASIC CREW INSIDE THE NORTH AMERICAN ZONE

TABLE A	EFFECTIVE CONTRACTUAL FDP MAXIMUMS UNDER CARs						ADDITIONAL PLANNING LIMITATIONS			PLANNED CONTRACTUAL OR FRMS MAXIMUMS	
	NO TIME ZONE LIMITATION		ENDING TZ IS LESS THAN 4 ONE-HOUR TZ FROM STARTING FDP TZ		ENDING TZ IS 4 OR MORE ONE -HOUR TZ FROM STARTING FDP TZ		Refer to A25.06 for Operating Rules once a Pairing has Started.			MAX PLANNED LEGS	MAX PLANNED DUTY PERIOD
	MAX PLANNED LEGS	MAX PLANNED FDP	MAX PLANNED LEGS	MAX PLANNED FDP	MAX PLANNED LEGS	MAX PLANNED FDP	MAX PLANNED LEGS	MAX PLANNED DUTY PERIOD			
00:00 to 03:59	2	9 h 15					First scheduled arrival after 0600 acclimatized start Time Zone (TZ) terminates duty period	Previous planned rest of 12 hrs or more		2	10 hrs
	3	9 hrs								3	9 hrs
04:00 to 04:59	2	10 hrs						Previous planned rest of 12 hrs or more		2	10 hrs
	3	9 hrs					3			9 hrs	
05:00 to 05:59								Previous planned rest of 12 hrs or more		5	13 hrs
					2	11 h 15	2			12 hrs	
06:00 to 06:59			4	11 h 15				Previous planned rest of 12 hrs or more		5	13 hrs
			4	12 h 15			2			12 hrs	
07:00 to 12:59	3	13 h 15					FDP must start and stop within Home Base TZ	First scheduled arrival past 0200 acclimatized start TZ terminates the duty period	Previous planned rest of 12 hrs or more	3	14 hrs 05:00-16:59
			4	13 hrs						5	13 hrs
			5	12 h 15				Previous planned rest of 12 hrs or more		5	13 hrs
					2	12 hrs	2			12 hrs	
13:00 to 16:59			4	12 h 45				Previous planned rest of 12 hrs or more		5	13 hrs
			4	12 hrs			2			12 hrs	
17:00 to 19:29								Previous planned rest of 12 hrs or more		5	13 hrs
					2	12 hrs	2			12 hrs	
19:00 to 21:59 Special Case	3	12 hrs					Split Duty - Flight(s) must operate from a Pilot's crew Base to the layover point on a direct flight (may include an en-route landing) and return non-stop to his crew Base. Flight duty period includes an airport layover of 5 hours or more.			3	12 hrs
	2	10 hrs						Previous planned rest of 12 hrs or more		2	10 hrs
	3	9 hrs					3			9 hrs	
19:30 to 21:59			5	11 hrs				Previous planned rest of 12 hrs or more		5	11 hrs
					2	11 hrs	2			11 hrs	
22:00 to 23:59	2	10 hrs					First scheduled arrival after 0600 acclimatized start TZ terminates duty period	Previous planned rest of 12 hrs or more		2	10 hrs
	3	9 hrs								3	9 hrs

NOTES:

- FDP Limits will be reduced by 1 hour for each planned flight leg over 5.
- For FDP limits that include deadheading at the end of a duty period, refer to the PLANNED CONTRACTUAL OR FRMS MAXIMUMS (right side of chart) and Table D for limits.
- A deadhead leg will count towards the Maximum Planned Legs unless it is the last leg of a single duty period pairing with a Basic Crew complement.

* Report times are inclusive times

TABLE B PLANNED FLIGHT DUTY PERIODS FOR BASIC CREW OUTSIDE THE NORTH AMERICAN ZONE

TABLE B	EFFECTIVE CONTRACTUAL FDP MAXIMUMS UNDER CARs			ADDITIONAL PLANNING LIMITATIONS		PLANNED CONTRACTUAL OR FRMS MAXIMUMS	
	ACCLIMATIZED START TIME *	MAXIMUM PLANNED LEGS	MAXIMUM PLANNED FLIGHT TIME	MAXIMUM PLANNED DUTY PERIOD	Refer to A25.06 for Operating Rules once a Pairing has Started.		MAX PLANNED LEGS
00:00 to 03:59	2	7 h 45	9 h 15	First scheduled arrival after 06:00 acclimatized start TZ terminates duty period except for crews on duty at 04:00 or later	Previous planned rest period of 12 hours or more	2	10 hrs
04:00 to 04:59	2	8 h 30	10 hrs			2	10 hrs
05:00 to 05:59	2	9 hrs	11 h 15	First scheduled arrival after 02:00 acclimatized start TZ terminates duty period First scheduled arrival after 02:00 is not applicable for European DH Rule *See note below		2	12 hrs
06:00 to 19:29	2	9 hrs	12 hrs			2	12 hrs
19:30 to 21:59	2	9 hrs	11 hrs			2	11 hrs
	2	8 h 30	10 hrs			2	10 hrs
22:00 to 23:59	2	8 h 30	10 hrs	First scheduled arrival after 06:00 acclimatized start TZ terminates duty period	Previous planned rest period of 12 hours or more	2	10 hrs
All flights to/from Europe and the UK (plus any other Atlantic crossing) from/to all points in the North American zone West of 100°W will be augmented							
All flights between Europe and India will be augmented							
All flights from Canada to Europe departing after 2100 and greater than 7 hours flight time will be augmented							
All Pacific crossings will be augmented except when approved by FSAG							
NOTES:							
→ For FDP limits that include deadheading at the end of a duty period, refer to the PLANNED CONTRACTUAL OR FRMS MAXIMUMS (right side of chart) and Table D for limits.							
→ A deadhead leg will count towards the Maximum Planned Legs unless it is the last leg of a single duty period pairing with a Basic Crew complement.							
* Report times are inclusive times							

TABLE C PLANNED FLIGHT DUTY PERIODS with AUGMENTATION

TABLE C		EFFECTIVE CONTRACTUAL FDP MAXIMUMS UNDER CARs			ADDITIONAL PLANNING LIMITATIONS		PLANNED CONTRACTUAL OR FRMS MAXIMUMS	
START TIME	CREW	MINIMUM CREW REST FACILITY REQUIREMENTS		MAXIMUM PLANNED LEGS	MAXIMUM PLANNED DUTY PERIOD	Refer to A25.06 for Operating Rules once a Pairing has Started.	MAX PLANNED DUTY PERIOD	
		Min Rest Facility	Min Crew Rest Seats					
Anytime	Basic + 1	Class 3 Seat	0	2	14 hrs	Inside N/A zone FDP will start and stop in Canada (turnaround)	14 hrs	
		Class 3 Seat	0	1	12 hrs	Outside N/A zone	12 hrs	
		Class 2 Seat	0	2	14 hrs		14 hrs	
	Basic + 2	Class 1 Bunk	1	1	15 hrs	Mixed base crew will be augmented based on the most restrictive home Base time		15 hrs
		2 Class 1 Bunks	2	2	18:15 hrs	The second leg is planned only to allow an augmented crew to complete (or start) a direct flight after (or before) operating an oceanic crossing	Only 1 R/P allowed as part of the crew complement	18:15 hrs
2CA 2FO	2 - Class 1 Bunks	2	1	20 hrs	Subject to ULR provisions of A25.03.03		20 hrs	

NOTES:

- Where a class 1 rest facility contains only 1 crew rest seat a J-class seat will be provided for all flight legs requiring double augmentation.
- For FDP limits that include deadheading at the end of a duty period, refer to the PLANNED CONTRACTUAL OR FRMS MAXIMUMS (right side of chart) and Table D for limits.
- A deadhead leg will count towards the Maximum Planned Legs unless it is the last leg of a pairing and the flight immediately prior (in the same duty period) was augmented.

TABLE D PLANNED DEADHEAD FLIGHT DUTY PERIOD LIMITATIONS

<p><i>18-Hr Duty Day</i></p>	<p>A Pilot may be scheduled for a flight duty period of up to the greater of 18 hours or the Duty Period established under a FRMS variance, provided the flight duty period consists solely of a maximum of 2 planned deadhead legs on a direct flight.</p>
<p><i>2-Hr Extension for Deadheading</i></p>	<ul style="list-style-type: none"> • The maximum planned flight duty periods in tables A, B and C may be extended by up to 2 hours (not to exceed 18 hours) for the purposes of deadheading to a layover point, provided the deadhead flight (or deadhead flights in the case of a multi leg direct deadhead) is to depart no later than 2h30 after the scheduled arrival of the last flight. • The maximum planned flight duty periods in tables A, B and C may be extended by up to 2 hours (not to exceed 18 hours) for the purposes of deadheading to home base provided the deadhead flight (or deadhead flights in the case of a multi leg direct deadhead) is to depart no later than 4h00 after the scheduled arrival of the last flight.
<p><i>Deadheading within Europe</i></p>	<p>A Pilot may be planned to deadhead within Europe upon arrival of an Atlantic crossing provided the deadhead movement is scheduled to arrive prior to 12:01 local UK time or 13:01 local European time. The 2-hour maximum planned flight duty period extension for deadheading is also applicable.</p>

Page intentionally left blank.

Page intentionally left blank.

25.06 Operating Rules

- 25.06.01 Once a Pilot's flight duty period has commenced, any re-assignment in the duty period will be governed by all limitations of the Planned Duty Period Tables. If there is no re-assignment, the flight duty period is governed solely by the value in the "Planned Contractual or FRMS maximums" column in tables A through C.
- 25.06.02 In the event of operational delays the maximum flight duty period may be extended for up to 2 hours with the concurrence of the flight crew.
- 25.06.03 During major disruptions to operations, such as those caused by severe weather systems, reduced airport or airspace capacity caused by unforeseen events involving third parties, etc., crews will be expected to remain available to protect the operational interests of the Company.
- 25.06.04 A Pilot operating in excess of a maximum planned duty period may continue at their option even when passing through a crew Base. A Pilot who wishes to be relieved at a crew Base must inform CS of their intentions as early as possible.
- 25.06.05 A Pilot planned under the 2-hour extension of duty period for deadhead pursuant to Table D, may be rescheduled on a later deadhead flight provided the departure time is within 2h30 (to layover)/4h00 (to home Base) of the originally scheduled arrival time of the last flight.
- 25.06.06 A Pilot who is unable to deadhead or operate to their home Base due to irregular operations must remain available for re-assignment or be placed on crew rest after which they must be available for re-assignment until such time as they are able to deadhead or operate a flight back to their home Base.
- 25.06.07 A Pilot deadheading under the provisions of A25 may elect to exceed the maximum planned duty period extension. Should a Pilot not elect to exceed these limits, DPG and TTG credits will apply.
- 25.06.08 It is not mandatory to take a rest period at a layover point if a Pilot is to deadhead home following flight duty. Authority to deadhead home on the first available flight may be requested and the minimum off-duty rest period will commence on arrival at home Base. A Pilot will neither increase nor decrease their Flying Pay and Flight time credits as indicated on the pairing by this procedure.
- 25.06.09 Where an additional crewmember is operating due to IOE training, and the crewmember is not required as per the original pairing and as per table A, B, C and D, the maximum planned duty time will not be increased.

25.07 Airport Stop Over of 5 Hours or More

- 25.07.01 Accommodation will be provided to Pilots with an airport stop over of 5 hours or more (time-in to time-out) including a stop over at home Base. Special consideration will be given to cases where the stop over is less than 5 hours and passes through 03:00 planned duty period start time zone.

25.08 Rest Periods-Operating Rules

- 25.08.01 In the case of operational delays, for flight duty periods finishing in a time zone that has a difference of less than 4 hours from the starting flight duty time zone, home Base crew rest may be reduced to 11h30 or, with the concurrence of the Pilot, may be reduced to 10 hours.
- 25.08.02 In the case of operational delays, for flight duty periods finishing in a time zone that has a difference of less than 4 hours from the starting flight duty time zone, the actual layover rest period may be reduced to 10 hours.
- 25.08.03 In the case of operational delays, for flight duty periods finishing in a time zone that has a difference of 4 or more hours from the starting flight duty time zone, the actual rest period must be equal to or greater than the previous flight duty period, but at no time less than as provided for in A25.04 or A25.05.

25.08.04 At home Base, the minimum rest period for Pilots on Reserve will be 14 hours for a Pilot returning from Overseas.

25.08.05 The 14 hour rest period will not apply to a flight duty period when the Overseas portion consists solely of a Bermuda, Jamaica or Cuba turnaround. This 14-hour rest period will not be used to extend a scheduled off-duty period.

25.09 General

25.09.01 A25 will apply to all flying performed on behalf of Air Canada or its Affiliates, unless otherwise expressly excluded under this Collective Agreement.

25.09.02 All flights with more than 16h planned Flight Time or more than 18h planned flight duty period must be operated by Air Canada Mainline.

ARTICLE 26 – BLOCK RULES

26.01 Scheduled Pairings

- 26.01.01 Scheduled Pairings as defined in A25 will be reflected in PBS and will not be changed after being awarded, except for charter operations (and supporting flights) and/or schedule revisions.
- 26.01.01.01 Schedule revisions refers to any change to Air Canada's published passenger or freighter schedules, including supporting ferry flights and/or second sections.
- 26.01.02 Scheduled Flight Time for planning purposes is considered to be unrealistic if the maximum flight duty time on a particular route is exceeded on more than 10% of occasions on a semi-annual basis, coinciding with the summer and winter schedule changes. The Company shall take appropriate action to ensure that planning is realistic and the flight or series of flights is completed within the maximum allowable flight duty time.
- 26.01.03 The following conditions will apply to planned pairings on Mainline NJA:
- 26.01.03.01 There will be no more than a 5% reduction in the percentage of single day and two day pairings by bid status for Mainline NJA on a rolling 12-month basis versus the same bid status for the 12 month period ending June 30, 2017; and
- 26.01.03.02 There will be no more than a 7.5% reduction in pairing efficiency (average credit divided by total time away from base) for each Mainline NJA bid status on a rolling 12-month basis versus the same bid status for the 12-month period ending June 30, 2017.
- 26.01.03.03 The parties will meet and agree on how the Baseline Measurements will be adjusted, if at all, when new regulations are implemented and new contract rules governing flight and duty time rules are agreed to by the parties.
- 26.01.03.04 The parties will meet and agree on how the Baseline Measurements will be adjusted, if at all, on an annual basis when new fatigue related mitigations are established.
- 26.01.03.05 Monthly reports will be provided to ACPA.

26.02 Flight Time Limitations

- 26.02.01 For the purposes of Flight Time limitations, the following will apply:
- 26.02.01.01 Blockholders will have DSC applied for each day of leave of absence or removal from the payroll.
- 26.02.01.02 PoR's will have DSC applied for each day of furlough, leave of absence, optional 24 or optional 48 in conjunction with vacation, or removal from the payroll.

26.03 Designated Block Maximum (DBM)

- 26.03.01 For all Positions the Company will set the DBM. The DBM will be in the range of 70 to 85 hours. The DBM will be designated in units of 1 hour.
- 26.03.02 The DBM may be decreased by 1 hour or increased by a maximum of 2 hours between pairing issuance and the pairing freeze (36 hours prior to PBS closing).
- 26.03.03 The DBM will be applied by Position.
- 26.03.04 The DBM will be limited as follows:
- 26.03.04.01 For all Positions the total hours for the 12-month period (June 2nd to June 1st) must fall in the range of 900 to 996 hours.
- 26.03.04.02 For all Positions the difference between the DBM for the same equipment-status at different Bases will not exceed 4 hours in a Block Period and 16 hours for the 12, month period (June 2nd to June 1st). There will be no restrictions by status on the same equipment.

26.04 Annual Overtime (AO)

- 26.04.01 AO totals will be reset to zero every June 2nd.
- 26.04.01.01 All Block Credits in excess of the DBM for DBM's of 75 hours or more, excluding block growth and flying from TT, will count towards AO.
- 26.04.01.02 VO will be awarded in order of seniority first to Pilots who have less than 40 hours of accumulated AO and then in order of seniority to Pilots who have 40 hours or more of accumulated AO.
- 26.04.02 CP's and NRFOP's will be deemed to have more than 40 hours of accumulated AO for the purposes of A26.04.01.02.
- 26.04.02.01 For CP's, FI's, PrP's and NRFOP's all Block Credits above 80 hours, excluding block growth, will count towards AO.

26.05 Legalities

- 26.05.01 The term "legal" will mean that the Pilot:
 - 26.05.01.01 is qualified for the assignment; and
 - 26.05.01.02 has had the necessary off-duty rest period(s); and
 - 26.05.01.03 Their projection is within the allowable maxima; and
 - 26.05.01.04 They will be available to cover their next sequence of flights.
- 26.05.02 PP, MU, PoR and VO flying will be awarded or assigned as per the legal limits in the Award of Open Flying charts below and A28 and within established buffers. For awards resulting in an overlap the legal limit in the subsequent month will be 118 hours.
- 26.05.03 Buffers will be set by the Company and may be changed on a monthly basis and by equipment. The buffers for PBS, TT, Normal Awards will be posted online in conjunction with the release of the published pairings.
- 26.05.04 Awarded or assigned flying may increase up to 120 Block Credit hours as a result of irregular operations and/or block growth.
- 26.05.05 A PoR may be awarded or assigned flying up to a maximum of DBM+4h24 (NJA)/ DBM + 7 to a maximum of 90 hours (WJA) under Step 3.
- 26.05.06 Once a pairing has started and the PoR is projected at or over DBM, flying cannot be added through home Base at the end of the pairing without Pilot consent, except under the following circumstances:
 - 26.05.06.01 The Pilot was originally scheduled to operate flying through home Base while already at or above DBM and they are reassigned to other flying; or
 - 26.05.06.02 The Pilot is on a DPG day and projected at or between DBM and DBM+4h24 (NJA) / DBM +7 (WJA). In this situation, the Pilot can be assigned additional flying from home Base within their original DPG credit.
- 26.05.07 Except as noted in A26.05.06, once a PoR arrives at home Base at or above DBM they are released from being assigned any further flying duties.
- 26.05.08 If after being awarded or assigned under PP, MU, reserve or VO, the Pilot gains additional time, they are still legal for all remaining flying up to 120 Block Credit hours.
- 26.05.09 When a Pilot is planned for vacation or training for a part of, or all of, a Block Period, the credits for the vacation or training period will be deemed to have already been accrued for the purpose of determining all legalities.
- 26.05.10 A Pilot on a transition or an initial course and a Pilot returning from a LOA/GDIP who needs to re-qualify will be assignable in the Block Period they begin IOE flying to a maximum of 85 hours regardless of the DBM. The 85 hour limit is for training purposes only.

- 26.05.11 Except as provided elsewhere in the Agreement, in order to operate a pairing over the Block Period end, a Pilot must be legal in both Block Periods.
- 26.05.12 A Pilot who is awarded or assigned to overlap flying that projects him over the DBM of the subsequent Block Period may, by mutual agreement with the Company, drop flying with no credit in the new Block Period.
- 26.05.13 It is recognized that an award under Step 4 during the PBS block closing period may result in a Pilot's subsequent Block being CARs illegal. When this happens, they will normally drop or alter flying in the current Block Period to make their subsequent Block legal. Should such action not be possible, flying in the subsequent Block Period will be dropped or altered to make the Block legal and the Pilot will be eligible for Pay Protection. Notwithstanding the above, at Pilot option, when there is an opportunity to drop flying in either Block Period to make the Block legal, they may drop flying in the subsequent Block Period and Pay Protection will not apply.
- 26.05.14 A Pilot transitioning from PoR to Blockholder and assigned an overlap pairing will not be forced to accept additional flying beyond the end time of the original overlap pairing as awarded, except for irregular operations beyond the control of the Company. The Pilot's status as a Blockholder will commence after completion of the off-duty rest period following the overlap pairing. Such Pilot may be planned to a maximum of 118 hours in the new Block Period.
- 26.05.15 A Pilot transitioning from Blockholder to PoR and operating an overlap pairing will be considered a Blockholder in the new Block Period until completion of the off-duty rest period following the overlap pairing.
- 26.05.15.01 For exceptional circumstances due to irregular operations which prevents the Blockholder from returning to their home Base at the end of their overlap pairing, crew rest taken at a location other than their home Base will fulfill the requirements for their transition to PoR status for the purposes of operating a previously awarded assignment.

26.06 Special Days Off (SDO)

- 26.06.01 Subject to Company approval, once per calendar year, a maximum of 4 days off may be blocked off in the blocking system to accommodate special events in a Pilot's life.
- 26.06.02 If a Pilot wishes to cancel SDOs once awarded in PBS, they will contact CS to have the SDOs removed from their schedule. However, the SDOs will not be returned to the Pilot for use at a future time.
- 26.06.03 A26.06.01 and A26.06.02 above are effective at the beginning of the September 2022 Block Period.

AWARD OF OPEN FLYING LIMITS

Eligibility	Base seniority to BH on PP	Base seniority to BH on MU. Fls/PrPs may be assigned up to 80 hours.	Step 3a: Base seniority for NRFOP and DAR. System seniority for MP and CP conducting OE or IOE (CA and FO only). CPs and NRFOPs may be assigned up to 80 hours. Step 3b: Base PoR Step 3c: At company option, from another base Step 3d: PoR going into GDO's (seniority order) Step 3e: At company option, from another base going into GDO's (seniority order)	Step 4a: BH, DAR, FI, PrP or PoR who is not legal under Step 3 Step 4b: BH, DAR, FI, PrP, CP, NRFOP or PoR who is not legal under Step 3	As per A30
	STEP 1 (PP) The greater of the DBM or the Pilot's projection at the time of the loss flying	STEP 2 (MU) DBM+2.	STEP 3a, 3b,3c,3d,3e (PoR) N/A to a max of DBM +4:24 WJA to a max of DBM +7:00	STEP 4a (VO) Pilots < 40 hours Annual Overtime (AO)	
DBM	MBG Block/RSV				
70	60/68	70	74h24	118	118
71	60/69	71	75h24	118	118
72	63/70	72	76h24	118	118
73	63/71	73	77h24	118	118
74	63/72	74	78h24	118	118
75	64/73	75	79h24	118	118
76	65/74	76	80h24	118	118
77	66/75	77	81h24	118	118
78	66/76	78	82h24	118	118
79	67/77	79	83h24	118	118
80	68/78	80	84h24	118	118
81	69/79	81	85h24	118	118
82	70/80	82	86h24	118	118
83	71/81	83	87h24	118	118
84	72/82	84	88h24	118	118
85	73/83	85	89h24	118	118

ARTICLE 27 – PBS AWARDS

27.01 Preferential Bidding System (PBS)

- 27.01.01 While it is recognized that the full scope and detail of the PBS Program cannot be realistically contained in the Collective Agreement, the basic tenets upon which the program has been established are embodied within this Article. Both Air Canada and ACPA are committed to developing a standardized approach that will automate all parameters and related aspects of the award.
- 27.01.02 The joint Preferential Bidding System Committee (PBSC) will be responsible for the administration of the Preferential Bidding System.
- 27.01.03 This Article will serve as the basic guidance and reference for the PBSC as the need arises to resolve issues that are within the normal ongoing workings of the PBSC.
- 27.01.04 Any changes to the current PBS System and specification which are not in accordance with this Article will require the mutual agreement of ACPA and the Company.
- 27.01.05 The basic intent of PBS is to provide Pilots with schedules in accordance with their preferences (PBS bids). While preferences are honoured in seniority order, global blocking solution constraints on the construction of blocks will exist.
- 27.01.06 Within the required global blocking solution constraints, and to allow a PoR an improved opportunity to attain their desired days off, the PBSC will collaborate to optimize the PBS system for reserve.
- 27.01.07 By mutual agreement of the PBSC any block solutions may be released prior to all solutions. The pairings and PBS awards will be loaded onto the PBS WebBidder and the ACAeronet applications prior to being released to any third party vendor(s).

27.02 Vacation Extension Using Positive Bank Credits – PBS

- 27.02.01 For vacation extension using positive bank credits in PBS refer to A14.03.

27.03 Vacation Extension – Optional 24 or 48

- 27.03.01 Pilots will have the option of using their optional 24 or 48 in conjunction with vacation once for each vacation period. This option must be requested when a Pilot is bidding their block assignment in PBS. Optional 24 or 48's will be handled within PBS as follows:
- 27.03.01.01 For Blockholders: There will be no adjustment to a Pilot's bank or Flight Time limitations associated with the use of an Optional 24 or 48.
- 27.03.01.02 For Pilots on Reserve: The Optional 24 or 48 will be treated as a Leave of Absence (LOA) without pay. The Pilot will be Flight Time limited and their Block projection will be reduced by the DSC for each 24 hour period and the MBG will be prorated accordingly. The PoR will have the option of using available day(s) off in their Reserve Block in lieu of a LOA, subject to the resulting Block being legal. In this case the Pilot must contact CS following the release of the PBS awards to have their LOA cancelled.

27.04 Bidding Eligibility

- 27.04.01 A Pilot who has completed their IOE training in time for the PBS block closing will be eligible to bid. A Pilot who is not eligible to bid at PBS block closing will be assigned a reserve block upon qualification.
- 27.04.02 Should the Pilot not complete their final checkout, the flights missed in their block selection will be considered as Open Time and awarded as per A28.
- 27.04.03 A Pilot who has been cleared by OHS following long-term illness or is returning from a LOA, will be eligible to bid, provided all required IOE has been completed

prior to PBS block closing, or, in the case of a Pilot who only requires simulator training, has been planned to complete all required simulator sessions prior to the start of the new block month. Notwithstanding A27.04.01, A27.04.02 and A27.04.03, should it become apparent prior to block closing that a Pilot will not be able to complete required training by the end of the applicable block month, the PBSC may evaluate the individual Pilot's circumstances on a case-by-case basis to determine the Pilot's eligibility to bid.

- 27.04.04 When there is a requirement for a route qualification, Pilots who have been unable to obtain the necessary route qualification due to equipment limitations may be awarded a PBS block covering such routes, subject to the ability of the Company to complete the necessary route check-outs.
- 27.04.05 If the Company's aircraft are grounded for reasons beyond the Company's control, a Pilot's qualification will be renewed as soon as practicable and for bidding purposes will be considered as not having lapsed.
- 27.04.06 A Pilot will not be scheduled to fly in the two calendar days immediately prior to the ICAO limit or to their retirement date.

27.05 Preparation and Bidding

- 27.05.01 The Company will issue a pairing package for the next bid period which will include:
 - 27.05.01.01 A list of pairings to be used for OE and QOE, which will include ETOPS and Right Seat qualification.
 - 27.05.01.02 A list of Pilots due/planned for OE, and IOE.
 - 27.05.01.03 The closing time and date when Pilots must have their bids entered into PBS for OE awards and block awards.
 - 27.05.01.04 A list of all Pilots by status at the Base eligible to bid, along with their seniority numbers, vacation or training dates.
- 27.05.02 Bid preferences must be input to the system no later than the closing time and date as indicated on the bid package.
- 27.05.03 The closing time and date will be between the 18th and 23rd of the month but no later than 7 days prior to the end of the current Block Period and no less than 6 days after the pairings are released.
 - 27.05.03.01 In the event of extraordinary circumstances, the closing date may be extended to the 24th of the month not more than twice a year. Extraordinary circumstances include, but are not limited to, PBS system hardware failure and software updates.
 - 27.05.03.02 These block closing dates may be further reduced or extended by mutual agreement of the PBSC.
 - 27.05.03.03 At Company discretion, the closing dates may be earlier than the 18th of the month, but not less than 6 days after the pairings are released.
- 27.05.04 A Pilot should keep a default bid in the PBS system which will indicate their preferences in the event no bid is recorded.
- 27.05.05 A Pilot who is not a member of the Air Canada GDIP (A16) and is drawing sick leave benefits will be provided a phantom re-run block to determine pay and sick charges. This re-run block will be based on the saved (or default) bid that was included in the bid system at the time the monthly bid session was closed. If there is a case where a Pilot off sick is not physically able to amend their default bid a member of the PBSC will add one for them before the next bid session closes. Best bidding strategies as determined by the PBSC will be used to add the bid in order for the Pilot to achieve a result with the least amount of sick days for the most amount of pay that their seniority would allow.

- 27.05.06 A Pilot transferring into a Base by the first day of the new Block Period should submit a bid preference by the closing time and date for blocks at their new Base.
- 27.05.07 Blockholders with overlap flying will have these credits considered as part of their next Block Period's projection. This overlap flying may be subject to change due to pairing and schedule revisions and is not considered a part of the Pilots' new Block until actually awarded. Under this provision, overlap pairing and schedule revisions cannot extend beyond the original calendar day.
- 27.05.08 For FI/PrP blocking refer to A11.04.

27.06 Awarding Simulator

- 27.06.01 Simulators will be assigned prior to the pairing freeze. Simulator assignments will be based on system seniority, accepted training practices, and sound economic principles.

27.07 Awarding and Assigning of OEs and QOEs

- 27.07.01 Published pairings will include pairings designated for CA, FO, and/or RP OEs and QOEs.
- 27.07.02 For OEs: These pairings will be awarded or assigned in PBS to CA, FO, and/or RPs who are due/planned for an OE. One seat will be occupied by a Pilot with the appropriate check authority.
- 27.07.03 For QOEs: These pairings will be chosen to fit at the end of a Pilot's planned IOE. They will be withheld from the PBS bidding process and assigned to IOE candidates. One seat will be occupied by a Pilot with the appropriate check authority.
- 27.07.04 Any withheld flying not used for OEs or QOEs will either be assigned to MPs, CPs or placed in Open Time.
- 27.07.05 Every attempt will be made to utilize OE and QOE flying that is efficient and representative of the routes the aircraft operates. The ACPA PBS Committee will be consulted to ensure that these principles are being adhered to.
- 27.07.06 Should it become necessary, through no fault of the Pilot, to reschedule the OE in a subsequent Block Period, the Pilot will not be required to bid for a designated OE pairing. Instead, the Pilot will bid for their flying in accordance with the regular PBS process and the OE will be accomplished either through displacement or Open Time award.
- 27.07.07 Should it become necessary to assign the PoR to a flight other than their OE, the Pilot will be paid the greater of the scheduled OE flight or the flight they were subsequently assigned.
- 27.07.08 OEs and QOEs for FI/PrP/CP/NRFOP's must be assigned within their planned DBM of 80 hours.
- 27.07.09 Retirement Flight
- 27.07.09.01 With due regard for seniority, a Pilot in their last month prior to retirement will have the option of pre-selecting a final pairing from the published pairing package prior to pairing freeze. The intent is for the Pilot to be scheduled for a final pairing immediately prior to the 2-day release period before retirement. The Pilot will be shown as released, or for a PoR, assigned days off, in PBS for the remainder of the month following the final pairing.
- 27.07.10 The PBSC will oversee the application of the pre-assignment of OEs and the Retirement Flight.

27.08 IOE Flying

- 27.08.01 A Pilot in IOE training will normally be assigned flying at their own Base. This IOE flying may be assigned exclusively with an IOETC during the PBS award process.

This flying may be reassigned to another Pilot who is undergoing IOE or a QOE subject to training requirements.

- 27.08.01.01 When the Pilot is transferring to a new Base, and the aircraft type is available at their new Base, the Pilot may be assigned IOE flying at the new Base by mutual agreement between the Company and the Pilot.
- 27.08.01.02 When the Pilot is transferring to a new Base, and the aircraft type is not available at their current Base, the Pilot will be assigned IOE flying at their new Base.
- 27.08.02 Pilots-in-training may be assigned flying during a 15 to 25 day period exclusively with an IOETC commencing on the third day after the expected completion date of their simulator and airborne (if required) qualification check.
- 27.08.03 Flying will be assigned as part of a first pass in PBS and for a minimum number of legs as per the FOM and as duplicated in the tables below and those pairings will no longer be available for awarding. This process may overlap 2 Block Periods.
- 27.08.04 The ACPA PBS Committee will be consulted to ensure that no more flying than required is selected and that the flying selected is suitable.
- 27.08.05 CAs and FOs will be assigned in PBS in the FO status and RPs will be assigned in PBS in the RP status.
- 27.08.06 Any withheld flying not used for IOE will be placed in Open Time.
- 27.08.07 Initial IOE Flying Requirements

(for new hire Pilots and RPs initially qualifying as CA/FO)

<i>Aircraft</i>	<i>CA</i>		<i>FO</i>		<i>RP</i>	
	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>
WJA	12	50-60	6	25-35	4	25-35
NJA	16	50-60	6	25-35	N/A	
More hours than the maximum specified in the above range may be awarded to meet the minimum number of legs required						

27.08.08 Transition IOE Flying Requirements

<i>Aircraft</i>	<i>CA</i>		<i>FO</i>		<i>RP</i>	
	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>
WJA	4	25-35	4	25-35	2	12-25
NJA	4	25-35	4	25-35	N/A	
NJA to WJA	6	25-35	6	25-35	4	25-35
More hours than the maximum specified in the above range may be awarded to meet the minimum number of legs required						

27.08.09 Command IOE Flying Requirements

<i>Aircraft</i>	<i>CA</i>
-----------------	-----------

	<i>Minimum Number of Legs</i>	<i>Range of Hours</i>
WJA	12	50-60
NJA	16	50-60
More hours than the maximum specified in the above range may be awarded to meet the minimum number of legs required		

27.09 Introduction of New Fleet Type

27.09.01 To capture flying that is suitable for IOE during the introductory period of a new fleet type in the system or to a Base, the following procedures will be in effect; for any 6 complete Block Periods during the first 7 months following the first revenue flight, the Company may award flying to qualified IOETCs as a first pass in PBS prior to normal Captain awards. Under this process, any Pilot that is senior to the most junior IOETC will be guaranteed DBM for the applicable Block Period. At any time, the Company may elect to bypass this process and have IOETCs bid as a part of the normal awards. In this instance, the Company may remove a Pilot from their complete Block and assign them to reserve for the Block Period as outlined in A33.06. When new aircraft are introduced the Company and ACPA will meet to develop additional guidelines for the application of this clause.

27.10 New Fleet Training and/or Checking Requirements:

27.10.01 To avoid displacements and meet new fleet training and/or checking requirements the published pairing package will include pairings designated for special training. These pairings will be awarded or assigned in PBS to CAs, FOs and/or RPs who require the training and one seat may be occupied by a MP, CP or FI. When new fleet qualifications are required the Company and ACPA will meet to develop guidelines for the application of this clause. The ACPA PBS Committee will be consulted to ensure that no more flying than is required is selected and that the flying selected is suitable.

27.11 Awarding Order

27.11.01 Block preferences which have been submitted by the PBS closing time and date will be awarded in the following order:

27.11.01.01 Captain Assignments: For a given Position, in order of seniority to Pilots holding CA status at the Base and only after the OE pairings have been awarded.

27.11.01.02 First Officer Assignments: For a given Position, in order of seniority to Pilots holding FO status at the Base and only after the IOE and OE pairings have been awarded. CAs and FOs completing qualification training will be awarded IOE flying as a first pass in PBS prior to normal awards.

27.11.01.03 Relief Pilot Assignments: For a given Position, in order of seniority to Pilots holding RP status at the Base and only after the IOE and OE pairings have been awarded. RPs completing qualification training will be awarded IOE flying as a first pass in PBS prior to normal awards.

27.12 Primary Constraints

27.12.01 The primary constraints include the following:

27.12.01.01 Maximum Days of Work (NJA) for Blockholders in PBS:

27.12.01.01.01 16 days per Block Period when the DBM is 80 to 85 inclusive;

27.12.01.01.02 15 days per Block Period when the DBM is 75 to 79 inclusive;

- 27.12.01.01.03 14 days per Block period when the DBM is 70 to 74 inclusive;
- 27.12.01.02 Pilots will have the option to increase their Maximum Days of Work in increments of 1 day up to a maximum of 20 days.
- 27.12.01.03 Prorating of Maximum Days of Work (NJA) – The maximum days worked parameter for Pilots on vacation, training, leave of absence, or with ACPA release days with DSC's for part of the Block Period will be prorated using the following formula:

$\frac{\text{No. of days in Block Period} - \text{No. of days on vacation/ training/LOA/ACPA release days with DSC's}}{\text{No. of days in Block Period}}$	X	The Maximum Days of Work (16, 15 or 14 depending on DBM)
---	---	--

- 27.12.01.03.01 Numbers will be rounded up to the next whole integer. The result will constitute the maximum number of days that the Pilot can be planned to fly in PBS.
- 27.12.01.03.02 The PBSC will oversee the application of the prorating of the Maximum Days of Work formula.
- 27.12.02 A Pilot will not be planned for more than one duty period in the same day, unless they indicate otherwise in their PBS bid.
- 27.12.03 The parameters for the PBS bid option allowing a Pilot to bid for more than 1 duty period in the same day are: (a) the number of consecutive days in a row with more than one duty period in the day and (b) the number of instances of (a). The values for (a) will be 1 to 5 and the values for (b) will be 1 to 8.
- 27.12.04 The blocks will normally be constructed using the following bidding / blocking windows:
- 27.12.04.01 NJA:
- DBM 70-75: +1/-5
 - DBM 76-83 Hours +2/-6
 - DBM 84-85: +1/-5
- 27.12.04.02 WJA:
- DBM 70-85: +1/-5
- 27.12.05 The allowable Open Time parameter will be set at:
- 27.12.05.01 WJA: the lower limit of the bidding / blocking window -:01 minute.
- 27.12.05.02 NJA: July, Aug, Dec and March; WJA formula X [number of eligible bidders/50 (rounded up or down to the nearest integer but not less than 1)]
- 27.12.05.03 NJA: All other months; WJA formula X [number of eligible bidders/30 (rounded up or down to the nearest integer but not less than 1)].
- Example: March NJA DBM 85
Lower bidding / blocking window (80 - :01 min=79:59)
235 eligible bidders ÷ 50 = 4.7 (rounded up to 5)
5 x 79:59 = 399:55 allowable Open Time
- 27.12.06 The allowable concurrent open pairing parameter will be set at:
- 27.12.06.01 WJA: max of 1 concurrent open pairing per day

- 27.12.06.02 NJA: the concurrent Open Time will be based on the above Open Time formula rounded down to the nearest integer. The Company may designate up to 12 days in the Block Period where no less than 30% of this value will be applied.
- 27.12.07 The PBS system will include buffers on CARs limits. In order to maintain the integrity of the operation these buffers will be established and set by the Company in collaboration with the joint PBSC. Any such buffers may be modified on a monthly basis and by equipment. The buffers for PBS will be posted online and released monthly in conjunction with the published pairings.
- 27.12.08 For the purposes of A27.12.01.01, A27.12.01.02 and A27.12.01.03 and A27.12.02, a day in PBS will be defined as between 02:00 and 02:00.
- 27.12.09 Scheduled activities such as vacation, training, absence and overlap will be factored into the global blocking solution constraints.
- 27.12.10 When a Pilot does not submit a bid preference and they do not have a default bid preference on file, PBS will assign the Pilot at its discretion to a block or reserve.
- 27.12.11 Notwithstanding A27.12.09, if there are insufficient bids received to cover the flying, Pilots will be assigned Blocks in reverse order of seniority.
- 27.12.12 Until such time as the optimization process is consistently achieving solutions within the primary blocking constraints and available time constraints, the Company will upgrade its servers every 2 to 3 years.

27.13 Block Out of Seniority (BOS)

- 27.13.01 There remains a possibility that a Pilot may be assigned a Block against their bid when the Pilot has bid for reserve using a conditional reserve bid. This is referred to as Block Out of Seniority (BOS).
- 27.13.02 For a Block to be designated as a BOS, the Pilot must have bid for conditional reserve.
- 27.13.03 A maximum of 4 BOS conversions to reserve will be allowed per Position for any block run.
- 27.13.04 The BOS Pilot must contact CS (PBS Administrator) within 48 hours prior to the beginning of the next Block Period, requesting designation as BOS and reassignment to a Reserve Block.
- 27.13.05 A Pilot forced onto a BOS will be given the option of keeping their awarded block or going on reserve. Pilots who request reassignment to a Reserve Block will be reassigned to reserve in accordance with the following rules:
- 27.13.05.01 By mutual agreement of the Pilot and CS, based on a consideration of normal reserve patterns, PBS open flying coverage requirements, the Pilot's relative seniority and requested reserve days.
- 27.13.05.02 If the Pilot and CS are unable to reach agreement on reserve assignment days, the Pilot will be assigned reserve as per a PBS rerun requesting XXX AVOID ALL for any such unresolved BOS Pilots.

27.14 PBSC Authority to Modify Blocking Parameters

- 27.14.01 The nature of the pairings and size of the global solution set can, at times, pose difficult blocking situations that might produce either undesirable or unblockable results. The PBSC has the authority to make decisions, as necessary, to generate a mutually acceptable resolution to such problem(s). The objective is to find a solution that is closest to the primary constraints
- 27.14.02 Options for the PBSC to modify the primary constraints include, but are not limited to, the following:

- 27.14.02.01 Opening the upper and/or lower limits of the blocking window: When the upper window is increased the reserve MBG for the affected position will be increased by an equal hourly amount:
- 27.14.02.02 adjusting the Open Time and/or the allowable concurrent pairing value;
- 27.14.02.03 increasing the maximum allowable days worked parameter.
- 27.14.03 On the NJA:
 - 27.14.03.01 Should the system return with an “unfeasible” solution using the primary constraints, then the maximum days worked parameter will be increased in increments of 1 day to a maximum of 18 days and A27.14.04 will not be applicable.
 - 27.14.03.02 The blocking constraint outlined in A27.12.02 will be modified to allow the system to plan Pilots for more than one duty period in the same day, using the parameters outlined in A27.12.03, on an incremental basis, to a maximum value of 3 for parameter (a), and a maximum value of 5 for parameter (b).
 - 27.14.03.03 The PBSC may agree to increase the maximum days worked parameter in increments of 1 day to a maximum of 18 days and A27.14.04 will apply.
- 27.14.04 When the maximum allowable days worked parameter is increased above the values in A27.12.01.01 Blockholders on NJA who are assigned in PBS to work more days than indicated in A27.12.01.01 will be given a choice of:
 - 27.14.04.01 Dropping no credit, coverage permitting and in order of seniority:
 - 27.14.04.01.01 a single day pairing, or;
 - 27.14.04.01.02 if none available, splitting a multi-day pairing by dropping a single day of flying no credit (including any applicable DPG and TTG credit). A pairing may only be split at the Pilot’s home Base. When a pairing is split, it will be done in such a manner that the increase in DPG or TTG is kept to a minimum.

Note: The determination of coverage availability will be made no later than 36 hours prior to the start of the requested drop.

OR

 - 27.14.04.02 Being paid a premium calculated as 50% of 4:25 hours DN (cash cleared), except as outlined in A27.14.03.01 and A27.14.04.03.
 - 27.14.04.03 The premium outlined in A27.14.04.02 will not apply to those Pilots who have elected in PBS to fly more than the maximum days worked parameter outlined in A27.12.01.01, nor will it apply to those Pilots who were assigned an increased number of days in their block and who subsequently drop flying, except for flights dropped via the Trip Trade system, book off sick, are displaced, or otherwise removed from at least one of their days of PBS assigned work in the applicable Block Period.

27.15 PBS Misawards

- 27.15.01 The following resolution process will be used to compensate a Pilot for a misaward:
 - 27.15.01.01 Once a misaward has been confirmed by the PBSC, a blocking rerun will establish the proper block award(s). The originally awarded Block(s) will be flown.
 - 27.15.01.02 All block re-runs will be completed using the same parameters as the original block run.
 - 27.15.01.03 When a re-run cannot be completed using the original blocking parameters the parameters will be adjusted by mutual agreement of the PBSC to allow for completion of the re-run.
 - 27.15.01.04 Pilots whose scores (hierarchy of JBR/priority/point score) and block values are increased in the re-run will receive a pay credit for the difference between their awarded Block and re-run Block.

- 27.15.01.05 Time-off requests that were not honoured in the original Block but are honoured in the corrected re-run Block, will be allowed as a “drop – no credit”, at Pilot option, where reserve coverage exists. This is to be considered on a “net” basis.
Example: If a generic request for Saturday off results in 2 Saturdays worked on original Block and 2 different Saturdays worked on corrected rerun, no entitlement to drop would exist.
- 27.15.01.06 A Pilot who drops no credit under this Article will be permitted to make use of Pre-selection to the upper limit established by the Blocking window of the Pilot’s equipment/status.
- 27.15.01.07 Any Pilot whose drop entitlement, as described in A27.15.01.05 above, is refused as a result of coverage will have the flying performed on such day(s) treated and paid as a Draft and the Draft premium will apply.
- 27.15.01.08 A Pilot misawarded reserve in lieu of a Block, as determined by the PBSC, will stand reserve on the days their block would have operated and be paid for the greater of their flying on reserve or the value of the Block that should have been awarded. At their option, the Pilot may avail themselves of Pre-selection and/or MU. Flying picked up under this provision will reduce the Pilot’s reserve periods on a day for a day basis.
- 27.15.01.09 In the event that a determination of the correct Block cannot be made due to discovery of programming errors, the Pilot will receive the greater of their flying on reserve or the DBM DN.
- 27.15.02 The following guidelines will be used to determine when a full re-run (all Pilots in the solution) will be completed when:
- 27.15.02.01 A Pilot is awarded a Block but is not eligible to bid in that Position.
- 27.15.02.02 A Pilot is not awarded a Block but is eligible to bid in that Position.
- 27.15.02.03 Clerical errors are entered into the blocking software, such as, but not limited to, incorrect blocking parameters or faulty data transferred from Netline such as bank values, vacation days, or overlap credits.
- 27.15.03 A full re-run will not normally be completed when a programming error or trouble report has been identified. In these situations it is not possible to re-run the blocks and the following provisions will apply:
- 27.15.03.01 For Blockholders: The affected Pilot may have their Block manually altered to correct the misaward. Any Flying Pay adjustment or time off requirements under the provisions of this Article will be by mutual agreement of the PBSC.
- 27.15.03.02 For reserves: Due to the nature of Reserve Blocks and the difficulties of determining the correct award, a re-run is usually not completed. The affected Pilot will be awarded the same Reserve Block as the first PoR junior to them, or, as mutually agreed between the Company and the Pilot.
- 27.15.04 For a full re-run to be considered ACPA must file a claim no later than the end of the affected Block Period. Individual claims and errors will continue to be handled as per A7.13.
- 27.15.05 When a misaward is confirmed under A27.15, the Company will provide ACPA with a report that shows when the affected Pilots were contacted and what option they chose under A27.15.01.05 as well as the Draft premium they will receive, if applicable, under A27.15.01.07.

27.16 PBSC Administration

- 27.16.01 Company paid releases will be arranged for ACPA representatives to participate in the block closing process to a monthly maximum of 26 DSC’s. The procedure outlined in A10.09.04 will be used to process such releases.
- 27.16.02 At the request of the ACPA PBSC Chair, a software vendor meeting will be arranged to review technical issues related to optimizer performance. The ACPA

PBS members will be invited to all technical vendor meetings, including user conferences.

- 27.16.03 A modification and improvement fund of \$35,000 per calendar year will be budgeted and under control of the PBSC to provide for ongoing enhancements to the PBS System. These funds will be available for use on mutually agreed items. Any unused portion of the annual \$35,000 fund may be carried forward to a maximum value of \$100,000.
- 27.16.04 Any personal computer equipment, third party agreements and/or communication expense required to accommodate "home bidding" will be the sole responsibility of the Pilot.

ARTICLE 28 – OPEN TIME AWARDS

28.01 Open Time

- 28.01.01 The term Open Time will mean any flight(s), flight pairing or sequence of flight pairings made up of the following:
- 28.01.01.01 Any flight(s) or pairing(s) not included in a block selection, excluding any test, publicity, courtesy, IFR, training or checking flights to be flown by MPs, CPs, Fls or PrPs as provided in A11 of the Agreement; and
- 28.01.01.02 Any flying that a Blockholder is not available to operate for any reason, excluding:
- 28.01.01.02.01 Approved flight switches between Blockholders; and
- 28.01.01.02.02 Flights from which Pilots have been released for ACPA business and which have been re-allocated in accordance with the provisions of A10.09.06.01; and
- 28.01.01.02.03 Flights in a block selection which are required for training and from which the Pilot has been displaced or released; and
- 28.01.01.02.04 Flying available due to Bereavement / Compassionate Leave or Jury Duty under the provisions of A28.07.
- 28.01.02 No Pilot will be required to operate an engine-out ferry flight.
- 28.01.03 Open Time Report: The Company will provide to the Pilot group, at all times, an up-to-date report showing the known Open Time. The report will indicate date of operation, type of flight(s), equipment, route, ETD outbound and ETA inbound, layover time where applicable, and projected flying time.
- 28.01.04 Combining Open Time: A combination of Open Time which can be flown in one or more duty periods may be awarded as a complete sequence provided a more senior Blockholder on MU does not wish to operate part of the combined sequence.

28.02 Awarding Open Time

- 28.02.01 The Open Time awarding process commences at 16:00 local time two days in advance of the Check-in time scheduled to originate between 05:00 local time and 05:00 local time. Pilots must enter their preferences on the MU, reserve availability or VO lists prior to 16:00 local time each day. Known open flying may be re-arranged to produce the most efficient pairings consistent with the limitations of A25 prior to being awarded under PP, MU, reserve, or VO.
- 28.02.02 The 16:00 award time may be changed by mutual agreement of the Joint Scheduling Committee.
- 28.02.03 Where it is necessary to award (assign) flying in advance of the normal award as per A28.09 or for other reasons as agreed by ACPA every reasonable effort will be made to contact Pilots to offer this flying.
- 28.02.04 Open flying will be shown as soon as it becomes available.
- 28.02.05 Pilots will not be actively contacted by CS for flight awarding or assignment while on their Collective Agreement required rest period. A Pilot who wishes to be considered for an open flying award must leave specific remarks on the applicable MU, RSV, or VO list. If no remarks are left, or if the remarks are ambiguous, the Pilot may not be eligible for an award.
- 28.02.06 The requirement to call Pilots for open flying does not apply to normal awards. A Pilot who wishes to be considered for normal Open Time awards must leave specific remarks on the applicable MU, RSV, or VO list. If no remarks are left, or if the remarks are ambiguous, the Pilot may not be eligible for an award.

- 28.02.07 Open Flying Award Procedure: Open flying awards for Pilots on PP, MU, RSV and VO will commence at 16:00. CS will notify a Pilot of their assignment (via crew mobility app). Pilots must enter their names on the PP, MU, RSV or VO lists (via the crew mobility app) with specific instructions for open flying. A Pilot will be expected to fly their awarded flight(s). If the Pilot is unable to access the crew mobility app they can contact CS directly (including using ACARS).
- 28.02.08 A Pilot awarded MU or VO must acknowledge the flight(s) awarded no later than 21:00 of the awarding date. A Pilot on MU, RSV or VO who has refused all of the open flying available at the time of awards will have no further claim on that flying. They will be eligible to accept additional open flying that becomes available in accordance with A28.07.
- 28.02.09 A Pilot will not be allowed to relinquish awarded open flying.
- 28.02.10 In A28, for the purposes of measuring the length of a pairing in days, a day is defined as 0200 to 0200 except for a pairing consisting of a single Duty Period which is considered 1 day.
- 28.02.11 Under Step 3, all available PoRs will be awarded flying for which they are legal prior to awarding flying under subsequent steps of the award process.
- 28.02.12 PoRs from other bases may be utilized prior to awarding under step 4.
- 28.02.13 Under Step 3d and 3e, PoRs going into G days will be offered flying in order of seniority prior to awarding under Step 4.
- 28.02.14 When flying becomes available that had been awarded to a higher status Pilot (for example a CA augment pairing), this flying may be awarded to a Pilot in any status as per the awarding steps.
- 28.02.15 Pilots holding an assignment out of status may not be forced to change status except under A30.02 and A33.08.
- 28.02.16 For ULR operations, if there is an open Captain position and no other Captain is available, after exhausting all of the awarding steps set out in A28.04, an additional FO will be used to complete the crew complement.
- 28.02.17 Following completion of the normal awards process until Step 4b has been completed, and open flying remains available, the Company may adjust the buffer(s) and restart the awards process for any unassigned Pilot.
- 28.02.18 When awarding flying under A28 which requires special qualifications (e.g. ETOPS, JETZ flying or a route qualification), a Pilot who does not have the required special qualifications may be awarded the pairing and subsequently displaced and the pairing will be re-awarded to a Pilot with the required special qualifications as per the awards procedure in A28.

28.03 Best Fit for PoRs

- 28.03.01 Open Time will be assigned to PoRs on a best fit basis.
- 28.03.02 The Company requirement for best fit is intended to assign reserves in order to maximize continuous reserve duty cycles and ensure adequate reserve coverage throughout the month consistent with the necessary operational requirements.
- 28.03.03 All things being equal, the senior Pilot who has indicated their preferences electronically will be given their choice of assignment if all criteria below are met:
- 28.03.03.01 The pairing will fit into the number of days available before going into days off; and
- 28.03.03.02 The flying is within the appropriate RDP operational limit; and
- 28.03.03.03 The Pilots are on the same RAP.
- 28.03.04 The following are examples of Best Fit:

Pilot (in seniority order)	1st Day	2nd Day	3rd Day	4th Day	5th Day
Pilot #1	RAP 07:00 – 21:00	RAP 07:00 – 21:00	RAP 07:00 – 21:00		
Pilot #2	RAP 12:00 – 02:00	RAP 12:00 – 02:00			
Pilot #3	RAP 09:00-23:00	RAP 09:00-23:00	RAP 09:00-23:00	RAP 09:00-23:00	
Pilot #4	RAP 09:00-23:00	RAP 09:00-23:00	RAP 09:00-23:00	RAP 09:00-23:00	

Scenario #1: 3-day pairing 1st day to 3rd day, check in 09:00

Pilot #1, Pilot #3 and Pilot #4 are eligible. Under Best Fit, the Company can, at its discretion, assign the pairing to Pilot #1, or to Pilot #3 or Pilot #4.

Scenario #2: 4-day pairing 1st day to 4th day, check in 10:00

Pilot #3, and Pilot #4 are equal and A28.03.03 applies. The pairing will be assigned based on their listed preferences and seniority.

28.04 Open Flying Award Sequence:

28.04.01 Open flying will be awarded in the following order:

28.04.01.01 Captain (CA) Flying

28.04.01.01.01 Step 1: In order of Base seniority to Blockholders under Pay Protection. Pilots in this step may be awarded flying to a maximum of the greater of DBM or the Pilot's projection at the time of the loss of flying and as per A32.03.01.02. The DBM for FIs/PrPs is 80 hours.

28.04.01.01.02 Step 2: In order of Base seniority to Blockholders on MU to a maximum of DBM + 2. The DBM for FIs/PrPs is 80 hours.

28.04.01.01.03 Step 3a: In order of seniority from among the 2 categories below:

- Base seniority to DARs and NRFOP's
- System seniority to MPs, and CPs conducting an OE or IOE.

Note 1: The DBM for CPs and NRFOP's is 80 hours.

28.04.01.01.04 Step 3b: To PoRs on a best fit basis up to DBM + 7 to a maximum of 90 hours (WJA) and DBM + 4h24 (NJA).

28.04.01.01.05 Step 3c: At Company discretion, to PoRs from another Base on a best fit basis.

28.04.01.01.06 Step 3d: In order of seniority, to PoRs going into G days off.

28.04.01.01.07 Step 3e: At Company discretion, to PoRs from another Base going into G days.

28.04.01.01.08 Step 4: In order of Base seniority to CAs on the VO list and as per A26.05. Pilots in this step may be awarded flying to a maximum of 118 Block Credit hours.

28.04.01.02 First Officer (FO) Flying

28.04.01.02.01 Step 1: In order of Base seniority to Blockholders under Pay Protection. Pilots in this step may be awarded flying to a maximum of the greater of DBM or the Pilot's projection at the time of the loss of flying and as per A32.03.01.02. The DBM for FIs/PrPs is 80 hours. FOs on PP may be re-assigned to a FO, augment or a RP pairing provided there are no RPs available on MU. While not on PP, awarding of flying in this step may include CAs and FOs returning to the line from sickness or GDIP and completing qualifying flights when accompanied by a MP, CP, FI, PrP or an IOETC. CAs and FOs completing qualifying flights are legal to be awarded to a maximum of 85 hours for the purposes of completing IOE and OE in the Block Period they commenced IOE.

28.04.01.02.02 Step 2: In order of Base seniority to Blockholders on MU to a maximum of DBM + 2. The DBM for FIs/PrPs is 80 hours.

28.04.01.02.03 Step 3a: In order of seniority from among the 2 categories below:

- Base seniority to DARs and NRFOP's
- System seniority to MPs, and CPs conducting an OE or IOE.

Note 1: The DBM for CPs and NRFOP's is 80 hours.

28.04.01.02.04 Step 3b: To PoRs on a best fit basis up to DBM + 7 to a maximum of 90 hours (WJA) and DBM + 4h24 (NJA).

28.04.01.02.05 Step 3c: At Company discretion, to PoRs from another Base on a best fit basis.

28.04.01.02.06 Step 3d: In order of seniority, to PoRs going into G days off.

28.04.01.02.07 Step 3e: At Company discretion, to PoRs from another Base going into G days.

28.04.01.02.08 Step 4: In order of Base seniority to FO's on the VO list and as per A26.05. Pilots in this step may be awarded flying to a maximum of 118 Block Credit hours. At Company discretion, an unassigned right seat qualified CA PoR may be assigned prior to the application of this clause.

1. Prior to re-assigning a Right Seat (RS) qualified Captain to operate as FO on an uncovered flight or pairing, CS will exhaust Steps 1 through 4 as per A28.04.01.02 as well as Cold Call. CS may contact the RS qualified Captain to see if they would be interested in operating in the RS in the event CS is unable to find a FO using Steps 1 through 4 and Cold Call. If CS is unable to find a FO using the steps outlined above, the RS qualified Captain who had indicated their willingness to operate in the RS will be assigned and the premium outlined in A30.09.02 will apply. The procedures outlined in this paragraph will apply until a "short call award" comes into effect at which time A28.05.04 will prevail.

28.04.01.03 Relief Pilot (RP) Flying

28.04.01.03.01 Step 1: In order of Base seniority to Blockholders under Pay Protection. Pilots in this step may be awarded flying to the greater of the DBM or the Pilot's projection at the time of the loss of flying and as per A32.03.01.02. The DBM for FIs/PPs is 80 hours. While not on Pay Protection, awarding of flying in this step may include RPs returning to the line from sickness or GDIP and completing qualifying flights when accompanied by a MP, CP, FI, PP or an IOETC. RPs completing qualifying flights are legal to be awarded to

a maximum of 85 hours for the purposes of completing IOE and OE in the Block Period they commenced IOE.

28.04.01.03.02 Step 2: In order of Base seniority to Blockholders on MU to a maximum of DBM + 2. The DBM for Fls/PrPs is 80 hours.

28.04.01.03.03 Step 3a: In order of seniority from among the 2 categories below:

- Base seniority to DARs and NRFOP's
- System seniority to MPs.

Note 1: The DBM for NRFOP's is 80 hours.

28.04.01.03.04 Step 3b: To PoRs on a best fit basis up to DBM + 7 to a maximum of 90 hours (WJA) and DBM + 4h24 (NJA).

28.04.01.03.05 Step 3c: At Company discretion, to PoRs from another Base on a best fit basis.

28.04.01.03.06 Step 3d: In order of seniority, to PoRs going into G days off.

28.04.01.03.07 Step 3e: At Company discretion, to PoRs from another Base going into G days.

28.04.01.03.08 Step 4: In order of Base seniority to RP's on the VO list and as per A26.05. Pilots in this step may be awarded flying to a maximum of 118 Block Credit hours. At Company discretion, an unassigned CA or FO on Reserve may be assigned prior to the application of this clause.

28.05 Open Flying After Normal Award Time

28.05.01 When assigning flying after normal awards, CS will call the Pilot's primary number, and, if unable to contact, then the Pilot's secondary number. PoRs, and all other Pilots with remarks on the applicable lists, will be notified of their assigned flying electronically (via crew mobility app or ACARS).

28.05.02 For Move-Up, and Draft On-the-Go, see A30.

28.05.03 Additional flying not in Open Time at the closing time of 16:00 local time will be covered in the following order:

28.05.03.01 A one-way flight may be assigned to a Pilot who is legal and scheduled to deadhead to the same destination. The open flight must be scheduled to depart within 3 hours of the Pilot's planned deadhead flight;

28.05.03.02 Assigned to Blockholders under PP, as per A32;

28.05.03.03 In order of Base seniority, offered to Pilots on MU and VO who have been awarded open flying with which the new flying could be combined and for which they are legal. Under this step, the additional flying will be restricted to within the same duty period;

28.05.03.04 In order of Base seniority, offered to Blockholders on MU who have not already been awarded open flying;

28.05.03.05 Assigned to reserves who have been awarded a pairing with which the new flying could be combined. Under this step, the additional flying for reserves will be restricted to within the same duty period unless no other PoR is available;

28.05.03.06 Assigned or awarded to Pilots as per the Open Flying Award Sequence, A28.04 and Draft off Home Base, A30.07.

28.05.04 Short Call Procedures

28.05.04.01 Recognizing the time constraints involved and to protect the operation, if there is insufficient time (normally less than 3h15) for CS to go through the normal award process, CS will utilize the following procedure;

28.05.04.01.01 A30.02, when practicable.

28.05.04.01.02 Alert the most junior PoR. They will advise their anticipated arrival time for the required Check-in. They will call CS prior to leaving for the airport.

- 28.05.04.01.03 During that time period CS will make calls to Pilots listed as available for Short Call in Step 2, and then in Step 3. The first Pilot that can make the required Check-in will be awarded the flight and the junior PoR will be advised to stand down.
- 28.05.04.01.04 If no Pilots, including the junior PoR, are able to make the required Check-in, the flight will be awarded to any Pilot based on sound economic principles with due regard to seniority and the awarding steps.
- 28.05.04.02 Pilots may only list themselves for short call on a daily basis after 1800L the day prior. Pilots on the Short Call list are expected to accept Short Call flying when offered.

28.06 30 Minute Connection Rule

- 28.06.01 In order to minimize disruptions to the operation, as soon as CS is aware that a Pilot will arrive on the flight deck with less than 30 minutes to planned departure, CS may replace the Pilot.

28.07 Miscellaneous Awards

- 28.07.01 Open Flying due to Bereavement Leave, Leave for Compassionate Care, Jury Duty or other releases will be assigned/awarded as follows:
 - 28.07.01.01 Where the dropped flying is with credit, the Company may assign/award the flying at their discretion including to the PoR with the lowest projected Block Credit;
 - 28.07.01.02 Where the dropped flying is without credit (drop no credit), the flying will be awarded as per A28.04 or A28.05 as appropriate.

28.08 Procedure for Completing Simulator Crew Complement

- 28.08.01 The simulator planner will maintain a list of volunteers (excluding PoRs) that are willing to complete a simulator crew complement. Volunteers from the Base where the simulator is located will be contacted prior to volunteers from other Bases. Volunteer simulator assignments, including any associated crew rest, may not interfere with planned schedules or reserve duty.
- 28.08.02 In order to maintain training continuity, simulator crew complements will be covered by the most senior volunteer in the following order;
 - 28.08.02.01 available for all simulator sessions;
 - 28.08.02.02 available to cover most of the simulator sessions;
 - 28.08.02.03 in order of seniority.
- 28.08.03 Volunteers from other Bases will be entitled to PY1/J05 priority passes and pay as outlined in A13.14.06, and applicable hotel accommodation and expenses. Travel credits will not apply.
- 28.08.04 If there are no volunteers available, the Company will award the simulator session in the following order:
 - 28.08.04.01 a CP, NRFOP, or MP; then
 - 28.08.04.02 a Contract Instructor; then
 - 28.08.04.03 awarded as Open Time in accordance with A28. A13.14.06 will apply.
- 28.08.05 Crew complement may be covered with a contract instructor, for training purposes only, subject to the concurrence of the Pilot being trained.
- 28.08.06 No PoR may be forced to cover a crew complement more than once per Block Period provided a more senior PoR is available and who has not been forced out to cover a crew complement in the same Block Period.

28.09 Special Jetz Assignments (SJA)

- 28.09.01 SJA's are awards that contain special requirements such as, but not limited to, visa requirements, security clearances, and/or special requests from charter customer. The SJA may be designated by the Company subject to the conditions outlined in this article.
- 28.09.02 Assignment(s) may be awarded in increments of whole block periods, and/or partial block periods in combination with a PBS award when necessary.
- 28.09.03 The Company will publish the Assignments as early as possible. Pilots must be qualified on the equipment assigned to the SJA and qualify for all special requirements.
- 28.09.04 SJA flying will be withheld from PBS and awarded with due regard to seniority and in a manner mutually agreeable to the Association and the Company.
- 28.09.05 The provisions of A19 will apply when vacation interferes with an SJA.
- 28.09.06 In the event that there are an insufficient number of Pilots available at the designated base, the SJA will be offered to interested Pilots at other bases.
- 28.09.07 Pilots will be paid the applicable DBM (1/2 day, 1/2 night rates), or prorated DBM based on a partial block period, plus OVS pay (if applicable), or the actual flying performed, whichever is greater.
- 28.09.08 Except as provided for above, the terms of the Collective Agreement remain in effect. The Joint Scheduling Committee will meet to resolve any unforeseen issues.
- 28.09.09 For clarity, it is understood that all Jetz operations will be operated pursuant to the provisions for mainline pay and working conditions.

28.10 Trip Trade – (TT)

- 28.10.01 TT allows a Pilot to exchange or post a pairing or partial pairing (when operating through a Pilot's home Base) for other Pilots to accept on a first come first served basis. The pairing remains in the offering Pilot's Block, until it passes all legalities and is accepted by the other Pilot. The exchanging or dropping of pairings will be at no additional crew cost to the Company.
- 28.10.02 Trading with Open Time is not allowed.
- 28.10.03 All pairings accepted will be eligible for PP.
- 28.10.04 CP's, NRFOP's, PoR's and Pilots on Sick Leave are not eligible to use TT.
- 28.10.05 Pilots on PP may not accept pairings 12 hours before to 12 hours after the PP window.
- 28.10.06 A Pilot who drops flying below the MBG is not eligible for the guarantee and will be paid for their actual flying.
- 28.10.07 Flying picked up through TT will not be eligible for premiums.
- 28.10.08 Additional credits resulting from a TT will be cash cleared.
- 28.10.09 All legalities will apply. A26.05.02 will be applied on a forward and backward looking basis.
- 28.10.10 A Pilot's eligibility for MU and VO, including applicable VO premiums, will be based on their adjusted DBM when flying credits have been increased or decreased to their block using the TT system.
- 28.10.11 Maximum limits to TT may be established.
- 28.10.12 CS may accept pairings from TT to cover an unscheduled requirement for checking.
- 28.10.13 CS may accept pairings from TT and assign to a Pilot on PP.
- 28.10.14 MP's may accept pairings from TT.

- 28.10.15 Designated ACPA Representatives may accept pairings from TT. A10.09.01.06 applies.
- 28.10.16 TT activity will be frozen from PBS block closing until the block awards are loaded in Netline.
- 28.10.17 The Joint Scheduling Committee will continue to meet to discuss the outstanding applications of the TT system.

ARTICLE 29 – RESERVE

29.01 Planned Off-Duty Periods

- 29.01.01 All reserve blocks will contain a minimum of 12 days off in a 30-day Block Period (in addition to a 6-hour off-duty period preceding days off) and a minimum of 13 days off in a 31-day Block Period. All days off are G days except for the PoRs on WJA in the months of March, July, August and December where there will be 2 sets of days off that begin with a single T day.
- 29.01.02 The Reserve patterns will be based on the following or other patterns as agreed to by the PBSC:
 - 29.01.02.01 3 to 5 sets of days off;
 - 29.01.02.02 Consecutive days off in sets of 2 to 6 days;
 - 29.01.02.02.01 Max 1 set of 6 days off in any reserve block;
 - 29.01.02.02.02 Max 1 set of 5 days off in any reserve block;
 - 29.01.02.02.03 Max 3 sets of 2 days off in any reserve block.
- 29.01.03 When a PoR, NJA / WJA, has a partial Reserve Block their allotment of off duty days will be calculated using the following formula (values of .5 or greater will be rounded up):

$$\frac{\boxed{\text{Required days off in the Block Period}} \times \boxed{\text{Days in the reserve period}}}{\boxed{\text{Total days in the Block Period}}}$$

- 29.01.04 T days may not be moved. At Company discretion, a request to move G days may be granted.
- 29.01.05 No Pilot will be scheduled for more than 5 consecutive days of Reserve Duty over 2 Block Periods.

29.02 Replacement of Off-Duty Periods

- 29.02.01 A PoR who is forced to fly into their days off immediately prior to their vacation will, at their option, have that portion of their days off replaced upon completion of vacation.
- 29.02.02 A PoR who is forced to fly into their days off (including a PoR drafted/Cold Called on a G day) and is awarded a block selection in the subsequent Block Period will have these days off replaced immediately following the cycle and will be entitled to PP for any flying in the subsequent Block Period that they are unable to operate as a result of replaced days off.
 - 29.02.02.01 If the days off cannot be replaced, the PoR will receive a premium calculated as 50% of 4:25 hours DN for each day.
 - 29.02.02.02 The premium will not apply if the PoR was released from reserve for an entire duty period, on a day for a day basis.
- 29.02.03 If assigned flying into the off-duty period (G or T days), the period will be replaced.
- 29.02.04 In the event of a Draft or Cold Call, the G day(s) will be replaced in conjunction with a remaining off-duty period, if possible.

29.03 Assigning into / on Off-Duty Periods

- 29.03.01 A PoR may be assigned to fly into their T days if no other PoR is available.
 - 29.03.01.01 The assignment will be terminated on the first return to home Base unless they wish to complete the pairing. If relief cannot be provided from other available Pilots in Steps 1 through 4, they must complete the assignment.

- 29.03.02 On the NJA, under Step 3b, a PoR may be assigned flying that terminates duty up to 2 hours past the start of the G day.
- 29.03.03 The assignment will be terminated on the first return to home Base unless the PoR wishes to complete the pairing. If relief cannot be provided from other available Pilots in Steps 1 through 4, the PoR must complete the assignment.
- 29.03.04 A PoR on a G day is subject to drafting under A30.
- 29.03.05 In the case of irregular operations where the PoR was originally scheduled to return home prior to the commencement of a G day and subsequently is unable, the Company will make every effort to replace the affected Pilot.
- 29.03.05.01 At Pilot option, a PoR on a domestic pairing that was originally scheduled to return to home Base prior to the commencement of a guaranteed day off period who is subsequently rescheduled will be returned to home Base no later than the first 24 hours of the guaranteed day off period except for reasons beyond the control of the Company. Deadheading under this provision will be done only on Company flights and to domestic terminals.
- 29.03.06 If a PoRs flight duty period extends into one of their off-duty periods their applicable rest period will be 12 hours or the length of the preceding flight duty period, whichever is greater.
- 29.03.07 If a PoRs flight duty period will cause their subsequent crew rest period to extend into their off-duty period, their off-duty period will commence after the applicable crew rest period.
- 29.03.08 A PoR may waive the applicable crew rest period at any time in conjunction with days off.
- 29.03.09 Under A28 of the Open Time award process, a PoR may be offered an assignment that pushes their off-duty period such that it conflicts with a planned training or checking event, but only after all other Pilots under Steps 1 to 4 have been canvassed. If the Pilot accepts the assignment, their off-duty period will be split such that, if practicable, a portion is taken prior to the training/checking event and the remainder following the training/checking event. If the Pilot does not accept the assignment, then CS will solicit Pilots under Cold Call. If there are no Pilots under Cold Call, then CS may force the PoR onto the assignment, subject to the limitations of A29.03. If the PoR is forced to take the assignment, their off-duty period will commence after their crew rest on completion of the pairing event and the Company will reschedule the training/checking event.

29.04 Reserve Duty

- 29.04.01 At home Base a PoR will be considered to be on reserve at all times except during their designated rest periods or their off-duty periods. A PoR shall be relieved of all duty during the off-duty periods specified in their Reserve Block except as outlined in A29.09 and A30.06 and is not obligated to be contactable during the above-mentioned rest periods.
- 29.04.02 Electronic notifications (via crew mobility app or ACARS) for RAP assignments and changes, as well as pairing assignments and changes, may be issued at any time.
- 29.04.03 The PoR must ensure their contact information (primary and secondary numbers) is provided to CS.
- 29.04.04 A designated RAP may not be scheduled to exceed 16 hours.
- 29.04.05 A RAP will be assigned by CS prior to the start of days off preceding the next Reserve Period.
- 29.04.06 A PoR will not be assigned a flight with a reporting time outside their RAP.
- 29.04.07 A PoR must be available to report for flight duty:
- 29.04.07.01 No later than 2 hours after a call from CS once their RAP commenced; or

29.04.07.02 At the start of their RAP, provided they have been notified while on a RAP or as per A29.09.01 and they have received at least 10 hours of rest prior to the start of the pairing.

29.04.08 At home Base a PoR's designated rest period will be determined based on the assigned RAP and not be less than 10 hours

29.05 Standby at the Home Base Airport

29.05.01 A PoR may only be assigned standby at the airport at their home Base. The flight duty period will commence at the reporting time as advised by CS.

29.05.02 The standby duty period will not exceed the maximum scheduled duty period. It is not necessary that the PoR remain at the airport during the entire duty period.

29.05.03 A PoR held on standby at the airport will be credited the greater of 2 hours Flying Pay and Flight time credits or the appropriate pro-rated DPG.

29.06 Reserve Availability List

29.06.01 A Pilot arriving from an overseas flight, except for Bermuda, Jamaica or Cuba turnaround must have indicated on the reserve availability list that they desire the normal off duty rest period as per A25.05, otherwise the 14-hour off duty rest period will be planned.

29.07 Open Time Procedures Due to Sickness

29.07.01 A PoR awarded a pairing that is subject to a Sick Hold which consists of a series of flights operating through the home Base will be advised that each series is subject to the 5-hour rule. If the Blockholder books on at least 5 hours prior to the scheduled departure of their next blocked flight outbound from their Base they will operate the remainder of their pairing.

29.08 Limitation on Reserve Assignment Between 02:00 and 06:00

29.08.01 A PoR will not be required to fly a flight or sequence of flights which operates, departs or arrives between the hours of 02:00 and 06:00 on consecutive nights with an intervening off-duty rest period at home Base unless there is no other PoR available to operate the flight or flights. Sufficient notice must have been given to such Pilot to allow a reasonable rest period prior to flight duty. These limitations will be based on the Pilot's acclimatized time.

29.09 Reserve Call-In

29.09.01 A PoR, on their last day off prior to the start of reserve duty must acknowledge a notification from CS 12 hours prior to the beginning of their previously assigned RAP but no later than between 19:00 and 20:00 the day prior.

29.10 Scheduling of Reserves

29.10.01 Every effort will be made by CS to avoid reassigning a PoR who has been awarded flight duty. However, it may be necessary at times to reassign the PoR to protect Company operations. A PoR may be subsequently assigned to any other flight or flights as may be necessary due to changes in required flight coverage.

29.10.02 CS will not extend an awarded pairing to total more than 7 days unless the PoR agrees to further extension. In the case of irregular operations where the PoR was originally scheduled to return home prior to the expiration of the 7 day period and subsequently is unable, the Company will make every effort to replace the affected Pilot.

29.10.02.01 A Pilot on a domestic pairing that was originally scheduled to return to home Base prior to the expiration of the 7 day period and who is subsequently rescheduled will, at their option, be returned to home Base no later than the first 24 hours following the expiration of the 7 day period except for reasons beyond

the control of the Company. Deadheading under this provision will be done only on Company flights and to domestic terminals.

- 29.10.03 A PoR who has been awarded a Block in the following Block Period may elect to pass flying which conflicts with their Block coverage permitting.
- 29.10.04 Once a PoR reports for duty for a pairing and flying time is lost from that pairing they may only be reassigned within the window of their original pairing.
 - 29.10.04.01 If there is no reassignment and the PoR is released from duty, their RAP will commence after the required crew rest period as previously established.
 - 29.10.04.02 In order to protect the operation when no other Pilot is immediately available, a PoR may be reassigned outside of their original pairing window.

29.11 Reserve Release

- 29.11.01 A PoR returning to home Base after flight duty must contact CS prior to leaving the airport to determine whether or not they are released from duty and/or to be advised of a future assignment.
- 29.11.02 A PoR who has completed periodic training must contact CS on completion of training on a scheduled working day, or on arrival at home Base where a deadhead is involved, to determine whether or not they are released from duty. Once released from duty, the PoR is entitled to legal crew rest.
- 29.11.03 Pilots on reserve will not consider themselves released unless so informed by CS.
- 29.11.04 Once released, CS may call the PoR to advise of a delay, cancellation or change to the original pairing. The PoR must acknowledge receipt of the message no later than 2 hours prior to the original Check-in.
- 29.11.05 To ensure adequate coverage, at Company discretion, a PoR may be released from standing reserve at any time during a reserve period, for all or a portion of a RAP, in order to provide them with a single day free from duty in 168 hours as required by the CARs.
- 29.11.06 A PoR assigned a pairing whose first duty period includes an operating leg outside the North American zone, or a flight that operates into the WOCL, or an FRMS flight will be released upon assignment or 24 hours prior to check in, whichever is later.
- 29.11.07 If A29.11.06 does not apply and a PoR is assigned a pairing whose first duty period starts with a Check-in between 22:00 and 04:59 they will be released from standing reserve before the commencement of the duty period, unless the Pilot is advised less than 12 hours prior to Check-in, in which case they will be released upon assignment.
- 29.11.08 For all other assignments, a PoR will be released upon assignment or 24 hours prior to Check-in, whichever is later and subject to the following:
 - 29.11.08.01 The Pilot must be contactable at the beginning of their RAP on the day of their assignment; and
 - 29.11.08.02 Available for a move-up to a maximum of 5 hours prior to Check-in or 2 hours after the start of their RAP, whichever is later, if no other Pilot is available. If the PoR is moved up, the scheduled RAP and RDP limits will apply and additionally Unforeseen Operational Circumstances provisions will not apply on the RDP limit.

29.12 Reserve Displacement or Removal

- 29.12.01 Where a PoR is displaced by a MP, CP, NRFOP, PrP or FI, 3h15 or more before the scheduled departure time, such Pilot will remain available on reserve until the normal completion of their reserve duty. The PoR will be paid and Flight Time limited the greater of the displaced or any other flying performed, except where re-assignment is required.

- 29.12.02 Where a PoR is displaced by a MP, CP, NRFOP, PrP or FI less than 3h15 prior to the scheduled departure time of awarded flying they will be paid and Flight Time limited for the displaced flying as if flown according to schedule. The PoR will have the option of either being released from all duty until 12 hours after the scheduled arrival at home Base of the displaced flying, or they may elect to remain on duty. Additional Flying Pay and Flight time credits will be applicable for pairings that originate from home Base after the scheduled arrival of the displaced flying.
- 29.12.03 Up to 3h15 prior to departure, a PoR may be removed from previously assigned flying and replaced by a Pilot who is subject to Pay Protection or pairing integrity.
- 29.12.04 A PoR will not be required to perform periodic training on one of their days off.

29.13 On Completion of Training or Return from LOA/GDIP

- 29.13.01 A Pilot completing qualification training or returning from a LOA/GDIP will be assigned to reserve duty once qualified.

ARTICLE 30 – DRAFT AND COLD CALL

30.01 Draft Flying

- 30.01.01 A PoR will be considered drafted when assigned flying on-the-go above DBM +4:24 NJA / +7 WJA.
- 30.01.02 A Blockholder will be considered drafted when assigned flying that was not a part of the original blocked flying, except for the following:
 - 30.01.02.01 PI or PP that takes place entirely within the PP window; and
 - 30.01.02.02 PP Pre-selection.
 - 30.01.02.03 Flying that is awarded via MU (including pre-selection), VO, Cold Call or TT.

30.02 Move-Up

- 30.02.01 When flying becomes available less than 3h15 prior to scheduled departure and there is no Pilot available on PP, MU, reserve, or VO, a Pilot may be removed from a flight or flights (including deadhead flights) in their Block and assigned to that flying.
- 30.02.02 A Pilot whose pairing is disrupted may be required to operate (or deadhead on) a flight earlier than their scheduled flying. If a Blockholder accepts this flying it will be considered draft.

30.03 Draft On-the-Go Provisions

- 30.03.01 A Pilot may be removed from a flight(s) in their Block and drafted to another flight(s) to provide relief during irregular operations or to maintain the integrity of the operation.
- 30.03.02 A Pilot may be drafted to prevent operational delays providing no other legal Pilot is available.
- 30.03.03 Any resulting illegality will be reconciled as soon as possible.
- 30.03.04 When at a crew Base where coverage is available and the Pilot has lost their flight (deadhead or operate) to their home Base, they may be required to remain at the crew Base on a stand-by basis for a maximum of 2 hours beyond the departure time of their lost flight, without being provided definite information as to a specific one way flight to be covered that will return them to their home Base. If no definite information can be provided within the 2 hours, the Pilot will be allowed to deadhead home.
- 30.03.05 When a layover or turnaround Pilot is required to operate a flight(s) which is a logical extension to their blocked flying, the Pilot may be assigned to the flight(s). The Pilot must be legal for the return blocked flight.
- 30.03.06 The provisions of A30 apply when a Pilot's scheduled flight is re-routed at company request through a station that was not scheduled in the original pairing.
- 30.03.07 The provisions of A30 will not apply when a flight is re-routed because of weather, technical reasons, en route fuel stops, medical emergencies, mechanicals or alternate operations, provided the unscheduled rerouting is completed within the same duty period.

30.04 Cold Call – Home Base

- 30.04.01 When there are no legal Pilots listed and available under the awarding process outlined in A28, CS may offer the flying directly, including ACARS, to legal Pilots as follows:
 - 30.04.01.01 Day prior; in order of seniority.
 - 30.04.01.02 Day of; to any legal Pilot based on sound economic principles with due regard to seniority.

30.04.02 A PoR who accepts Cold Call on a G day will have their G day(s) replaced in accordance with A29.02.04.

30.05 Draft (and Drop) – Home Base

30.05.01 If unable to cover the flying in accordance with A30.04, and when there are no legal Pilots available, CS may offer the flying to any Pilot based on sound economic principles. Any resulting illegality will be reconciled as soon as possible. A30.08 will apply.

30.05.01.01 A Pilot who has accepted draft flying under this provision, and the drafted flying subsequently cancels, or the Pilot becomes illegal for the drafted flying will have the option of being reinstated on their dropped flying (if still in open) or remaining available for the reassignment during the period that the drafted flying originally operated under pay protection reassignment rules. Under the reassignment option, the Pilot will be paid the greater of the dropped flying or the originally awarded draft flying or the reassigned flying. They will also be entitled to premiums as outlined in A30.09 for flying they operate prior to or after the originally dropped flying. Under this provision, a Pilot, whose drafted pairing cancels after they have reported for duty, will receive the 2 hour Fail to Fly credit as outlined under A13.05.

30.05.02 A PoR drafted on their G day will have their G day(s) replaced in accordance with A29.02.04.

30.06 Draft – Home Base

30.06.01 If unable to cover the flying in accordance with A30.04, or A30.05 CS will assign the flying in the following order regardless of the Pilot's accrued AO:

30.06.01.01 To the most junior legal Pilot; then

30.06.01.02 To the most junior Pilot.

30.07 Drafting Procedure – Off Home Base

30.07.01 On an exceptional basis, in order to prevent operational delays and when there is insufficient time, CS may use the provisions of A28.05.03.06 to award a complete pairing to a Pilot who is not originating at home base. This flying will be considered a draft and the assignment must include the appropriate deadhead credits as if awarded at home base.

30.08 Draft – Administration of Flying Pay and Flight Time Credits

30.08.01 A Blockholder who loses flying as a result of blocked flights being missed, or over-projection as a direct result of a Draft (including credit growth during the draft), will be paid and credited the greater of the drafted flying or the original flying as if it had been flown according to schedule.

30.08.02 A Blockholder who has been awarded MU or VO flying and is subsequently drafted for new flying which makes the Pilot unable to operate the previously awarded flying will be paid and credited the greater of the previously awarded flying as scheduled or the new Draft flying.

30.08.03 A Pilot who is drafted over the Block Period end will be paid the greater of the drafted flying versus the applicable credit of the missed flying in the current Block, and the greater of the drafted flying versus the credit on their missed flying in the new Block.

30.09 Draft Premium – Blockholders and CPs, Fls, PrPs and NRFOPs

30.09.01 A Pilot who is drafted, will be paid a premium of 50% (cash cleared) including any associated deadhead, TTG or DPG when they:

30.09.01.01 Operates additional flying prior to or after any pairings awarded in their Block;

30.09.01.02 Operates additional flying prior to or after any awarded MU;

- 30.09.01.03 Operates on a day or days off as shown in their original Block;
- 30.09.01.04 Operates any PP reassignment flying that falls outside of the PP window excluding flying under A32.03.03.06.
- 30.09.02 A Right Seat qualified Captain who is drafted on-the-go to operate as FO will receive a 25% draft premium on the applicable leg(s). A Pilot who is operating the flying with VO or draft premiums will not be eligible to receive this 25% premium.

30.10 Draft Premium-PoR

- 30.10.01 When a PoR is drafted Cold Called on a G day, the premium applies for the duration of the continuous off duty period as shown at the time of the Draft award. For further clarity, the premium only applies on the flight time credits that fall within the PoR's off duty period. For example, a YYZ PoR on a G day ending at 18:30 accepts a Cold Call from CS to operate a YYZ-YOW turnaround at 19:15 (18:00 Check-in). In this case, no premium is applicable as all of the flight time credits fall outside the PoR's off-duty period. However, as per A29.02.04, the G day will be replaced in conjunction with a remaining off-duty period.
- 30.10.02 When a PoR is drafted on-the-go, all credits above DBM+4:24 NJA / +7 WJA will have the premium applied.

ARTICLE 31 – SICK LEAVE

31.01 General

- 31.01.01 Sickness is defined as illness of the employee and includes injuries received while off duty.
- 31.01.02 For the purpose of this Article, Sick Leave shall mean the period of days during which a Pilot is unable to report for any duty that attracts Block Credits as a result of sickness.
- 31.01.03 For the purpose of this Article, day shall mean a 24 hour period or part thereof.
- 31.01.04 Air Canada Occupational Health Services should be consulted any time a Pilot suffers from sickness that may affect their Medical Certificate.

31.02 Sick Leave Entitlement

- 31.02.01 On January 1st of each year, all Pilots actively employed with the Company shall be entitled to 12 days of sick leave with pay for the current year. Pilots employed during the year shall be entitled to 1 day of sick leave with pay for each full month remaining in the year.
- 31.02.02 Half of the unused portion of a Pilot's yearly sick leave allowance shall be cumulative indefinitely. Cumulative sick leave will only be applied for additional sick leave benefits when the current year's allowance has been exhausted, such additional leave to be substantiated by a Doctor's certificate if required by the Company. The remaining unused portion shall be cumulative and credited to a GDIP bank. These credits can only be used to top up GDIP payments when the regular sick leave credits have been exhausted.

31.03 Procedures for Sick Book Off

- 31.03.01 When a Pilot anticipates that they may not be available for duty, it is necessary that CS be informed as early as possible. That early advice is for planning purposes only, and will not result in the Pilot being booked off. A Pilot who has not booked off will be expected to operate their flights. The Pilot should inform CS as soon as possible when they are or anticipates being fit for duty.
 - 31.03.01.01 When a Blockholder actually books off sick, unless otherwise informed by the Pilot, CS will automatically place a Sick Hold on their next pairing and:
 - 31.03.01.01.01 For Sick Hold flight(s) with a planned Check-in prior to 10:00, if the Pilot does not book on prior to 20:00 the previous day, the flight will be placed in Open Time and awarded as per A28.
 - 31.03.01.01.02 For Sick Hold flight(s) with a planned Check-in at or after 10:00, if the Pilot does not book on 5 hours prior to planned Check-in the flight will be placed in Open Time and awarded as per A28.

31.04 Booking Back on From Sick Leave

- 31.04.01 When booking on a Blockholder without a Sick Hold should do so at or before 10:00 local time on the day prior to the next flight in their Block, otherwise their flying will be considered as Open Time and awarded as per A28.02.
- 31.04.02 A Blockholder without a Sick Hold may place a Sick Hold on their flying by advising CS at or before 10:00 local time on the day prior to such flight.
- 31.04.03 A Pilot who is on Sick Leave and who anticipates that they will be available to fly may list themselves on the appropriate availability list, and must advise CS of their intention.
- 31.04.04 A Pilot who has been on Sick Leave for more than 10 calendar days must have a Company medical examination before resuming duty.

31.05 Sick Leave Charges

- 31.05.01 For Blockholders, Sick Leave charges shall commence at the check-in time for their next schedule flight(s). A sick day shall be charged for each 24 hour increment or part thereof.
- 31.05.01.01 When a Blockholders' book on time is prior to the termination of a flight(s) in their Block, pay and credits will be calculated to the completion of the 24 hour sick day.
- 31.05.01.01.01 Under the application of A13.15.02.01, a Pilot who is off sick and books back on early will be eligible to receive DPG credits of 1-minute pay and flight time credits for each 2-minutes of the flight duty period that they work.

Example:

Original Pairing:		Actually Flown:	
YYZ-YUL (1:15)	07:00-08:15	SICKNESS	
YUL-YYZ (1:15)	10:00-11:15	SICKNESS	
YYZ-YUL (1:15)	13:00-14:15	SICKNESS	
DPG (:40)			
L/O	15:45	Books on at	18:00
YUL-YYZ (1:15)	08:00-09:15	DROP NO CREDIT	
YYZ-YUL (1:15)	10:00-11:15	YYZ-YUL (1:15)	10:00-11:15
YUL-YYZ (1:15)	13:00-14:15	YUL-YYZ (1:15)	13:00-14:15
DPG (:40)		DPG (:23)	
Planned Credit: 8:50		Actual Credit: 7:18	

In the above example, a Pilot who is off sick for the pairing with a sick hold ex YYZ on day 2 and subsequently books back on at 18:00 on day 1 and operate their flying ex-YYZ on day 2. The duty day on day 2 is 5:45 (Check-in at 08:45 to check-out at 14:30). Under this provision the Pilot would be charged 1 sick day and be paid and credited 2:53 for the flying they operated on day 2 for a total credit of 7:18 (4:25 on day 1 + 2:53 on day 2).

- 31.05.01.02 When a PoR books on and subsequently flies in that 24 hour period, such book-on time shall be deemed to have been at the end of the preceding 24 hour Sick Leave period.
- 31.05.02 A Pilot on Sick Leave who is awarded MU or VO, or is drafted for flying will neither be charged for Sick Leave nor credited for such flying.
- 31.05.03 For PoRs, Sick Leave charges shall commence at the Check-in time for any assignment for which the PoR has, or otherwise would have been assigned. A sick day shall be charged for each 24 hour scheduled on duty period or part thereof.
- 31.05.03.01 Notwithstanding A31.05.03 a PoR may direct CS to commence their Sick Leave charges at the next scheduled reserve on-duty time.
- 31.05.03.02 A PoR, when booked off, will accumulate pay and credits and be charged sick days for each 24 hour scheduled on duty period or part thereof until they have reached or exceeded the DBM. At that time, all credits and charges will cease for the remainder of that Block Period. The appropriate credits and charges will resume at the beginning of the following Block Period.
- 31.05.04 Pilots in training (A13.14.01 or A13.14.02) who book off sick will be charged one half (1/2) sick day for every calendar day of the Sick Leave.
- 31.05.05 Pilots on vacation may not utilize sick leave provisions.

- 31.05.06 When a Pilot's sickness overlaps a scheduled vacation period, the Pilot may, at their option, elect to take their vacation as planned.
- 31.05.06.01 For Pilots eligible for GDIP, the 30 day GDIP waiting period will continue to run through their vacation. At the end of the 30 day GDIP waiting period, any remaining vacation will be deferred and the Pilot will go on GDIP.

31.06 Sick Pay and Block Credits

- 31.06.01 While on Sick Leave a Blockholder shall be paid for the flights in their Block as if they had been flown according to schedule and shall be credited with such flying time for the purpose of flight time limitation.
- 31.06.02 While on Sick Leave, a PoR shall receive pay and Block Credits for either 1/19 (Mar, Apr, Oct, Nov, Dec) or 1/18 (Jan, Feb, May, Jun, Jul, Aug, Sep) of the DBM for each scheduled on duty reserve day.
- 31.06.03 Pilots in training (A13.14.01 or A13.14.02) will be paid 2h40 for each calendar day of the Sick Leave.

31.07 No Sick Days Left

- 31.07.01 When a Pilot's sick leave entitlement has been fully used and sickness occurs, the Pilot may arrange to take unused vacation credits.
- 31.07.02 A Pilot without sick leave or vacation credits will be covered by A8 (LOA).

31.08 Foreign Operations

- 31.08.01 Any Pilot on duty outside North America, the Caribbean, Continental Europe and the United Kingdom who becomes sick due to causes which in the opinion of Air Canada Occupational Health Services, are related to the living and health conditions peculiar to the Foreign Country or countries shall be provided with or compensated for the complete cost of medical care and hospitalization. The Pilot will receive salary based on the DSC DN. Pilots covered under this provision shall not forfeit sick leave credits.

31.09 Sick Days and GDIP

- 31.09.01 A Pilot who is a member of the Air Canada Group Disability Income Plan (GDIP) (A16) will draw Sick Leave benefits up to a maximum of 30 days.
- 31.09.02 The GDIP waiting period of 30 days commences on the date of sickness as advised by the Pilot. This date may precede the date when sick leave charges commence.
- 31.09.03 A Pilot may elect to use any Sick Leave benefits remaining to their credit at the rate of ¼ day for each additional day of disability, based on the Pilot's presumed earnings as per A16.02.02.01.
- 31.09.04 A Pilot who is not a member of the GDIP (A16) may draw Sick Leave benefits until their regular sick bank is exhausted. They may not draw from the GDIP bank.

31.10 Physical Examination

- 31.10.01 Without their consent, a Pilot shall not be required to submit to any Company physical examination in excess of periodic 6 month or 1 year examination required under government regulation for licence endorsement, unless it is apparent that their health or physical condition is impaired, in which case the Pilot will be furnished a copy of the medical examination report. The physical standards required by the Company to be maintained for continued employment as a Pilot shall be no more restrictive than those required by the Ministry of Transport at the time of the examination, including any waiver policy adopted by the Ministry.
- 31.10.02 Any Pilot who does not pass a Company physical examination may, at their option, have a review of their case in the following manner:

- 31.10.02.01 They may employ a qualified medical examiner of their own choosing and at their own expense for the purpose of conducting a physical examination for the same purpose as the physical examination made by the Company's medical examiner.
- 31.10.02.02 A copy of the findings of the medical examiner chosen by the employee shall be furnished to the Company, and in the event that such findings verify the findings of the Company's medical examiner, no further medical review of the case shall be afforded.
- 31.10.02.03 In the event that the findings of the medical examiner chosen by the employee shall disagree with the findings of the Company's medical examiner, the Company will, at the written request of the employee, ask that the 2 medical examiners agree upon and appoint a third qualified and disinterested medical examiner, preferably a specialist, for the purpose of making a further physical examination of the employee.
- 31.10.03 The said disinterested medical examiner shall make a further examination of the Pilot in question, and the case shall be settled on the basis of their findings.
- 31.10.04 The expense of employing the disinterested medical examiner shall be borne ½ by the Pilot and ½ by the Company. Copies of each medical examiner's report shall be furnished to the Company and to the Pilot.
- 31.10.05 It is specifically agreed that the findings of the medical examiners concerned herein shall be unbiased, and no exchange of medical opinions or history shall be made either in writing or verbally, until each medical examiner has examined the Pilot concerned.

ARTICLE 32 – PAY PROTECTION AND PAIRING INTEGRITY

32.01 General Provisions

- 32.01.01 PI is a component of Pay Protection PP.
- 32.01.02 Blockholders, including those on a Fixed Rate, are entitled to PP when flying time is lost from their Block because of consolidation, cancellation, substitution, misconnection or operational reasons.
- 32.01.03 Once the Blockholder accepts or declines PP, they will not have the option to change that decision for subsequent PP (including PI) events occurring during the same Block period.
- 32.01.04 The Company will notify the Blockholder of any loss of flying time as soon as possible.
- 32.01.05 Upon notification of the loss of flying time it will be the Blockholder's option to accept or refuse PP except under the following circumstances where the Blockholder is automatically pay protected:
 - 32.01.05.01 When the Blockholder has previously accepted PP during the same Block Period; or
 - 32.01.05.02 When it is a PI event and the Blockholder has not previously declined PP during the same Block Period.
- 32.01.06 MU and TT flying are eligible for PP. Draft and VO are not eligible for PP.
- 32.01.07 A PoR forced out on a pairing that causes them to lose their first blocked pairing(s) in the subsequent Block Period will be offered PP for the lost credits. If the PoR accepts PP they will be subject to the normal reassignment rules. Any flying, including all applicable TTG, DPG and deadhead credits accrued during an overlap will be used to offset the PP.
- 32.01.08 Following PBS block closing, a Blockholder who becomes illegal to operate the outbound portion of an overlap pairing in the current Block Period because of block growth will be subject to the Pay Protection provisions for the overlap portion in the next Block Period. In the event that the reassigned flying is cancelled the Blockholder will be subject to further reassignment.
- 32.01.09 Should the cumulative total of the Blockholder's Block plus block growth exceed any allowable limit they will only be protected for the pairings for which they are legal.
- 32.01.10 A Blockholder who was protected under a PI event and subsequently becomes eligible for PP may decline PP and they will forfeit any previously protected credits as described in A32.04.10.
- 32.01.11 A delayed flight (including a flight that is renumbered) is not considered a PP or PI event.

32.02 Refusal of Pay Protection

- 32.02.01 If a Blockholder declines PP or has previously declined PP, the Company will, at the time of notification of the loss of flying (flying that would have been eligible for PP), advise the Pilot whether they will be required to fly the balance of their interrupted flight sequence.
- 32.02.02 A Blockholder who declines PP will be permitted to recover lost flying time under the following provisions:
 - 32.02.02.01 Use of MU as per A28; or
 - 32.02.02.02 Pre-selection of Open Time to a maximum of the DBM.

32.03 Reassignment Provisions

32.03.01 General Provisions:

- 32.03.01.01 Once a Blockholder accepts PP, the Company will determine and advise the Blockholder whether they will be required:
 - 32.03.01.01.01 To fly the balance of their interrupted flight sequence; and/or
 - 32.03.01.01.02 To be assigned Open Time under the reassignment provisions.
- 32.03.01.02 Reassignment flying may not cause the Pilot's Block projection to exceed the greater of the DBM or the Pilot's Block projection at the time of the loss of flying.
- 32.03.01.03 A Blockholder may be assigned open flying within a window of 0 to 4 hours before the original scheduled departure and 0 to 6 hours after the original scheduled arrival of the pairing as determined by Table A – Windows of Reassignment below.
- 32.03.01.04 In cases where the last leg of a multi-day pairing is not affected but would involve a double deadhead, the reassignment window will be 6 hours after the scheduled arrival of the last leg of the original pairing. A double deadhead is a situation where one Pilot would be required to deadhead to pick up a flight and another Pilot is already in position to operate the flight.
- 32.03.01.05 A Blockholder under PP may only be reassigned in their current status except as described in A28.02.06.02.04 and A28.02.06.03.04.
- 32.03.01.06 In accordance with the reassignment provisions, reassignment flying may extend beyond the original calendar date.
- 32.03.01.07 A Blockholder who is not immediately re-assigned, or is only re-assigned for a portion of the PI/PP period, is subject to further reassignment under PI and/or Pre-assignment and/or Block Recovery at normal awards and/or Block Recovery after normal awards.

32.03.02 Pairing Integrity:


- 32.03.02.01 Pairing Integrity occurs after the Blockholder has reported for duty for the pairing and flying time is lost from that pairing.
- 32.03.02.02 In order to protect the operation when no other Pilot is immediately available, a Blockholder may be reassigned outside of the PI window.

32.03.03 Block Recovery:

- 32.03.03.01 Block Recovery is for PP eligible flying not covered by Pairing Integrity. Under Block Recovery a Blockholder may be reassigned by Pre-assignment, Immediate Block Recovery, Block Recovery at normal awards and/or Block Recovery after normal awards. At their option, a Blockholder may accept flying that extends outside of the window of reassignment, provided the reassignment flying is within the credit limits of A28 Step 1.
- 32.03.03.02 Under Block Recovery at, and after, normal awards, flying cannot originate prior to 0500 as per A28.02.01.
- 32.03.03.03 Pre-assignment:
- 32.03.03.04 Pre-assignment on scheduled working days may occur at any time throughout the Block Period up to the commencement of normal awards the day prior to the lost flying.
- 32.03.03.05 A Blockholder may be offered Open Time Pre-assignment on days off. Refusal will not disqualify the Pilot from PP.
- 32.03.03.06 A Blockholder who accepts Pre-assignment on days off will be released from having to be available on scheduled working days, on a day for a day basis, and by mutual agreement with CS.
- 32.03.03.07 Immediate Block Recovery:

- 32.03.03.07.01 Immediate Block Recovery occurs when flying time is lost on the day of operation prior to reporting for duty for the pairing.
- 32.03.03.08 Block Recovery at Normal Awards:
- 32.03.03.08.01 Normal awards for the purposes of PP reassignment includes new Open Time, after the normal 16:00 close, that comes into open up to 14:00 the day prior to the Open Time Flying.
- 32.03.03.08.02 The Blockholder's name will be placed on the PP list for the days of lost flying time.
- 32.03.03.08.03 Subject to reassignment legalities, if two (2) or more Blockholders are subject to block recovery, the more senior Pilot will be entitled to the first selection.
- 32.03.03.09 Block Recovery after Normal Awards:
- 32.03.03.09.01 A Blockholder who has not been assigned flying at normal awards must contact CS at 19:00 (day prior) for possible reassignment.
- 32.03.03.09.02 Should a Blockholder not be assigned flying at 19:00 the day prior, they must contact CS at 09:00 the following day for possible reassignment to a departure no earlier than 1300.
- 32.03.03.09.03 If the required calls cannot be made due to crew rest or any other legitimate reason, the Blockholder must make alternative arrangements with CS.

32.03.04 TABLE A – REASSIGNMENT WINDOWS

LOST FLYING 	ENTIRE PAIRING		FIRST LEG/NOT LAST LEG		LAST LEG/NOT FIRST LEG		NOT FIRST LEG / NOT LAST LEG	
	SINGLE DAY	MULTI DAY	SINGLE DAY	MULTI DAY	SINGLE DAY	MULTI DAY	SINGLE DAY	MULTI DAY
PAIRING INTEGRITY	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
PRE-ASSIGNMENT	-4/+6	-4/+6	-4/0	-4/0	0/+6	0/+6	0/0	0/0
IMMEDIATE BLOCK RECOVERY	0/0	0/+6	0/0	0/0	0/0	0/+6	0/0	0/0
16:00-14:00 AWARDS*	-4/+6	-4/+6	-4/0	-4/0	0/+6	0/+6	0/0	0/0
19:00 (DAY PRIOR)	0/0	0/+6	0/0	0/0	0/0	0/+6	0/0	0/0
09:00 (DAY OF)	0/0	0/+6	0/0	0/0	0/0	0/+6	0/0	0/0

*This includes new Open Time, after the normal 16:00 close, that comes into open up to 4:00 the day prior to the Open Time flying.

32.04 Pay and Credit Provisions

- 32.04.01 A Blockholder who accepts PP will be paid and receive Flight Time credit (including any applicable OVS and Nav pay) for the greater of the actual flying performed or for the flights in their Block as if flown according to schedule, provided the Blockholder would have been legal to do the lost flying (except as provided for in A32.01.08).
- 32.04.02 PP will be limited to the credit value of the greater of the Blockholder's original Block or their Block projection at the time of the loss of flying.
- 32.04.03 The cumulative value of any un-recovered PP credits, also referred to as the Pay Protection Bucket, will be available when reassigning flying for subsequent PP events.
- 32.04.04 Extra credits gained during a PP or PI reassignment may be used to recover lost credits from a previous or subsequent event.

- 32.04.05 MU, VO, Draft, and additional flying picked up through TT will not be used to offset unrecovered flying time losses.
- 32.04.06 For a PI event, any flying awarded or assigned to a Blockholder that is conducted outside the reassignment window will be draft flying and will be paid in addition to the pay protected pairing (including any applicable DPG or TTG), except in the event of operational disruption where the Blockholder is unable to return to home Base within the PI reassignment window and they:
- 32.04.06.01 Deadheads back on the first available Air Canada flight(s). For the purposes of deadheading in this article, Air Canada flights are defined as all mainline, Rouge, and Air Canada CPA carriers. Flying Time accrued outside the reassignment window will be offset by unrecovered PP credits and the draft premium will not apply; or
- 32.04.06.02 If there is no deadhead available, operates the first legally available flight(s). Flying Time accrued outside the reassignment window will be offset by unrecovered PP credits and the draft premium will apply for all credits outside the reassignment window.
- 32.04.07 For all other PP events, all accrued credits outside the reassignment window will be in addition to the pay protected credits.
- 32.04.08 Block growth accrued on a leg(s) that is not part of a PP event will not be used to offset un-recovered PP credits.
- 32.04.09 Block Growth accrued in a pairing that is part of a PP event will be offset by any DPG and/or TTG associated with the pairing flown.
- 32.04.10 A Blockholder who has credits protected under PI and declines PP for a subsequent PP event will forfeit any previously protected credits and will be paid only for the actual credits in their Block.
- 32.04.11 A Blockholder whose credits are reduced below MBG as a direct result of a loss of flying time and who declines Pay Protection will be paid and credited for the actual credits in their Block.

ARTICLE 33 – DISPLACEMENT AND REMOVAL

33.01 Exchange or Release from Block Flights

33.01.01 A Pilot will be expected to fly the pairings in their Block as awarded. Any request to be removed from a flight or flights, or to exchange flights, must be approved by the Chief Pilot.

33.02 Removal and Displacement

33.02.01 For the purpose of providing relief as a result of the Company's training, checking, and competency flying requirements, a Pilot may be:

33.02.01.01 Displaced from a flight or flights in their Block as per A33.03 and A33.04; or

33.02.01.02 Removed from their entire Block and reassigned to reserve duty as per A33.06.

33.02.02 When it is necessary to displace a Pilot under A33.02 and assign the flying to an IOETC qualified Blockholder or PoR for training purposes, such flying will be offered as per the normal Open Time award sequence in A28.04 to Pilots legal and qualified for the assignment.

33.02.03 A Pilot who is being displaced for competency flying purposes may refuse the displacement, except when the flying is required for MP competency flying and is for the complete pairing, or for a partial displacement as per A33.03.02.

33.02.04 A Pilot will not be considered displaced or removed from their flight except when the Pilot is legal and in position to operate that flight.

33.03 Complete/Partial Pairing Displacement

33.03.01 A Blockholder may be displaced or tentatively displaced from a complete pairing, or a part of a pairing, in their Block.

33.03.02 Partial Displacement – Any displacement from flying that does not begin and end at the Blockholder's home Base, or any displacement from flying in the middle of a duty period that does not begin and end at the Blockholder's home Base, will be at the sole discretion of the affected Pilot. If the Pilot accepts the displacement, Flying Pay and Flight time credits will not apply for any deadheads that are required for them to position to or from the flights being operated.

33.03.02.01 A Pilot who deadheads on their own flight(s) as a result of a partial displacement as above will receive Flying Pay and Flight time credits for the greater of the scheduled or actual time of the displaced flight, including any applicable DPG or TTG.

33.03.02.02 A Pilot who is deadheading without Flying Pay and Flight time credits as per A33.03.02 and who is subsequently required to operate (instead of DH), will be paid a 50% premium on the operated leg.

Example:

	ORIGINAL PAIRING	Subsequently partially displaced on the YYZ-YVR leg and planned with a no pay/credit deadhead YYZ-YVR as per A33.03.02	ACTUALLY FLOWN
DAY 1	YYZ-YVR (5:00)		
DAY 2	L/O		
DAY 3	YVR-YYZ (5:00)		YYZ-YVR (5:15) YVR-YYZ (5:00)
CREDITS	10h00		10h15m
PREMIUMS	N/A		2h38m
TOTAL	10h00		12h53m

- 33.03.03 A Blockholder who is displaced will be:
 - 33.03.03.01 Released from all duties associated with the displaced flying; and
 - 33.03.03.02 Paid and credited for such pairing/flight(s) as if they had been flown according to schedule; and
 - 33.03.03.03 Permitted to go on MU or VO as per A28.04 and A28.05.
- 33.03.04 A Blockholder who is tentatively displaced will:
 - 33.03.04.01 Remain available to operate the displaced pairing/flight(s) until 3h15 prior to the originally scheduled departure of the first displaced flight; and
 - 33.03.04.02 Be paid and credited for such pairing/flight(s) as if it had been flown according to schedule; and
 - 33.03.04.03 Be permitted, after the Pilot has been released from their obligation to remain available for their flight (3h15 rule), to go on MU or VO as per A28.04 and A28.05.

33.04 Reserve Displacement – see A29.12.

33.05 Removal from Training

- 33.05.01 A Pilot who is planned for training for a complete or partial Block Period and who returns to service due to a delay in, or removal from, training:
 - 33.05.01.01 At Company request, will have a block rerun to determine their minimum pay. They will stand reserve for the remainder of the Block Period or, by mutual agreement, pre-select from Open Time and may list themselves at Step 2. If the Pilot is standing reserve, they will choose the placement of their days off as per a normal reserve pattern.
 - 33.05.01.02 At Pilot request, will be assigned and paid as a PoR or, by mutual agreement, pre-select from Open Time and, or list themselves at Step 2. If the Pilot is standing reserve, they will choose the placement of their days off as per a normal reserve pattern.

33.06 Removal from a Block

- 33.06.01 A Pilot may be removed from their complete Block at Company request and assigned to reserve duty. A Pilot who is assigned to reserve duty will stand reserve only on the calendar days on which the Pilot would have been working according to the original Block. Such reserve days will be designated as being from midnight to midnight except that a Pilot who is removed from a pairing with a single duty period which extends through the midnight hour will be assigned to only one reserve duty period. The first calendar day affected will be the reserve duty day or, by mutual agreement between the Pilot and CS, the second calendar day.
- 33.06.02 If a Pilot is called for duty during such a reserve duty period and is required to operate a flight or flights that extend into what would normally have been days off, reinstatement of the day(s) off will be made immediately on return to home Base. If the day(s) off cannot be reinstated before the Block Period end, the Pilot will not be required to operate the flight(s).
- 33.06.03 A Pilot who is removed from their Block will be paid the greater of:
 - 33.06.03.01 the Block Credits for the Block from which the Pilot was removed as if they had been flown according to schedule; or
 - 33.06.03.02 the actual Block Credits as flown; or
 - 33.06.03.03 the reserve MBG.
- 33.06.04 A Pilot, holding a Block who is assigned to reserve duty under this Article may accept MU provided the Pilot would have been legal for such flying if still assigned to the original Block. Such makeup will not be permitted during periods of reserve.

33.07 Fatigue Drops

33.07.01 On certain occasions it is reasonable for Pilots to experience instances of fatigue. Fatigue must be responsibly addressed by all parties and requires Pilot commitment to reasonable personal scheduling and management's commitment to provide relief from duty when required. Upon a Pilot's request, the Pilot will be relieved from duty via Drop-No-Credit when fatigue is an issue. In order to preserve the integrity of operations, Pilots are obligated to notify CS in a timely manner if relief is required.

33.07.01.01 Home Base: Upon a Pilot's request, they will be relieved from duty via a Drop-No-Credit when fatigue is an issue.

33.07.01.02 Mid-Pairing: Fatigue book-offs mid-pairing will initially be actioned as per Article 31.

33.07.01.02.01 FSAG will review all mid-pairing fatigue book-offs, within 30 days, to determine the following:

- a) If Sick days apply; or
- b) If Sick days will be reimbursed.

33.07.01.02.02 Failing agreement among FSAG, the matter will be resolved by the Vice President, Flight Operations.

33.08 Switching F/O and Augment Pilot Assignments

33.08.01 The Company may change the assignment of a First Officer on an augmented pairing from First Officer to Augment Pilot or the reverse in order to conduct a check ride or to maintain the recency of the Pilot originally assigned as Augment Pilot provided both Pilots are notified at least 24 hours prior to departure of the affected leg(s).

ARTICLE 34 – LETTERS

34.01 Letters of Understanding

The following Letters of Understanding (L.O.U.'s) form part of the Collective Agreement and have either been retained, deleted or relocated to the appropriate article in the Collective Agreement.

L.O.U. 1	Covering Charges for Relief from Flight Duties for Pilots on CALPA Business and Modification to Article 22 – Seniority	Deleted
L.O.U. 2	Charter/Cargo Flying	Deleted
L.O.U. 3	Third crew member for Boeing 747, Lockheed 1011 and Boeing 727 aircraft	Deleted
L.O.U. 4	Relief Pilot – Bombay to London	Deleted
L.O.U. 5	Duty and Off Duty Periods	Deleted
L.O.U. 6	Group Insurance	Deleted
L.O.U. 7	Flight Safety Program Usage of Aircraft Electronic Recording and Reporting Devices	Deleted
L.O.U. 8	Career Reorientation Plan	Deleted
L.O.U. 9	Group Disability Income Plan	Deleted
L.O.U. 10	Introduction B747-400 Aircraft	Deleted
L.O.U. 11	Air Canada Pilot Pension Plan	Deleted
L.O.U. 12	Two (2) Pilot Aircraft (Excluding DC9) -- Overseas Operations Excluding North America and the Caribbean	Deleted
L.O.U. 13	Deleted	Deleted
L.O.U. 14	Association/Management Headquarters Committee	Deleted
L.O.U. 15	Incident Report Distribution	Deleted
L.O.U. 16	Preferential Bidding System	Deleted
L.O.U. 17	Canadian Regional Air Carrier Alliance/Liaison/Connector Affiliates	Deleted
L.O.U. 18	Move-Up / Transition Provision Canadian Regional – Liaison / Alliance / Connector Carriers Transition Agreement/LOU 18 Clarification	Deleted
L.O.U. 19	Off-Shore Assignment B-747-400	Deleted
L.O.U. 20	System Pairing Evaluation Committee	Deleted
L.O.U. 21	Pilot Crew Meal Guidelines	Deleted
L.O.U. 22	Flight Crew Augmentation (Except DC9-DC8)	Deleted
L.O.U. 23	Deleted	Deleted
L.O.U. 24	Temporary Crew B-737 – Winnipeg Base	Deleted
L.O.U. 25	Extension to Collective Agreement	Deleted
L.O.U. 26	Hadj Charter Operation – 1993	Deleted
L.O.U. 27	Wet Lease Program – Polynesian Airlines 1993/1994	Deleted
L.O.U. 28	Pilot Employment Levels	Deleted
L.O.U. 29	Pilot Productivity Improvement Protection Plan	Deleted
L.O.U. 30	RJ-50 Aircraft	Deleted
L.O.U. 31	The CL-65 Aircraft	Deleted
L.O.U. 32	Code Sharing	Deleted
L.O.U. 33	Joint Sub-Committee Activities	Deleted
L.O.U. 34	Compassionate Transfer	Deleted
L.O.U. 35	L-1011 Re-Introduction	Deleted
L.O.U. 36	Trial Captain Upgrade Program	Deleted
L.O.U. 37	Furlough Pilot Recall Process	Deleted
L.O.U. 38	Introduction A-340 Aircraft	Deleted
L.O.U. 39	Temporary Staffing Relief	Deleted
L.O.U. 40	Training Alternative Committee	Deleted
L.O.U. 41	Transition Agreement	Deleted

L.O.U. 42	Crewing Relief	Deleted
L.O.U. 43	Cogscreen Testing	Deleted
L.O.U. 44	Pay and Vacation Adjustment/ Furloughed Pilots 1992-95	Deleted
L.O.U. 45	Preferential Bidding System	Deleted
L.O.U. 46	Acting Check Pilots and Acting Flight Instructors	Deleted
L.O.U. 47	Air Canada – Pilots Share Appreciation Plan	Deleted
L.O.U. 48	Extra Hours to Address Growth Opportunities	Deleted
L.O.U. 49	A320/340 Augment Pilots	Deleted
L.O.U. 50	Procedure for Completing a Simulator Crew Complement	Deleted
L.O.U. 51	Low Cost Carrier ([LCC] – Basic Tenets for Work Rules & Conditions)	Deleted
L.O.U. 52	Work Sharing	Deleted
L.O.U. 53	Special Leave of Absence Program	Deleted
L.O.U. 54	Special Sport and Business Charter Program	Deleted
L.O.U. 55	Voluntary Block Reduction Program	Deleted
L.O.U. 56	Edmonton ZIP Base	Deleted
L.O.U. 57	Pay Rates for Aircraft between 76 and 110 Seats Inclusive	Deleted
L.O.U. 58	ZIP J-class	Deleted
L.O.U. 59	Special Leave of Absence Program	Deleted
L.O.U. 60	Early Retirement Incentive Program	Deleted
L.O.U. 61	Reinstatement Rights	Deleted
L.O.U. 62	Addition of two A340-500 Aircraft (Fin #s 951 & 952) to the Mainline Fleet	Deleted
L.O.U. 63	Position Group (PG)	Remains
L.O.U. 64	Embraer 170/175/190 & CRJ 705 Agreement	Deleted
L.O.U. 65	Acquisition of Boeing 777 and 787 aircraft	Remains
L.O.U. 66	Position Group Exclusions, Bidding Freezes and A320 First Officer Vacancies	Deleted
L.O.U. 67	Cargo Wet Lease	Deleted
L.O.U. 68	Special Leave of Absence Program – 2008	Modified
L.O.U. 69	Early Retirement Incentive Program	Deleted
L.O.U. 70	Voluntary Block Reduction Program (VBR)	Deleted
L.O.U. 71	Re: B777 Flight Relief Seat	Deleted
L.O.U. 72	Flight Data Analysis (FDA) Program	Modified
L.O.U. 73	10-Hour Duty Day Restriction	Modified
L.O.U. 74	Air Canada rouge (ACrouge)	Revised
L.O.U. 75	Elimination of Mandatory Retirement	Deleted
L.O.U. 76	Implementation of Course Rights	Modified
L.O.U. 77	Pension	Modified
L.O.U. 78	Joint Implementation Committee	Modified
L.O.U. 79	B-737 Pay Rates	Modified
L.O.U. 80	Scheduling – Unintended Outcomes	Remains
L.O.U. 81	Scheduling – Netline Adjustments	Modified
L.O.U. 82	Implementation of Course Rights for Inactive Pilots	Modified
L.O.U. 83	900 Hour Guarantee	Remains
L.O.U. 84	ACrouge Course Right	Remains
L.O.U. 85	Flex DBM to 88	Remains

34.02 Letters Of Commitment

The following Letters of Commitment (L.O.C.'s) form part of this Collective Agreement and have either been retained, deleted or relocated to the appropriate article in the Collective Agreement.

L.O.C. 1	Flight pay loss for ACPA negotiators	Deleted
L.O.C. 2	Deadheading pass priority	Deleted
L.O.C. 3	Flight pay loss for ACPA President	Deleted
L.O.C. 4	Introduction of new freighter aircraft	Deleted
L.O.C. 5	Rehabilitation allowance/Pension/Pass Priority	Deleted
L.O.C. 6	Air Canada settlement involving Mr. W.P. Kelly	Deleted
L.O.C. 7	Crew complement in the simulator	Deleted
L.O.C. 8	Involuntary assignment	Deleted
L.O.C. 9	Changes to scheduled pairings	Deleted
L.O.C. 10	Deadheading on other than designated flights	Deleted
L.O.C. 11	Article 2.18 map	Deleted
L.O.C. 12	Introduction of the B-767	Deleted
L.O.C. 13	War zone insurance coverage	Deleted
L.O.C. 14	Pass priority when deadheading for training	Deleted
L.O.C. 15	Pass travel – Article 25	Deleted
L.O.C. 16	F/J seating – economy flights	Deleted
L.O.C. 17	Scope clause – reopener	Deleted
L.O.C. 18	Centralized crew scheduling	Deleted
L.O.C. 19	Deadheading on other airlines	Deleted
L.O.C. 20	Non-smoking seat selection	Deleted
L.O.C. 21	On-board library	Deleted
L.O.C. 22	Meal guidelines	Deleted
L.O.C. 23	Aircraft headsets	Deleted
L.O.C. 24	Alliance carriers	Deleted
L.O.C. 25	LOU No.17	Deleted
L.O.C. 26	Pilot training	Deleted
L.O.C. 27	A-320 training	Deleted
L.O.C. 28	Flight Data Reporting Systems	Deleted
L.O.C. 29	L.O.U. No. 19	Deleted
L.O.C. 30	Loft Training	Deleted
L.O.C. 31	Simulator, Training/Checking	Deleted
L.O.C. 32	A-340 Rest Facilities	Deleted
L.O.C. 33	Furloughed Pilot Pension Buyback	Deleted
L.O.C. 34	Printing and Distribution of the Collective Agreement	Deleted
L.O.C. 35	Bank Time – Flat Salary Pilots	Deleted
L.O.C. 36	Collective Bargaining – Connector Airlines	Deleted
L.O.C. 37	Bank Time – Cash Clear Option	Deleted
L.O.C. 38	Relief Pilot Crewing	Deleted
L.O.C. 39	Training Failure Handling	Deleted
L.O.C. 40	Top-Up Benefits on Grounded Retirement	Deleted
L.O.C. 41	Augmentation – A340 Aircraft – Designated 1 “J” Class Seat	Deleted
L.O.C. 42	Top-Up Payment of Insured Medical Services	Deleted
L.O.C. 43	Long-Term Employee Stock Ownership Committee	Deleted
L.O.C. 44	Contracted Simulator Trainers	Deleted
L.O.C. 45	Application of Company Benefit Plans to Pilots Residing Outside of Canada	Deleted
L.O.C. 46	Pay Rates for Aircraft of 75 Seats or less	Deleted
L.O.C. 47	CL-65 Job Guarantee	Deleted
L.O.C. 48	Pension Indexation	Deleted
L.O.C. 49	Munroe Award	Deleted
L.O.C. 50	Allocation of Aircraft between 76 and 110 Seats	Deleted
L.O.C. 51	Planned Deadheads	Deleted
L.O.C. 52	Flexible Benefits Discussion	Deleted
L.O.C. 53	GDIP Administration and Case Management	Deleted
L.O.C. 54	A/B Reserve	Deleted
L.O.C. 55	Sick Leave	Deleted

L.O.C. 56	Flight Switch Rules	Deleted
L.O.C. 57	Automated Awards	Remains
L.O.C. 58	ACPA Displacement Procedures	Deleted
L.O.C. 59	Crew Scheduling Systems	Deleted
L.O.C. 60	Pilot Pay	Revised
L.O.C. 61	Expedited Grievance and Arbitration Process	Modified
L.O.C. 62	ACrouge Trip Trade System	Deleted
L.O.C. 63	SPB System Improvements	Remains
L.O.C. 64	Family in the Flight Deck	Remains
L.O.C. 65	Unintended Consequences – Scheduling Rule Changes	Remains
L.O.C. 66	50 th Percentile	Remains
L.O.C. 67	ACrouge AO Calculation	Remains
L.O.C. 68	ACrouge Vacation	Deleted
L.O.C. 69	ACPA MEPP MOA #2 (Pension Payback)	Modified
L.O.C. 70	Hourly Expenses System	Remains
L.O.C. 71	ACrouge Open Time IT Solution	Remains
L.O.C. 72	DSC Administration	Remains
L.O.C. 73	Administrative Changes	New
L.O.C. 74	NAV and OVS on the B-737	New
L.O.C. 75	Make Up	New
L.O.C. 76	Electronic Notification System	New
L.O.C. 77	Canada-Wide Industrial Pension Plan (CWIPP)	New

34.03 Appendices

The following appendices shall form part of the Collective Agreement

Appendix A	Re: Article 30.12.02 List of Expedited Arbitrators	Deleted
Appendix B	Profit Sharing and Incentive Plan	Remains
Appendix C	ACPA, Jazz Air Inc., ALPA and Air Canada Settlement Agreement including: Arbitrator Martin Teplitsky Consent Award dated July 12, 2004 incorporating the Settlement Agreement into the Collective Agreement	Deleted
Appendix D	Memorandum of Agreement June 4, 2004 including: Early Retirement Incentive Program Labour Cost Term Sheet Clean Slate Agreement ACPA Indemnity	Deleted
Appendix E	Arbitrator Teplitsky Consent Award dated September 17, 2004 – Re: Aeroplan Grievance	Deleted
Appendix F	Pension Funding and Collective Agreement Renewal	Modified
Appendix G	Pension MOA #1 CWIPP	Remains

LETTER OF UNDERSTANDING NO. 63

**between
Air Canada
and
Air Canada Pilots Association**

Position Group (PG)

This Letter of Understanding outlines pay parameters as they relate to Relief Pilot positions within the Position Group.

L63.01 The Position Group includes the following:

- L63.01.01 B-767 Relief Pilot
- L63.01.02 B-787 Relief Pilot
- L63.01.03 A-340 Relief Pilot
- L63.01.04 B-777 Relief Pilot
- L63.01.05 B-747 Relief Pilot

L63.02 Unless otherwise indicated, the provisions of this LOU will only apply to those pilots who were junior to the pilot holding seniority number 2975 on the January 1, 2006 seniority list.

L63.03 Position Group Pay

- L63.03.01 Pilots in the Position Group will be part of a wage pool. The wage pool will be used to develop a common day and night Position Group pay rate across a seniority range of 12 years. 92% of Overseas pay on the 767, 787, 777 and A340 RP positions will be rolled into the wage pool to determine the Position Group pay rates.
- L63.03.02 For the first six months of this LOU, the Position Group pay rate will be pro-rated based on the number of QPOS pilots in each Position Group position and will be recalculated bi-monthly. Either the Company or the Association may require that the method of calculation be changed during this trial period.

Note: The method of calculation of the payroll for pilots in the Position Group shall be such that the total payroll for all pilots within the Position Group will be cost neutral and no less than what the payroll of all positions within the Position Group would have been without the implementation of the Position Group.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this _____th day of _____.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by Parties)

LETTER OF UNDERSTANDING NO. 65

IN THE MATTER OF AN ARBITRATION

**between
Air Canada
and
Air Canada Pilots Association (ACPA)**

B777 and B787 Aircraft

**Martin Teplitsky, Q.C.
Arbitrator**

(Excerpt):

It is my award, that subject to my retaining jurisdiction to adjust the timetable on Ultra Long Haul Flying, the terms of the tentative agreement are my award on the matters in issue before me.

I will remain seized pending implementation of this award.

DATED the 31st day of October, 2005.

Martin Teplitsky, Q.C.
Arbitrator

(original signed by Arbitrator Teplitsky)

LETTER OF UNDERSTANDING NO. 68

**between
Air Canada
and
Air Canada Pilots Association**

Special Leave of Absence Program – 2008

Notwithstanding the provisions of A20 – Leave of Absence of the Collective Agreement, the Company and the Association agree to a Special Leave of Absence (SLOA) Program the provisions of which are incorporated into this Letter of Understanding.

- L68.01 Effective November 1, 2008, at the discretion of the Company, pilots may be granted SLOA's regardless of their years of service. The duration of the SLOA's may not go beyond October 31, 2013 unless otherwise agreed to by the Company and the Association and shall be granted in full calendar months. The provisions of A32 – Furlough and Severance will continue to apply to pilots on SLOA's and supersedes the terms of this LOU.
- L68.02 The SLOA application window closes on September 30, 2008. Late applications may be considered on a case-by-case basis. Pilots may apply in writing by submitting the SLOA Application Form to their Manager of Line Operations with a copy to the Association. Pilots who apply for a SLOA and are denied shall be advised in writing with a copy to the Association.
- L68.03 Pilots on leave will not be forced to return to active duty prior to the conclusion of their approved SLOA. A pilot who wishes to terminate their SLOA early and return to active status shall be returned within 90 days of notifying the Company in writing that the pilot wishes to terminate the SLOA. If a CMSC Review closes during the ninety (90) day period, and the pilot has not returned to active status, the pilot will have the opportunity to change their declared position by using the SPB system and they shall be awarded a position by the CMSC in accordance with the applicable provisions of this LOU. Applicable training will be scheduled as soon as practicable.
- L68.04 A pilot returning from a SLOA shall be returned in accordance with the provisions of A25.15.03.02 and A25.15.03.03 except as provided for in L68.05, L68.06 and L68.07. No pilot will be forced off a base as a direct result of a pilot returning from a SLOA who elects to assume a position awarded to a more junior pilot.

L68.05 A pilot's awarded position (APOS), as of the date their leave commences, shall be considered their declared position.

A pilot on a SLOA will have the opportunity to change their declared position prior to any CMSC Review Bid closing date by using the SPB system. At the close of the Bid Review, the CMSC will determine if a pilot's declared position has changed. The Company will publish a list of each pilot's declared position within 30 days after the publication of the Pilot Position Assignment List. The list shall be posted on the Flight Operations web site (myacops) and Aeronet.

A pilot on an SLOA who does not have the seniority to hold their declared position will acquire and maintain a reinstatement right (RIR) in accordance with A25.08 to that position if an 'active pilot,' who is junior to him, receives an RIR to the same position on the same CMSC Review.

L68.06 The pilot's declared position shall be considered by the CMSC to determine which position the pilot is entitled to in accordance with A25.15.03.03. When determining which position a pilot is entitled to upon their return from SLOA under A25.15.03.03, the CMSC may also consider assigning a reinstatement right in accordance with A25.08 to a position their seniority would have entitled him to.

L68.07 In the event a pilot, returning from a SLOA, is entitled to and is awarded a position on any new equipment (as per A13 including, the B-787) and their scheduled return date is prior to the commencement of their normal training date as determined by the CMSC, the pilot shall become active upon their return and shall be paid their daily average flying pay for the three block months including overseas and Nav pay immediately prior to their SLOA plus any negotiated increases. The Company may offer to train the pilot to another position which will be determined by the CMSC. If the pilot accepts, they shall be trained to the position but they shall be paid the rate of the position immediately below their declared position, in accordance with A25.01.02, and will remain in this position until they are trained, which shall be determined by the CMSC, to their declared position. If the pilot elects not to be trained to another position, the pilot's SLOA shall be extended under the provisions of this LOU until the commencement of their training date to their declared position as determined by the CMSC.

L68.08 Notwithstanding the provisions of A22 – Seniority, a pilot shall continue to accrue seniority during the SLOA.

L68.09 A pilot shall continue to accrue Company service during a SLOA except for the purpose of pay progression, pension and vacation entitlement. Vacation credits will not accrue during the period of the pilot's Leave of Absence. In accordance with the provisions of A18.02, entitlement for vacation periods with pay for the calendar year following the Special Leave of Absence shall be prorated as a result of such leave. Any outstanding vacation not taken before the end of the vacation year (April) will be paid at the end of the vacation year.

- L68.10 Coverage under the Group Employee Benefit Programs excluding GDIP, for which the company pays the full cost of the premiums, shall continue during the period of the leave with the Company paying the full cost of the premiums. Coverage under the Group Employee Benefit Programs for which the pilot pays all or part of the cost of the premiums will be continued at the pilot's option. Participation in another employer benefit program must be coordinated with Air Canada's benefit provisions, with the new employer's benefit provisions taking precedence. Pilots will be advised as to the cost and procedure to follow should they elect to continue such coverage.
- L68.11 Pilots who become eligible for GDIP benefits following their return to active service from SLOA and who have not completed 3 full block months of active service following their return from SLOA, will have GDIP benefits calculated as if the pilot had not been on SLOA.
- L68.12 A pilot who takes a SLOA may elect to buy back service in respect of such period of leave up to an aggregate maximum period of five (5) years. Such period of buyback service will be subject to approval of the Canada Revenue Agency (CRA) and other government pension authorities. It is further agreed that such buyback of service shall be permitted, provided it does not result in a cost to the Company based on the Age Based Table in force at the time of the pilot's application to buy back pension service plus any applicable interest associated with any repayment option. The Company and ACPA recognize that there are provisions within each pension plan and that such provisions may limit or preclude a full or partial buyback.

Pilots intending to buy back service must indicate their intent to do so within sixty (60) days after their return to payroll from their SLOA. However, the pilot will have the right to change their decision to elect to buy back service at any time prior to making any initial payment. If a pilot changes their decision they will be required to pay any administration fee.

Pilots entitled to buyback pension service pursuant to the provisions of LOU 53 and LOU 59, including any extensions of those leaves under A20, and pilots who were furloughed in 2003 and 2004, including those pilots who were granted LOAs and any extensions of those LOAs under A20 when they were recalled, shall be entitled to buy back pension service at a cost of "two times contributions" based on the pilot's salary at the time of the leave. Such period of buyback service will be subject to approval of CRA and other government pension authorities.

- L68.13 Pilots on SLOA will be eligible for travel privileges in accordance with Company policy in effect as of July 29, 2008. This will include pass travel on Air Canada and Air Canada Jazz and Tier 3 carriers so long as commercial agreements exist between Air Canada and these airlines that include a provision permitting pass travel privileges.
- L68.14 A pilot who commences this SLOA will have their sick bank decremented by one (1) day for each remaining month in the calendar year. A pilot on a Leave of Absence will not be credited with twelve (12) sick days at the beginning of the calendar year. A pilot returning from a Leave of Absence will have one (1) day deposited in their sick bank for each full month remaining in the calendar year.

- L68.15 A pilot requesting a SLOA who is within ninety (90) days of completing their probationary period may request that their probation requirements be completed prior to the commencement of their planned SLOA. Requests must be submitted to their Manager of Line Operations in writing. Subject to scheduling and needs of the service, the Company will make its best effort to facilitate completion of all outstanding probationary requirements. Pilots with more than ninety (90) days remaining in their probation period will have their probation frozen upon commencement of a SLOA and will complete the outstanding portion of their probation upon requalification following their return to active status.
- L68.16 A pilot on SLOA may be eligible to apply for any early retirement packages and voluntary severance packages subject to any eligibility terms and conditions of the package that may be offered by the Company or agreed to by the Company and the Association during the leave of absence program.
- L68.17 Upon return from a SLOA a pilot's training pay shall be based on their daily average flying pay (plus any negotiated wage increase applicable during their SLOA) during the previous three (3) block months or reserve MMG, whichever was greater, prior to the commencement of the leave.
- L68.18 Pilots on SLOA shall not have dues deducted during the leave. Deduction of union dues will resume when the pilot returns to active status following the leave.
- L68.19 If a pairing overlaps into the month of the commencement of the SLOA, the pilot shall be displaced from any flights in that pairing that precedes the calendar month that their SLOA commences and drop no credit for the remaining flights in that pairing.
- L68.20 The provisions of this LOU shall apply to any pilot currently on leave of absence pursuant to A20 and who applies to have their leave extended. The provisions will apply from the time their leave is extended.
- L68.21 It is understood that the above noted provisions are exceptions to the provisions of the Collective Agreement and are only amended to give effect to the terms contained therein. All other provisions of the Collective Agreement will apply for all other conditions.

It is agreed and understood that this LOU is for a specific and unique situation and, as such, will not in any way prejudice the Association or the Company's right(s) or position(s) in any other situation. Further, the Company and the Association agree this LOU will not be cited or used as a precedent to cover other situations.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this _____ day of August, 2008.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 72

between
Air Canada
and
Air Canada Pilots Association (ACPA)

Re: Flight Data Analysis (FDA) Program

WHEREAS the provisions of A6.04 of the Collective Agreement requires the parties to design and implement a Flight Operations Quality Assurance (FOQA) Program, and

WHEREAS the parties desire to implement a Flight Data Analysis (FDA) program as part of a FOQA Program.

NOW THEREFORE the parties agree as follows:

L72.01 Preamble

- L72.01.01 Pursuant to the provisions of A6.03 and A6.04 the Company and ACPA agree to cooperate in the use of Onboard Flight Data Recording Devices employed by the Company to capture flight data for the purpose of analyzing flight data to promote and enhance air safety.
- L72.01.02 Both parties acknowledge that, due to technological advances in systems and processes associated with a FDA Program, as well as the introduction of an iSMS Program, there exists the need to formalize flight data analysis protocols, procedures and understandings.
- L72.01.03 The primary purpose of the FDA Program is to enhance flight safety and training procedures. Secondary purposes may include measures to review and improve operational efficiencies (cost savings and cost avoidance) and to monitor aircraft and environmental factors.
- L72.01.04 The Company and ACPA acknowledge the sensitive nature of data used in the context of the FDA Program and have agreed to enter into this Letter of Understanding (LOU) to record the procedures to be adopted for the implementation of the FDA Program and the limitations upon, and conditions of use of, FDA data.
- L72.01.05 This LOU provides guidance on the FDA Program; outlines definitions; and, identifies data capture, use and reporting structures.
- L72.01.06 This LOU and its attachment have been entered into by mutual agreement between the parties pursuant to A6.04.01 and A6.04.02. Either party may terminate this agreement by serving written notice on the other party that the LOU will terminate ninety (90) days from the date of the notice. This LOU and its attachment will cease at that time and the FDA Program will operate under the provisions of A6 of the Collective Agreement
- L72.01.07 The FDA Program is an internal joint Flight Safety initiative designed to improve and enhance the safety of Air Canada operations. Transport Canada has not provided specific guidance or regulatory direction regarding FDA Programs and, therefore, shall not have any access to the Air Canada/ACPA FDA Program unless agreed to by the parties.
- L72.01.08 The purpose of this LOU is to give effect to the provisions set out in A6. The provisions of A6 shall take precedence in the event of any dispute arising from this LOU.

L72.02 Definitions

In this Letter of Understanding, unless the contrary intention is expressed or the context suggests otherwise:

- L72.02.01 Confidential information means all information derived under the FDA Program and includes all information:
- disclosed (whether orally, in writing or in any other form) by the parties to each other; or
 - learned from each other by the parties in the performance of this LOU and which the parties ought reasonably know is treated by each other as confidential; or
 - generated by the parties based on or arising out of any such disclosure or learning.
- L72.02.02 FDA ACPA Fleet Representatives means the person(s), specifically Non-Management ACPA Line Pilot(s) or retired pilots, who are qualified and experienced on the respective FDA Fleet, nominated for the purposes of this LOU by ACPA's Technical Safety Department (TSD) and respective FDA Committees.
- L72.02.03 FDA Team means the ACPA Gatekeepers, the FDA Specialist and the Manager FDA, as well as additional staff as may be hired or added to the team, that form the core of the program and are employed in the day-to-day operation of FDA.
- L72.02.04 Flight crew means pilots employed by the Company.
- L72.02.05 Raw data means the binary data, including encrypted binary data for Quick Access Recorders (QARs), stored on an original recording media which includes, but is not limited to, QARs, Digital Flight Data Recorders (DFDR) and on-board servers. These media include any mechanisms that may be employed in the future to capture and transmit flight data from the aircraft to ground based stations via wireless or other means of transmission.
- L72.02.06 FDA (aggregate) data means data derived from raw data which is used in the context of the FDA Program and includes any or all of the following:
- Flight data – this is de-identified data derived by ground station analysis of the raw data that is used in the context of the FDA Program and includes, but is not limited to transcriptions, listings, graphical plots, computer files and animations;
 - Identification data – this is any information used either collectively or individually to assist in the disclosure of the identity of a particular flight. This information may include, but is not limited to, aircraft registration, flight number, date, time; and
 - Identified data – this is information containing details of both Flight data and the associated Identification data.
 - FDA Events means the events derived from parameters, as agreed between the parties from time to time, for the purpose of the FDA Program
 - FDA Limits means the range of acceptable operational boundaries, as agreed between the parties from time to time, applying to FDA events.
 - FDA Occurrence means an exceedence of FDA limits. These FDA limits are further divided into three levels; Info, Detect and Alert.
- L72.02.07 Gatekeeper means the person or persons whom the ACPA Master Executive Council (MEC) selects that will have sole access to, and be able to retrieve, identifying data. The Gatekeeper is an active and integral member of the FDA Team, is responsible for the completion of pilot analysis of FDA data and performs a critical role in managing and coordinating any FDA investigation.

Requirements

- L72.03 ACPA and the Company will cooperate in the implementation and execution of the FDA Program, as required under the provisions of A6 of the Collective Agreement and the terms and conditions in this LOU.
- L72.04 FDA data shall not be used outside the FDA program except by agreement of both parties.
- L72.05 The parties specifically acknowledge and agree that FDA data is confidential information and must at all times be managed using processes as agreed between the parties that do not allow for the identification of flight crew.
- L72.06 The provisions of A6 regarding the use of FDA data shall apply.
- L72.07 Releasing FDA data for specific purposes:
- L72.07.01 Where FDA occurrences have been detected:
- (a) De-identified flight data in the form of reports may be released for review within the Company;
 - (b) Identification data may be released to the appropriate FDA ACPA Fleet Representatives by the ACPA Gatekeeper but only as part of an FDA investigation.
- L72.07.02 Where no FDA occurrences have been detected, ACPA may permit de-identified FDA data to be released for the purpose of enhancing air safety, technical knowledge, safety awareness and flight training.
- L72.07.03 Notwithstanding any other provisions in this LOU, de-identified FDA data may only be released to third parties if both parties agree to such release. Such agreement will be coordinated at the ACPA Gatekeeper/Manager FDA level;
- L72.07.04 Where FDA data indicates that an aircraft has been operated outside the manufacturer's performance limitations, de-identified data may be released by the FDA Department to Air Canada Maintenance for maintenance purposes in the interests of flight safety; and
- L72.07.05 De-identified aggregated data may be used by the Company to support unique studies, such as airframe fatigue studies by competent authorities; may be sold to support industry requirements, such as brake wear data; or, may be used to leverage Air Canada positions in contracts and arrangements, such as providing aircraft performance data for new fleets or specific engine types. In all cases, the Company will require the agreement of ACPA before the de-identified aggregated data is used and the provisions and protections detailed in A6 of the Collective Agreement and this LOU will continue to apply to the use of this data.
- L72.08 Except for initial data subject to Gatekeeper review for a period of up to 21 days, or other data so directed to be protected by the Gatekeeper, all FDA data must be de-identified.
- Following completion of ground station analysis, de-identified FDA data may be retained for not more than 13 months unless there is an FDA occurrence which becomes the subject of investigation or inquiry in which case the FDA data may be retained for the period required for the purpose of assisting the investigation or inquiry. Notwithstanding the foregoing and subject to agreement by ACPA, specified de-identified FDA data may be retained for the purpose of enhancing flight safety.
- L72.09 Policies and investigative processes under the FDA Program will be the policies and investigative processes agreed between the parties from time to time.

- L72.10 An FDA Review Panel will be convened at a time and under circumstances determined by the Director Flight Safety and agreed to by the ACPA Gatekeeper. Failing agreement between the Director Flight Safety and the ACPA Gatekeeper, a meeting of the FDA Review Panel shall be convened as soon as practical.
- L72.11 Release of the name of any crew member under the FDA Program is considered a serious FDA matter. The release of any information that identifies a crew member to any person or Agency beyond those permitted under this LOU or the FDA Agreement would be a breach of the FDA Policy and will be addressed in a manner commensurate with the seriousness of the disclosure.

Notwithstanding the above, the identity of a flight crew member may be disclosed by the ACPA FDA Gatekeeper to the ACPA Pilot to Pilot (P2P) Consultant or the ACPA P2P Chair or Vice Chair under the terms of the P2P Program. Such action must only be taken when the investigative process, as defined in the FDA Program, determines that some specific follow-up action should take place, such as a flight crew member is identified to receive remedial training but is unwilling or unable to cooperate.

Any information obtained on a crew member during the FDA Program shall remain confidential and shall not be used in any disciplinary, arbitration or any other hearing where the performance of the crew member is being reviewed.

- L72.12 Where individual flight crew members are involved in multiple investigations under the FDA Program, they will be subject to the FDA Multiple Investigations Policy as agreed between the parties from time to time.
- L72.13 With respect to FDA reporting, the parties agree that:
- L72.13.01 FDA statistical information will be reported to all pilots as well as Flight Operations, Corporate Safety Management and ACPA Technical Safety Division (TSD) on a regular basis; and
 - L72.13.02 Where the FDA Program indicates an undesirable trend affecting flight safety, de-identified flight data may be used to raise flight crews' awareness of the relevant issues. Tools such as charts, depictions, briefings and FDA animations may be employed for this purpose. Additional options will be explored to disseminate FDA information including the use of a secure area on the ACPA FDA Website.
- L72.14 The location and security of FDA data and associated processing equipment will be as approved by ACPA. FDA is subject to no-notice security checks as deemed to be required by ACPA for the purpose of verification and audit. Such checks, beyond those already mandated in the Managed Services Contract for FDA with Teledyne, will be conducted at ACPA's expense.
- L72.15 If FDA data is required to be transmitted electronically to persons agreed between the parties, Identification data will never be provided with this information.
- L72.16 Approval of Company and ACPA FDA personnel
- L72.16.01 The appointment of any person specifically employed by the Company to handle FDA processes must meet with ACPA's approval; such approval will not be unreasonably withheld; and
 - L72.16.02 The appointment of any Pilot to the position of Gatekeeper must meet with the Company's approval; such approval will not be unreasonably withheld.

- L72.17 With respect to raw data, both parties acknowledge the limitations imposed by the International Civil Aviation Organization (“ICAO”) following an aircraft accident, in Annex 13 to the Convention on International Civil Aviation in the ICAO document titled “*International Standards and Recommended Practices – Aircraft Accident Investigation*”, or any limitations imposed under applicable international law.
- L72.18 In connection with their responsibilities under the FDA Program, FDA Fleet Representatives and Gatekeepers will be scheduled and paid in as accordance with Annex ‘A’ to this LOU.
- L72.19 Failure of the Company or ACPA to provide the agreed upon resources to adequately support the FDA Program, as contemplated in the FDA Operations Manual, will, subject to any agreement between the parties otherwise, terminate the FDA Program at Air Canada.
- L72.20 Indemnification of FDA Members

The Company agrees to extend the hold harmless and indemnification provisions of A34.07 of the Collective Agreement so as to include in the definition of a “pilot’s performance of their duties”, as referred therein, the pilot’s performance of their duties as an ACPA FDA Gatekeeper, ACPA FDA Fleet Representative or any other ACPA FDA Pilot Representative.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 29th day of July, 2005.

FOR: AIR CANADA
(original signed by Capt. M. Downey)

FOR AIR CANADA PILOTS ASSOCIATION
(original signed by Capt. J. Scott)

ANNEX 'A' to LOU 72

Re: Provision for ACPA FDA Pilot (Gatekeeper and Fleet Representative Compensation and Support)

L72-A.01 Guiding Principle.

It is recognized that the FDA Program cannot properly function without ACPA FDA Pilots (e.g. Gatekeepers and Fleet Representatives). The goal of this agreement is to provide stable, long-term ACPA FDA Pilot support.

L72-A.02 Defining FDA Gatekeeper Work

- L72-A.02.01 Association Gatekeeper work, structure and responsibilities are defined in the main body of the LOU and the FDA Agreement;
- L72-A.02.02 The pay and working conditions set out in A21 of the Collective Agreement for ACPs and AFIs will apply to ACPA Gatekeepers.
- L72-A.02.03 There will be ongoing requirements to attend industry-sponsored conferences and Vendor training sessions necessary for skill and knowledge development and maintenance. Attendance will be approved and supported by the Director of Flight Safety.

L72-A.03 Traveling arrangements plus expenses

- L72-A.03.01 Company FDA Business will be on a PY1/J05 basis;
- L72-A.03.02 Routine expenses, such as meals, accommodations and travel in support of the FDA Program will be paid by the Company; and
- L72-A.03.03 Single-event expenses, such as training courses, conferences or special meetings, will be paid by the Company, in coordination with, and approved by, the Director of Flight Safety.

L72-A.04 Administrative issues

- L72-A.04.01 Should an ACPA FDA Gatekeeper agree to work during vacation, their vacation will be rescheduled to a time mutually agreed between the Gatekeeper and the Company. Unused vacation days shall not be carried forward to subsequent years;
- L72-A.04.02 The Manager FDA will, with the assistance of the Gatekeepers, track FDA ACPA Gatekeeper workdays and maintain this record for review should it be required;
- L72-A.04.03 The Manager FDA and Gatekeepers understand that the flying requirements, as reasonably planned by the Company, must have priority when pilot resources are critical. In a No Pilot Available (NOPA) situation, ACPA Gatekeepers may be released from FDA duties to meet crewing requirements;
- L72-A.04.04 Flying will be arranged with Crew Scheduling in the following order; NOPA, supervisory flying, open time flying, displacement flying for competency.

L72-A.05 Gatekeeper Support

- L72-A.05.01 The FDA Program will provide the Gatekeepers with required IT and computer resources to support FDA duties. Support for these items will be provided through the FDA office in Toronto; and
- L72-A.05.02 Gatekeepers will procure office supplies and expendables, such as printer cartridges and paper, and use the expense claim process for re-imbusement.

L72-A.06 Gatekeeper Work Location

- L72-A.06.01 The IT structure of the FDA Program is designed to permit offsite work and support for the program. Given this flexibility and capability, and in recognition

of the need to minimize costs and expenses where practical, the work location for Gatekeeper staff will be dictated by the needs of the Program. The Gatekeeper and Manager FDA will coordinate Gatekeeper schedules and work together to ensure the needs of the program are met. The use of voice-over-internet protocols, high speed internet, remote server applications and FTP sites will limit the requirement for the presence of the Gatekeepers onsite in Toronto; and

L72-A.06.02 Gatekeepers may have to travel to coordinate with FDA event pilots or complete FDA investigations. This will be a routine matter of coordination between the Gatekeepers and the Manager FDA.

L72-A.07 FDA Fleet Representatives

L72-A.07.01 ACPA FDA Fleet Representatives' work, structure and responsibilities are defined in the main body of the LOU and the FDA Agreement;

L72-A.07.02 ACPA Fleet Representatives will be displaced from flying when required to perform FDA Fleet Representative's duties. For each day they perform these duties while on displacement, pilots shall receive the greater of:

- (a) pay and flight time credit they would have received for their flying; or
- (b) four hours fifteen minutes (4:15) pay and flight time credit;

L72-A.07.03 ACPA Fleet Representatives shall receive four hours fifteen minutes (4:15) pay for each day while performing FDA Fleet Representative's duties on days off.

L72-A.08 Retroactivity

Any time already contributed to the FDA (or the former Flight Operations Quality Assurance (FOQA) Program) by former-ERT members from 01 January 2001 to the present shall be identified and compensated. The remuneration will either be in the form of cash and/or time credit at the Company's discretion and be paid at the rate of four hours and fifteen minutes (4:15) per day owed in accordance with the rates of pay currently in effect.

IN WITNESS WHEREOF, the parties have signed Letter of Understanding this day 29th of July this month, 2005.

FOR AIR CANADA

(original signed by Capt. M. Downey)

FOR AIR CANADA PILOTS ASSOCIATION

(original signed by Capt. J. Scott)

LETTER OF UNDERSTANDING NO. 73

**between
Air Canada (“the Company”)
and
Air Canada Pilots Association (ACPA)**

WHEREAS the Company and ACPA (“Parties”) have agreed to amend the Agreement with respect to the matters set out in this Letter of Understanding (LOU);

WHEREAS the Company and ACPA agree to make a joint submission to Transport Canada for an exemption to the 10-hour duty day restriction for Pilots on Reserve contacted and/or assigned during the designated rest period on augmented flights;

WHEREAS the Parties agree that the changes required by this LOU will be implemented as soon as practicable following August 1st 2012;

NOW THEREFORE the Parties agree as follows:

1. To work together to conduct a risk assessment and develop mitigating strategies that will provide an equivalent level of safety to the current CARs language and are acceptable to both parties.
2. Once both parties have approved the risk assessment and mitigating strategies, they will jointly approach Transport Canada with the exemption request.
3. When the exemption is approved, A29.03.09 will continue to apply for a two man crew and the mitigating strategies agreed to by the parties and any other requirements in the CARs exemption required by Transport Canada will apply for augmented crews.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this _____th day of _____.

AIR CANADA

AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 74

**between
Air Canada
and
Air Canada Pilots Association**

**ACrouge
Work Rules & Conditions**

Preamble

In the context of Air Canada's announced intention to launch a new Low Cost Carrier (hereinafter called "ACrouge"), Air Canada and ACPA wish to establish a labour relations structure covering the Pilot employees of ACrouge. While it is recognized that the full scope and details of the terms and conditions governing ACrouge cannot be realistically contained in this LOU, the following work rules and conditions are embodied herein.

Recognition

It is agreed that ACrouge will be and will continue to be a Specialty Company. Accordingly, the Pilots employed by ACrouge will be Air Canada Pilots represented by ACPA within the bargaining unit covered by the Air Canada – ACPA Collective Agreement as outlined in this Letter of Understanding. The Pilots will be on the Air Canada Pilots' System Seniority List. The provisions of the Air Canada – ACPA Collective Agreement apply to ACrouge, except as amended by the following provisions and any other terms and conditions agreed to by Air Canada and ACPA.

The following articles in the Air Canada – ACPA Collective Agreement will not apply:

A7.15.01.03	
A10.11	
A11 (except for A11.01.01, A11.01.02 and A11.01.07)	A26 (except for A26.05.01)
A12.04	A27 (except for A27.05)
A13 (except for A13.01 and A13.14.11.05) CPs, Fls and PPs will be paid the greater of 80 hours or block credits, plus a 12% override on appropriate duty credits.	A28 (except for A28.01, A28.08.01)
A14	A29
A19.03	A30
A23.01.01 and A23.01.08.02	A31.03 and A31.04
A25.03.05 and A25.06.07 only the sentences that refer to DPG/TTG	A32 (except for A32.01.06)
	A33 (except for A33.07)

L74.01 Scope:

The mandate of ACrouge is to support the strength, sustainability and growth of Mainline.

L74.01.01 ACrouge will be permitted to place its IATA designator Code on Air Canada and will maintain a standard inter-line agreement with Air Canada.

- L74.01.02 ACrouge will be permitted to carry the AC or ACA Code or any other IATA designator code for Air Canada.
- L74.01.03 Definitions:
- L74.01.03.01 ACrouge means aircraft at the Company that are operated under the terms of LOU 74 of the Collective Agreement.
- L74.01.03.02 Mainline means aircraft at the Company that are operated under terms in the Collective Agreement other than the terms of LOU 74.
- L74.01.03.03 ACrouge Narrow Body Jet Aircraft (ACrouge NJA) means any aircraft make/type/model, except B757 and E190. Future use of the E190 as ACrouge NJA shall be subject to ACPA and membership approval and only with approval of pay rates.
- L74.01.03.04 ACrouge Wide Body Jet Aircraft (ACrouge WJA) means B767, A330 and B787 aircraft.
- L74.01.03.05 ACrouge Baseline Narrow Body Jet Aircraft (ACrouge Baseline NJA) means 25-30 A319s, except for 10 which may be A320s and/or 321s, or, in accordance with L74.01.04.05, NJA of any make/type/model, except B757.
- L74.01.03.06 ACrouge Baseline Wide Body Jet Aircraft (ACrouge Baseline WJA) means the 20-25 B767s or, in accordance with L74.01.04.06, B787, B767 and A330.
- L74.01.03.07 Mainline Narrow Body Jet Aircraft (Mainline NJA) means: A319/A320/A321 and B737 aircraft or Equivalent Aircraft.
- L74.01.03.07.01 For the purpose of this provision, an Equivalent Aircraft shall be defined as a Mainline NJA aircraft with a minimum hourly flight pay equivalent to or greater than the B737/A320 and a minimum weight equivalent to or greater than the A319 weight of 75.5 tonnes.
- L74.01.03.08 Mainline Wide Body Jet Aircraft (Mainline WJA) means B767, B777, B787 and A330 or equivalent aircraft
- L74.01.03.09 Mainline Baseline means 145 aircraft comprised of (a) Mainline NJA plus (b) Mainline WJA.
- L74.01.03.10 Mainline Growth Baseline NJA means 86 Mainline NJA, subject to L74.01.03.10.01.
- L74.01.03.10.01 Should Air Canada choose to designate the A-220-300 Aircraft as an Equivalent Aircraft for inclusion in the Mainline Growth Baseline NJA, Hourly Flight Pay in A12.04.02.01 for the A-220-300 shall be equal to or greater than the B737/A320 and the Hourly Weight Pay in A12.04.02.01 for the A-220-300 would be based on a weight in tonnes of 75.5.
- L74.01.03.11 Mainline Growth Baseline WJA means 70 Mainline WJA.
- L74.01.03.12 ACrouge Baseline means 50 aircraft comprised of (a) ACrouge Baseline NJA, plus (b) ACrouge Baseline WJA.
- L74.01.03.13 Mainline Growth Baseline means 156 aircraft comprised of (a) Mainline Growth Baseline NJA plus (b) Mainline Growth Baseline WJA.
- L74.01.03.14 ACrouge Growth NJA means ACrouge NJA operated at ACrouge over and above the ACrouge Baseline under the terms of the Growth Ratios, as defined below.
- L74.01.03.15 Mainline Growth NJA means Mainline NJA operated at the Mainline over and above the Mainline Growth NJA Baseline under the terms of the Growth Ratios.
- L74.01.03.16 Mainline Growth WJA means Mainline WJA operated at the Mainline over and above the Mainline Growth WJA Baseline under the terms of the Growth Ratios.

- L74.01.03.17 Only operating aircraft shall count for the purposes of L74.01.04. Operating Aircraft means aircraft flown in the active operation of Mainline and ACrouge operations, as applicable, including aircraft in heavy maintenance, spare aircraft used in the normal course of operations, and aircraft operated by Air Canada Pilots for other airlines.
- L74.01.03.18 Growth Ratios:
- L74.01.03.18.01 1:1 Growth Ratio means for every 1 (one) Mainline Growth NJA added to the Mainline, the ACrouge fleet may be increased by 1 (one) ACrouge Growth NJA. Such aircraft must be added to the Mainline fleet before the ACrouge fleet is increased.
- L74.01.03.18.02 1:2 Growth Ratio means for every 1 (one) Mainline Growth WJA added to the Mainline, the ACrouge fleet may be increased by 2 (two) ACrouge Growth NJA. Such aircraft must be added to the Mainline fleet before the ACrouge fleet is increased.
- 74.01.03.18.02.1. If the Company adds ACrouge Growth NJA under the 1:2 Growth Ratio, when the Company retires any Mainline WJA (including but not limited to the B767), it may retain the number of ACrouge Growth NJA added under the 1:2 Growth Ratio based on the number of such retired Mainline WJA if it replaces the number of retired Mainline WJA with an equivalent number of Mainline WJA, or with Mainline Growth NJA equal to twice the number of retired Mainline WJA.
- L74.01.03.18.03 If the number of Mainline WJA is below the Mainline Growth Baseline WJA or the number of Mainline NJA is below the Mainline Growth Baseline NJA, the Company cannot add ACrouge Growth NJA under either the 1:2 Growth Ratio or the 1:1 Growth Ratio.
- L74.01.03.18.04 1:3 Growth Ratio means if the ACrouge fleet is below the ACrouge Baseline and the Mainline fleet is below the Mainline Baseline, respectively, (a) for every 1 (one) ACrouge NJA aircraft added to ACrouge, the Mainline fleet must be increased by 3 (three) NJA aircraft, and (b) for every 1 (one) ACrouge WJA aircraft added to ACrouge, the Mainline fleet must be increased by 3 (three) WJA aircraft. The 1:3 Growth Ratio is effective only until the ACrouge Baseline and the Mainline Baseline are met. Such aircraft must be added to the Mainline fleet before the ACrouge fleet is increased.
- L74.01.03.18.05 Where the Company adds Mainline Growth WJA or Mainline Growth NJA, there is no deadline by which it must exercise any consequential right under L74.01.03.18.01 or L74.01.03.18.02 to add ACrouge Growth NJA provided that the condition precedent to that right still exists at the time the Growth NJA is added.
- L74.01.03.19 Shrinkage Ratios:
- L74.01.03.19.01 1:1 Shrinkage Ratio means (a) for every 1 (one) Mainline Growth NJA withdrawn from Mainline operations, the ACrouge fleet must be reduced by 1 (one) ACrouge Growth NJA, unless no ACrouge Growth aircraft had been added in respect of the number of Mainline Growth NJA being reduced. Such aircraft must be withdrawn from service from the ACrouge fleet before the Mainline fleet is reduced.
- L74.01.03.19.02 1:2 Shrinkage Ratio means for every 1 (one) Mainline Growth WJA withdrawn from Mainline operations, the ACrouge fleet must be reduced by 2 (two) ACrouge Growth NJA, unless no ACrouge Growth aircraft had been added in respect of the number of Mainline Growth WJA being reduced. Such aircraft must be withdrawn from service from the ACrouge fleet before the Mainline fleet is reduced.

- L74.01.03.19.03 If there are 1 or more ACrouge Growth NJA and the number of Mainline WJA is above the Mainline Growth Baseline WJA and the number of Mainline NJA is at or below the Mainline Growth Baseline NJA, for every 1 (one) Mainline NJA withdrawn from Mainline operations, the ACrouge fleet must be reduced by 1 (one) ACrouge Growth NJA. Such aircraft must be withdrawn from service from the ACrouge fleet before the Mainline fleet is reduced.
- L74.01.03.19.04 If there are 1 or more ACrouge Growth NJA and the number of Mainline NJA is above the Mainline Growth Baseline NJA and the number of Mainline WJA is at or below the Mainline Growth Baseline WJA, for every 1 (one) Mainline WJA withdrawn from Mainline operations, the ACrouge fleet must be reduced by either 2 (two) ACrouge Growth NJA or 1 (one) ACrouge WJA. Such aircraft must be withdrawn from service from the ACrouge fleet before the Mainline fleet is reduced.
- L74.01.03.19.05 The Shrinkage Ratios in L74.01.03.19.03 and L74.01.03.19.04 shall apply until the number of ACrouge aircraft equals the ACrouge Baseline.
- L74.01.03.19.06 3:1 Shrinkage Ratio means if the total number of ACrouge aircraft is at or below the ACrouge Baseline and the total number of Mainline aircraft is at or below the Mainline Baseline, (a) for every 3 (three) Mainline WJA aircraft withdrawn from the Mainline operations, the ACrouge fleet must be reduced by 1 ACrouge WJA aircraft, and (b) for every 3 (three) Mainline NJA aircraft withdrawn from the Mainline operations, the ACrouge fleet must be reduced by 1 ACrouge NJA aircraft. Such aircraft must be withdrawn from service from the ACrouge fleet before the Mainline fleet is reduced.
- L74.01.04 ACrouge Aircraft
- L74.01.04.01 ACrouge NJA are comprised of ACrouge Baseline NJA and ACrouge Growth NJA, subject to the Growth Ratios in L74.01.03.18 and Shrink Ratios in L74.01.03.19.
- L74.01.04.02 ACrouge WJA aircraft are comprised of the ACrouge Baseline WJA, subject to the Shrink Ratios in L74.01.03.19, the Growth Ratio in L74.01.03.18 and the terms in L74.01.04.06 below.
- L74.01.04.03 20-25 B767s, all of which may be transferred from the 30 B-767 mainline fleet as at November 2010 but must be replaced by equivalent or larger aircraft. Alternatively, and notwithstanding L74.01.04.06, ACrouge may obtain B767-300ERs from outside mainline so long as they are incremental to 56 WJA in the consolidated Air Canada and ACrouge WJA fleet, such that if a B767 is removed from mainline, it must be replaced by an equivalent or larger aircraft.
- L74.01.04.04 If ACrouge wishes to operate more than 25 NJA, the additional NJA must be incremental to 86 NJA in the consolidated Air Canada and ACrouge NJA fleet.
- L74.01.04.05 Once Air Canada mainline operates a combined minimum of 62 B777s and B787s, the 25-30 NJA may be made up of any aircraft make/type/model, except B757.
- L74.01.04.06 Once Air Canada mainline operates a combined minimum of 62 B777s and B787s, the 20-25 WJA at ACrouge may be made up of the following aircraft (collectively, the "Replacement WJA"): B787, B767 and A330, subject to the following:

- L74.01.04.06.01 Replacement WJA may be placed or replaced at ACrouge on a 1:1 basis as the B767s or A330s at mainline are replaced with a Newer (i.e., an aircraft having itself flown less than 10,000 airframe hours) WJA. After all of the B767s and A330s existing at mainline as of August 31, 2014 have been replaced once, there is no restriction on the timing of placements or replacements at ACrouge. For clarity, only once 62 WJA described above are operating at mainline, and after one of the B767 or A330 aircraft then remaining at mainline is replaced with a Newer WJA, one B767 or, before being placed, a B767 slot at ACrouge may be replaced with another WJA. The replacement or additional WJA at ACrouge must be equivalent to or smaller than the aircraft added to the mainline.
- L74.01.04.06.02 Replacement WJA may be placed or replaced at any time at ACrouge once Air Canada has confirmed commitments to acquire an additional 13 B787s with set delivery dates that would provide for deliveries that are earlier or no later than the delivery dates of B787s under existing options with Boeing, and confirmed that a minimum of 50 B787s and 25 B777s (or aircraft equivalent to or larger than a B777) will be operated at mainline by December 31, 2023.
- L74.01.04.06.03 WJA at ACrouge may be replaced at any time with B787s on a 1:1 basis as B787s incremental to a minimum 37 are introduced at mainline, either as additions to the mainline WJA fleet or as replacements in the mainline WJA fleet. For example, when 40 B787s are operating at mainline, 3 B787s may be operated at ACrouge in addition to any B787s that may already have been properly introduced under another section of L74.01.04.06.
- L74.01.04.06.04 For purposes of this LOU, WJA at Air Canada from smallest to largest are as follows: B767, A330 and B787.
- L74.01.04.06.05 Where Air Canada adds an aircraft to or replaces an aircraft in its WJA fleet, there is no deadline by which it must exercise any consequential right under any section of L74.01.04 to place a Replacement WJA at ACrouge provided that the condition precedent to that right still exists at the time the Replacement WJA is placed at ACrouge. For example, for L74.01.04.06.02, there must still be at least 50 B787s and 25 B777s (or aircraft equivalent to or larger than a B777) confirmed to be operating at mainline by December 31, 2023 at the time the Replacement WJA is placed at ACrouge. By way of further example, when a B787 is added to ACrouge pursuant to L74.01.04.06.03, there must still be a corresponding B787 in excess of 37 for each earlier B787, if any, introduced at ACrouge pursuant to L74.01.04.06.03.
- L74.01.04.06.06 For greater clarity, no new WJA fleet type can be introduced at ACrouge prior to Air Canada mainline operating the 62 WJA as described above.
- L74.01.05 The consolidated annual block hours will not decrease below the 2010 mainline block hours of 798,133 as the result of the establishment and operation of ACrouge.
- L74.01.06 If a mainline Pilot is force reduced from their current Position as a result of the transfer of the 20 A319's from mainline to ACrouge, they will receive the hourly pay rates from the equipment they were force reduced from until they forfeit their RIR or they forego an opportunity to bid a higher paying Position on base, whichever occurs first.
- L74.01.06.01 Should the Pilot at their first opportunity be awarded the higher paying position, the protected hourly rate will continue until their AD.
- L74.01.06.02 Once the transfer of the 20th A-319 has been reflected on a CMSC Review no additional Pilot(s) can claim hourly pay rate substitution under this provision.

- L74.01.07 The total number of premium economy seats on any ACrouge aircraft will not exceed the number of business class seats + premium economy seats on the equivalent mainline aircraft. ACrouge premium seats will not be a lie flat seat or an individual pod. The forward cabin of ACrouge wide body aircraft will not include premium seats that are of a greater pitch, or which recline further than those in the Air Canada Premium Economy cabin on the same mainline WJA. The forward cabin of ACrouge NJA will not include premium seats that are of greater pitch, or which recline further than those in the Air Canada Business Class cabin on the same mainline NJA.
- L74.01.08 85% of the total ACrouge NJA ASMs and 85% of ACrouge WJA ASMs are ASM's flown at Air Canada by Air Canada Pilots for the purposes of the Collective Agreement.
- L74.01.09 The purpose and intent of Regional Replacement flying is to:
- Conform with L74.01 Scope; and
 - Increase the Block Hours flown by Air Canada Pilots on the Air Canada Pilots Seniority List; and
 - Not to be used to undermine the ACrouge Growth Ratios as set out in the Collective Agreement.
- L74.01.09.01 Regional Replacement Flying shall be operated under LOU 74 as follows:
- L74.01.09.01.01 Regional Replacement Aircraft (RRA) means any aircraft make/type/model, except B757 and E190. Future use of the E190 as RRA shall be subject to ACPA and membership approval and only with approval of pay rates.
- L74.01.09.01.02 Regional Route means a route formerly operated by any CPA Carrier for a minimum of 12 consecutive months immediately prior to being operated by a Regional Replacement Aircraft.
- L74.01.09.01.03 On routes operated by both CPA and Mainline aircraft as of 6/30/17 (Mainline CPA Routes), if the percentage of departures per day operated by CPA Carriers is less than or equal to 75% of the average combined CPA plus Mainline departures (CPA Departure Share) over the 12 consecutive months referred to in L74.01.09.01.02, Regional Replacement Aircraft may operate a number of departures up to the CPA Departure Share on the Regional Route. If the CPA Departure Share is greater than 75%, Regional Replacement Aircraft may operate up to 100% of the departures on the Regional Route.
- L74.01.09.02 Regional Replacement Aircraft shall not count for either the ACrouge Baseline or as ACrouge Growth NJA. For clarity, Growth Ratios in L74.01.03.18 and Shrinkage Ratios in L74.01.03.19 do not apply to RRA.
- L74.01.09.03 If the A-220-300 is exclusively used as a RRA (i.e., not as an ACrouge NJA), the pay for Pilots flying the A-220-300 on RRA will be based on pay rates determined in A12 with the ACrouge Differential as defined in L74.29.03. Table A of A25 applies to all flying on Regional Routes. If a Pilot pairing or awarded flying includes both Regional Route and non-Regional Route flying, then Table A of A25 shall apply to all flying in the pairing or the award.
- L74.01.10 The aircraft operated by ACrouge with the exception of Regional Replacement Aircraft in accordance with L74.01.09 will be counted as Air Canada mainline aircraft for the purposes of A1.10.02.01.02.01.

L74.02 Blocking System:

- L74.02.01 ACrouge operates a Fair Share blocking system.
- L74.02.02 Upon release of the monthly blocks, the Company will provide an individual "Reason Report" to all ACrouge Pilots detailing their block results.

- L74.02.03 The PBS bidding system for ACrouge will provide for a minimum of 12 bid lines.
- L74.02.04 The PBS solutions and published awards for ACrouge will be done concurrently with Mainline PBS solutions.
- L74.02.05 NJA Blocking window between 77.5 and 85 hours (may be increased beyond 85 hours with ACPA's PBS Committee's approval). Target block average of 80 hours per month.
- L74.02.06 WJA Blocking window between 77.5 and 85 hours (may increase to 90 hours).
- L74.02.07 Hours blocked above 82.5 hours will attract an overtime premium of 50%.
- L74.02.08 NJA: Maximum 16 days worked parameter in the blocking system.
- L74.02.09 WJA: Maximum 16 days worked parameter in the blocking system (may be increased beyond 16 days with ACPA's PBS Committee's approval).
- L74.02.10 Definition of a day: between 02:00 and 02:00.
- L74.02.11 Special Days Off (SDO): Subject to Company approval, once per calendar year, a maximum of 4 days off may be blocked off in the blocking system to accommodate special events in a Pilot's life.
- L74.02.11.01 If a Pilot wishes to cancel SDOs once awarded in PBS, they will contact CS to have the SDOs removed from their schedule. However, the SDOs will not be returned to the Pilot for use at a future time.
- L74.02.12 Recurrent training credits are neither flight time limiting nor do they count towards the maximum days worked parameter, except that recurrent training greater than 2 days, including travel time, will have the days greater than 2 counted toward the 16 day limit.
- L74.02.13 All ACrouge Pilots shall receive credit and be paid for the greater of:
- The originally scheduled block at the conclusion of the PBS process, or,
 - Minimum Block Guarantee as per L74.15, or
 - Actual flight credits.
- L74.02.13.01 Credit per pairing will be calculated as per L74.16.01, L74.16.02, L74.16.03 or L74.16.04.
- L74.02.13.02 The foregoing will not apply to flying that is lost due to a Pilot failing to maintain their flight qualifications unless the Pilot has taken reasonable steps to maintain their qualifications.
- L74.02.13.03 In the event of sickness A31.07 shall apply.
- L74.02.13.04 In the event that a Pilot drops flying, no credit, the Pilot will be paid the amount set out L74.02.13 reduced by the credits from the dropped flight(s).
- L74.02.14 Compensation for Voluntary Overtime (VO) pairings and Draft pairings shall be paid in addition to the credit and pay set out in L74.02.13
- L74.02.15 The premium set out in L74.17 shall apply to the Pilots block at the conclusion of the PBS blocking process for all credit actually flown. For clarity, as per A19.07, vacation, training and start credits are included in the above calculation.
- L74.02.16 A pairing that was originally scheduled to end prior to 02:00 but ends after 02:00 due to IROPs or marketing changes will result in a Pilot, who was scheduled to be on a day off, being credited with an additional duty day of 4.5 hours to their monthly projection. Such credits will be cash cleared and flight time credits will not apply.

- L74.02.17 The formula set out below shall be applied (with the exception of DSCs), for all absences, specifically, a Pilots' maximum days of work will be prorated for absences during the Block Period. The term "absence" in this Article includes Vacation, GDIP, training (not recurrent) and personal/parental LOA.

No. of days in Block Period – No. of days of absence/No. of days in Block Period	X	Maximum days of work value used in the block month
--	---	--

- L74.02.17.01 Numbers will be rounded up to the next whole integer. The result will constitute the maximum number of days that the Pilot can be planned to fly in a PBS block month.
- L74.02.18 The Company will provide an advanced copy of ACrouge pairings to FSAG each month prior to pairing release.

L74.03 Training:

- L74.03.01 Pilots will be paid 4.5 hours per day of training for transition and recurrent training.
- L74.03.02 Pilots on initial/transition training may be scheduled to work a maximum of 18 days in any full Block Period.
- L74.03.03 ACrouge simulator training and checking will only be performed with ACrouge Pilots.
- L74.03.04 The Company may at their discretion approve out-of-base ART requests after the PBS block is released.
- L74.03.05 The Simulator Planner will maintain a list of volunteers (including FI/PrP) that are willing to complete a simulator crew complement. Volunteers from the Base where the simulator is located will be called prior to volunteers from other Bases. Volunteer simulator assignments, including any associated crew rest, may not interfere with planned schedules.
- L74.03.05.01 A Pilot will be paid 4.5 hours at time and a half for any simulator crew complement session.

L74.04 Pairings

- L74.04.01 Max Scheduled Pairing Length: 5 days (NJA) / 7 days (WJA)
- L74.04.02 The number of NJA 5 day pairings shall not exceed 15% of the total pairing list, without ACPA's consent.
- L74.05 **Open Time:** In order for ACrouge to maintain the scheduling system without traditional reserve, ACrouge expects its Pilots will make themselves available to cover all Open Time.
- L74.05.01 Annual Overtime (AO) is calculated from June 2 to June 1 by the total amount of flying awarded under L74.06 and L74.08 (excluding Reassignment and Return from illness). The order of the Open Time awards in L74.06.04 (Step 3), L74.06.06 (Step 5), and L74.08 (Short Call) will be determined by the lowest AO. When the lowest two (or more) Pilots have the same AO, the order of awards will be determined by the lowest projected monthly block hours.
- L74.05.02 All Open Time, including that withheld under L74.05.03, shall be shown electronically) on a daily and timely basis, allowing Pilots to bid upon receipt.

- L74.05.03 Up to a maximum of 1.5% of total block hours to a maximum of 50 hours per base, status and equipment, may be retained by the Company to be awarded to ACrouge Pilots returning from GDIP, unplanned training or return from illness. The total block hours withheld under this provision shall be calculated using a 30-day rolling window. Pairings may be released and awarded under the Open Time awarding process at any time.
- L74.05.04 Open Time as a result of Bereavement Leave, Leave for Compassionate Care, Jury Duty and Personal Days will be assigned and awarded as per L74.06.
- L74.05.05 Open Time will be awarded starting at the Base where the flying originates, with all awarding steps exhausted, prior to it being awarded to a Pilot at another Base.
- L74.05.06 It is agreed and understood that a Pilot who has completed training in a given month will be eligible for VO 48 hours following the Pilot's scheduled completion date.
- L74.05.07 It is recognized that an Open Time award during the PBS Block closing period may result in a Pilot's subsequent Block being CARs illegal. When this happens, they will normally drop or alter flying in the current Block Period to make their subsequent Block legal. Should such action not be possible, flying in the subsequent Block Period will be dropped or altered to make the Block legal and the Pilot will be eligible for Pay Protection. Notwithstanding the above, at Pilot option, when there is an opportunity to drop flying in either Block Period to make the Block legal, they may drop flying in the subsequent Block Period and Pay Protection will not apply.
- L74.05.08 Pilots will not be actively contacted by CS for flight awarding or assignment while on their Collective Agreement required rest period. A Pilot who wishes to be considered for an Open flying award must leave specific remarks on the applicable Open Time list. If no remarks are left, or if the remarks are ambiguous, the Pilot will not be eligible for an award.

L74.06 Awarding of Open Time

- L74.06.01 Step 1A: Reassignment
- L74.06.01.01 CS will award Open Time in accordance with the Pay Protection (PP) and Pairing Integrity (PI) rules. The Pilot awarded the Open Time under Step 1A will be paid as per L74.09.
- L74.06.02 Step 1B: To a Pilot who has lost credits due return from illness, GDIP or drop no credit.
- L74.06.02.01 A Pilot will only be eligible for time and a half (1.5) on the portion of the flying assigned that is greater than the value of the originally dropped flying.
- L74.06.03 Step 2: Pre-Selection of Open Time – Greater than 48 hours to departure.
- L74.06.03.01 Open time prior to 48 hours before scheduled reporting time can be picked up by Pilots on a first come, first served basis that are legal as defined per A26.05.01. These Pilots will be compensated at time and a half calculated at the greater of:
 - L74.06.03.01.01 4.5 hours per day; or
 - L74.06.03.01.02 Scheduled pairing credit value; or
 - L74.06.03.01.03 Actual pairing credit value.
- L74.06.04 Step3: Voluntary Overtime (VO) - Within 48 hours of departure
- L74.06.04.01 Pilots must list their names on a VO availability list. The VO flying will be paid as per L74.06.03 and awarded to the Pilot with the lowest AO.
- L74.06.04.02 Pilots will not be cold called at this step.
- L74.06.05 Step4: Voluntary Reserve (VR)

- L74.06.05.01 When VR is solicited by the Company, it will be done via email. A Pilot may list for VR and it will be awarded on a first come first served basis.
- L74.06.05.02 VR requires a Pilot to be available for a call and to report within 2 hours of being called for duty.
- L74.06.05.03 There are two shifts:
 - L74.06.05.03.01 VR(A) provides a guaranteed rest from 23:00-07:00
 - L74.06.05.03.02 VR(B) provides a guaranteed rest from 11:00-19:00
- L74.06.05.04 The above hours may be adjusted on a fleet basis by mutual agreement with ACPA.
- L74.06.05.05 Guaranteed rest means CS will not disturb the Pilot during that period.
- L74.06.05.06 Pilots may indicate prior to the PBS block release whether they are available for VR on the specific dates solicited by the Company in advance. These days are in addition to the Pilot's maximum scheduled 16 days per Block Period. Pilots will select their VR dates through PBS or as per L74.06.05.01. Pilots will indicate their preference for either VR(A) or VR(B).
- L74.06.05.07 When there is more than one Pilot available for VR on the same shift, the Pilot with the lowest AO will be awarded the VR pairing.
- L74.06.05.08 VR will be compensated at 4.5 hours per day (straight time) for each VR period where the Pilot does not work. When the Pilot operates VR they will be compensated at double time calculated at the greater of:
 - L74.06.05.08.01 4.5 hours per day; or
 - L74.06.05.08.02 Scheduled pairing credit value; or
 - L74.06.05.08.03 Actual pairing credit value.
- L74.06.06 Step 5: Draft
- L74.06.06.01 Draft will be awarded in the following order:
 - L74.06.06.02 Pilots who have listed themselves for draft based on lowest AO.
 - L74.06.06.02.01 Cold call in order of lowest AO.
 - L74.06.07 A Pilot on draft will be compensated at double time and a half for the greater of:
 - L74.06.07.01 4.5 hours per day; or
 - L74.06.07.02 Schedule pairing credit value; or
 - L74.06.07.03 Actual pairing credit value.
- L74.06.08 A right seat qualified Captain cannot be contacted by the Company to occupy the FO seat unless Step 1 through to Step 5 have been completed.
- L74.06.09 In the event that a Pilot is solicited by CS for open flying that results in their blocked flying being dropped as a result of legalities, they will be paid and credited for the greater of the new flying or the original flying as if it had been flown according to schedule. Under this provision a Pilot will be compensated at double time and a half for any flying operated on days off.

	DAY 1	DAY 2	DAY 3	DAY 4	TOTAL
EXAMPLE 1					
Original Pairing	OFF	10	L/O	10	20
Draft Pairing	8	L/O	8	OFF	16
EXAMPLE 2					
Original Pairing	OFF	8	L/O	8	16
Draft Pairing	10	L/O	10	OFF	20

Pay calculation Example 1: The Pilot will be paid for the greater of the Original or Drafted pairing (in this case 20:00), plus the Draft premium for Day 1 (12:00), for total pay of 32:00.

Pay calculation Example 2: The Pilot will be paid for the greater of the Original or Drafted pairing (in this case 20:00), plus the Draft premium for Day 1 (15:00), for total pay of 35:00.

L74.07 Flight Awarding Error

L74.07.01 ACrouge Pilots will be compensated at time and a half for flight awarding errors involving VO and Voluntary Reserve awards.

L74.07.02 ACrouge Pilots will be compensated at double time for flight awarding errors involving draft awards.

L74.08 Short Call

L74.08.01 Recognizing the time constraints involved and to protect the operation, if there is insufficient time (normally less than 3h 15min) for CS to go through the normal award process as outlined in L74.06, CS will utilize the following procedure:

L74.08.01.01 CS will make calls to Pilots listed as available for Short Call in Step 3, Step 4, then Step 5 based on the lowest AO. The first Pilot that can make the required Check-in will be awarded the flight.

L74.08.01.02 If no Pilot is able to make the required Check-in, CS may offer the flying to any Pilot based on sound economic principles with due regard to the awarding steps.

L74.08.02 Pilots may only list themselves for Short Call daily after 1800L the day prior. Pilots on the Short Call list are expected to accept the flying when offered.

L74.09 Pay Protection and Pairing Integrity and Reassignment:

L74.09.01 Pay Protection (PP) –Pilots are entitled to Pay Protection per L74.16 when flying time is lost from their Block because of consolidation, cancellation, substitution, misconnection or operational reasons.

L74.09.02 CS will notify the Pilot of any loss of flying time as soon as possible.

L74.09.03 Upon notification of the loss of flying time it will be the Pilot's option to accept or decline PP on a pairing by pairing basis except if the Pilot's credits are reduced below MBG, the Pilot is automatically pay protected.

L74.09.04 **PP Reassignment:** A Pilot may be reassigned within the windows as outlined in L74.09.14.


L74.09.05 A Pilot who accepts PP, and is reassigned as per Step 1 of the Open Time awards (L74.06), will be notified and they will acknowledge the notification as soon as practicable.

L74.09.05.01 In the event that the Pilot is not reassigned prior to 14:00 the day before, they shall contact CS at 09:00 for possible reassignment, and the flying cannot originate prior to 13:00.

L74.09.05.02 On a predetermined seasonal basis, the Company may alter the call-in period to the day prior at 19:00, and flying cannot originate prior to 05:00.

L74.09.06 In a PP Reassignment event, A Pilot may voluntarily accept a reassignment outside of the applicable windows. Any flying assigned outside of the window(s) will be treated as VO and paid at time and a half for the entire leg. These premiums will be cash cleared.

- L74.09.06.01 In a PI event, any flying awarded or assigned to a Pilot that is conducted outside of the reassignment window will be treated as Draft and paid at double time and a half for the portion of the flying performed outside of the windows. These premiums will be cash cleared.
- L74.09.06.02 Reassignment flying is limited to the greater of the Pilot's block projection at the time of the loss of flying or 85 NJA/90 WJA block hours. For a Pilot who is below the 77.5 hour MBG, reassignment flying will be limited to the credit value of the lost flying plus the difference between the 77.5 MBG and 85 NJA/90 WJA block hours.
- L74.09.06.03 Reassignment flying may not be awarded once the Pilot's block projection at the time of the lost flying has been recovered (up to a maximum of 85 NJA or 90 WJA). On a loss for a multi-day pairing, once the lost hours have been recouped, the Pilot is no longer required to be available on remaining reassignment days.
- L74.09.07 **Pairing Integrity (PI)** – is a component of PP and occurs after the Pilot has reported for Check-in, and subsequently flying time is lost from that pairing.
- L74.09.08 Any flying covered under PI will be involuntary with the applied windows of 0/0. The pairing must start and end within the original start and end pairing times.
- L74.09.08.01 In order to protect the operation, when no other Pilot is immediately available, the Pilot may be reassigned outside of this window. Every attempt will be made to utilize Pilots listed under L74.06 (Steps 3, 4 and 5) and L74.08 (Short Call) prior to the Pilot being reassigned outside of their window.
- L74.09.09 **PI Reassignment:** A Pilot may be reassigned within the windows as outlined in L74.09.14.
- L74.09.10 Reassignment flying may not be awarded beyond 0200 into a day off regardless of the Pay Protection Window.
- L74.09.11 A Pilot must contact CS at 0900 for possible reassignment as outlined in L74.09.12.
- L74.09.12 On a predetermined seasonal basis, the Company can establish the call-in periods to either (i) day of at 0900, and departure flying cannot originate prior to 1300, or (ii) day prior at 1900, and departure flying cannot originate prior to 0500 the following day. The Company will publish the call-in time.
- L74.09.13 The total of the unrecovered credits from a lost pairing (or portion thereof) will not be carried forward at the conclusion of the PP/PI event i.e. no Pay Protection Bucket.
- L74.09.14 Reassignment windows:

LOST FLYING 	ENTIRE PAIRING		FIRST LEG/NOT LAST LEG		LAST LEG/NOT FIRST LEG		NOT FIRST LEG / NOT LAST LEG	
	SINGLE DAY	MULTI DAY	SINGLE DAY	MULTI DAY	SINGLE DAY	MULTI DAY	SINGLE DAY	MULTI DAY
PRE-ASSIGNMENT (UP TO 1400 DAY PRIOR)	-4/+6	-4/+6	-4/0	-4/0	0/+6	0/+6	0/0	0/0
1900 (DAY PRIOR) OR 0900 (DAY OF) *As per L74.13.09	0/0	0/+6	0/0	0/0	0/0	0/+6	0/0	0/0
DAY OF PRIOR TO CHECK-IN	0/0	0/+6	0/0	0/0	0/0	0/+6	0/0	0/0

PAIRING INTEGRITY	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
-------------------	-----	-----	-----	-----	-----	-----	-----	-----

L74.10 VO AND Draft Cancellation

- L74.10.01 In the event that a Voluntary Overtime (VO) pairing or a Draft pairing is cancelled, the following will apply for the determination of pay and flight time limitations will not apply, except for any portion that consists of actual flight time:
- L74.10.01.01 In the event that a VO/Draft pairing is cancelled with greater than 2 hours' notice in advance of Check-in no pay shall be owing to a Pilot.
- L74.10.01.02 In the event that such a pairing is cancelled between 2 hours' prior to check in and up to brake release, the Pilot shall be paid at 4.5 hours straight time.
- L74.10.01.03 Following brake release; and a VO/Draft pairing, or part thereof, is cancelled the Pilot shall be paid at the appropriate rate plus applicable premium on the greater of actual time operated or 4.5 hours.
- L74.10.01.04 If a VO/Draft pairing is cancelled and the Pilot is assigned to other flying the Pilot shall be paid the greater of 4.5 hours or actual hours flown plus applicable premium. It is understood that during period of irregular operations, crews will be expected to be available to protect the operations.

L74.11 Return from Illness

- L74.11.01 A Pilot is expected to call CS prior to 18:00 home Base time to advise of their return from illness.
- L74.11.02 When a Pilot books on prior to the end of their pairing, the Pilot will not be charged for further sick days and will lose the credit for flying not performed. For Open Time awards, they will be given priority in accordance with L74.06 until they have recovered the lost credits. Open Time premiums will only apply once the lost credits are recovered.
- L74.11.03 When a Pilot is returning from GDIP days off will be assigned with the Pilots preferences taken into consideration. The days remaining after release to the line and the average hours for the position the Pilot is returning to will be prorated. Once the prorated credit has been recouped or the prorated days worked are satisfied, then the Pilot has fulfilled their monthly requirement.

L74.12 Displacement: A Pilot receives full compensation with the exception of meal costs.

L74.13 Deadheading – No credit for deadheading except as outlined under Pairing Credit Calculation. Pilots will be given positive space deadheads when traveling on a pairing.

- L74.13.01 Surface transport deadhead outside the North American zone will be restricted to Glasgow-Edinburgh and Marseille-Nice. Effective October 16, 2017, for Marseille-Nice, Pilots will receive half pay and half credit based on the greater of the actual surface deadhead time, or scheduled surface deadhead time. This amount will be in addition to pay as calculated in L74.02.13.
- L74.13.02 For surface deadhead in the North American zone, mainline rules shall apply.

L74.14 Trip Trade (TT):

- L74.14.01 TT allows a Pilot to exchange or post a pairing or partial pairing (when operating through a Pilot's home Base) for other Pilots to accept on a first come first served basis. The pairing remains in the offering Pilot's Block, until it passes all legalities and is accepted by the other Pilot. The exchanging or dropping of pairings will be at no additional crew cost to the Company.

- L74.14.02 Trading with Open Time is not allowed.
- L74.14.03 All pairings accepted will be eligible for Pay Protection.
- L74.14.04 CP's, NRFOP's, and Pilots on Sick Leave are not eligible to use TT.
- L74.14.05 Pilots on PP may not accept pairings 12 hours before to 12 hours after the pay protection window.
- L74.14.06 A Pilot who drops flying below the MBG (77.5) is not eligible for the guarantee and will be paid for the net difference below 77.5.
- L74.14.07 A Pilot, who picks up credit through TT, will have those credits added to the greater of, their MBG (77.5) or the projection at the time of the pick-up.
- L74.14.08 Flying picked up through TT will not be eligible for premiums.
- L74.14.09 Additional credits resulting from a trip trade will be cash cleared.
- L74.14.10 All CARs and Blocking legalities will apply.
- L74.14.11 Maximum limits to trip trading may be established.
- L74.14.12 CS may accept pairings from TT to cover an unscheduled requirement for checking.
- L74.14.13 CS may accept pairings from TT and assign to a Pilot on PP.
- L74.14.14 Designated ACPA Representatives may accept pairings from TT. A10.09.01.06 applies.
- L74.14.15 TT activity will be frozen from PBS block closing until the block awards are loaded in Netline.
- L74.14.16 TT rules may be changed upon mutual consent of the Joint Scheduling Committee.

L74.15 Minimum Block Guarantee (MBG) 77.5 hours straight time.

L74.16 Pairing Credit Calculation: Total credit for the pairing is the greater of:

- L74.16.01 original scheduled block hours
 - L74.16.02 pairing rescheduled block hours prior to check in
 - L74.16.03 pairing rescheduled block hours after pairing check in
 - L74.16.04 actual credit hours flown
- L74.17 **Premium over 82.5 hours:** Flying above 82.5 hours as a result of PI/PP event to a pairing on day-of, block growth, or hours blocked in the blocking system attract a 50% premium. This premium does not apply to flying awarded under Open Time Awards, nor does it apply to the 4:30 hour credit as outlined under L74.02.17. For further clarity, this premium will not apply on flying that already attracts a premium.

L74.18 Pay Rates

<i>Steps</i>	<i>CA B767</i>	<i>CA A319</i>	<i>FO B767</i>	<i>FO A319</i>
1	\$140.16	\$154.90	\$61.26	\$61.26
2	\$148.72	\$160.19	\$66.98	\$66.98
3	\$157.40	\$165.42	\$76.33	\$76.33
4	\$166.11	\$170.49	\$85.48	\$85.48
5	\$174.75	\$175.70	\$111.93	\$107.87
6	\$183.38	\$181.08	\$119.15	\$112.80
7	\$192.08	\$188.36	\$124.83	\$116.80
8	\$200.63	\$195.59	\$132.47	\$118.03

9	\$209.30	\$202.98	\$138.18	\$118.03
10	\$215.71	\$210.17	\$138.18	\$118.03
11	\$220.02	\$214.39	\$138.18	\$118.03
12	\$224.41	\$218.66	\$138.18	\$118.03

L74.18.01 Annual Wage Increases

L74.18.01.01 The rates in L74.18 and L74.18.01.02 will be increased according to the following:

<i>Effective Date</i>	<i>Increase</i>
April 2, 2021	2%
April 2, 2022	2%
April 2, 2023	2%

L74.18.01.02 Effective with the November 2014 Block Period, First Officers in their first 4 years of service will receive a monthly salary based on 77.5 hours and an hourly rate of pay for all the credits above 77.5 hours in accordance with the following table:

<i>Period</i>	<i>Effective with the April 2020 Block Period Monthly Up to 77.5 Hours</i>	<i>Effective with the April 2020 Block Period Hourly Above 77.5 Hours</i>
1 st Year	\$4,594.77	\$59.29
2 nd Year	\$5,023.76	\$64.83
3 rd Year	\$5,724.95	\$73.88
4 th Year	\$6,411.03	\$82.73

L74.19 Pilot Salary

L74.19.01 Pilots will receive a cash advance on approximately the 1st banking day of each month.

L74.19.02 The pay advance will be deducted from the subsequent pay cheque paid in the next month normally no later than the 17th day of that month.

L74.19.03 The applicable pay rates will be based on a Pilot's total combined years of service with Air Canada and ACrouge.

L74.20 Bank

L74.20.01 All credits above 85 hours will be placed in the Pilot's bank. Credits above 50 hours will be automatically cash cleared.

L74.20.02 With Company approval, the Pilot may use positive bank as a blocking start credit.

L74.20.03 A Pilot moving between mainline and ACrouge will have their bank credits converted to hours and minutes reflecting the Pilot's new position rates.

L74.20.04 Positive Bank

L74.20.04.01 The Company will not use the Time Bank to offset MBG.

L74.20.04.02 A request to cash clear all or part of a Pilot's bank must be made no later than 2 days after the start of the new Block Period.

L74.20.05 Negative Bank

- L74.20.05.01 The Negative Bank will be capped at negative 13h 30m. In exceptional circumstances, the Company may approve requests to borrow up to 25 hours from the bank. In such circumstances, the Pilot will make every effort to restore their bank total to at least negative 13h 30m within 6 months.
- L74.20.05.02 Any bank credits earned will be used to offset negative bank.
- L74.20.05.03 A Pilot who elects to borrow from the bank must advise CS no later than 2 days after Block Period end.
- L74.20.05.04 When a Pilot retires, is terminated, or otherwise ceases employment, any negative bank balance owed to the Company will be deducted from the Pilot's final pay.

L74.21 Vacation / Statutory Holidays

- L74.21.01 For allotment of days – as per Air Canada – ACPA Collective Agreement.
- L74.21.02 Vacation awarding will be socialized. Effective 2019 vacation will be the same as mainline for bidding purposes.

L74.22 Sick Leave

- L74.22.01 A Pilot on sick leave who was awarded Open Time outside of their Block will neither be charged for sick leave nor credited for such flying.

L74.23 Personal Day (PD) – Unpaid, therefore must use bank time.

L74.24 Satellite Bases – With the consent of ACPA, a satellite base system LOU may be developed.

L74.25 Equipment Assignment and Status: A Pilot transferring to or from ACrouge, will be considered an employee of the other Company on the first day of training. They will be paid in accordance with A20.09. A20.01 of the ACPA– Air Canada Collective agreement applies.

L74.25.01 Course Rights

- L74.25.01.01 A Pilot who moves from ACrouge to mainline or from mainline to ACrouge with the same aircraft type-Status will not be charged a course right. They will be frozen from returning to their previous (aircraft type-Status) for 24 months following the Closing Time of the associated Bid Award. The freeze will not apply to a Pilot should they be force reduced in accordance with A20.08.08.

L74.26 Seniority – A Pilot transitioning to ACrouge will maintain their seniority number on the Air Canada system seniority list.

L74.27 Probation: For New Hire Pilots – as per mainline.

L74.28 Meal Expenses/Per Diems

- L74.28.01 As per mainline rates and process.

L74.29 New Equipment

- L74.29.01 The Captain rates of pay for WJA larger than the B767 being introduced at ACrouge (“New WJA Equipment”) will be established at the time of introduction as follows:
- L74.29.01.01 The rates for Steps 1 through 6 will be 3% greater than the corresponding A320 CA mainline pay rates (excluding OVS and Nav Pay).
- L74.29.01.02 The rate at Step 12 for the New WJA Equipment (excluding OVS Pay) will be 11% less than the mainline Step 12 CA pay rate for the equivalent type aircraft (e.g., B787).

- L74.29.01.03 The rates for Steps 7 through 11 will be calculated as follows:
- L74.29.01.03.01 The difference, in dollars, between ACrouge Step 12 rate and the Step 6 rate for the New WJA Equipment, as calculated above, will be determined (the "Absolute Differential").
- L74.29.01.03.02 The Absolute Differential will be divided by 6 (the "Absolute Step Increase").
- L74.29.01.03.03 The rates for Steps 7 through 11 will be equal to the value of the preceding step plus the Absolute Step Increase.
- L74.29.01.04 Annually in January and July following the introduction of the New WJA Equipment, the pay rates for that aircraft will be reviewed and adjusted as necessary in accordance with L74.29.01.01 through L74.29.01.03 to account for any adjustments made to the equivalent mainline aircraft's or mainline A320 pay rate (excluding OVS and Nav Pay).
- L74.29.02 The First Officer rates of pay for WJA larger than the B767 being introduced ("New WJA Equipment") at ACrouge will be established at the time of a New WJA Equipment's introduction as follows:
- L74.29.02.01 For FO Steps 1 through 4, the rates will be in accordance with L74.18.01.02.
- L74.29.02.02 Steps 5 through 9 for the New WJA Equipment will be 10% less than the equivalent type (e.g., B787) mainline aircraft's pay rate (excluding OVS Pay).
- L74.29.02.03 Steps 10 through 12 for the New WJA Equipment will be equal to the Step 9 rate established under L74.29.02.02.
- L74.29.02.04 Annually in January and July following the introduction of the New WJA Equipment, the pay rates for that aircraft will be reviewed and adjusted as necessary in accordance with L74.29.01.01 and L74.29.01.03 to account for any adjustments that have been made to the mainline equivalent type's pay rate (excluding OVS Pay).
- L74.29.03 The Captain and First Officer rates of pay for NJA being introduced ("New NJA Equipment") at ACrouge will be established at the time of a New Equipment's introduction as follows:
- L74.29.03.01 Captain and First Officer pay rates for such equipment shall be established in A12.04 ("Mainline New Equipment Pay").
- L74.29.03.02 Captain and First Officer New NJA Equipment pay shall equal (a) the applicable Mainline New Equipment Pay by years of service as a Pilot, excluding OVS and Nav Pay, times (b) a percentage equal to A319 hourly pay rates at ACrouge divided by A320 hourly pay rates at Mainline, excluding OVS and Nav Pay, for each applicable year of service as a Pilot ("ACrouge Differential").

L74.30 A319 Weight Adjustment

- L74.30.01 Upon the introduction of an A320/321 at ACrouge, the rates of pay will be adjusted annually as follows:
- L74.30.01.01 Upon the introduction of an A320/321 at ACrouge, a hypothetical mainline rate at Captain Step 12 DN (excluding OVS and Nav Pay) will be calculated based on the A319/320/321 model fleet composition at ACrouge at that time ("Hypothetical Rate"). The Hypothetical Rate will be calculated in accordance with A12, however the Weight in Tonnes for Variants Flown will be calculated in accordance with the following:

$$\frac{\text{number of A319s at ACrouge} \times \text{Maximum Taxi Weight for ACrouge A319} + \text{number of A320s at ACrouge} \times \text{Maximum Taxi Weight for ACrouge A320} + \text{number of A321s at ACrouge} \times \text{Maximum Taxi Weight for ACrouge A321}}{\text{Total number of A319/320/321 aircraft at ACrouge}}$$

- L74.30.01.02 Annually in January and July following the introduction of an A320/321, a new Hypothetical Rate will be calculated using the A319/320/321 type fleet composition at that time.
- L74.30.01.03 The difference between the current Hypothetical Rate and the last previously calculated Hypothetical Rate will be determined. This value will be expressed as a percentage of last previously calculated Hypothetical Rate.
- L74.30.01.04 For FO Steps 1 through 4, the rates will be in accordance with L74.18.01.02. For Captain and all other FO rates, the new rates for the A319/320/321 aircraft at ACrouge will be equal to ACrouge A319/320/321 rates in effect at the time of introduction, adjusted by the Percentage Differential.

L74.31 Check and Training Pilots

- L74.31.01 As per A2.01.17, a Check Pilot is an Active Pilot who holds a Position and is assigned, and whom agrees, to perform Check Pilot duties. This may include simulator training and line indoctrination. Hereinafter, these Pilots shall be called Check Pilots or CPs.
- L74.31.02 In addition to L74.31.01 above, it is agreed and understood that a Line Indoctrination Training Captain (LITC) is the same as an Initial Operating Experience Training Captain (IOETC) as defined in A2.01.33. Hereinafter, Pilots who only perform these duties, and whom do not perform Check Pilot duties, shall be called LITC Pilots.
- L74.31.03 The Pilots set out above will be qualified as Command CP, CP "A", CP "B" and/or LITC, and will be advised prior to agreeing to take the position what their status will be.
- L74.31.04 Training flights will be representative of those flights regularly scheduled at ACrouge.
- L74.31.05 In the event that there are insufficient CP and/or LITC duties to keep the regular number of CPs at their MBG (80 Hours), The Company may return the CP to their regular QPOS upon providing the Pilot with 1 block period notice in advance.
- L74.31.06 CPs and LITC Pilots may be assigned to assist with training and/or shadow CPs or Flight Instructor/LITC Pilots who are performing training duties pursuant to L74.31. In such instances, ACrouge CPs and LITC Pilots shall be paid pursuant to the terms of L74.31.
- L74.31.07 CPs and LITC Pilots will neither write disciplinary letters nor undertake any other disciplinary action.
- L74.31.08 CP's shall be subject to the scheduling rules set out in LOU 74 except as follows:
 - L74.31.08.01 Simulator training and checking will be credited and Flight Time limited at 6 hours per day.
 - L74.31.08.02 Administration (office) days will be credited and Flight Time limited at 6 hours per day.
 - L74.31.08.03 Meetings will be credited and Flight Time limited at a minimum of 2 hours to a maximum of 6 hours per day.
- L74.31.09 CPs will have vacation scheduled by the Company for a period that is mutually agreeable to the Chief Pilot and the CP. A vacation request will not be unreasonably withheld.
- L74.31.10 LITC Pilots, and CPs who will be in their assignment for less than an entire vacation year, will bid their vacation in accordance with L74.21.
- L74.31.11 Credits for the purpose of pay for the CPs and LITC Pilots will be calculated as per LOU 74 or as set out herein.

L74.31.12 Check Pilots:

- L74.31.12.01 CP MBG will be 80 hours every Block Period and will be paid as set out below.
- L74.31.12.02 CP schedules will be planned by the training department.
- L74.31.12.03 When a simulator session or a Line Check or Line Indoctrination flight is cancelled the CP will be re-assignable in the same Block Period through mutual agreement between the CP and their immediate supervisor.
- L74.31.12.04 CPs with less than 80 hours of Block Credits will be assignable for extra credit duties.
- L74.31.12.05 During their assignment to supervisory flying with ACrouge, CPs will be paid at their rates of pay pursuant to LOU 74 except that their pay will be the greater of 80 hours or actual flying credits. A 12% premium will apply for the above except for flying credits greater than 80 hours which are not for training or checking purposes. All credits above 82:30 hours not associated with the Open Time process of L74.06 will attract a 50% premium.
- L74.31.12.06 CPs can access Open Time in the same manner as any line Pilot under L74.06. CPs can only access Captain Open Time under L74.06. Notwithstanding the forgoing, the Company may request CPs to perform other flying duties if the Company has exhausted the steps set out in L74.06 and no other ACrouge Pilot is qualified, available, and willing to perform such flying duties.

L74.32 LITC Pilots:

- L74.32.01.01 LITC Pilots will be scheduled as per L74.02 with a MBG of 77.5 hours every Block Period. LITC Pilots will be paid as set out further below.
- L74.32.01.02 LITC Pilots will bid for flying according to L74.02 except as follows:
- L74.32.01.02.01 LITC Pilots will have up to 2 days per year blocked off for meetings. They will be paid 6 hours cash cleared for each meeting day.
- L74.32.01.03 LITC Pilots will be paid at their rates of pay pursuant to LOU 74 except that all time spent performing LITC duties will attract a 12% uplift. All other premiums as per LOU 74 also remain in effect.
- L74.32.01.04 LITC Pilots may only access Captain Open Time under L74.06.

L74.33 ACrouge Non-Revenue Flying Operations (NRFO)

- L74.33.01 Where mainline operates the same aircraft type as ACrouge, NRFO will be operated by mainline Pilots.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this _____th day of _____.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO.76

between
Air Canada
and
Air Canada Pilots Association

Implementation of Course Rights Based Pilot Position Assignment System

Preamble

As a result of changes to A20 introducing a course rights based Pilot Position Assignment system the following is agreed to for the sole purpose of initial implementation:

L76.01 Allocation of Course Rights

- L76.01.01 Prior to the first CMSC Review after the 2011 Collective Agreement comes into force, a Pilot whose QPOS is:
- L76.01.01.01 in a WC group will be granted:
- 1 unrestricted course right.
- L76.01.01.02 A320 C will be granted:
- 1 unrestricted course right; and
 - 1 restricted course right to a position in the WC group.
- L76.01.01.03 EMJ C will be granted:
- 1 unrestricted course right; and
 - 1 restricted course right to either a position in the WF group or an A320 C position; and
 - 1 restricted course right to a position in the WC group.
- L76.01.01.04 in a WF group will be granted:
- 1 unrestricted course right; and
 - 1 restricted course right to a position in the NC group; and
 - 1 restricted course right to a position in the WC group.
- L76.01.01.05 A320 F will be granted:
- 1 unrestricted course right; and
 - 1 restricted course right to a position in the WF group; and
 - 1 restricted course right to a position in the NC group; and
 - 1 restricted course right to a position in the WC group.
- L76.01.01.06 EMJ F will be granted:
- 1 unrestricted course right; and
 - 1 restricted course right to an A320 F position; and
 - 1 restricted course right to a position in the WF group; and
 - 1 restricted course right to a position in the NC group; and
 - 1 restricted course right to a position in the WC group.
- L76.01.01.07 RP group will be granted:
- 1 unrestricted course right and;
 - 1 restricted course right to a position in the NF group; and
 - 1 restricted course right to a position in the WF group; and
 - 1 restricted course right to a position in the NC group; and
 - 1 restricted course right to a position in the WC group.

L76.02 Irregularities

This LOU and the A20 language document the principles that govern the course rights system. In order to not unfairly advantage or disadvantage any Pilot whose APOS or QPOS situation was unforeseen at the time of the signing of this LOU, irregularities will be addressed by the CMSC on a case-by-case basis.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this _____th day of _____.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO.77

**between
Air Canada
and
Air Canada Pilots Association**

The present Letter of Understanding (“LOU” or “Pension LOU”) establishes the changes to the pension terms and conditions applicable to all Air Canada employees who are represented by the Air Canada Pilots Association (ACPA).

For the purpose of this LOU, Air Canada Pilots refer to members of the Air Canada Pension Plan – Pilots (“AC Pilots Plan”) and CAIL Pilots refer to members of the Pension Plan for Air Canada Pilots formerly employed by Canadian Airlines International Ltd (“CAIL Pilots Plan”).

Unless stated specifically otherwise, the changes to plan provisions described in this LOU apply to both the benefits payable under the Registered Pension Plans (“RPP”) and to the benefits payable under the Supplemental Retirement Plans (“SRP”) provided as per A17 of the Collective Agreement.

Benefit Changes for Air Canada Pilots and CAIL Pilots

Unless specifically stated otherwise, the amendments to RPP and SRP provisions described below shall be implemented on January 1, 2013 and effective for retirements, terminations and deaths occurring on or after January 1, 2014. Under the terms of the plans, “Retirement Date” means the first day of the month during which the Member retires. Therefore, for greater clarity, the amended provisions will affect pilots whose last day of work is in December 2013 and retire on January 1, 2014.

- 1) The following amendments to RPP and SRP provisions shall be implemented on January 1, 2013 and effective for retirements, terminations and deaths occurring on or after January 1, 2014.

- a) *Pension formula:*

Current provisions: the pension formula is 1.5% (1.4% for service in the CAIL Pilots Plan prior to July 1, 2003) of the best average earnings up to the final average YMPE and 2.0% of that part of the best average earnings that exceeds final average YMPE. For periods on disability, pilots accrue pension at a full 2%.

Changes: no change to the pension formula.

- b) *Employee Contributions and Cost Allocation*

Current provisions: Basic member’s contributions are calculated as 4.5% of that part of member’s compensation up to the YMPE and 6.0% of that part of their compensation in excess thereof. The maximum basic contribution to the RPP and SRP combined is limited to three times the maximum pension unit for the given calendar year. The maximum basic contribution to the RPP is limited to 1.5 times the maximum pension unit for the given calendar year. The basic company contribution to the SRP equals the basic member’s contribution to the SRP.

Changes: Effective January 1, 2014,

- o an additional member’s contribution equal to 1.5% of contributory earnings will be required to the RPP. Contributory earnings are defined as earnings, for a given calendar year, not exceeding the earnings required to produce the maximum basic member’s contribution to the RPP and SRP;

- if the average solvency ratio of the member's RPP, as defined under the PBSA, measured on January 1 of the preceding calendar year, is above 100%, the basic member's contributions and the basic company contributions otherwise required to be made to the SRP in the calendar year will remain as is;
- if such average solvency ratio of the member's RPP is below 100%, the basic member's contributions otherwise payable to the SRP in the calendar year will be paid to the RPP and the Company contributions otherwise required to be made to the SRP in the calendar year will be nil.

Section 4.1 of the AC Pilots Plan and CAIL Pilots Plan shall be amended accordingly.

c) *Removal of Mandatory Retirement*

Current provisions: A member must retire no later than the first day of the month immediately following the month the member attains age 60.

Changes: Mandatory retirement will be removed for pilots who retire after December 1, 2012. A pilot will continue to accumulate allowable service in accordance with the terms of the applicable plans until the earliest of 1) the date upon which the pilot retires 2) the date upon which the pilot completes 35 years' allowable service or 3) November 30 of the year the pilot attains age 71.

d) *Early retirement eligibility*

Current provisions: A member is eligible to early retirement with 25 years of qualifying service or when the sum of the Member's age and qualifying service adds up to 80 years or more.

Changes: The eligibility to early retirement shall occur upon the Member's completion of 30 years of qualifying service or upon attaining age 60.

To do so, Section 5.2 of the AC Pilots Plan and the CAIL Pilots Plan shall be modified accordingly. The CAIL Early Retirement Eligibility Date as defined in Appendix A of the CAIL Pilots Plan shall also be defined as per the above.

e) *Early retirement reduction:*

Current provisions: The member is eligible to an unreduced pension if they retire at age 60. In case of early retirement, the pension is multiplied by an early retirement factor in which the numerator is the Qualifying Service and the denominator the Qualifying Service projected to age 60. Under CAIL Pilots Plan, early retirement reduction is calculated as 3% per year before age 60 for a portion of the pension.

Changes: The member will be eligible for an unreduced pension if they retire on or after pensionable age defined as age 65, or on or after age 60 if the member completes 30 years of qualifying service. All 1) early retirement pensions, 2) grounded retirement pensions payable from the RPPs and 3) any immediate pension payable from CAIL Pilots Plan before qualifying for early retirement, shall be calculated on an actuarial equivalent basis reduced from pensionable age.

To do so, the early retirement factors under Section 6 of the AC Pilots Plan and under Section 6 and Appendix A of the CAIL Pilots Plan shall be modified accordingly.

f) As an incentive for the Union to support the Company's effort for Funding Relief as described below, the Company's Final Offer is to change any reference to 30 years of service in sections d) and e) above by 25 years of qualifying service contingent on the parties being successful in obtaining from the federal authorities such Funding Relief.

g) *Termination:*

Current provisions: A member who terminates prior to early retirement eligibility of 80 points or 25 years of service is entitled to payment of the deferred annual pension as early as age 50. The pension payable is reduced on an actuarially equivalent basis for the period prior to the age the employee would have attained 80 points, based on the service at the date of termination, and by an early retirement factor in which the numerator is the Qualifying Service and the denominator the Qualifying Service projected to age 60 after that point. There is no entitlement to SRP benefits.

Changes: Upon termination of employment before eligibility for early retirement, the pension payable from the RPP will be a deferred pension commencing payment at age 65. A member terminating after age 55 would be entitled to an immediate pension which shall be calculated on an actuarial equivalent basis reduced from age 65. However, there is no entitlement to SRP benefits.

To do so, Section 8 of the AC Pilots Plan and Section 8 and Appendix A of the CAIL Pilots Plan shall be modified accordingly.

- 2) The following amendment to RPP and SRP provisions shall be implemented on January 1, 2011 and effective for retirements, terminations and deaths occurring on or after January 1, 2014, subject to the solvency deficiency in the RPP.

a) *Normal form of pension payment:*

Current provisions: The normal form of payment is a joint and survivor 50% which means that 50% of the pension payable before death will continue to the eligible spouse for their lifetime. The survivor benefit is payable to the spouse qualifying on the date of death. The statutory joint and survivor 60% pension form is offered under the AC Pilots Plan and the CAIL Pilots Plan. An optional joint and survivor 100% form is offered under the CAIL Pilots Plan. For the 60% or 100% forms, the survivor benefit is payable to the spouse qualifying on the date of retirement, unless such spouse deceased. The amount of pension payable under the statutory and optional forms of pension payment is established on an actuarial equivalent basis. A higher pension option under Section 7 of the AC Pilots Plan and CAIL Pilots Plan is offered in connection with all forms.

Changes: No change to the normal form of pension.

- 3) The Maximum Pension Units (MPUs) in the RPP and SRP: No change to the MPUs.
4) Additional Life Insurance for Former CAIL Pilots

Current provisions: Former CAIL Pilots have an additional life insurance. The premium is paid by the Company and it is taxable to the Pilots. The insurance is payable to the eligible spouse and if there is no spouse, no benefit is paid. The amount of insurance paid is offset from the death benefit payable from the pension plan.

Changes: The additional life insurance is cancelled effective August 1, 2012. There will be no offset in the pension plan for deaths occurring on or after this date.

Section 10.1 of the CAIL Pilots Plan shall be amended accordingly.

- 5) *Disability and grounded retirement:*

Current provisions: The disability retirement pension or grounded retirement pension payable to an Air Canada Pilot is based on a full 2% Formula Pension and payable until and including the earlier of the first of the month preceding the month in which a disability pension becomes payable under a government pension plan or the first of the month they reach age 65.

From that date, the annual amount of the pension is reduced to the amount that would have been payable upon a normal or early retirement as applicable. The same full 2% also applies to a CAIL Pilot but only for service on and after July 1, 2003.

Changes: The disability retirement pension or grounded retirement pension payable to an Air Canada Pilot or a CAIL Pilot will be based on a full 2% Formula Pension for all service and payable until and including the earlier of the first of the month preceding the month in which a disability pension becomes payable under a government pension plan or the first of the month they reach age 65. From that date, the annual amount of the pension will be reduced to the amount that would have been payable upon a normal or early retirement as applicable. This change will apply effective August 1, 2012 for future disability and grounded retirements

Sections 6.5 and 6.6 of the AC Pilots Plan and the CAIL Pilots Plan shall be amended accordingly.

6) Notional Earnings

Current provisions: Two different methods are used in practice to determine notional earnings for pension purposes and other benefits.

Changes: Harmonize the practice for pensions to the method used for benefits in accordance with A16.02.02 of the Collective Agreement. This change will apply effective April 1, 2011 for future periods on GDIP but also retroactively for pilots on GDIP as of April 1, 2011, for the current GDIP period only. Change has already been implemented.

7) Pension Committee

Current Provisions: The Pension Committee is currently made up of three Company representatives and three pilot representatives for each of the AC Pilots Plan and CAIL Pilots Plan. Both committees meet jointly. There are no members on the committees representing the pensioners.

Changes: For each of the AC Pilots Plan and CAIL Pilots Plan, the pensioners may appoint a pensioner of the plan to represent them on the existing Pension Committee. If the pensioners appoint a representative, the appropriate plan will be amended to add this pensioner representative on the committee and add one Company representative. The applicable committee would then consist of three members appointed by ACPA, one appointed by the pensioners and four appointed by the Company. All members on each committee can attend any joint meetings of the Pension Committees for the AC Pilots Plan and the CAIL Pilots Plan.

8) Other sections of the AC Pilots Plan and the CAIL Pilots Plan and paragraphs of section 26.04 of the Collective Agreement may have to be modified as well so to properly implement the above changes.

Defined Contribution Arrangement

- 9) Every Air Canada employee who is a member of ACPA and who is hired on or after August 1, 2012 shall join a new Defined Contribution Arrangement for Pilots ("Pilots DC Plan"). Such pilot is not eligible to join the AC Pilots Plan or the CAIL Pilots Plan. For clarity, a pilot will not have the opportunity to transfer previous military service to Air Canada.
- 10) The Pilots DC Plan shall be comprised of a Basic Component and a Supplementary Component. Such plan will be registered with OSFI and the Canada Revenue Agency ("CRA") and be subject to the registered pension plan limitations of the Income Tax Act.
- 11) A pilot who is member of the Pilots DC Plan shall contribute to the Basic Component by payroll deduction the percentage of earnings they select, in accordance with the following rates:

<i>Employee contributions</i>	<i>Company contributions</i>
3% to 6%	100% matching

- 12) For a pilot who is member of the Pilots DC Plan, the Company shall contribute to the Supplementary Component an additional amount calculated in accordance with the following rates applied to the employee contributions paid by the pilot in the Basic Component:

<i>Completed Years of Continuous Service on 1st day of the month</i>	<i>Company additional contributions in % of employee contributions to Basic Component</i>
Less than 2	0%
2 but less than 5	37.5%
5 and over	75%

- 13) A member of the Pilots DC Plan shall cease contributing to this plan when the sum of their allowable service under an Air Canada defined benefit registered plan plus their qualifying service as a member of the Pilots DC Plan has attained thirty-five (35) years.
- 14) A member's and the Company's contributions during a given Plan Year shall not exceed the limit prescribed under the Income Tax Act for that Plan Year. Earnings subject to contributions under the Basic and Supplemental Components will be capped proportionately so that full percentage of matching can be paid.

Example:

Prescribed limit for year:	\$22,970
Earnings:	\$150,000
Completed Years of Continuous Service:	more than 5 years

		<i>Without maximum</i>	<i>With maximum</i>
Pilot Contribution, Basic	6% of earnings	\$9,000	\$8,352.73
Company Contribution, Basic	100% match	\$9,000	\$8,352.73
Company Contribution, Supplementary	75% match	\$6,750	\$6,264.54
Company Contribution, Total		\$15,750	\$14,617.27
Total Contribution		\$24,750	\$22,970.00
Company Contribution, % of Pilot		175%	175%

Pilot and Company contributions will cease when earnings reach \$139,212, which is the Prescribed limit for year of \$22,970 divided by 16.5%. Such limit results in all components above being capped proportionately

- 15) A member on a period of disability during which they are receiving benefits under an approved group disability insurance program of the Company shall not be required nor permitted to make contributions. During such period of absence, the Company shall contribute a rate of 3% of their earnings.
- 16) The Company shall provide a range of investment options to members. The Company shall make all reasonable efforts to assure that the Pilots DC Plan complies with the defined contribution safe harbour provisions of the PBSA and regulations when these rules become effective.
- 17) The Plan shall be administered by the Company. A Committee shall be established and shall assume the functions of a Pension Council as defined under PBSA. The Committee shall consist of an even number of persons, one-half appointed by ACPA and one-half appointed by the Company.

- 18) All reasonable fees and expenses related to investment management are to be paid by members and former members in the form of reduced investment income. All other fees and expenses of the Plan are to be paid by the Company.

Review of Plan Amendments

- 19) Air Canada shall undertake to amend the text of the AC Pilots Plan and the CAIL Pilots Plan to incorporate amendments to such plan text and other documents which are required by this LOU, inclusive of any amendment of the plan documents to permit the reduction in accrued benefits. Air Canada shall also undertake to establish the Pilots DC Plan. The amended and new plan texts will be submitted to ACPA for approval. Thereafter the plan texts will not be changed unless required by law or agreed to by the parties. Amendments which are required by any law which applies to the RPPs or SRPs can be made unilaterally by Air Canada.

Implementation of Benefit Changes

- 20) The parties shall cooperate, act diligently, and take all actions required for the implementation of this Pension LOU and to further its objectives.
- 21) The parties recognize that some of the changes provided for under this LOU have the effect of reducing pension benefits; as such, in accordance with paragraph 10.1(2)(a) of the Pension Benefits Standards Act, 1985 ("PBSA"), amendments to the RPP are subject to the Superintendent's authorization. The Company and ACPA shall cooperate in making the necessary representations to OSFI and, if necessary, the Department of Finance to effect such approval promptly in accordance with the following principles:
- a) the Company shall provide all affected Plan members and former Plan members with a short document satisfactory to ACPA (such acceptance not to be unreasonably withheld) informing such beneficiaries of the highlights of the benefit changes, including the potential financial impact and approval process;
 - b) the Company may hold information sessions in conjunction with the notice, pursuant to OSFI's recommendations in their guidelines on benefit reductions;
 - c) any objections received by the Company or ACPA, along with any response, must be forwarded to OSFI for its consideration.

Company contributions to the RPPs and Funding Relief

ACPA shall actively support the Company's effort to obtain regulatory relief from solvency funding requirements otherwise applicable to all registered pension plans maintained by the Company, as set out in the Appendix 1 of this Pension LOU.

Benefit Changes for former members

- 22) Nothing in this LOU shall prevent the Company to implement benefit changes to retirees and other former members, subject to a consultation process with such beneficiaries and OSFI's approval.
- 23) ACPA may observe such consultation with the retirees and other former members of the AC Pilots Plan and the CAIL Pilots Plan but shall not be construed to represent such beneficiaries.

Appendix 1 to the Pension LOU

WHEREAS the Company administers ten defined benefit registered pension plans (the “Plans”);

WHEREAS ACPA represents approximately 3,000 pilots;

WHEREAS in 2009 the parties agreed, along with the other Canadian-based unions, to temporary solvency deficit funding relief, following which the Government of Canada adopted the Air Canada Pension Plan Funding Regulations, 2009, which will expire in 2014;

WHEREAS the Federal Government continued to request that Air Canada and its Canadian-based unions engage in discussions to address the long-term sustainability of the pension plans;

WHEREAS the parties are committed to the sustainability of the Air Canada pension plans over the long term;

WHEREAS the parties recognize that a reduction in the Company's pension funding obligations is required;

NOW THEREFORE, the Company and ACPA agree as follows:

1. The Company and ACPA shall vigorously support regulations under the Pension Benefits Standards Act, 1985 (the “Special Regulation”) that provide for the funding relief set out below. The Company and ACPA shall cooperate, act diligently, and take all actions required to implement this agreement and obtain enactment of the Special Regulation, including, without limitation, the making of representations to any governmental authority in support of implementation of the agreement and enactment of the Special Regulations.
2. In each plan year for the period from January 1, 2014 to December 31, 2023, the aggregate past service contribution in respect of solvency deficits and going concern unfunded liabilities for all Plans combined shall equal the lesser of:
 - (a) \$150 million; and
 - (b) the maximum past service contribution permitted under the Income Tax Act.
3. The past service contribution described in section 2 will be determined on a Plan-by-Plan basis, with the contribution to a particular Plan being the pro rata share of that Plan's solvency deficit to the aggregate solvency deficit for all the Plans in solvency deficit, all as determined as at January 1 of each year, where such solvency deficit:
 - (a) is determined as the solvency liabilities less the market value of the assets of the Plan, as determined by the Company's actuary; and
 - (b) shall not be less than zero for any Plan.

For further clarity, should a Plan have a solvency surplus, such Plan shall be excluded from the pro rata allocation of the past service contribution.
4. The past service contribution to be made to each Plan during a Plan year shall be paid in equal monthly instalments, except that the past service contribution determined in a valuation will remain in effect until the next valuation is filed. When the next valuation is filed, there will be a retroactive adjustment made at the next scheduled remittance date.
5. Air Canada may elect to have past service contributions determined, for that Plan year, in respect of all Air Canada pension plans collectively, in accordance with the Pension

Benefits Standards Act, 1985, and any applicable regulations thereunder rather than the amounts provided under the Special Regulation.

6. It is a condition of this agreement, and the Special Regulation shall so provide, that there will be no outstanding deemed trust relating to the Plans, except:
 - (a) if and when any contribution required by the application of this agreement is not remitted to the Plan by the due date described herein; or
 - (b) in respect of amounts deducted by the Company from members' remuneration that are not remitted to the Plan when due.
7. Actuarial methods and assumptions to be employed shall be at the discretion of the actuary, within the standards of the Canadian Institute of Actuaries.
8. This agreement shall form part of the Company's Collective Agreement with ACPA.
9. All dollar amounts expressed herein are expressed in Canadian dollars (CAD).

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this _____th day of _____.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 78

between
Air Canada (the “Company”)
and
Air Canada Pilots Association (“ACPA”)

Joint Implementation Committee

WHEREAS in September 2014 the parties modified the Collective Agreement to clarify or introduce certain obligations related to scheduling, CMSC and PBS.

WHEREAS some of these obligations will require information systems upgrades before they can be implemented (the “Obligations”);

WHEREAS the time required to effect the information systems upgrades is unknown at the time of signing this LOU;

NOW THEREFORE the Parties agree as follows:

1. A Joint Implementation Committee (“JIC”) will be created;
2. Taking account of the availability of suppliers, products and services, the JIC will prioritize the Obligations and determine the anticipated time needed to effect the required information systems upgrades relevant to each;
3. On the basis of the prioritization and determinations in paragraph 2, the JIC will set a reasonable implementation date for each Obligation (the “Implementation Dates”);
4. The Obligations shall not come into effect before the applicable Implementation Dates.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2014.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 79

between
Air Canada (the “Company”)
and
Air Canada Pilots Association (“ACPA”)

B-737 Pay Rates

WHEREAS the Company and ACPA (“Parties”) have agreed to amend the Agreement with respect to the matters set out in this Letter of Understanding (LOU);

NOW THEREFORE the Parties agree as follows:

1. The pay rates for the B737 will be calculated in accordance with A12.04, with the Flying Pay being equal to the A-320, and the Mileage and Weight Factors being equal to all other aircraft at mainline. For further clarity, as the Flying Pay for the B737 has already been established, A10.11 will not apply.
2. Once the weight and speed of this aircraft is determined, these values will be entered into the weight and speed formulas outlined in A12.04.02.01 to determine the B737 rates.
3. The rates for the B737 will be based on the weight of the B737-8 series of the aircraft until a heavier B737 series of the aircraft is being flown by Air Canada. Once a heavier B737 is flown by Air Canada, the rates for all B737 will be based on the weight of the heaviest B737 aircraft in the Air Canada fleet.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2014.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 80

between
Air Canada
and
Air Canada Pilots Association

Scheduling – Unintended Outcomes

PBS removal of T48's and T72's:

The removal of the off-duty periods in PBS (previously A27.13) is intended to improve the quality of the PBS solutions without increasing the risk of pay protection events on day of flight. In the event this modification to the PBS system gives rise to this or other unintended outcomes the T48's and T72's will be reprogrammed into the PBS system. By mutual agreement, the PBSC may implement another cost neutral solution.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2014.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 81

**between
Air Canada
and
Air Canada Pilots Association**

Scheduling – Netline Adjustments

Netline removal of 80 in 408:

Upon implementation of the PBS changes outlined in A27.13.01.07.03 (modify CARs 3 consecutive days off in 17 consecutive days to 4 consecutive days off in 17 consecutive days) the CARs 80 in 408 rule will be removed from Netline.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2014.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 82

**between
Air Canada
and
Air Canada Pilots Association**

Implementation of Course Rights for Inactive Pilots

As a result of changes to A20 amending the ability to modify the Designated Position and Course Right usage by inactive pilots, for the purpose of implementation, for an inactive Pilot who has not been provided Course Rights through LOU 76 (those who have been inactive since prior to July 30, 2012), the following will apply:

1. Prior to returning to active status, and subject to CMSC agreement, the Pilot may elect to assume any Position that they would have been eligible to be awarded on previous bids and may change their DB provided their seniority would allow such a move without a Group reduction. A Pilot will be deemed active once they have made this election; and
2. Once the election is made, the Pilot will be granted the Course Rights as described in LOU 76 for their elected Position; and
3. The Pilot will not be charged a Course Right to be trained to their elected Position.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2014.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 83

**between
Air Canada
and
Air Canada Pilots Association**

900 Hour Guarantee

Each Pilot under formula pay is guaranteed a combined 900 PBS Block Credit and block growth credit hours annually (the "Guarantee"). The Guarantee is reduced by 75 hours for each Block Period for which the Pilot was not a Blockholder in PBS for the complete Block Period because:

- They were a PoR;
- They were on a VBR, LOA or on GDIP;
- They were retiring or receiving IOE or a QOE; or
- They were awarded a block of less than 57 hours.

In the case of a Pilot being awarded a Block below MBG, the PBS Block Credit will be calculated from the MBG for the Block Period. Block growth credits below MBG do not apply.

Example 1: DBM 72 hours/ MBG 63 hours /Block Growth 3 hours

A Pilot is awarded a Block with 61 Block Credit hours in PBS and accrues 3 hours of block growth for a total block projection of 64 hours. Their combined PBS Block Credit, as calculated from the MBG, and block growth hours for that Block Period will be 64 hours for the purposes of the yearly Guarantee.

Example 2: DBM 72 hours/ MBG 63 hours / no Block Growth

A Pilot is awarded a Block with 61 block credit hours in PBS and does not accrue any block growth for a total block projection of 61 hours. Their combined PBS Block Credit, as calculated from the MBG, and block growth credit hours for that Block Period will be 63 hours for the purposes of the yearly Guarantee.

The Guarantee will be calculated from June 2nd to June 1st in any given year.

This Guarantee will be calculated retroactive to June 2, 2014 and will be in effect until June 1st, 2017 inclusive.

Following reconciliation of the foregoing, any amount owing will be cash cleared within 60 days of June 1st.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2014.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 84

**between
Air Canada
and
Air Canada Pilots Association**

ACrouge Course Right

L84.01 Upon ratification of the 2017-2020 Collective Agreement, a Pilot will be given a ACrouge 319 Captain course right (r319C CR) and a ACrouge 767 Captain course right (r767C CR) under following conditions:

- L84.01.01 They do not have a unrestricted (UR) CR or it is committed; and
 - L84.01.02 They do not have a Narrow Body Captain (NC) CR or it is committed; and
 - L84.01.03 Their Qualified Position (QPOS) is Wide Body FO (WF) or mainline NC position; or
 - L84.01.03.01 They have not completed their training to a WF or mainline NC position by the ratification date; or
 - L84.01.03.02 They have started training to a WF or mainline NC position by the closing date of the first Crew Requirement Bulletin (CRB) review after the ratification date.
- L84.02 For clarity a Pilot who has started training the CR associated with this move is considered spent for the purpose of this LOU and therefore this Pilot would qualify under L84.01.02
- L84.03 A Pilot will forfeit the r319C CR or the r767C CR when they forego an opportunity to be awarded to the applicable ACrouge Captain position on their Base.
- L84.04 Both the r319C CR and the r767C CR will be considered spent upon the award of either the ACrouge 319 Captain Position or the ACrouge 767 Captain Position.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2017.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF UNDERSTANDING NO. 85

**between
Air Canada
and
Air Canada Pilots Association**

Flex DBM to 88

WHEREAS the maximum DBM is 85 hours;

AND WHEREAS the Company requires the ability to manage the operation under exceptional circumstances;

AND WHEREAS it is not always possible to address exceptional circumstances through training in advance;

NOW THEREFORE the parties agree to the following:

1. The Company will be permitted to increase the DBM to a maximum of 88 hours at mainline subject to the following:
 - a. An 86-88 hours DBM may be used once per calendar year for 2 consecutive months on one aircraft type, on any, or all seats.
 - b. A 86-88 hours DBM cannot be used more than once every 3 calendar years on the same aircraft type.
 - c. This provision will not be used in CMSC crew planning requirements.
 - d. The MBG will be increased accordingly for Blockholders and PoRs based on the following table:

<i>DBM</i>	<i>MBG Block / Reserve</i>
86	74 / 78
87	75 / 79
88	76 / 80

- e. The Primary Constraint Window will be +1/-5. A27.14.02.01 will not apply when the DBM is 88. All other blocking parameters will apply.
- f. Pilots on Reserve will not be assigned flying beyond a 90-hour maximum limit at Step 3 of the Open Time Award process.
- g. Hours above 85 (including block growth above 85 hours) do not count for the purposes of the 900 Hour Pay Guarantee.
- h. Hours above 85 do not count for the purposes of the total hours for the 12-month period as per A26.03.04.01.
- i. For VO awards, the VO Premium for Step 4 will be applied at 85 hours and above.

j. The 85 Hour Premium as per A13.06 remains in effect

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Understanding this 30th day of September, 2017.

FOR: AIR CANADA

FOR: AIR CANADA PILOTS ASSOCIATION

(original signed by the Parties)

LETTER OF COMMITMENT 57 – AUTOMATED AWARDS

July 30th, 2012

Captain Jean-Marc Belanger
MEC Chair
Air Canada Pilots Association
6299 Airport Road, Suite 205
Mississauga, Ontario
L4V 1N3

Dear Captain Belanger:

This letter will confirm the parties' agreement that after August 1st 2012, the Company and the Association will continue discussions regarding the merits of implementing an automated system for administering open time awards. Such a system will be implemented if it is decided by both parties that it is both feasible and cost neutral.

Yours truly,

Harlan Clarke,
Director, Labour Relations

(original signed by Mr. H. Clarke)

LETTER OF COMMITMENT 60 – PILOT PAY

AMENDED September 30, 2017

July 30th, 2012

Captain Jean-Marc Belanger
MEC Chair
Air Canada Pilots Association
6299 Airport Road, Suite 205
Mississauga, Ontario
L4V 1N3

Dear Captain Belanger:

Re: Implementation of the new Pay System

This letter confirms the parties' agreement that, with implementation of the 2011 Collective Agreement, a transition process will be implemented in order to facilitate the introduction of A12. This transition process, outlined below, will commence as of August 1st, 2012 based on the results of the most recent CMSC Review prior to August 1st, 2012.

As of August 1st, 2012, all Relief Pilots who are part of the LOU 63 Position Group on July 31st, 2012 will be assigned a "virtual pay position" based on the floor PG hourly rate.

On July 31st, 2012, all other pilots will be assigned a "virtual pay position" based on the hourly rate associated with their QPOS, or APOS upon reaching their AD.

The "virtual pay position" will be subject to all pay progression as per A12 of the Collective Agreement as well as the applicable annual increases.

A Pilot assigned to a virtual pay position will be considered as Grandfathered Pilots (GF). A Pilot assigned a virtual pay position will be paid the greater hourly rate of the following:

1. The July 2012 hourly rate for their virtual pay position (including the floor PG hourly rate); or
2. The appropriate hourly rate for their Position as per A12.

A Pilot's virtual pay position will expire at the earliest of:

1. the first Block Period in which the Pilot is paid the A12 Rates. This will occur when the A12 Rate is higher than the hourly rate of the virtual pay position as per point 2 above; or
2. when a Pilot reached their AD to a Position they obtained on the CMSC Review after August 1st, 2012.

The following rules will apply to GF pilots:

1. GF pilots (in their first four years of service and hired pre-FOS) who are awarded a higher rated position are eligible for previous GF rates, until their new QPOS (or APOS if pay activated) pay scale is greater.
2. A force reduced Pilot that moves to a lower rated position will receive GF rates for the new position if, at the start of the bid, there is a junior Pilot receiving GF rates.
3. GF Pilots who move on pure base transfers will not lose their GF status. They will not trigger anyone else for GF in their new base nor will they cause a Pilot to lose their GF rates on their old Position.
4. A forced reduced Pilot that moves to a higher rated position within the same category will receive their old GF rates or the new rates (not GF rates) whichever is higher.

5. A pilot reinstating using an RIR shall be eligible for GF if when they were force reduced they were eligible for GF in this position.
6. A Pilot who is returning from inactive status will receive GF rates if there is a junior pilot receiving GF rates.
7. Pilots who are force reduced and move to a higher or lower rated position on the same Base on a subsequent bid prior to being trained or pay activated will still be considered force reduced and will be covered by paragraphs 2 and 4 above.
8. GF PG pilots (in their first four years of service and hired pre-FOS) who are forced reduced and move to a RP position will continue to be eligible for GF rates until their new QPOS (or APOS if pay activated) pay scale is greater.

Yours truly,

Harlan Clarke
Director, Labour Relations

AMENDED September 30, 2017.

(original signed by Mr. H. Clarke)
(Amended signed by Mr. G. Morello)

**LETTER OF COMMITMENT 61 – EXPEDITED GRIEVANCE AND ARBITRATION
PROCESS**

September 30, 2014

Captain Geoff Wall
MEC Chair
Air Canada Pilots Association
6299 Airport Road, Suite 205
Mississauga, Ontario
L4V 1N3

Dear Captain Wall:

This letter will confirm the parties' agreement that after October 31, 2014 the Company and the Association will meet to discuss establishing a defined expedited grievance and arbitration process consistent with the provisions of A7.12 of the Collective Agreement.

Yours truly,

Ian Pollack
Manager, Labour Relations

(original signed by Mr. I. Pollock)

LETTER OF COMMITMENT 63 – SPB SYSTEM IMPROVEMENTS

September 30, 2014

Captain Geoff Wall
MEC Chair
Air Canada Pilots Association
6299 Airport Road, Suite 205
Mississauga, Ontario
L4V 1N3

Dear Captain Wall:

This letter will confirm the parties' agreement that, after October 31, 2014, the Company will pay for up to \$50,000 worth of improvements to the SPB system.

Yours truly,

Captain Steven Duke,
Senior Director, Flying Operations

(original signed by Capt. Duke)

LETTER OF COMMITMENT 64 – FAMILY IN THE FLIGHT DECK

September 30, 2014

Captain Geoff Wall
MEC Chair
Air Canada Pilots Association
6299 Airport Road, Suite 205
Mississauga, Ontario
L4V 1N3

Dear Captain Wall:

In the event a change to Transport Canada regulations permit family members to travel in a flight deck jumpseat, Air Canada will meet with ACPA to discuss the implementation of a process to accommodate this change in regulations.

Yours truly,

Captain Eddy Doyle,
Managing Director, Flight Operations

(original signed by Capt. Doyle)

**LETTER OF COMMITMENT 65 – UNINTENDED CONSEQUENCES –
SCHEDULING RULE CHANGES**

August 1, 2017

Captain Kevin Vaillant
MEC Chair
Air Canada Pilots Association
6299 Airport Road, Suite 205
Mississauga, Ontario
L4V 1N3

Dear Captain Vaillant:

The parties acknowledge that numerous changes were made to the Scheduling Rules as well as other associated rules. Some changes were simply editorial to clarify application. Other changes were negotiated to change intent and application.

Accordingly, in the event any of these changes give rise to unintended consequences, the Joint Scheduling Committee will meet to clarify the application and, if necessary, resolve any issues on a cost neutral basis.

Yours truly,

Giuseppe Morello,
Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 66 – 50th PERCENTILE

August 1, 2017
Captain Kevin Vaillant
MEC Chair
Air Canada Pilots Association
5935 Airport Road, Suite 600
Mississauga, Ontario
L4V 1W5

Dear Captain Vaillant,

This letter will confirm the parties' agreement regarding schedule or better, such that the pairings and the PBS monthly schedule will be based on at least the 50th percentile for the leg. This will apply to both published and day of flight pairings. The Company will be able to publish at a different percentile.

In the event that this gives rise to unintended consequences, the parties agree to meet and discuss its impact and address Pilot concerns as required.

Yours Truly,

Giuseppe Morello
Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 67- ACrouge AO CALCULATION

August 10, 2017
Captain Kevin Vaillant
MEC Chair
Air Canada Pilots Association
5935 Airport Road, Suite 600
Mississauga, Ontario
L4V 1W5

Dear Captain Vaillant,

This letter will confirm the parties' agreement that they have agreed to meet and consider the feasibility, benefits and concerns associated with calculating AO, for the purpose of AO distribution, and the premium that was applied as a multiplier.

Yours Truly,

Giuseppe Morello
Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 69- ACPA MEPP MOA #2

Pension Memorandum of Agreement (MOA) between ACPA and Air Canada

Pension Payback – Disability Leave and other Eligible Leaves and General Administrative Procedures

Amended MOA #2

WHEREAS further to MOA #1 between ACPA and Air Canada dated July 24, 2017 entitled *Canada-Wide Industrial Pension Plan – Specified Multi-Employer Pension Plan (MOA #1)*, the parties have outlined terms under which the assets in the Air Canada Defined Contribution Pension Plan for Pilots (**Pilots DC Plan**) may be transferred to the Canada-Wide Industrial Pension Plan (**CWIPP**) – Specified Multi-Employer Pension Plan (**MEPP**) so that all employees participating in the Pilots DC Plan (the “DC Pilots”) and all new employees (where the collective bargaining agent is ACPA), will participate in the CWIPP MEPP and subsequently, the Pilots DC Plan shall be terminated); and

WHEREAS this MOA #2 sets out general administrative procedures and the proposed terms under which ACPA members participating in the CWIPP MEPP further to MOA#1 would be eligible to pay their allowable pension contributions into the CWIPP MEPP for a disability leave eligible under the *Air Canada Group Disability Income Plan – Pilots (covering long-term disability)*, (“**Disability Leave**”) and other eligible leaves including work-related illnesses and injuries (“**Other Leaves**”) (combined, all referred to as “**Leave(s)**”).

1. The parties agree that the over-arching principle of this MOA #2 is that the proposed contributions for Eligible Leave Periods (as defined below in paragraph 4c) would only be applied to the extent allowed under applicable legislations and as set out below subject to being cost-neutral to Air Canada, (i.e. not costing more for Air Canada than if the applicable employee had remained in active service).
2. As provided in MOA#1, prior to the transfer of the assets of the Pilots DC Plan to the CWIPP MEPP, the DC Pilots shall have a choice of transferring such DC Plan funds into a LIRA (**Transition Phase**), with all new subsequent contributions going into the CWIPP MEPP. Air Canada shall communicate to the DC Pilots the choices and mechanics thereof that will be made available to them during the Transition Phase.
3. Further to section 2 of MOA #1, effective January 1, 2018, Air Canada’s sole and exclusive obligations for the purposes of the CWIPP MEPP and CWIPP itself will be to:
 - a. Remit to CWIPP its **Employer Contributions** (being same as the current amounts), such amounts being equal to:
 - i. 6% of salary (less than 2 years of service)
 - ii. 8.25% of salary (more than 2, less than 5 years of service)
 - iii. 10.5% of salary (5 years of service and above)
 - b. Remit to CWIPP after deduction from pay **Employee Contributions**, (subject to being increased from current amounts as per the conditional agreement of July 14, 2017), such amounts being equal to:
 - i. 6% of salary (less than 2 years of service)
 - ii. 7.5% of salary (more than 2, less than 5 years of service)

iii. 7.5% of salary (5 years of service and above)

4. The Eligible Leave Periods and terms of the proposed related contributions are as follows, (Administrative Procedure to be found in the Appendix 1):
- a. The Pilot will have the option to contribute for the Eligible Leave Period (as defined in paragraph 4c below) on an Other Leave and will make their election upon return from such Other Leave. If the pilot elects to payback contributions for the Eligible Leave Period on an Other Leave, Air Canada will make its Employer Contributions for the Eligible Leave Period at or about the same time that the employee is paying back their contributions upon return from such Other Leave Period.
 - b. For a Disability Leave when a pilot enrolled in CWIPP is also in receipt of GDIP as set out in Article 16 of the Collective Agreement, both the Pilot and the Company shall continue their respective contributions for the Eligible Leave Period during the Disability Leave at the levels set out above, based on Notional Earnings (as defined in paragraph (e) below). Air Canada will make its Employer Contributions for the Eligible Leave Period at or about the same time as the employee.
 - c. Eligible Leave Period for which contributions can be made are:
 - i. as per the minimum legal requirements as defined in the Canada Labor Code and as such current rules are reflected in Section IV of Appendix 1; and,
 - ii. the entire period of absence for Work-Related Illnesses and Injury and Disability Leave
 - d. Contributions for full and partial block months are accepted.
 - e. For full block months of Leaves, the pilot will pay the selected rate of contributions on the Notional Earnings. The Notional Earnings are defined to be the maximum between the average of the Actual Compensation of the last 3 consecutive block months and the last 12 consecutive block months, provided that the deemed compensation or Notional Earnings do not exceed the compensation prescribed for this purpose by the Federal *Income Tax Act*. If the employee has less than 12 full block months of contributions, the number of full block months of actual contributions shall be used instead of 12 months.
 - f. For partial block months of Leaves, the pilot will pay the selected rate of contributions on the difference between the Notional Earnings and the Actual Earnings. If the difference is \$0 or less (i.e. the Actual Earnings are higher than the Notional Earnings), then no contributions will be allowed for that partial block month on Leave.
5. Air Canada shall have no obligations unless it is satisfied that the following conditions are and continue at all times to be met:
- a. The Leave(s) contributions (members and Air Canada) shall at all times not exceed the amount set out above and allowed under applicable legislations and all regulatory approvals, if any, shall have been obtained and maintained.

6. The administrator of the CWIPP shall comply with section V and VI of the enclosed Appendix 1 with respect to personal information and administrative tasks.

Dated this _____ day of February, 2021, in the city of Mississauga, Ontario.

FOR AIR CANADA

Date

(original signed by Mr. G. Morello)

FOR THE ASSOCIATION

Captain Michael McKay
MEC Chair, ACPA

Date

(original signed by Capt. McKay)

APPENDIX 1

Administrative Procedure for the Payback of Pension Contributions for Eligible Leaves and Other General Administrative Procedures

I. DEFINITIONS

"ACPA" means Air Canada Pilots Association

"Employer" means Air Canada.

"Fund Office" means the administrator of the CWIPP.

"Plan" means the Canada-Wide Industrial Pension Plan (CWIPP).

"Disability Provider" means the administrator for the disability payments made to Pilots.

II. GENERAL RULES

- The right to make pension contributions for an Eligible Leave Period will apply to partial block months and full block month of a Leave.
- The Eligible Leave Period for which pension contributions can be made or paid back is as defined in the Letter of Commitment 69 – ACPA MEPP MOA #2 dated February 1, 2021 (the "Amended MOA #2").

III. SICK LEAVE (SHORT TERM LEAVE)

- A Pilot who is on paid sick leave (short term leave) under the Employer's sick leave plan will not need to payback Pension Contributions for the sick leave as regular contributions will be maintained for the period of the paid sick leave.

IV. ELIGIBLE LEAVES:

- Disability Leave:

Disability leave eligible under the Air Canada Group Disability Income Plan – Pilots (covering long-term disability).

- Other Leave:

Including periods on Workers' Compensation Benefits (WCB), and leaves for maternity/parental/childcare/adoption/child hospitalization, and care or support of a critically ill child or adult, compassionate care, leave related to death or disappearance of a child, and any other leave required to be offered under the Canada Labour Code.

V. EMPLOYER RESPONSIBILITIES

- Subject to the terms of Part IX below entitled *Personal Information – Transfer to Fund Office*, the Employer will, on a timely basis, provide the Fund Office the necessary information related to an approved Leave (start date, end date, type of leave, etc.) in order to administer the Amended MOA #2.
- The Employer the Fund Office will determine the information to be exchanged to ensure effective and efficient administration of the Amended MOA #2.

- The Employer will be responsible for calculating and reporting Pension Adjustments (“PAs”) for all Air Canada Pilots who participate in the CWIPP.

For an Other Leave:

- When a Pilot goes on an Other Leave, the Employer will advise the Pilot of the option to payback Pension Contributions for the Eligible Leave Period upon return to work. The authorized leave package that the Employer distributes to the Pilot will include directions to receive appropriate further information.
- The Employer will make the appropriate payroll deductions and remit the required Pilot and Employer pension contributions to the Fund Office.

For a Disability Leave:

- When a Pilot goes on a Disability Leave, the Employer will advise the Pilot that pension contributions will continue to be made during the Disability Leave.
- Note for 2021 only: For the interim period until the automatic pension deductions function is implemented with the Disability Provider, the Pilot will be advised that they have to pay back pension contributions by the end of the 2021 calendar year or at the latest, within 90 days upon return to work.
- Calculate the cost of the payback for the interim period until automatic pension deductions are implemented, for a Disability Leave.
- The Employer will deduct the pension contributions on each pay while the Pilot is still being paid by the Employer.
- Once automatic pension deductions are implemented, the Employer will determine and provide the Disability Provider with the employee pension contributions to be deducted from each pay for the entire period the Pilot is paid by the Disability Provider.
- Until the automatic pension deductions are implemented, the Employer will make its matching contributions regardless of whether the Pilot pays back or not employee pension contributions for the interim period.
- The Employer will provide the Fund Office with a breakdown by Pilot of the pension contributions (employee and employer).
- The Employer will remit the pension contributions to the Fund Office each month.

VI. PILOT RESPONSIBILITIES

- a) For an Other Leave or for a Disability Leave in 2021 until automatic pension deductions are implemented.
- For a Disability Leave in 2021, until automatic pension deductions are implemented, the Pilot will have to pay back pension contributions before the end of the 2021 calendar year or at the latest, within 90 days of returning to work.

- For an Other Leave, the Pilot must contact the Fund Office within 90 days of returning to work, or such lesser period as the Fund Office may require.
 - For an Other Leave, an Eligible Pilot who fails to advise the Fund Office within 90 days of returning to work of their option to pay back, will be deemed to have elected not to pay back the pension contributions and will have no other opportunity to do so thereafter.
 - Pension contributions are remitted through payroll deductions after the pilot returns to work or in a single lump sum payment (by one certified cheque or one money order).
 - Where a lump sum payment is elected, the Pilot must remit the pension contributions within a reasonable time period after the pay back election is made as requested by the Fund Office.
 - Where contributions are made via payroll deductions after the Pilot returns to work, the deductions will be set at a fixed rate of \$300 per pay. The Pilot may request a higher deduction. Exceptionally, subject to consent from the Employer, the Pilot may also request that a lower than \$300 per pay be made. Payroll deductions will continue until the balance of the employee contributions is paid in full other than as noted below.
 - In the event of retirement, termination or death before the pension contributions have been paid in full, the Pilot, or surviving spouse, will be given an option to pay the outstanding amount and to the extent such option is exercised, the Employer will remit matching contributions to the Fund Office accordingly. If the Pilot or surviving spouse do not pay back the pension contributions within the prescribed period communicated by the Fund Office at time of retirement, termination or death, the pension benefits calculated will take in account only the contributions that were made.
 - Once pension contributions via payroll deductions have commenced, the election cannot be cancelled although, at the discretion of the Fund Office, the payment amounts may be changed subject to minimum Employer requirements.
- b) For a Disability Leave for the period after the automatic pension deductions are implemented
- No action will be required from the Pilot. Employee pension contributions will be deducted from the payment made to the Pilot by the Disability Provider.

VII. FUND OFFICE RESPONSIBILITIES

The Fund Office will deposit in the pension fund employee and employer pension contributions received.

- For an Other Leave or for a Disability Leave in 2021 until automatic pension deductions are implemented:

- Send the Employer a copy of the Pilot's application/election form if the Employer requests it and in the format requested by the Employer (electronic or paper), at the Employer's sole discretion.
 - Calculate the revised PAs and/or Past Service Pension Adjustments ("PSPAs"), if applicable, for Pilots who elect to pay back contributions. The Fund Office shall advise the Employer of the revised PAs no later than January 15th of the year following when the Pilot paid back contributions (so that the Employer may load such information into the T4s within the required deadlines).
 - Provide the Employer with the necessary information within the required timeframe so that the Employer can remit the Employer pension contributions to the Fund Office.
 - Calculate the cost of the payback for an Other Leave.
 - Review the cost of the payback calculated by the Employer for the interim period until automatic pension deductions are implemented, for a Disability Leave.
- For a Disability Leave once automatic pension deductions are implemented:
 - No action is required.

VIII. DISABILITY PROVIDER RESPONSIBILITIES

- Once automatic pension deductions on the payments made by the Disability Provider are implemented:
 - Deduct the employee pension contributions confirmed by the Employer on each pay.
 - Provide the Employer with a monthly breakdown of the employee pension contributions for each Pilot.
 - Transfer the employee pension contributions to the Employer.

IX. PERSONAL INFORMATION – TRANSFER TO FUND OFFICE

Privacy. ACPA and the Employer acknowledge and agree that for the purposes of undertaking the commitments in MOA #1 and Amended MOA #2, the Employer may provide personal information about identifiable individuals (**Personal Information**) to the Fund Office.

By signing the Amended MOA #2, ACPA hereby represents and warrants to the Employer that as a pre-condition to the Employer providing such Personal Information to the Fund Office, ACPA will:

1. Further to applicable privacy legislation, obtain the consents from all applicable pilots for such collection, use and disclosure of their Personal Information by the Employer to the Fund Office.
2. Ensure that the Fund Office, and their agents will treat Personal information as follows:

- a. be responsible for complying with all applicable privacy legislation,
- b. will refrain from requesting Personal Information beyond what is necessary to fulfil the purposes of providing the services of the Fund Office, as provided for in MOA #1 and the Amended MOA #2 and shall not use any Personal Information on its own behalf or for its own purposes,
- c. shall adopt technological, physical and organizational security measures required to protect the Personal Information against loss, theft, unauthorized access, disclosure, copying, use or modification,
- d. shall take appropriate measures to protect against contamination and diffusion of viruses, worms, trojans or similar items into Employer's systems through industry recommended application of industry recognized software and tools,
- e. shall ensure that Personal Information will only be used, accessed, managed or otherwise processed only to fulfill the purposes for which it was made available to the Fund Office and/or its agents and will not be transferred, disclosed or accessed by any third party without the express written consent of the Employer. The Fund Office shall ensure that any third party who is provided access to Personal Information, or Personal Information is transferred or disclosed to is bound by the applicable terms of these provisions,
- f. will not access, use, store, process, record, transfer, disclose, retain, dispose of, destroy, manage or otherwise handle any Personal Information outside of Canada without Employer's prior written consent,
- g. to the extent applicable under privacy legislation, implement, keep and maintain security logs and records (in accordance with any prescribed regulations that apply to ACPA) the details of every loss or theft of, unauthorized access, or disclosure of Personal Information that has been provided by the Employer to the Fund Office, or their agents,
- h. promptly notify the Employer without delay and no later than four (4) hours of the Fund Office, or their agents having any knowledge of, suspects, detects or being notified of any actual, potential or attempted security breach or security incident involving Personal Information provided further to the Amended MOA #2. The Fund Office, and their respective subcontractors shall take commercially reasonable efforts to prevent any further security incident, and as soon as reasonably practicable (and in any event within forty-eight (48) hours) describe in detail to the Employer the nature and circumstances of the security incident (including the duration of the security incident), the type of Personal Information involved, the number of records involved and persons affected, the cause and likely consequences of the security incident and the

measures taken by The Fund Office, or their agents to contain and mitigate any adverse effects of the security incident,

- i. reasonably co-operate with the Employer in connection with access requests for Personal Information, and
- j. upon conclusion of the ACPA participation in the Plan, promptly return to the Employer or destroy all Personal Information unless otherwise instructed by the Employer or unless required by law.

X. ADMINISTRATIVE TASKS

The Fund Office will be responsible for all the administrative tasks (including having a call centre available to the Pilots) required in order to administer the day-to-day and life events(s) processes (e.g. termination/retirement/death/divorce-separation-common law designations packages, pension beneficiary designations, etc.), all in accordance with applicable (provincial and/or Federal) legislation(s).

LETTER OF COMMITMENT 70- Hourly Expense System

August 1, 2017
Captain Kevin Vaillant
MEC Chair
Air Canada Pilots Association
5935 Airport Road, Suite 600
Mississauga, Ontario
L4V 1W5

Dear Captain Vaillant,

This letter will confirm the parties' agreement that during the 2017-2020 Collective Agreement the parties agree to meet and discuss the benefits and difficulties, both administrative and substantive, of moving toward an hourly expense system.

Yours truly,

Giuseppe Morello
Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 71- ACrouge Open Time IT Solution

August 1, 2017
Captain Kevin Vaillant
MEC Chair
Air Canada Pilots Association
5935 Airport Road, Suite 600
Mississauga, Ontario
L4V 1W5

Dear Captain Vaillant,

This letter will confirm the parties' agreement that during the 2017-2020 Collective Agreement the parties agree that the Company will use all best efforts to implement an information technology solution at ACrouge that will display open time to pilots on a real time basis.

Yours truly,

Giuseppe Morello
Director, Labour Relations

(original signed by Mr. G. Morello)

LOC 72- DSC Administration

July 28th, 2017
Captain Kevin Vaillant
MEC Chair
Air Canada Pilots Association
5935 Airport Road, Suite 600
Mississauga, Ontario
L4V 1W5

Dear Captain Vaillant,

This letter will confirm the parties' agreement to meet within 30 days after ratification to discuss, finalize and execute an agreement that will assist the parties with the administration of the MEC and President DSC allocation.

Yours Truly,

Giuseppe Morello
Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 73 – ADMINISTRATIVE CHANGES

February 1, 2021

Captain McKay
MEC Chair
5935 Airport Road, Suite 600
Mississauga, ON
L4V 1W5

Dear Captain McKay:

This letter confirms the parties' agreement that within the 90 day period following ratification of this Collective Agreement, the parties will meet and agree on appropriate administrative changes that will be implemented into the final version of the Collective Agreement.

Yours truly,

Giuseppe Morello
Senior Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 74 – NAV and OVS on the B-737

February 1, 2021

Captain McKay
MEC Chair
5935 Airport Road, Suite 600
Mississauga, ON
L4V 1W5

Dear Captain McKay:

This letter confirms the parties' agreement that in September of 2023, the values for NAV and OVS on the B-737, as set out in A13 may be adjusted based on what the B-737 actually flies.

Yours truly,

Giuseppe Morello
Senior Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 75 – MAKE UP

February 1 2021

Captain McKay
MEC Chair
5935 Airport Road, Suite 600
Mississauga, ON
L4V 1W5

Dear Captain McKay:

This letter confirms the parties' agreement that following ratification, the Company and the Association will continue discussions regarding the ability to implement a modification to Make Up in Netline that will allow Pilots on MU at Step 2 to be awarded flying to DBM +2. In the event that the parties are able to confirm that such a modification is possible in Netline, it is agreed that it will be pursued and implemented.

Yours truly,

Giuseppe Morello
Senior Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 76 – ELECTRONIC NOTIFICATION SYSTEM

February 1, 2021

Captain McKay
MEC Chair
5935 Airport Road, Suite 600
Mississauga, ON
L4V 1W5

Dear Captain McKay:

This letter confirms the parties' agreement that after ratification of the Collective Agreement, the Company and the Association will implement an electronic system for administering open time awards without the requirement for a phone call.

Such a system will be implemented when it is agreed by both parties that it is functional.

Until such time that the electronic notification system has been implemented, to comply with A28.02.07, Crew scheduling will call each Pilot at least twice with a 10-minute interval between calls before awarding open flying to another Pilot at Normal Awards.

Also, PP will automatically apply to all lost flying until the crew mobility app is programmed to offer a choice to accept or decline PP. Pilots will be notified via the app to contact CS in the event they wish to decline PP.

Yours truly,

Giuseppe Morello
Senior Director, Labour Relations

(original signed by Mr. G. Morello)

LETTER OF COMMITMENT 77 – Canada-Wide Industrial Pension Plan (CWIPP)

February 1, 2021

Captain McKay
MEC Chair
5935 Airport Road, Suite 600
Mississauga, ON
L4V 1W5

Dear Captain McKay:

This letter confirms the parties' agreement that after ratification of the Collective Agreement, the Company will implement an automatic system for the continuation of the Pilot contributions to the CWIPP for the Eligible Leave Period during a Pilot's Disability Leave as set out in the Amended LOC 69.

For the period of time that the automatic system for the continuation of the Pilot contributions is not yet implemented:

- the Company will continue its employer contributions throughout this period; and
- the Pilot can elect to payback their contributions upon return from their Disability Leave, or prior to the end of the calendar year whichever is earlier.

Yours truly,

Giuseppe Morello
Senior Director, Labour Relations

(original signed by Mr. G. Morello)

APPENDIX B

Preamble:

ACPA represented pilots shall participate in the Profit Sharing and Incentive Plan, described below. No payout shall be owing to Pilots under one or the other program unless the criteria for that program have been met. The amount available to be paid to Pilots will be established annually, based on the calendar year, in accordance with the provisions below. Pilots will only receive payments from one or the other of Profit Sharing and the Incentive Plan in any given calendar year. The Pilots will receive payments from whichever of Profit Sharing and the Incentive Plan provides to the Pilots, in the aggregate, the greatest payout.

Payments of any awards to Pilots under Profit Sharing or the Incentive Plan shall be made before June 30th so long as, in the case of the Incentive Plan, ACPA has provided to Air Canada the necessary information about how much is to be paid to each eligible Pilot sufficiently in advance of June 30 for Air Canada to be reasonably able to process such payments. Delays beyond the time established by Air Canada for ACPA to provide the required information shall result in the correlative extension of the time for Air Canada to pay the Pilots, with payment being made on the next regularly scheduled pay date following receipt of the information from ACPA which Air Canada can reasonably meet.

Profit Sharing:

The parties agree that Air Canada will provide a Profit Sharing Program for all participating employees of Air Canada. Profit Sharing is calculated based upon the following structure:

1. Profit sharing is based upon Adjusted Profits which is defined as the Consolidated Net Income of Air Canada and its subsidiaries (hereinafter referred to as the Corporation) as reported in Air Canada's Audited Consolidated Annual Financial Statements, excluding (to the extent included in Consolidated Net Income) the following items:
 - a) any provision for or recovery of income taxes except that to the extent cash income taxes are paid in any period then Adjusted Profits are net of cash taxes paid on Adjusted Profits at the Corporation's effective tax rate;
 - b) the cumulative effect of a change in accounting principles;
 - c) the amount of profit sharing expense recorded in Consolidated Net Income;
 - d) extraordinary, nonrecurring or unusual gains or losses;
 - e) any gains or losses related to asset impairments or any reversals of asset impairments;
 - f) any gains or losses realized in connection with any sale or disposition of securities or the early extinguishment of debt;
 - g) the net income or loss on an investment accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the Corporation;
 - h) the cumulative effect of a change in accounting principles;
 - i) any unrealized foreign currency translation gains or losses (including gains or losses related to currency re-measurements on financial assets and liabilities of the Corporation);
 - j) any gain or loss incurred arising from the sale, exchange or other disposition of capital assets by the Corporation (including any fixed assets, intangible assets, all inventory sold in conjunction with the disposition of capital assets including any fixed assets); and
 - k) all integration costs, transactional costs, expenses and charges incurred in connection with the consummation of any transaction related to any acquisition, merger, or any investment
2. Profit sharing will be as follows and based upon the definition of Adjusted Profits as defined above:

(i) 7.5% of Adjusted Profits.

3. Calculated annually, paid by June 30th of the following year.
4. Allocation based upon each employee's base salary earnings received during the plan year.
5. The Profit Sharing Program will be implemented effective with the 2015 plan year.

Incentive Plan:

ACPA Incentive Plan (effective January 1, 2015):

1. Aggregate incentive award determined each year based on annual EBITDAR and revenues published in Air Canada's Financial Statement MD&A
2. 'EBITDAR Target' for purposes of this plan is defined as 15% of actual revenues
3. Aggregate Incentive award based on company achieving an EBITDAR equal to or greater than 90% to 110% of EBITDAR Target (or EBITDAR of 13.65% to 16.5% of revenues)
4. Size of award established at 4% of ACPA payroll if EBITDAR target is achieved; 0% if 90% or less of the EBITDAR target is achieved; 8% of ACPA payroll if 110% or more of the EBITDAR Target achieved, and prorated linearly in between points
5. The Company's distribution of the Award to each pilot will be determined and calculated by ACPA, and split between % of salary (higher paid pilots get larger payout) and flat payment (% of payroll distributed evenly). The total of individual awards shall not exceed that of the aggregate incentive award.
6. Individual awards may be paid out in cash or shares of equivalent value or combination of the two, as determined by the Company

Illustration (when revenue is \$15B and 15% EBITDAR target is \$2.25B):

All ACPA represented pilots get a bonus if EBITDAR target is achieved								
	Payout		Revenue		EBITDAR Target	ACPA Payroll		Members
Avg Bonus if Target hit	4%		\$ 15,000,000		\$ 2,250,000	\$ 442,000		3,000
Cap on avg bonus	8%							
Percentage of EBITDAR target	Incentive Payout	EBITDAR	EBITDAR %	% target bonus	Total Payout		Average Payout	
90%	0%				(000s)			
91%	0.40%	\$ 2,047,500	13.7%	10%	\$ 1,768	0.09%	\$	589.33
92%	0.80%	\$ 2,070,000	13.8%	20%	\$ 3,536	0.17%	\$	1,178.67
93%	1.20%	\$ 2,092,500	14.0%	30%	\$ 5,304	0.25%	\$	1,768.00
94%	1.60%	\$ 2,115,000	14.1%	40%	\$ 7,072	0.33%	\$	2,357.33
95%	2.00%	\$ 2,137,500	14.3%	50%	\$ 8,840	0.41%	\$	2,946.67
96%	2.40%	\$ 2,160,000	14.4%	60%	\$ 10,608	0.49%	\$	3,536.00
97%	2.80%	\$ 2,182,500	14.6%	70%	\$ 12,376	0.57%	\$	4,125.33
98%	3.20%	\$ 2,205,000	14.7%	80%	\$ 14,144	0.64%	\$	4,714.67
99%	3.60%	\$ 2,227,500	14.9%	90%	\$ 15,912	0.71%	\$	5,304.00
100%	4.00%	\$ 2,250,000	15.0%	100%	\$ 17,680	0.79%	\$	5,893.33
101%	4.40%	\$ 2,272,500	15.2%	110%	\$ 19,448	0.86%	\$	6,482.67
102%	4.80%	\$ 2,295,000	15.3%	120%	\$ 21,216	0.92%	\$	7,072.00
103%	5.20%	\$ 2,317,500	15.5%	130%	\$ 22,984	0.99%	\$	7,661.33
104%	5.60%	\$ 2,340,000	15.6%	140%	\$ 24,752	1.06%	\$	8,250.67
105%	6.00%	\$ 2,362,500	15.8%	150%	\$ 26,520	1.12%	\$	8,840.00
106%	6.40%	\$ 2,385,000	15.9%	160%	\$ 28,288	1.19%	\$	9,429.33
107%	6.80%	\$ 2,407,500	16.1%	170%	\$ 30,056	1.25%	\$	10,018.67
108%	7.20%	\$ 2,430,000	16.2%	180%	\$ 31,824	1.31%	\$	10,608.00
109%	7.60%	\$ 2,452,500	16.4%	190%	\$ 33,592	1.37%	\$	11,197.33
110%	8.00%	\$ 2,475,000	16.5%	200%	\$ 35,360	1.43%	\$	11,786.67
EXAMPLE:		15% EBITDAR			MAX bonus			
	\$ 2,946.67	% salary	total		\$ 5,893.33	% salary	total	
Pilot makes								
\$ 300,000	\$ 2,946.67	\$ 6,000	\$ 8,946.67	3.0%	\$ 5,893.33	\$ 12,000	\$ 17,893.33	6.0%
\$ 250,000	\$ 2,946.67	\$ 5,000	\$ 7,946.67	3.2%	\$ 5,893.33	\$ 10,000	\$ 15,893.33	6.4%
\$ 150,000	\$ 2,946.67	\$ 3,000	\$ 5,946.67	4.0%	\$ 5,893.33	\$ 6,000	\$ 11,893.33	7.9%
\$ 75,000	\$ 2,946.67	\$ 1,500	\$ 4,446.67	5.9%	\$ 5,893.33	\$ 3,000	\$ 8,893.33	11.9%

Appendix “B”

THIS PENSION MEMORANDUM OF UNDERSTANDING MADE AS OF THE 14 DAY OF JUNE, 2009 (the “PENSION MOU”)

- AMONG:** AIR CANADA (the “Company”)
- AND:** AIR CANADA PILOTS ASSOCIATION (“ACPA”)
- AND:** CANADIAN AIRLINE DISPATCHERS ASSOCIATION (“CALDA”)
- AND:** NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND GENERAL WORKERS UNION OF CANADA (CAW-CANADA), LOCAL 2002 (the “CAW”)
- AND:** CANADIAN UNION OF PUBLIC EMPLOYEES, AIRLINE DIVISION (“CUPE”)
- AND:** INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS (the “IAMAW”) (ACPA, the CAW, CALDA, CUPE and the IAMAW collectively the “Unions”)
- AND:** AIR CANADA PIONAIRS (the “PIONAIRS”)

WHEREAS the Company sponsors ten defined benefit registered pension plans (the “Plans”);

WHEREAS the parties recognize that an alteration in the level of the Company's pension funding obligations is critical; and

WHEREAS the parties recognize that a reduction in the Company's pension funding obligations is therefore required;

WHEREAS the parties share the objective of preserving accrued pension benefits;

NOW THEREFORE, the Company, the Pionairs and the Unions agree as follows:

1. A regulation shall be adopted under the *Pension Benefits Standards Act, 1985* (the “**Special Regulation**”) stipulating the funding provisions of parts (a) and (b) below.

(a) 2009-2010

2. The Company shall have no obligation for, and shall not remit, any past service contributions to any Plan for a 21-month period. Specifically:
 - (a) subject to paragraph 2(b) below, such non-contribution period shall commence with the special payment that would otherwise be due July 30, 2009 in respect of the second quarter of 2009;
 - (b) on or before August 14, 2009, a retroactive adjustment in respect of the special payment in respect of the first quarter of 2009 will be made, with such adjustment equal to the greater of zero and:
 - (i) the required contribution for the first quarter of 2009, assuming that the Company opts out of the current *Air Canada Pension Plan Solvency Deficiency Funding Regulations* in 2009 in respect of all remaining Plans and amortizes the solvency deficiency for each Plan emerging in 2008 over 10 years, with such deficiency determined by January 1, 2009 actuarial valuations; less
 - (ii) the past service contribution made on April 30, 2009 in respect of the first quarter of 2009 in accordance with the January 1, 2008 actuarial valuations.

(b) 2011-2013

3. The aggregate annual past service contribution in respect of the period from January 1, 2011 to December 31, 2013, with respect to both solvency deficits and going concern unfunded liabilities, for all the Plans combined shall equal the lesser of:
 - (a) \$150 million, \$175 million, and \$225 million in respect of 2011, 2012, and 2013, respectively; and
 - (b) the maximum past service contribution permitted under the *Income Tax Act*.

The first past service contribution after the 21-month non-contribution period will be due April 30, 2011, in respect of the first quarter of 2011.

4. The past service contribution described in section 3 will be determined on a Plan-by-Plan basis, with the contribution to a particular Plan being the pro rata share of that Plan's solvency deficit to the aggregate solvency deficit for all the Plans in solvency deficit, all as determined as at January 1 of each year, where such solvency deficit:
 - (a) is determined as the solvency liabilities less the market value or market-related value of the Plan, as determined by the Company's actuary; and
 - (b) shall not be less than zero for any Plan.

For further clarity, should a Plan have a solvency surplus, such Plan shall be excluded from the pro rata allocation of the past service contribution.

5. The past service contribution to be made to each Plan during a Plan year shall be paid in equal quarterly instalments, except that the past service contribution determined in a valuation will remain in effect until the next valuation is filed. When the next valuation is filed, there will be a retroactive adjustment made at the next scheduled remittance date.
6. The past service contribution to be made during a Plan year shall be remitted on a quarterly basis, and shall be due 30 days after the end of the period in respect of which the contribution is paid.
7. During the term of this Pension MOU, the Company shall continue to make required current service contributions to the Plans.
8. The Company shall not offset or reduce any contributions described in section 3 through the use of any actuarial or experience gains, except to the extent they are limited through the application of paragraph 3(b).

(c) 2014

9. Any solvency deficiency and/or going concern unfunded liability that exists as of January 1, 2014 shall be deemed to have emerged as of January 1, 2014 and shall be funded thereafter in accordance with the *Pension Benefits Standards Act, 1985*, and any applicable regulations thereunder.

(d) Implementation of Funding Relief

10. The parties shall cooperate, act diligently, and take all actions required for the implementation of this Pension MOU and to further its objectives.
11. The parties recognize that the suspension of past service contributions for the initial 21-month period and the alternative determination of past service contributions for the subsequent 36-month period require the adoption of the Special Regulation. Without limiting the generality of section 10, the Company, the Pionairs and the Unions shall cooperate in making the necessary representations to OSFI and the Department of Finance to effect such adoption promptly and with effect no later than July 1, 2009 in accordance with the following principles:

- (a) the parties recognize that consultation with active non-union Plan members and with former Plan members will be required;
 - (b) the funding relief described herein will be granted if less than one-third of all Plan beneficiaries (other than those active Plan members represented by the Unions) object;
 - (c) upon successful ratification, the Unions' respective executions of this Pension MOU shall be deemed to constitute consent on behalf of their respective members;
 - (d) the Company shall provide all active non-union Plan members and all former Plan members with a short document satisfactory to the relevant parties to this agreement (such acceptance not to be unreasonably withheld) informing such beneficiaries of the highlights of the funding relief proposal, including the potential financial impact and consent process; and
 - (e) the Company requires that the funding relief described herein apply to all the Plans.
12. It is a condition of this Pension MOU, and the Special Regulation shall so provide, that there will be no outstanding deemed trust relating to the Plans, except:
- (a) if and when any contribution required by the application of this Pension MOU (other than pursuant to section 19) is not remitted to the Plan by the due date described herein;
 - (b) in respect of amounts deducted by the Company from members' remuneration that are not remitted to the Plan when due; or
 - (c) for greater certainty, in respect of normal cost contributions that are not remitted to the Plan when due.
13. This Pension MOU is also subject to the following conditions:
- (a) neither the Unions nor OSFI or any other authority having any jurisdiction over these matters shall assert or support the assertion of any deemed trust that might otherwise arise under current law prior to adoption retroactive to July 1, 2009 of the Special Regulation and any amendments to any other PBSA Regulations that may be necessary to give effect hereto. Without limiting the generality of section 10, the Unions shall cooperate with the Company in requesting and obtaining adoption of the Regulation, as well as "comfort" letters, all satisfactory to the Company, to such effect from OSFI and the Department of Finance;
 - (b) the Company and each of the Unions shall enter into a Labour MOU having a duration of 21 months from the expiry of the last collective agreement;
 - (c) as soon as practicable, and in any event prior to execution of the letter of intent referenced in paragraph 13(d), the Company, the Pionairs, and any other interested parties to this agreement shall jointly approach the Government of Canada and the governments of such province(s) as the Company shall determine to seek guarantees of the financing described in paragraph 13(d);
 - (d) the Company shall have entered into a letter of intent no later than July 15, 2009 for at least \$600 million in new financing (the "Club Loan"), in form and content reasonably satisfactory to the Company;
 - (e) ACE Aviation Holdings Inc. shall have committed to subscribe for at least \$100 million of the Club Loan, subject to the Company waiving such requirement in the best interests of the Company;
 - (f) Groupe Aeroplan Inc. shall have committed to subscribe for at least \$100 million of the Club Loan, subject to the Company waiving such requirement in the best interests of the Company;

- (g) The Company shall use reasonable efforts to achieve cost savings appropriate in the circumstances;
- (h) The Company recognizes the on-going value of its slots and will use its best efforts to ensure that in any financing as described in this paragraph 13 that any collateral not include these slots to any proposed financing entity which is not a Canadian government-related entity (such as the Export Development Corporation) or as the Minister of Finance may permit after receiving representation from any party hereto, such representations to be received by the Minister within two business days of notice of intention to do so (the Parties and the Hon. James Farley to provide address for such notice which may be given by delivery, fax, email, or other appropriate electronic method), with the Minister to consult with the Hon. James Farley to receive their recommendation before determining if such permission is appropriate in the then prevailing circumstances; and
- (i) The authorization of the Company's Board of Directors.
14. While a Plan is subject to the funding relief described herein, the Company shall file actuarial reports in respect of such Plan on a basis not less frequently than annually. Actuarial methods and assumptions to be employed shall be at the discretion of each Plan's actuary, within the standards of the Canadian Institute of Actuaries. Subject to execution of a non-disclosure agreement, the Company shall provide prior to the public disclosure thereof, to: (a) each Plan's pension committee; (b) each bargaining unit with members in the Plan; and (c) the Pionairs and any other incorporated retiree or non-union employee association with members or former members in the Plan, a copy of that Plan's actuarial report.
15. The Company shall offer a one-time profit share incentive program pursuant to which each active employee of the Company as of the date of ratification of this Pension MOU shall receive a payment of \$500 providing the Company shall have achieved in respect of its 2010 fiscal year after-tax cash net income of at least \$210 million, such sum to be payable (subject to applicable withholding amounts) within 30 days of release of the Company's 2010 audited financial statements.
16. In the event any Plan is terminated in whole at any time while it is subject to the funding relief described herein, the Company shall be required to fully fund any solvency deficit existing at the termination date. Such deficit shall be paid down over a maximum of five years following submission to and acceptance by OSFI of the termination report. The Company's obligations to the Plan described in this section 16 shall rank *pari passu* with all unsecured claims and, for greater certainty, shall not be subject to a deemed trust or any other priority ranking.
17. On or before November 1, 2009, the Company shall issue the number of Class B shares equal to 15% of the common shares of Air Canada (the "**Shares**") to a trust to be established for the benefit of the members of the Plans represented by each bargaining unit. The bargaining units' interests in the trust shall be allocated as follows:

	<i>Per Cent of Allocated Equity</i>
CAW	12.58
IAMAW	35.96
ACPA	31.65
CUPE	19.38
CALDA	0.43

The trustee shall be a person agreed by all of the bargaining units or failing agreement, as designated by Hon. James Farley. For so long as the trustee holds any of the Shares allocated to a bargaining unit:

- (a) that bargaining unit shall be entitled to receive a proxy from the trustee in respect of the remaining number of Shares allocated to such bargaining unit; and

- (b) that bargaining unit shall be entitled to direct the trustee to cause such Shares as are allocated to it to be sold in whole or in part.

All net proceeds of the Shares, including dividends or net proceeds of disposition (after trustee expenses), shall be transferred to the trustee of the Plans (allocated to each Plan in the manner specified by section 4 hereof) to be received as an employer contribution in respect of outstanding solvency deficits providing that any such amount shall not reduce the minimum contributions prescribed by section 3 hereof. The Company shall not bear any costs or expenses related to the administration or operation of the trust, including without limitation in respect of the divestiture of the Shares or any other transactions which the trust may enter into, above and beyond \$25,000 per year for each of the first three years beginning from the date of creation of the trust, which shall be reimbursed by the Company on the presentation of invoices therefor.

18. For as long as the trustee of the trust continues to hold at least 2% of the common shares of the Company, such trustee shall have the right to designate one member (who shall not be a member or officer of any of the Unions) of the Company's board of directors, subject to completion of the Company's usual governance process for selection and confirmation of directors. The trustee shall designate such member based upon the wishes of the bargaining units allocated a majority of the Shares held by the trust from time to time (with any deadlock to be settled by Hon. James Farley).
19. The Company shall make no distributions of any kind to its shareholders before December 31, 2010, and shall not make any distributions in excess of Canadian corporate standards prior to December 31, 2013.

(e) Other

20. In the event the Company becomes subject to the *Companies' Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act*, or other similar proceedings, the lesser of: (i) the difference between the amounts contributed to the Plans under section 3 and the amounts that would have been remitted to the Plans in the absence of this Pension MOU and of the Special Regulation; and (ii) the solvency deficit of the Plans as at the most recent valuation shall be treated as due and payable to the respective Plans; provided, however, that the foregoing is all subject to any non-remittance order of the court or other stay provisions. In such event, each Union and the Pionairs shall be entitled to elect to treat all provisions of this Pension MOU as terminated and no longer binding, except sections 7, 16 and 19. For greater certainty, there shall be no deemed trust associated with any obligations under this section 20; nor shall anything herein be construed as exempting the obligations to make such payment from any stay of proceedings provided by a court.
21. This Pension MOU shall form part of the Company's collective agreements with the respective Unions.
22. This Pension MOU shall cease to be of any force or effect if OSFI or any other authority requires any reductions in accrued benefits or current service accruals under any of the Plans prior to adoption of the Special Regulation.
23. The obligation of the Company to deliver the Shares is subject to shareholder, stock exchange, or regulatory approval, if required by law. Where the Company is unable to secure such approval, the Company shall make a contribution to the Plans equal to the value of 15% of the Shares calculated as of the date of this Pension MOU with each Plan's share of such contribution being calculated in accordance with section 4.
24. This Pension MOU shall expire on December 31, 2013, except that sections 9 and 26 hereof shall expire on December 31, 2014.
25. In the event that not all of the Unions are signatory to this Pension MOU, it shall nonetheless be binding on the Company and those parties who are signatory hereto, providing that other Unions shall be entitled to adhere to this agreement subsequently.

26. If any of the Unions negotiates a pension memorandum of understanding that is more favourable than this Pension MOU, then a proportional equivalent value, or more beneficial terms shall apply to the parties who have agreed to this Pension MOU.
27. Providing the Plans have an aggregate solvency deficit of at least \$15 million as of January 1, 2014, the Company agrees to make an additional aggregate payment to the Plans of \$15 million, such payment amount being over and above the amount otherwise required in respect of 2014. Each Plan's share of such contribution shall be calculated in accordance with section 4 hereof and shall be remitted on or prior to December 31, 2014.
28. All dollar amounts expressed herein are expressed in Canadian dollars (CAD).
29. Any dispute as to the interpretation of this Memorandum of Understanding shall be decided by the Hon. James Farley after receiving representations forthwith or as they may direct from the Parties hereto.

IN WITNESS WHEREOF the parties have signed.

AIR CANADA

By: _____

Name:

Title:

AIR CANADA PILOTS ASSOCIATION

By: _____

Name:

Title:

CANADIAN AIRLINES DISPATCHERS ASSOCIATION

By: _____

Name:

Title:

NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION
AND GENERAL WORKERS UNION OF CANADA (CAW-
CANADA), LOCAL 2002

By: _____

Name:

Title:

CANADIAN UNION OF PUBLIC EMPLOYEES, AIRLINE
DIVISION, AIR CANADA COMPONENT

By: _____

Name:

Title:

INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS

By: _____

Name:

Title:

AIR CANADA PIONAIRS

By: _____

Name:

Title:

MEMORANDUM OF AGREEMENT

between:

Air Canada Pilots' Association
(“ACPA” or the “Union”)

and

Air Canada
(the “Company”)

WHEREAS the Collective Agreement between the Company and ACPA (the “Parties”) expires on June 30, 2009 (the “Collective Agreement”);

WHEREAS the Parties acknowledge the need for the Company to access additional funds to improve its liquidity situation at the present time;

WHEREAS the Parties understand the importance of the Company securing the investment of capital and the importance of labour stability to obtaining that investment;

WHEREAS the Parties recognize that obtaining additional funds and investment is important to avoid filing under the *Companies' Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act* or similar proceedings and the desirability of doing so;

NOW THEREFORE the parties have agreed as follows:

1. Subject only to the modifications set out in Appendix A attached hereto, the Collective Agreement is renewed effective July 1, 2009, until March 31, 2011 (the “Renewal Period”). The Union shall be entitled to negotiate the provisions of Appendix “A” subject to the following conditions:
 - a. All modifications must be in the aggregate cost neutral (i.e. costs net of applicable offsets);
 - b. All modifications must be agreed by 11:59pm on June 15, 2009 failing which any outstanding disputes will be resolved by final and binding decision of Hon. James Farley on Tuesday June 16, 2009 by 4:00pm. In the event of such dispute, the parties shall advise Hon. James Farley of any pertinent information they wish him to consider regarding the costs of any items in dispute by noon on June 16, 2009 and shall thereafter be available to answer questions.
2. For greater certainty, during the Renewal Period, neither party shall have the right to strike or lockout, as per the *Canada Labour Code*.
3. For further certainty, during the Renewal Period there shall be no changes to the terms and conditions of the Collective Agreement including, without limitation, (i) no wage rate increases, (ii) no changes to pension benefit levels, nor (iii) any changes to group insurance coverage or benefits.
4. Upon this Memorandum of Agreement coming into force, the provisions set out in Appendix B attached hereto, the “Pension Memorandum of Understanding” shall also come into force.

5. In the event that the Company becomes subject to the *Companies' Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act* or similar proceedings, while the Pension Memorandum of Understanding signed by ACPA is in effect, section 19 of the Pension Memorandum of Understanding shall apply, and whether the Pension Memorandum of Understanding is in effect or not, there shall be no amendments to the Collective Agreement except on consent of the parties.
6. Nothing in paragraph 1 shall preclude either party from attempting to secure, through negotiations for the renewal of the Collective Agreement at the end of the Renewal Period, changes to the Collective Agreement with retroactive effect from the commencement of the Renewal Period.
7. If, in negotiating a renewal or extension to a Collective Agreement expiring in 2009 or during the Renewal Period, any other Air Canada group negotiates an across the board improvement to wage rates, work rules, benefits (including medical, dental and life insurance and sickness and disability benefits) or other compensation to take effect during the Renewal Period, the same improvement will be incorporated in the Collective Agreement, unless it is inapplicable, in which case other improvements of equal proportional value will be granted. This does not apply to any improvement whose cost is intended to be offset by cost reductions or productivity gains negotiated at the same time.
8. ACPA will be permitted to review Air Canada's "Five Year Plan" of April 21, 2009, and shall be granted reasonable access to that document, subject to those conducting the review agreeing to the terms of a Non-disclosure Undertaking substantially in the form used for the Union-Management quarterly financial update meetings. Air Canada shall continue to provide quarterly financial updates in accordance with its practice.
9. Air Canada agrees that during the Renewal Period it shall not sell its interest in Air Canada Cargo or Air Canada Ground Handling Services, provided this undertaking shall not apply to any sale or other disposition of those businesses pursuant to a lender requirement.
10. ACPA will be granted access to a copy of the agreement reached in May 2009 concerning credit card processing financial arrangements, subject to Air Canada obtaining any consent for such disclosure from the relevant credit card processors, which Air Canada shall use reasonable efforts to obtain and each of ACPA's representatives who access such agreements having executed a Non-disclosure Undertaking acceptable to Air Canada and based on the terms of a Non-disclosure Undertaking substantially in the form used for the Union-Management quarterly financial update meetings.
11. This Memorandum of Agreement remains in full force and effect even if the Pension Memorandum of Understanding ceases to have effect.
12. This Memorandum of Agreement as a whole will be subject to ratification by ACPA in accordance with its Constitution and By-laws. Both parties commit to recommend and fully endorse the ratification of this Memorandum.
13. This Memorandum of Agreement shall not limit the Parties ability to agree to changes to the Collective Agreement and/or the working conditions of the employees represented by ACPA on matters and of the kind they usually consider during the life of a collective agreement and which usually take the form of documents ancillary to the Collective Agreement (such as Memorandums of Understanding, Memorandums of Agreement, Minutes of Settlement and Letters of Understanding) once agreed upon.
14. Any dispute arising between the parties regarding the interpretation or application of any provision of this Memorandum of Agreement (including the Appendixes hereto), shall be subject to final and binding arbitration before Hon. James Farley who shall have sole jurisdiction to establish appropriate procedures including as to costs.

Signed this 14th day of June, 2009 at Toronto.

Air Canada

Per: Kevin Howlett
Sr. Vice-President – Employee Relations

(original signed by the Parties)

Air Canada Pilots' Association

Per: _____

APPENDIX G

Pension Memorandum of Agreement (MOA #1) between ACPA and Air Canada

Canada-Wide Industrial Pension Plan – Specified Multi-Employer Pension Plan

1. All plan assets of the Pilots Defined Contribution Plan (**Pilots DC Plan**), existing at the time of the transfer, will be transferred to the Canada-Wide Industrial Pension Plan – Specified Multi-Employer Pension Plan (**CWIPP**), or individual Locked in Retirement Accounts (**LIRA**) upon receipt of specific direction from the DC plan members on or before December 31, 2017 or a later date as agreed to by the parties hereto (**Parties**).
2. On January 1, 2018 or a later date agreed to by the Parties all employees participating in the Pilots DC Plan and all new employees (in all cases whose collective bargaining agent is ACPA) will participate instead in CWIPP and the Pilots DC Plan shall be closed.
3. Air Canada's sole and exclusive obligations relating to this MOA and CWIPP will be to:
 - (i) remit contributions noted in the chart below into the CWIPP, or the existing DC Plan – in the event that the CWIPP has not yet commenced;

Years of Service	Employee Contribution*	Employer Contribution (percentage unchanged)
Less than 2 years	6%	6%
More than 2 years but less than 5 years	7.5%	8.25%
Equal to or More than 5 years+	7.5%	10.5%

* The employee contribution rates noted in the table above will take effect on January 1, 2018.

- ii) remit to the CWIPP (if it is in place) the following information on a monthly basis, or as required:
 - a) member earnings;
 - b) contributions for the member earnings;
 - c) member related status changes;
 - d) formal request for termination or retirement of a member;
 - e) address updates;
 - f) information asked by the administrator with regards to a member's status or hours; and
 - g) any other information specific to ACPA members reasonably required for the administration of CWIPP.
4. Air Canada shall have no obligations unless it is satisfied that the following conditions are and continue at all times to be met:
 - a. All regulatory approvals, if any, shall have been obtained and maintained.
 - b. Air Canada's sole and exclusive obligation will be to remit contributions in accordance with section 3 and Air Canada will bear no other obligation whatsoever, including (without limitation) for any unfunded liability or deficit in the CWIPP, under any

circumstances, including (without limitation) as a result of the manner in which the CWIPP is administered. For greater certainty and without limitation:

- i. Air Canada agrees to sign the attached form of the Agreement to Participate ("Agreement"). Nothing in the Agreement shall alter the provisions of this MOA #1, or impose any obligation on Air Canada other than the timely remittance of agreed to payments to the trust fund and providing the information set out in the Agreement. Notwithstanding anything to the contrary, Air Canada will not become a participating employer in the CWIPP and Air Canada will not be required to sign onto any trust or any other agreement relating to the CWIPP;
 - ii. Air Canada will have no liability or obligations to ACPA or its membership, including with respect to their tax treatment of the CWIPP or any contributions or with respect to the administration of any ACPA members participation or benefits in the CWIPP; and
 - iii. The benefits under the CWIPP will be reduced to the extent that they are not fully funded upon plan termination.
5. This MOA #1 and the Company's obligations thereunder may be amended or terminated at any time by mutual agreement of the Association and the Company, and all such amendments shall be binding on the Association, the Company and every Member, former Member and other individuals entitled to benefits under the Plan.
6. ACPA will communicate to its members eligible to participate in the CWIPP that
- (i) Air Canada's sole obligation with respect to that plan is limited to its section 3 above contribution obligation;
 - (ii) benefits under that plan can be reduced while the plan is ongoing or immediately prior to the termination of that plan and that;
 - (iii) if any conditions for the plan are not maintained (such as regulatory approvals or changes to Air Canada funding obligations, other than those that may be agreed to by the Parties following this MOA #1), then Air Canada agrees to notify ACPA and CWIPP as soon as possible to discuss their concerns and work toward a resolution to the situation. Failing an agreement between the parties Air Canada shall not be required to make any further, and may cease, all contributions to the CWIPP, and in such case, ACPA will look to assess suitable alternatives. Should no alternative be found, Air Canada shall commence new employee and employer contributions to an interim DC Plan ("Interim DC Plan") until such time as the Parties agree to another plan. [Should there be contributions above existing *Income Tax Act* ("ITA") limits for the Interim DC plan, Air Canada agrees to establish individual Retirement Compensation Arrangement ("RCA") accounts for affected pilots.
7. Air Canada shall not be bound by this MOA unless Air Canada's Executive Committee and the Board of Directors of Air Canada shall each have approved this MOA.

Dated this 24th day of July 2017, in the City of Mississauga, Ontario.

FOR AIR CANADA

(original signed by Mr. G. Morello)

FOR THE ASSOCIATION

(original signed by Captain Vaillant)