

RECEIVED AGREEMENT #3
SEP 13 2007

Between

Skyservice Airlines Inc.

and

The Flight Crew Members

As Represented by the

Skyservice Pilots' Association of Canada
(SkyPAC)

13109 (02)

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**ARTICLES OF
INTRODUCTION**

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1. PREAMBLE

- 1.01 This Agreement is made and entered into by and between Skyservice Airlines Inc. (hereinafter referred to as the "Company"), and the Skyservice Pilots Association of Canada ("SkyPAC"), (hereinafter referred to as the "Association"), representing the Flight Crew employed by the Company. The Company hereby confirms that it recognizes SkyPAC as the representative of the Flight Crew Members employed by the Company.
- 1.02 The purpose of this Agreement is to serve the mutual interests of the Company and its employees in the provision of high quality scheduled and non-scheduled air services within the highly competitive air transport market; to further flight safety; to promote efficiency and economy of flight operations; and to ensure the viability of the Company and the continued employment of its Flight Crew.
- 1.03 In making this Agreement the parties hereto recognize that compliance with the terms of this Agreement with a spirit of co-operation is essential for the mutual benefit of the parties.
- 1.04 This Agreement replaces and takes precedence over all previous agreements, minutes, letters of understanding, amendments and similar related documents issued prior to the signing of this agreement.
- 1.05 In the event that a new type of aircraft or operation is introduced by the Company, other than those covered by this Agreement, the Company and the Association will establish the terms and conditions of such an operation.
- 1.06 There shall not be any strikes or lockouts during the term of this Agreement.
- 1.07 No part of this agreement will contravene any present or future governmental regulations.
- 1.08 In this Agreement, unless otherwise specifically stated, the masculine shall include the feminine and the singular shall include the plural.

2. RECOGNITION AND MANAGEMENT RIGHTS

- 2.01 The Company recognizes the Association as the sole bargaining agent for all Flight Crew Members in accordance with *Board Order No. 9232-U* dated February 1, 2007.
- 2.02 The management of the Company, and the direction of the Flight Crew Members, are vested exclusively in the Company, and shall not be restricted, except by terms and provisions set forth in this Agreement.
- 2.03 The Company retains the exclusive control over all matters concerning the operation, management and administration of its business, except as may be restricted or altered by the terms and provisions of this Agreement.
- 2.04 Subject to discussions with the Association, and without limiting the generality of *Article 2.03*, the Company's rights shall include, but not be limited to, the following:
- a) Select, hire, transfer and promote Flight Crew Members, and demote, discipline or discharge Flight Crew Members with just and reasonable cause, and to require Flight Crew Members to observe reasonable rules and regulations which may be promulgated by the Company, provided such rules are not inconsistent with the terms and provisions of this Agreement;
 - b) Maintain order, discipline, and efficiency;
 - c) Determine and change the service and business of the Company, and the schedules with respect to same, subject to the provisions of *Article 1.05*;
 - d) Determine and change the location where the Company's business is carried on;
 - e) Determine and change the methods of carrying out the Company's business and service; and
 - f) Determine reasonable standards for the performance of work.

3. DEFINITIONS

- 3.01 Agreement - means the collective agreement in effect, including letters of understanding signed by authorized Company and Association officers.
- 3.02 Assignment - means the position held by a Flight Crew Member in regards to base, equipment, and status. A change in any or all of the preceding shall constitute a change in assignment.
- 3.03 Base - means an airport designated by the Company as a base of operations.
- 3.04 Block - means a series of pairings and time off awards for a given month that have been assigned to a Flight Crew Member.
- 3.05 Book Off - means a withdrawal of a Flight Crew Member from active flight duty for medical reasons. A Flight Crew Member will remain on book off status until he books back on.
- 3.06 Captain - means a pilot who is in command of an aircraft and its crew members while on flight duty. The Captain must be properly qualified and designated by the Company as a Captain and must hold a currently effective Transport Canada and/or other governmental certificate(s) authorizing him to serve as such pilot.
- 3.07 Crew Rest - means a period of time free from all duty with the company as defined in the Canadian Air Regulations (CARs).
- 3.08 Cruise Relief Pilot – means a pilot who holds a Cruise Relief Pilot position on the aircraft type to which he is assigned for the sole purpose of providing in flight relief for the Captain and First Officer in order to extend flight deck duty time.
- 3.09 Data Recorder - means Cockpit Voice Recorders, Flight Data Recorders, Automatic Flight Data Reporting System (ACARS), FOQA, LOMS, and any video or audio equipment used to record Flight Crew and/or aircraft performance.
- 3.10 Date of Hire - means the date that a person is hired as a full time Flight Crew Member. The date of hire will determine the position of a Flight Crew Member on the seniority list, subject to the provisions of *Article 8*.
- 3.11 Day - means a twenty-four (24) hour period commencing at 0300L and terminating at 0259L.
- 3.12 Deadheading - means the traveling of a non-operating Flight Crew Member from one location to another on the Company's aircraft.

- 3.13 Deployed Operations - means operations in which a Flight Crew Member is away from his home base in excess of twenty (20) days.
- 3.14 Deployment – means an absence of an FCM from his assigned permanent base for a period of more than twenty (20) consecutive calendar days, but not to exceed six (6) consecutive months.
- 3.15 Displacement - means when a Flight Crew Member is displaced from a flight or flights in his block by Management, Supervisory or Transport Canada flying or training.
- 3.16 Draft - means the allocation of any duty to a Flight Crew Member that is not in his awarded block, other than reassignment or reserve callout.
- 3.17 Duty Period - means the elapsed time during which a Flight Crew Member is continuously on duty from scheduled reporting time (or actual reporting time, whichever is later) until time of release from duty, and which is not broken by a minimum rest period.
- 3.18 Employee – the term as used in this agreement, refers to Flight Crew Members as defined in *Article 3.20*.
- 3.19 First Officer - means a pilot who is second-in-command of the aircraft and its crew members and whose duty is to assist or relieve the Captain, and who is properly qualified to serve as and holds a currently effective Transport Canada and/or other governmental certificate(s) authorizing him to serve as such pilot.
- 3.20 Flight Crew Member (FCM) – means a Captain, First Officer, Second Officer, Flight Engineer or Cruise Relief Pilot as defined herein.
- 3.21 Flight Duty Time - means the time during which the Flight Crew Member operates in an aircraft as a member of its crew. It commences at the required report time at the beginning of a duty period and finishes fifteen (15) minutes after the final flight in the duty period.
- 3.22 Flight Engineer - means a Flight Crew Member who is third-in-command of the aircraft, and who is properly qualified to serve as and holds a currently effective Transport Canada and/or other governmental certificate(s) authorizing him to serve as such Flight Engineer.
- 3.23 Flight Time - means the time from which the aircraft first moves under its own power until it stops on its parking spot.
- 3.24 Furlough- means a lay-off of a Flight Crew Member from active flight duty.

- 3.25 Grey Day - means a day on which a Flight Crew Member is not scheduled for any of the following:
- a) Flight duty,
 - b) Guaranteed day off,
 - c) Vacation,
 - d) Simulator,
 - e) Ground training,
 - f) Reserve duty,
 - g) Meetings, or
 - h) Any other form of work for the Company.
- 3.26 Guaranteed Day Off (GDO) - means a day off at a Flight Crew Member's home base, or designated base for deployed operations, during which period the pilot is not scheduled for any of the following:
- a) Flight duty,
 - b) Grey day
 - c) Vacation,
 - d) Simulator,
 - e) Ground training,
 - f) Reserve duty,
 - g) Meetings, or
 - h) Any other form of work for the Company.
- 3.27 Home Base - means the base permanently assigned to a Flight Crew Member.
- 3.28 Late Finish/Early Start - means any duty carried out within any part of the period 0100L to 0659L.
- 3.29 Local Night - means a period of eight (8) hours falling within 2000L and 0600L.
- 3.30 Long Range Flight - means a flight or series of flights that terminates more than four **(4)** one-hour time zones from point of departure, other than flights conducted entirely within the Northern Domestic Airspace, and;
- a) is limited to three (3) sectors;
 - b) only one sector, excluding one unscheduled technical stop, may be completed after a transoceanic sector.
- 3.31 Month - means a complete calendar month commencing at 0300L on the first day of the month and terminating at 0259L on the first day of the following

month, except for the months of January, February, and March which shall be divided into three (3) monthly periods of 1 January to 30 January inclusive, 31 January to 1 March inclusive, and 2 March to 31 March inclusive.

- 3.32 New Aircraft - means any aircraft not currently operated, for which a Flight Crew Member requires a new type rating and/or additional training.
- 3.33 New Operation - means any operation not previously carried out, whether scheduled or non-scheduled.
- 3.34 Onboard Crew Rest Facilities – means a Flight Relief Facility – Seat or Flight Relief Facility – Bunk as defined by CARs for the exclusive use of the pilots.
- 3.35 Pairing - means a group of flight sectors that are identified for scheduling purposes that fall within the rules of the Canadian Aviation Regulations (CARs).
- 3.36 Positioning – means the traveling .of a non-operating Flight Crew Member from one airport location to another by means other than the Company's aircraft (i.e. another airline, bus, train, etc.) at the Company's request.
- 3.37 Probation period – means a period of time where a Flight Crew Member has not completed thirteen (13) months work with the Company following the date of first line flight as a Flight Crew Member.
- 3.38 Qualified - means having met the standards required by Transport Canada and the Company for the Flight Crew Member's assignment.
- 3.39 Reassignable - means a FCM who is eligible for reassignment due to a displacement or removal from his assigned Duty.
- 3.40 Reciprocal Agreement – means an arrangement between the Company and a third party air operator holding a valid Air Operator Certificate providing for the mutual exchange of pilots.
- 3.41 Removal from Duty – means when a pairing, part of a pairing or any assigned duty has been removed from a FCMs block by the Company for other than displacement.
- 3.42 Report Time - means the time designated for the Flight Crew Member to report for duty.
- 3.43 Reserve Duty - means a time period during which a Flight Crew Member so assigned must be available to be called for duty.

- 3.44 Seasonal Base – means a base in Canada from which a FCM operates for not more than six (6) consecutive months.
- 3.45 Second Officer - means a pilot who is third-in-command of the aircraft and its crew members, and who is properly qualified to serve as and holds a currently effective Transport Canada and/or other governmental certificate(s) authorizing him to serve as such pilot.
- 3.46 Seconded Pilot - means a FCM employed by the Company pursuant to a Reciprocal Agreement.
- 3.47 Seniority - means the relative standing of a Flight Crew Member on the applicable seniority list.
- 3.48 Split Flight Duty Time - means a duty period that includes a rest period that does not constitute a legal rest between flight duty periods.
- 3.49 Status - means a Flight Crew Member's assigned classification (i.e. Captain, First Officer, Second Officer, Flight Engineer or Cruise Relief Pilot).
- 3.50 Temporary Base – means a base located outside of Canada from which a FCM operates for not more than six (6) consecutive months.
- 3.51 Time Away From Base (TAFB) - means a period of time commencing from departure at home base until arrival at home base.
- 3.52 Unforeseen Operational Circumstances - means any unplanned event, such as, but not limited to, adverse weather, equipment malfunctions or air traffic control delays, that is beyond the control of the Company.
- 3.53 Vacancy - means an unfilled Flight Crew Member assignment as determined by the Company.

4. OPERATION OF COMPANY AIRCRAFT

4.01 All aircraft operated by the Company whether owned or leased, shall be operated by Flight Crew Members whose names appear on the Skyservice Flight Crew Seniority List(s) as defined in *Article 8*, and further referenced in *Article 3.20*. Exceptions to this fundamental principle are as follows:

- a) In the event new types of aircraft are procured, as provided for in *Article 11*, Flight Crew Members may be contracted from outside the Company, on a temporary basis, strictly for the purpose of qualifying successful bidders on the new types of aircraft.
- b) Contract Flight Crew Members as provided for in *Article 10*;
- c) Flying performed by Flight Crew Members representing aircraft manufacturers, when flying for the purpose of technical evaluation of Company aircraft or procedures, shall be bound by the scheduling rules of this Agreement; and
- d) Flight training or line indoctrination of non-Company Flight Crew Members;
- e) Executives of the Vice-president level and above;
- f) Seconded Pilots under the provisions set out in *Appendix E*;

NOTE: Flying pursuant to *Article 4.01 (c), (d) and (e)* will be subject to the scheduling rules of this Agreement, and will not exceed 85 hours per month per Flight Crew Member.

4.02 The Company may enter into wet leases (contracting with another company for the provision of an aircraft with crew), provided the wet lease does not result in furlough or change of assignment of any Company Flight Crew Member. Prior to entering into such wet leases, the Company will advise the Association,

4.03 Subject to operational requirements:

- a) Whenever two line Captains are assigned to the same flight duty, the senior Captain shall be designated as the Pilot-in-Command for that flight duty.
- b) A Captain who has agreed to bid as a First Officer may not be the Pilot-in-Command.

5. ASSOCIATION AFFAIRS

- 5.01 The Company recognizes the Executive of the Association, comprised of the President, Vice-president, Secretary, and Treasurer, as duly elected representatives of the Association. The Company also recognizes the Negotiating Committee, currently consisting of four members, to be authorized by the membership of the Association to carry on discussions with the Company for the sole purpose of renewing this and subsequent Agreements.
- 5.02 The Executive of the Association may establish committees at its discretion; however, only members recognized in *Article 5.01* shall communicate with the Company on Association business. Recommendations made by such committees shall be communicated to the Company by the Executive. Individual members may communicate with the appropriate Company personnel at any time with regard to matters of a personal and/or singular nature.
- 5.03 The Association shall designate one member and three alternate members to monitor the bid award process for monthly schedules and annual vacation. Any of these designated members shall also monitor the awarding of assignments as defined by this agreement. These roles shall be advisory in nature to ensure compliance with the scheduling rules.
- 5.04 Effective on the date of ratification of this Agreement, the Company shall grant the Association up to six hundred and forty-eight (**648**) Time Bank credit hours annually as Association administrative time. This Time Bank may be used by the Association Executive and their designated representatives. The Association Time Bank shall be administered by the Association Executive consistent with paragraphs (a), (b), (c), (d), and (e) below.
- a) The Association shall provide the Company with the details of any Time Bank credit hours to be assigned for the following month by the 15th of the current month. The Association shall request any ad-hoc Association Time Bank allocation as soon as possible. These details of all requested Time Bank use shall include members' names and respective meeting dates.
 - b) Planning and scheduling of Association meeting dates shall be subject to Company operational requirements. Association meetings days will normally be scheduled on week days. Approval of requested Association meeting dates shall not be unreasonably withheld.
 - c) Time Bank credit hours shall be assigned to an Association member's Block in any month in accordance with *Article 32.11*. During the planning/blocking process, the total credits and Time Bank credits for

each Association member shall not be planned to exceed the target hours published on the Monthly Bid Window.

- d) Time Bank hours will be credited at four (4) hours per day for the purpose of block construction and Time Bank credit. Any Time Bank credit hours in excess of eighty-five (85) Block hours will be paid at the applicable rates. Meeting credits for Association members will not attract draft premium.
 - e) Notwithstanding the provisions of (d), all other credits not assigned under *Article 5*, shall be credited and paid at the appropriate rate, including any overtime.
 - f) Additional hours the Association may require beyond the annual total provided by *Article 5.04* may be purchased from the Company at the applicable rate of pay for the pilot for the credits purchased. This cost shall be invoiced at the end of Skyservice Airlines' fiscal year.
 - g) Any unused Time Bank credit hours remaining in the bank at the end of the fiscal year will be carried forward and added to the succeeding year's allotment. Any accumulated extra hours will be used for preparation and/or caucus meetings for the renewal of the Collective Agreement.
 - h) The Company will provide an additional Time Bank of three hundred and twenty (320) hours in the contract renewal year to be devoted solely to bargaining of the renewal of the collective agreement.
- 5.05 In recognition of their added responsibilities, the Association President and one additional designated member of the Association Executive, may pre-select pairings and/or GDOs in order to accommodate Association affairs and the Company's operational requirements.
- 5.06 In consideration of the Company's contribution to Association Affairs as defined in *Article 5.04*, a maximum of two (2) Executive pilots not on the seniority list may select pairings prior to the publishing of the monthly bid package to a maximum annual total of six hundred and forty-eight (648) hours.
- 5.07 The provisions of *Article 5.06* shall not apply while any Skyservice pilot is on furlough or downgraded as a result of furloughs.
- 5.08 The Association may post notices upon Company designated bulletin boards wherever Association members are based. Such notices will contain Association related matters. The Association understands the requirements to conduct its affairs in a professional and business-like manner.

- 5.09 The Association may distribute Association mail to Flight Crew Members via Company mail and through the use of Flight Crew Members' mail slots provided at Company bases. The Company will bear no responsibility for delays or other distribution problems.
- 5.10 The Company will permit the use of its photocopy machine to reproduce Association notices and correspondence, provided it does not interfere with normal office activities.

6. COMPANY PLEDGE

- 6.01 Should the Company change ownership, merge with another company, alter its corporate legal identity in any way whatsoever, including setting up a subsidiary or combining with one or more other airlines, sell or transfer its assets in whole or in part, this Collective Agreement shall remain in full force and effect, and the Canadian Industrial Relations Board certificate in effect at that time shall not be affected in any way, unless applicable laws provide otherwise.

**PERSONNEL POLICIES
&
BENEFITS**

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7. PAY AND SUPPLEMENTAL PAY

- 7.01 Basic rates of pay (yearly and hourly) shall be determined by the Flight Crew Member's status and years of service in accordance with *Appendix B*.
- 7.02 For pay purposes, the date of classification and/or reclassification shall be the date of the first line flight under supervision for First Officers and the date of the first unsupervised flight for Captains.
- a) Except where noted at *Appendix B*, when a First Officer is promoted to Captain status, he will be placed in the first year level of the Captain classification wage scale.
 - b) In the case of reclassification, having held previous Captain status with the Company, a Flight Crew Member will be credited with his past service time as a Captain to establish his re-entry level within the Captain's classification wage scale.
 - c) When a Captain is downgraded to First Officer status, he will be placed in the appropriate pay level equivalent to his overall continuous service with the Company as a Flight Crew Member.
- 7.03 When a Captain is assigned, at the request of the Company to serve as a First Officer on any flight, while his permanent Captain assignment is still current, he will continue to receive pay at his Captain's rate.
- 7.04 When a Flight Crew Member as a result of Furlough, Leave of Absence or other causes works less than a full month, his monthly salary shall be determined by the percentage of the month worked, i.e. monthly salary times number of days employed in the month divided by thirty (30).
- 7.05 Any credits in excess of eighty-five (85) hours shall be paid at one hundred and fifty percent (150%) of the Flight Crew Member's hourly rate.
- 7.06 Check pilots shall receive additional sum payments distributed equally over their periodic pay cycles in the following amounts:
- a) Effective May 1st, 2007, an 'A' Check shall receive the greater of forty dollars (\$40.00) per flight hour for line-indoctrination training or checking duties carried out in a month or one thousand two hundred and fifty dollars (\$1250.00) per month. Effective May 1st, 2009, an 'A' Check shall receive the greater of forty-two dollars and fifty cents (\$42.50) per flight hour or one thousand two hundred and fifty dollars (\$1250.00) per month thereafter.

- b) Effective May 1st, 2007, a 'B' Check shall receive the greater of forty dollars (\$40.00) per flight hour for line-indoctrination training or checking duties carried out in a month or six hundred and twenty-five dollars (\$625.00) per month. Effective May 1st, 2009, a 'B' Check shall receive the greater of forty-two dollars and fifty cents (\$42.50) per flight hour or six hundred and twenty-five dollars (\$625.00) per month thereafter.
- 7.07 Effective May 1st, 2007, Training Captains, excluding Check pilots, shall receive forty dollars (\$40.00) per flight hour for line-indoctrination training duties carried out in a month. Effective May 1st, 2009 this rate shall be forty-two dollars and fifty cents (\$42.50) per flight hour.
- 7.08 A statement detailing credit hours and per-diem earned during the pay period will be issued monthly to the FCM.

8. SENIORITY

- 8.01 The Company and the Association adopt the seniority lists, effective on the ratification date of this Collective Agreement, as attached at *Appendix A*. These seniority lists supersede all previous seniority lists, which are declared null and void.
- 8.02 Each new full-time Flight Crew Member hired into the Company will be assigned a seniority number. Such number will be appended to the end of the appropriate section of the appropriate seniority list.
- 8.03 The determination of seniority number will recognize current employment with other Skyservice divisions or companies. A new FCM transferring to the airline division will be awarded the lowest seniority number (most senior) within any group of Flight Crew Members hired simultaneously. Where ~~two~~ (2) or more Flight Crew Member's of the same status have the same date of hire, their relative seniority on the appropriate seniority list will be determined by the Company once all Flight Crew Members within that group have completed their initial PPC.
- 8.04 The Director of Flight Operations will notify the Association of all new Flight Crew Member's names, their seniority numbers, and their dates of hire.
- 8.05 The Company will, within thirty (30) days of the first day of July of each year, or at any time significant changes have occurred furnish all Flight Crew Members with a Pilot's Seniority List. A copy of this list will be posted on a suitable bulletin board. Such list will contain, in order of seniority, the names of all Flight Crew Members in each category and their respective date of hire.
- 8.06 Protest in regard to seniority standing shall be submitted to the Director of Flight Operations in writing by the Flight Crew Member concerned within thirty (30) days of the date of posting. If a Flight Crew Member is on vacation, sick leave, or is out of the country when such a list is published, he shall have fifteen (15) days after his return to duty, or until the end of the thirty (30) day period, whichever is later, to register such protest. If no protest is brought to the attention of the Director of Flight Operations within the specified time period, the Seniority List as posted shall be considered as final and binding, and no longer subject to challenge. However, by mutual agreement, the Company and the Association shall have the power to correct errors at any time.
- 8.07 Seniority protests that cannot be satisfactorily resolved shall be processed through the grievance procedure.

- 8.08 The appropriate Flight Crew Member seniority number will govern all Flight Crew Members in case of reduction of force, vacation preference, their bidding of monthly blocks, their assignment or reassignment due to expansion or reduction in schedules and/or equipment, their recall from furlough, and their choice of vacancies except as outlined in *Article 21 – REDUCTION IN FORCE, FURLOUGH AND RECALL*.
- 8.09 Flight Crew Members transferred to non-flying or supervisory duty will retain and accrue their seniority provided that all necessary licenses are maintained.
- 8.10 A Flight Crew Member who is medically unfit to fly for a period of sixty (60) days or longer may not exercise his seniority unless, and until medical evidence indicates he will be able to return to active status in time to fulfill his duties.
- 8.11 Following a medical leave, if a Flight Crew Member has not been able to bid in accordance with *Article 8.08* above, he shall return to his last assignment.
- 8.12 A Flight Crew Member will retain and accrue seniority unless he:
- a) Resigns;
 - b) ~~Is~~ terminated for just and reasonable cause;
 - c) Overstays his leave of absence without written consent of the Director of Flight Operations, or his designate;
 - d) Refuses to accept a recall in accordance with the recall procedure of this Agreement; or
 - e) Retires.
- 8.13 Seniority will be the prime consideration but not the sole criteria for promotion to Captain.
- 8.14 The Company and the Association will establish a Cruise Relief Pilot (CRP) Seniority List, to be appended at *Appendix A*, as follows:
- a) A CRP will be assigned a seniority number on the CRP Seniority List in accordance with *Articles 8.02* and *8.03*.
 - b) A CRP may exercise his seniority on the CRP Seniority List for the purpose of bidding and vacation.

- c) A suitably qualified CRP may be considered for a First Officer vacancy. Appointment to First Officer status will be at the Company's discretion. Upon successful completion of a transition program to First Officer status, the CRP will be assigned a seniority number on the bottom of the Master seniority list to reflect the commencement date of training as First Officer.
- d) For any CRP transferring to the Skyservice Pilot Seniority List, his date-of-hire (DOH) shall be used solely for purposes of benefits coverage and vacation entitlement.

8.15 The Company and the Association will establish a Contract Flight Crew Members Bidding List as follows:

- a) A Contract FCM will be assigned a bidding number on the Contract Pilot Bidding List in accordance with the process of *Article 8.02*.
- b) A Contract FCM may exercise his seniority on the Contract Pilot Bidding List for the purpose of bidding only.
- c) Provided there is a need and subject to Company approval, a FCM who retires before the normal age of retirement and is removed from the *Skyservice Seniority List* will exercise his seniority by DOH and be dovetailed into the *Contract Pilot Bidding List*.

9. PROBATION

- 9.01 New Flight Crew Members will be required to serve a probationary period of thirteen (13) months from the date of their first line flight as a Flight Crew Member. The Company reserves the sole right to dismiss any employee during his probationary period.
- 9.02 In the event a Flight Crew Member is not available for flying duty in excess of seven (7) consecutive calendar days during the probationary period, his probationary period may be extended by an equivalent number of days.
- 9.03 Flight Crew Members that are furloughed while on probation, then recalled for duty will be credited with their previous period of employment in fulfilling their probationary period, provided their furlough was less than thirteen (13) months.
- 9.04 No Flight Crew Member shall be required by the Company to serve more than one (1) probationary period.

10. CONTRACT FLIGHT CREW MEMBERS

10.01 The Company will make every effort to hire only full time pilots; however, in order to optimize its operational efficiency, it may engage contract Flight Crew Members subject to the following:

- a) The total number of contract Flight Crew Members may not exceed ten percent (10%) of the full time Flight Crew Members, excluding management pilots;
- b) When a contract FCM has accumulated more than five (5) months' active service over a period of twelve (12) consecutive months, his employment status shall become permanent. The service accumulated since he was first hired shall be taken into account when assigning his seniority standing. It shall also be used to determine the date of his change in salary scale, as well as the days of annual leave to which he is entitled;
- c) Contract FCMs will not be used when any full time Flight Crew Member is furloughed, or when it causes the furlough of any FCM;
- d) Contract FCM's will not normally be used as Captains when any full time First Officer meets the minimum qualification requirements for that position. If a contract Captain is used in this circumstance, the most senior eligible First Officer shall receive bypass pay for the period that the contract Flight Crew Member is employed by the Company;
- e) Contract FCMs will be assigned a bidding number on the Contract Pilot Bidding List in accordance with *Article 8.15*;
- f) Contract FCMs are subject to the *Scheduling Rules* of this Agreement;
- g) Contract FCMs will not be paid less than first year Captain's hourly rate when flying as Pilot-in-Command. Contract FCMs employed as First Officers will not be paid less than first year First Officer's hourly rate;
- h) Contract FCMs employed as contract line instructors shall be compensated in accordance with *Article 7*;
- i) Each contract Flight Crew Member must wear a Company uniform consistent with his status;
- j) Contract Flight Crew Members may not be planned to exceed eighty-five (85) credit hours in any calendar month (i.e. no planned overtime). Open flying and/or block growth will only be assigned to contract FCMs in accordance with the provisions of *Article 35.01*;

- k) Crew planning may schedule contract Flight Crew Members to maintain currency only when required;
- l) The employment of "Seconded" pilots operating Skyservice aircraft is excluded from the provisions of *Article 10*, and shall be governed by the provisions of *Appendix E*;
- m) Any full-time Skyservice FCM who resigns/retires in good standing, and becomes a contract FCM, will be assigned a contract FCM bidding number. Bidding numbers on the contract FCM Bidding List will be assigned in accordance with *Article 8.15*.
- n) Contract simulator instructors are limited to two percent (2%) of the current number of FCMs and are not considered part of the ten percent (10%) quota as set out in *Article 10.01(a)* or subject to the provisions of *Article 10.02*.

10.02 The provisions of *Article 12* and the credit provisions of *Article 32* shall apply to all contract FCMs.

10.03 All contract pilots shall be subject to the same command or training Captain selection, qualification and upgrade process as a Skyservice FCM.

11. NEW EQUIPMENT

- 11.01 The rates of pay specified in this Agreement apply to aircraft presently operated by the Company. In the event different equipment is to be introduced by the Company, the Company shall provide notice to the Association of its intention to introduce such new equipment prior to the date upon which the new aircraft will enter service. Every attempt will be made to reach agreement between the Company and the Association on rates of pay and working conditions prior to the introduction of the new aircraft.
- 11.02 FCM vacancy bulletins for such equipment will not be published before the Company and the Association have preliminary discussions regarding introduction of same, and whether new terms and conditions must be established.
- 11.03 In the event, after forty-five (45) days from the date of the notice that the Company and the Association cannot reach agreement on the appropriate rates of pay and working conditions, either party may submit the matter to binding expedited arbitration in accordance with the procedure outlined in this Agreement.
- 11.04 It is understood that the terms of the preceding paragraphs will not prevent the Company from operating the aircraft on the anticipated date provided that it establishes temporary salary rates and working conditions. Within thirty (30) days of the arbitration decision, all outstanding retroactive payments shall be made to the date that the aircraft was first placed into service. No FCM will be required to change his home base until an agreement is reached, or the arbitrator has handed down his decision.
- 11.05 When a new aircraft type is introduced or flight operations require specially qualified personnel, the Company may hire contractual FCMs for the sole purpose of allowing permanent FCMs to obtain the qualifications required for the new positions. These contractual FCMs are not governed by this Collective Agreement. The length of their contract shall not exceed six (6) months, unless agreed otherwise with the Association. Such agreement shall not be unreasonably withheld.

12. DEDUCTION OF DUES

- 12.01 The Company shall deduct Association dues from pay and wages due to all Flight Crew Members coming within the scope of this Agreement.
- 12.02 The amount of such dues to be deducted shall be equivalent to the regular dues required, as determined by the Association and so notified to the Company by the Association.
- 12.03 Only payroll deductions required by law, deductions of monies due or owing the Company, including previous overpayments, "floats" or RRSP deductions, shall be made from wages prior to the deduction of Association dues.
- 12.04 The amount of dues so deducted from wages accompanied by a statement of deductions from individuals, will be remitted by the Company to the Association as may be mutually agreed by the Association and the Company not later than twenty-one (21) calendar days following the pay period in which the deductions were made.
- 12.05 The Company shall not be responsible financially or otherwise, either to the Association or to any Flight Crew Member for any failure to make deductions or for making improper or inaccurate deductions or remittances other than to adjust the error on a subsequent remittance. The Company's liability for any and all amounts deducted pursuant to the provisions of this Section shall terminate at the time it remits payment to the Association.
- 12.06 In the event of any action at law against the parties hereto resulting from any deduction or deductions from payrolls made or to be made by the Company pursuant to this section of this Agreement, all parties shall cooperate fully in the defense of such action. All costs including council fees shall be borne by the Association. The Association shall indemnify and save harmless the Company from any losses, damages, costs, liability or expenses suffered or sustained by it as a result of any such deduction or deductions from payrolls.

13. TRAVELLING EXPENSES AND ALLOWANCES

13.01 A Flight Crew Member when away from his home base on Company business, shall be allowed reasonable and necessary expenses for room, meals, transportation, and any additional expenses as governed by Company policy.

13.02 An allowance for expenses will be paid for layovers away from home base in excess of four (4) hours. The per diem rate will be calculated from departure (push or start time) at home base until arrival ("in" time) at home base.

13.03 Per Diem Rates in Canadian Dollars are as follows:

Effective May 1, 2007

Inside Canada - \$3.85/hour
Outside Canada - \$4.60/hour
All Inclusive - \$3.55/hour

Effective May 1, 2010

Inside Canada - \$3.95/hour
Outside Canada - \$4.70/hour
All Inclusive - \$3.65/hour

13.04 All Inclusive Resorts

The all-inclusive per diem will apply to Flight Crew Members laying over at resorts where the Company pays for all-inclusive meals and beverages, in circumstances where all-inclusive accommodation is required, or, where not required, in circumstances where the Company and the Association mutually agree to all-inclusive accommodations. The all-inclusive per diem will apply as follows:

- a) Where the FCM departs from a domestic gate to all-inclusive destinations, the all-inclusive per diem will be applied from domestic gate departure until:
 - i) return to a domestic destination where the Flight Crew Member's duty ceases; or
 - ii) departure from an all-inclusive destination where the Flight Crew Member departs to an international destination.

- b) Where the Flight Crew Member departs from an international gate to an all-inclusive destination, the all-inclusive per diem will apply from arrival at all-inclusive destination until:
 - i) return to a domestic destination where the Flight Crew Member's duty ceases; or
 - ii) departure from an all-inclusive destination where the Flight Crew Member departs to an international destination.

- 13.05 In addition to the expenses outlined in *Article 13.03*, the Company will provide hotel accommodation (single rooms) to all Flight Crew Members for all scheduled ground stop periods and/or unforeseen delays in excess of eight (8) hours. It shall be the responsibility of the Company to make the necessary reservations for the accommodations herein.

- 13.06 In the event that hotel accommodation is found to be unsuitable, the Company will arrange alternative accommodation as soon as possible.

- 13.07 When ground transportation away from home base is required, an allowance shall be provided to the Captain to pay a gratuity of one dollar (\$1.00) (\$1.00 USD or €1.00 Euro as applicable outside of Canada) per crew member for each trip. These funds will be reimbursed to the pilot via a Company expense report. Where the Company has negotiated the inclusion of drivers' tips, those specific arrangements and destinations will be communicated to all FCMs and the tipping provision of this Article will not apply.

- 13.08 The Company shall provide transportation for a Flight Crew Member when required as follows:
 - a) To and from the airport and the hotel when the Flight Crew Member is away from his home base; and

 - b) To and from a training facility when the training facility is not at the Flight Crew Member's home base. A Flight Crew Member undergoing training away from his home base will have access to a rental car during the period of such training. The instructor and training candidates will share this vehicle. The Company may provide alternate suitable transportation instead of a rental car.

- 13.09 For any duty period greater than four (**4**) hours, a meal will be provided. For any duty period greater than eight (8) hours, two meals will be provided. The Flight Crew Member will be paid fifteen dollars (\$15.00) per meal not provided.

- 13.10 The Company shall reimburse each Flight Crew Member for the costs of visas, passports, inoculations, and any airport or government charges, incurred for travel on Company business.
- 13.11 The Company will pay to each Flight Crew Member the expenses, allowances or reimbursement costs, as specified in this Article, in the pay period following that in which the expenses were incurred or submitted provided that the Flight Crew Member submits his expense claim no later than one (1) month after the month in which the expense occurred for pairing-related expenses, and no later than ~~two~~ (2) months after the month in which the expense occurred for all other expenses. Should an expense claim be submitted after such time period, the Company will not be obligated to pay the expense submitted.

Article 14 intentionally left blank

15. BENEFITS

15.01 For the term of this Agreement, the following group employee benefits will be provided and administered in accordance with the terms and conditions of the Company's benefit policies and the terms of the benefit plan(s), as applicable, in effect as of the date of April 30, 2007:

- medical benefits
- STD and LTD benefits
- dental benefits
- travel benefits

15.02 A Flight Crew Member will be eligible to participate in the benefits described in *Article 15.01* above, upon date of hire.

15.03 All forms of leave, excluding voluntary Leaves of Absence, shall be administered in accordance with the applicable Company policies and/or applicable benefits plan(s). Voluntary Leaves of Absence shall be administered in accordance with *Article 19*.

15.04 The Company shall provide a retirement savings program, the terms and conditions of which are set out in the Company's Group RRSP and DPSP program. This Group RRSP and DPSP program has two (2) components:

(1) A Group RRSP contribution which requires employees to contribute a percentage of their base salary to the Group RRSP according to the following percentages in order to qualify for the Company's matching contribution on the FCM's behalf to the DPSP:

a. May 1, 2001 to date of ratification: in accordance with the terms of the existing program;

	June 07	May 08	May 09
0 < 1 year	0	0	0
1 < 3 years	2.5%	2.5%	2.5%
3 < 5 years	3.0%	3.0%	3.0%
5 < 7 years	3.5%	3.5%	3.5%
≥ 7 years	4.0%	4.5%	5.0%

b. Effective upon date of ratification: in accordance with the table below:

(2) A DPSP contribution, which is the Company's contribution to match the FCM's Group RRSP contribution as set out above.

Note: For clarification, FCMs must complete twelve (12) months of service with the Company in order to be eligible to participate in the Group RRSP and DPSP program. Participation in the retirement saving program(s) is/are optional.

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16. MEDICAL EXAMINATION

- 16.01 The medical standards required by the Company to be maintained for continued employment as a Flight Crew Member shall be no more restrictive than those required by Transport Canada at the time of any such examination and shall take into account any waiver policy adopted by said Ministry.
- 16.02 The Company will pay the cost of all license renewal medical examinations and Transport Canada License Validation certificate fees. Medical examinations subsequent to a Flight Crew Member's initial Company medical may be performed by a Transport Canada approved physician of the Flight Crew Member's choice. The Flight Crew Member will pay his examiner for services rendered and then submit an appropriately substantiated expense claim to the Company.
- 16.03 The Company may, at its own expense, require that a Flight Crew Member complete a medical examination with a Company approved Transport Canada physician, if the Company has reasonable grounds to believe that a Flight Crew Member's health or physical condition is impaired. The Company and the Association will agree to a list (attached at *Appendix D*) of Company approved physicians. If there is disagreement over the grounds, the Flight Crew Member shall submit to the examination and disclose the results in accordance with *Article 16.05*.
- 16.04 The medical reports resulting from the physical examination referred to in *Article 16.03* are deemed to be confidential between the Flight Crew Member and the medical examiner. The only medical report that can be released from the doctor's office without the express consent of the Flight Crew Member is the copy to Transport Canada for license renewal.
- 16.05 Any Flight Crew Member hereunder who has failed to pass a Company medical examination may, at his option, have a review of his case in the following manner:
- a) He may employ a qualified medical examiner of his own choosing and at his 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.
 - b) A copy of the findings of the medical examiner(s) 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(s), no further medical review of the case shall be afforded.

- c) In the event that the findings of the medical examiner chosen by the employee shall disagree with the Company's medical examiner, the Company will, at the written request of the employee, ask that the two (2) medical examiners agree upon and appoint a third and disinterested physician, preferably a specialist, for the purpose of making a further physical examination of the employee.
- d) The said disinterested physician shall make a further examination of the Flight Crew Member in question, and the case shall be settled on the basis of his findings.
- e) The expense of employing a disinterested physician shall be borne one-half (1/2) by the Flight Crew Member and one-half (1/2) by the Company. Copies of each physician's report shall be furnished to the Company and to the Flight Crew Member.
- f) It is specifically agreed that the findings of the medical examiners and physician referred to above shall be unbiased and no exchange of medical opinions or history shall be made either in writing or verbally until each has examined the Flight Crew Member concerned. Nothing herein shall prevent the interchange of medical opinion after examination and before a common decision is reached.
- g) Any actions governed by this Article will be conducted in the absolute and strictest confidence subject to disclosure to essential Company and Association personnel on a "need to know" basis.

17. UNIFORMS

- 17.01 Initial uniform issue will be supplied by the Company. It includes one (1) tunic, three (3) pairs of pants, six (6) shirts, two (2) ties, wings, shoulder epaulets, one (1) overcoat and one (1) raincoat.
- 17.02 Uniforms will be replaced at Company expense every second (2nd) year consisting of, three (3) pairs of pants, and six (6) shirts. Ties, wings, shoulder epaulets, and raincoat will be replaced on an as required/exchange basis.
- 17.03 Overcoats and tunics will be replaced at Company expense every fourth (4th) year.
- 17.04 The Company will pay the cost of repair or replacement of any uniform or part thereof, which has been damaged, permanently soiled, or lost during the course of duties.
- 17.05 Each FCM will receive a cleaning allowance of forty-five dollars (\$45.00) per month. Additionally, each Flight Crew Member will receive sixty-five dollars (\$65.00) per month to cover use of miscellaneous equipment items which includes, but is not limited to computer use, printer use, and paper. Cleaning allowance and equipment allowance shall not be paid to FCMs who are on Short Term Disability, Long Term Disability, W.S.I.B., approved Leave of Absence or other absences not related to the Company's business.
- 17.06 The Company will provide each Flight Crew Member with one (1) suitcase to be replaced at Company expense every five (5) years as well as a one-time Company determined Flight Bag.
- 17.07 Uniforms will be worn and maintained in accordance with Company policy.
- 17.08 The Company will consult with the Association before making changes to the uniform.
- 17.09 The Company will pay Flight Crew Members whose baggage is lost while on duty up to seven hundred and fifty dollars (\$750.00) of replacement value of such baggage and contents.

17.10 In the event a Flight Crew Member's suitcase is lost while on Company business, and the member requires the immediate replacement of clothing and toiletries necessary to complete the trip, the Company will reimburse the Flight Crew Member up to a reasonable amount for the actual expenses incurred on presentation of receipts. The reimbursement of such expenses shall not exceed seven hundred and fifty dollars (\$750.00) and will be considered an advance payment by the Company, and is part of the total baggage and contents replacement value allowance provided for in *Article 17.09* above.

18. VACATION

18.01 Definition

For the purposes of this Article, vacation will mean the total number of statutory holidays, combined with days of vacation, to which a Flight Crew Member is entitled.

18.02 Vacation Year

The vacation year shall commence May first (1st) in any year and terminate on April thirtieth (30th) of the following year. Vacation entitlement accrued in the current vacation year will be taken in the subsequent vacation year.

18.03 Vacation Carry Over

Vacations shall not be cumulative from year to year. Vacation entitlements shall be taken unless exceptional circumstances warrant otherwise and prior arrangements, confirmed in writing, are agreed to between the Flight Crew Member and Crew Planning. The Association will be notified in writing.

18.04 Statutory Holidays

In order to accumulate a Statutory Holiday, an employee must be available for work for fifteen (15) or more days during the thirty (30) day period immediately preceding said Statutory Holiday. After this period, Flight Crew shall accumulate Statutory Holidays at the rate of one (1) day for each month of their employment during which a Statutory Holiday falls. An employee who is absent from duty while on vacation, earned Statutory Holidays or sick leave (excluding Short-term or Long-term Disability) is considered to be "available for work" under the provisions of this clause. Flight Crew will not be eligible for Statutory Holidays that fall during the period that they are on a requested and approved leave of absence.

The nine (9) statutory holidays recognized and accredited by the Company are:

- New Years' Day
- Good Friday
- Victoria Day
- Canada Day
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- Boxing Day

18.05 Vacation Entitlement

A Flight Crew Member's annual vacation entitlement is based on years of service with the Company and will be awarded as follows:

Length of Service	Vacation
Less than one year	0.83 days/month + accrued statutory holidays
1 year up to 3 years	10 days + 9 accrued statutory holidays
3 years up to 10 years	15 days + 9 accrued statutory holidays
10 years and over	20 days + 9 accrued statutory holidays

18.06 Guaranteed Days Off (GDOs)

GDOs, as provided for in *Article 33* of this Agreement, will be added before and after the vacation period, and will be referred to as Vacation GDOs (VGDO). A Flight Crew Member must be awarded two (2) VGDOs immediately before and after each vacation block unless otherwise requested. These VGDOs will be awarded subject to operational requirements.

18.07 Vacation Availability

Vacation availability will be determined by the Company, in consultation with the Association, based on operating requirements. The Company will endeavour to make as much time as possible available in the summer months.

18.08 Vacation Bidding

Vacation bids will be awarded in order of seniority in accordance with the bidding procedures of this Article. Management Flight Crew Members as defined in *Article 50.01* will not be included in this bidding procedure.

18.09 Bid Award Procedure

The Company will, by the thirty-first (31st) day of January in each year, distribute Vacation Bid Packages for the following vacation year. There must be a sufficient number of vacation weeks allocated by aircraft, base and status to satisfy the vacation requirements of the pilot group. These packages will contain the following information:

- a) The total vacation allocations for each week of the vacation year,
- b) The Flight Crew Member's name,
- c) The Flight Crew Member's seniority number, and

- d) The number of days of vacation to which the Flight Crew Member is entitled.

The Flight Crew Member will, by the fifteenth (15th) day of February, complete his first vacation bid. In the first bid, the Flight Crew Member will bid within his entitlement for up to ~~two~~ (2) weeks vacation. Vacation will be bid in no less than one (1) week blocks. Less than a one (1) week entitlement will be bid on the second vacation bid.

The Company will, by the first (1st) day of March, publish the first vacation bid awards.

The Flight Crew Member will, by the fifteenth (15th) day of March, complete his second vacation bid. In the second bid, the Flight Crew Member will bid his remaining entitlement. Entitlement that falls short of a one (1) week block may be bid.

The Company will, by the twentieth (20th) day of March, publish the final vacation bid awards.

Each Flight Crew Member will submit bids with a sufficient number of choices of vacation periods.

Once the vacation awards are published, a Flight Crew Member cannot displace another Flight Crew Member from his vacation.

No vacation entitlement will commence with less than fifteen (15) days notice without the consent of the Flight Crew Member. Bidding is considered as consent.

18.10 Vacation Changes

- a) The Company will endeavour to give at least thirty (30) days notice of any change in a Flight Crew Member's awarded vacation. Such changes shall be by mutual consent where required to maintain operations provided that the replacement vacation time will recognize the personal preferences of the Flight Crew Member.
- b) Where the vacation is cancelled or rescheduled by the Company after being awarded, the Company will reimburse the Flight Crew Member for his non-refundable vacation costs forfeited as a result of such cancellation or rescheduling.

- c) Flight Crew Members holding the same assignment may mutually exchange vacation prior to the monthly bid deadline for the effective month subject to the agreement of Flight Operations, which shall not be unreasonably withheld.
- d) In the event that the Company determines that additional vacation periods of no less than one (1) week are available during the vacation year, a Flight Crew Member may indicate his desire to change his vacation award. A Flight Crew Member may express such vacation reassignment preference by submitting a Vacation Reassignment Bid at any time after the initial awards. Known available vacation periods shall be awarded in accordance with seniority.
- e) If a Flight Crew Member's vacation coincides with a period when he is receiving disability benefits, his vacation period may be deferred as follows:
 - i) During another vacation period mutually acceptable to the Flight Crew Member and the Company; or
 - ii) By exchanging it with that of another Flight Crew Member in the same assignment.
- f) If, during the vacation period, the Flight Crew Member suffers from a disability requiring unscheduled hospitalization of two (2) days or more, he may contact the Company to request deferral of the remainder of his vacation period.

19. LEAVES OF ABSENCE

- 19.01 Leaves of Absence (LOA) may be granted by the Company based on Company requirements and the merits of the personal request.
- 19.02 All such requests for a LOA must be presented in writing to the DFO, or his designate, for consideration. Each request will be considered on its merits and granting or denial will be based on such factors as management deems appropriate, after which, all other things being equal, seniority will be the deciding factor. In either instance, the individual so requesting shall receive a written response.
- 19.03 A Flight Crew Member granted a LOA of sixty (60) days or less, shall retain and accrue seniority for the period of such leave. A Flight Crew Member granted a LOA for more than sixty (60) days shall retain and accrue seniority except for pay, vacation and sick leave purposes.
- 19.04 A Flight Crew Member on a LOA will file his address with the Director of Flight Operations and will promptly advise that office of any change of address.
- 19.05 A Flight Crew Member on a LOA is eligible to maintain all or any group benefits at his expense, subject to the terms of such benefit plans.
- 19.06 A FCM on a LOA may be granted an early return upon request at the Company's discretion. A FCM shall be granted such request at the first opportunity for an available position.
- 19.07 In the event of a national emergency, when a FCM is ordered to extended military service, the Company will approve such a LOA and the FCM will maintain Seniority and Status in accordance with *Article 8.01* for the duration of the leave.

In the event of a request for a LOA for any other military service, such leave is subject to the Company's approval and if approved, the FCM will maintain his Seniority and Status for the duration of the leave, in accordance with *Article 8*.

- 19.08 In case of sickness or injury, a Flight Crew Member shall be granted a leave of absence until such time as he is able to return to flight duty; except that in no case shall a leave of absence for sickness or injury exceed a total continuous period of three (3) years unless extended by mutual agreement between the Company and the Association.

19.09 A Flight Crew Member returning from a leave of absence shall, consistent with his seniority, be permitted to return to duty, in accordance with his seniority, subject to re-qualifying on his previous or new equipment. In the event such Flight Crew Member's seniority does not permit him to hold his previous position, he shall be deemed to have been furloughed and will be permitted to exercise his seniority pursuant to *Article 21 – REDUCTION IN FORCE, FURLOUGH, AND RECALL*. In the event he is unable to hold a position, he shall be furloughed without notice.

20. FILLING OF ASSIGNMENTS

Management and Supervisory

20.01 Vacant management and supervisory positions will be posted. The notice will be posted for at least seven (7) days and will contain the following information:

- a) Position(s) available;
- b) Minimum qualification requirements;
- c) Commencement date of the duties;
- d) Closing date of the notice; and
- e) Date the position(s) will be awarded.

20.02 Following the closing date of the notice, all applicants that hold the minimum qualification requirements will be interviewed. The DFO, or his designate, will advise all Flight Crew Members, crew planning and/or crew scheduling of the interview schedule.

20.03 The name(s) of the candidate(s) selected to fill the vacant position(s) will be posted.

20.04 Copies of both the vacancy and award notices will be sent to the Association.

Flight Crew

20.05 Vacant Flight Crew assignments will be open for bid. The notice will be posted for at least seven (7) days and will contain the following information:

- a) Vacancies available;
- b) Minimum qualification requirements;
- c) Anticipated date of training;
- d) Closing date of the notice; and
- e) Date the bid(s) will be awarded.

20.06 All assignments will be awarded, subject to qualifications, in order of seniority number to Flight Crew Members who have submitted bids. Notification of awards will be promulgated no later than two (2) weeks after the closing date for bid submissions and in any case no less than one (1) week prior to commencement of training.

- 20.07 Once positions have been awarded, the Company will make every effort to train in order of seniority. The required training program will be at the discretion of Flight Operations. Where the Company schedules a junior Flight Crew Member's training prior to a more senior Flight Crew Member, the senior Flight Crew Member(s) to be trained will receive any increase in pay no later than thirty (30) days after the junior Flight Crew Member, and will receive the same anniversary date for subsequent annual incremental increases. This Article does not apply to a Flight Crew Member who requires training beyond the Company approved syllabus.
- 20.08 In the event a Flight Crew Member is considered by the Company not to be sufficiently qualified for the assignment for which he has bid, the Company will immediately inform the Flight Crew Member and the Association, in writing, stating the reasons therefore.
- 20.09 Should a Flight Crew Member be passed over because of inadequate qualifications and at a later date become qualified, he will be required to wait for a suitable vacancy before being permitted to bid up to a senior status.
- 20.10 Copies of both the vacancy and award notices will be sent to the Association.

21. REDUCTION IN FORCE, FURLOUGH, AND RECALL

- 21.01 When there is a downgrading from Captain to First Officer status, such downgrading will be in reverse order of seniority.
- 21.02 When there is a furloughing of FCMs such furloughing will be in reverse order of seniority.
- 21.03 In the event of downgrade or furlough of a FCM, the affected FCM will be permitted to exercise his seniority to maintain his status and/or active employment with the Company.
- 21.04 A First Officer who is furloughed may exercise his seniority to maintain his active employment with the Company, by displacing the most senior FCM, if any, on the Cruise Relief Pilot Seniority List. He will be paid at the Cruise Relief Pilot salary, based on his years of service as a FCM at the Company. The First Officer shall remain as the most senior pilot on the Cruise Relief Pilot Seniority List unless another and more senior First Officer is similarly furloughed.
- 21.05 The Company shall provide at least two (2) weeks written notice to a Flight Crew Member prior to his being furloughed, or two (2) weeks pay in lieu of such notice.
- 21.06 A copy of all furlough notices will be sent to the Association.
- 21.07 A Flight Crew Member will retain flight crew seniority and will not accrue time in service for pay and vacation purposes. Vacation and statutory holidays earned but not yet received will be paid out in accordance with the *Canada Labour Code*.
- 21.08 A FCM who is furloughed but wishes to return to service with the Company will file his address with the Director of Flight Operations (or his designate) and the Association and will promptly advise both of any change in address.
- 21.09 Reinstatement of Captain status and/or recall to Captain Status will be in order of seniority. A downgraded and/or furloughed Captain will retain the right to reinstatement to his previous status for a period of two (2) years from the anniversary date of his last Captain PPC.
- 21.10 Pilots will be recalled in order of seniority.

- 21.11 A recall notice is to be in writing and will contain a reporting date. Flight Crew Members who are recalled must return to service with the Company within thirty (30) calendar days of receiving notification by courier at the last address filed with the Director of Flight Operations. A longer period may be arranged if it is mutually agreed between the Company and the Flight Crew Member.
- 21.12 When notified of a vacant permanent position, a Flight Crew Member must advise the Company of his intentions within seven (7) days from the date of the receipt of the Company notice, failing which his name will be removed from the Seniority List, and he shall be deemed to have resigned from the Company without notice.
- 21.13 Should a Flight Crew Member elect not to return to service after two (2) recall notices and provided all junior furloughed Flight Crew Members have returned to service he will be deemed to have resigned without notice and his name shall be removed from the Seniority List.
- 21.14 Copies of all recall notices will be sent to the Association. The Company and the Association will make their best efforts to bring to the attention of such Flight Crew Member the particulars of such recall notice.
- 21.15 If the pilot's IFR qualification is due to expire within the twelve (12) months following the layoff date, the Company shall renew such qualification before the layoff takes effect.

22. MISSING, HI-JACKING, HOSTAGE & INTERNMENT BENEFITS

- 22.01 No Flight Crew Member will be forced by the Company to operate into any area that is otherwise not covered under the Company's aircraft fleet insurance policy. The Association shall have the right to refuse operations into these areas on behalf of its Flight Crew Members.
- 22.02 Any Flight Crew Member who, while on assignment or engaged in the course of his duties for the Company, becomes missing or his whereabouts becomes unknown or who 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 paid his appropriate salary during such absence.
- 22.03 The monthly compensation payable under *Article 22.02* shall be placed by the Company in an interest bearing trust account if no beneficiary has been designated by the Flight Crew Member or shall be disbursed by the Company in accordance with the written directions from the Flight Crew Member in the form letter prescribed in *Article 22.07*.
- 22.04 Any amount paid to a beneficiary in accordance with the above provisions, even though such payment was made after the death of an employee, will not be required to be returned by such beneficiary or by the estate of the employee provided that the Company is satisfied it has been promptly furnished by such beneficiary with any evidence indicating the death of such employee.
- 22.05 Where a Flight Crew Member under *Article 22.02* is missing under circumstances that would indicate being interned but there has been no confirmation, then the payment under this section shall be limited to fifty-two (52) regular pay periods.
- 22.06 A Flight Crew Member shall maintain and continue to accrue seniority and benefits during the period in which they are missing, interned, a hostage or prisoner of war.

22.07 Form Letter

TO: Skyservice Airlines Inc. Date: _____

You are hereby directed to pay all monthly compensation allowable to me, from Skyservice Airlines Inc. under the terms of "Missing, Hijacking, Internment, Hostage or Prisoner of War" Article of our Agreement to those designated as follows:
_____ percent of such compensation to:

(Name and address)

as long as living and thereafter to: (name and address)

(Name and address)

as long as living.

The balance, if any, and any amounts accruing after the death of all persons named in the above designations shall be held for me. In the event of my death before receipt thereof, said balance and amounts accruing shall be paid to the legal representative of my estate.

The foregoing direction may be modified from time to time by letter signed by the undersigned, and any such modifications shall become effective upon receipt of such letter by you.

I agree to indemnify and hold the Company harmless from any claims made relating to payments made by the Company pursuant to this direction and further. I hereby release the Company from any further claims to compensation paid by it on my behalf under this direction.

SIGNATURE _____

WITNESS _____

23. RETIREMENT

- 23.01 A Flight Crew Member who has reached age sixty (60) may elect to retire upon giving three (3) months advance written notice and shall be entitled to retiree staff travel privileges.
- 23.02 A Flight Crew Member who has not reached age sixty (60) may elect to retire upon giving three (3) months advance written notice. He shall be entitled to retiree staff travel privileges if his age and years of service (minimum of five (5) years) with the company equal sixty five (65).
- 23.03 If the Company requires an individual Flight Crew Member's expertise for the introduction of a new operation and/or aircraft type, the conditions of *Articles 23.01* and *23.02* would be waived.
- 23.04 The normal age of retirement for a FCM is age sixty-five (65). As such, a FCM may continue to operate an aircraft up to age sixty-five (65), subject to any applicable law(s) or regulation(s) (Canadian, international or other) that prohibits a FCM from doing so at an age less than sixty-five (65).
- 23.05 A Flight Crew Member who has reached age sixty (60) may be restricted to his present aircraft type. Transition training will be given only if necessary to ensure the Flight Crew Member's continued employment with the Company.
- 23.06 In recognition of existing legislation, Transport Canada and/or foreign state regulations, and/or ICAO requirements, the Company and the Association agree as follows:
- a) A FCM who has reached age sixty-five (65) may no longer be permitted to operate as a Captain. If the Company permits, subject to assessment of the FCM's performance, the FCM will be assigned to First Officer status, shall maintain their seniority, and be paid at the First Officer pay scale appropriate to their years of service;
 - b) The Company and the Association agree to re-negotiate the provisions of this Article if the legislation and/or regulations in effect at the time of signing this Collective Agreement should change.

24. GRIEVANCE PROCEDURES

24.01 It is the expressed desire of the parties hereto that any complaint of a Flight Crew Member, the Association, or the Company shall be resolved as quickly as possible. If a Flight Crew Member has a formal complaint, he may discuss the matter with the Pilot Manager and at this time he may be accompanied by an Association Representative if he so elects or the Association Representative may take the matter up on his behalf. If any such complaint is not settled to the satisfaction of the parties within ten (10) calendar days, the following steps of the Grievance Procedure may be invoked:

Step One: The Flight Crew Member shall present the grievance in writing within thirty (30) calendar days of the occurrence giving rise to the grievance, to the Pilot Manager who shall give his decision in writing within ten (10) calendar days;

Step Two: If no settlement is reached in Step One, the Association Representative and grievor, if required, and a representative of management will meet to discuss the grievance. If the grievance is not then settled within ten (10) calendar days, then at the request of either party to this Agreement, the grievance may be referred to arbitration within thirty (30) calendar days.

24.02 The Association may file a policy grievance at Step Two of the Grievance Procedure. An Association policy grievance is defined as an alleged violation of this Agreement concerning all or a substantial number of the Flight Crew Members in the bargaining unit.

24.03 Any grievance instituted by management may be referred in writing to an Association Representative within ten (10) full calendar days of the occurrence of the circumstances giving rise to the grievance, and the Association Representative shall meet within ten (10) calendar days thereafter with management to consider the grievance. If final settlement of the grievance is not completed within ten (10) calendar days of such meeting, the grievance may be referred, by either party, to a sole arbitrator as provided in *Article 25* at any time within thirty (30) calendar days thereafter, but not later.

24.04 At any hearing held throughout these procedures, the grievor shall have the right to be represented by the Association.

24.05 The grievor and the Company shall be given every opportunity to present evidence, either oral or documentary, make representations, and call witnesses.

- 24.06 Throughout these procedures, the grievor may, together with his representative(s), review any information contained in his personal file(s) or any document that the Company may introduce at any step of the grievance procedure. On request, the Company shall provide the grievor and the Association with **two (2)** copies each of all such documents.
- 24.07 At any hearing held throughout the grievance procedure, all witnesses and representatives who are employees of the Company shall be given time off and transportation so as to attend the hearing.
- 24.08 A Flight Crew Member will not be sanctioned for having filed a grievance.
- 24.09 If, as a result of any hearing or grievance as provided herein, the decision is to exonerate the Flight Crew Member, the personal record of the Flight Crew Member shall be cleared of the charges and all reference thereto shall be removed from all files.

25. ARBITRATION

- 25.01 Both parties to this Agreement agree that any dispute or grievance concerning the interpretation or alleged violation of this Agreement, which has been properly carried through all the steps of the grievance procedure outlined in *Articles 24.01* through *Article 24.02* above, and which has not been settled, may be referred to arbitration at the written request of either of the parties hereto.
- 25.02 Sole arbitrators will be used on a rotating basis. The sole arbitrators to be used during the term of this Agreement are: Robert Herman, Russell Goodfellow, Richard MacDowell, and Barry Stevens, or any other arbitrator mutually agreed to by the parties.
- 25.03 The decision of the sole arbitrator constituted in the above manner shall be binding on both parties.
- 25.04 The sole arbitrator shall not have any power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions, nor to give any decision inconsistent with the terms and provisions of this Agreement.
- 25.05 Each of the parties to this Agreement will bear one half of the expenses and fees of the sole arbitrator.
- 25.06 No person may be appointed as sole arbitrator who is involved in an attempt to negotiate or settle a grievance.
- 25.07 If there should be an accumulation of grievances to be referred to arbitration then one sole arbitrator may be constituted to deal with all such grievances provided the parties specifically agree to such procedure in writing.
- 25.08 All time limits in *Articles 24, 25, and 26*, may be extended by mutual consent of the parties set out in writing.

26. DISCHARGE AND DISCIPLINARY PROCEDURE

- 26.01 A claim by a Flight Crew Member who has completed his probationary period that he has been discharged, suspended, or disciplined without just cause shall be treated as a grievance if a written statement of such grievance is filed at Step Two of the Grievance Procedure within ten (10) calendar days after the Flight Crew Member ceases working for the Company, or has been suspended, or has been disciplined. Such special grievances may be settled by:
- a) Confirming the management's action in dismissing, suspending, or disciplining the Flight Crew Member, or
 - b) Reinstating the Flight Crew Member with full compensation for time lost, or
 - (c) Any other arrangement that is just and equitable in the opinion of the conferring parties or a sole arbitrator, except loss of seniority.
- 26.02 It is agreed that whenever a Flight Crew Member is to be called to a meeting with management for any discussions that may result in any form of discipline, the Flight Crew Member shall be informed of the nature of the intended discussion and his right to have an Association Representative present during the proposed discussion. If this mandatory procedure is not followed, any form of discipline resulting from the discussion is null and void. Credit for the Association Representative attending such meeting will not attract draft premium on a GDO.
- 26.03 If a Flight Crew Member has no disciplinary notations for twelve (12) months, then disciplinary notations will be removed from the Flight Crew Member's file. Flight Crew Members shall be entitled to review the disciplinary notations on their file upon ten (10) calendar days notice being given to the Company.

27. EXPEDITED PROCEEDINGS

27.01 Notwithstanding the provisions of *Articles 24* and *25* set out above, the parties agree that any complaints, issues, questions, or grievances, relating to:

- a) Flight Crew Member scheduling rules and issues;
- b) Application and interpretation of pairings and blocks and their preparation and assignment;
- c) Deadheading/Positioning issues;
- d) Start and finish time issues;
- e) Guaranteed day off (GDO) and grey day issues;
- f) Issues relating to being assigned and reassigned to and from blocks;
- g) Application of duty periods and trip hours; and
- h) Any other issues mutually agreed to by the parties in writing,

may be dealt with in accordance with the provisions of this Article.

27.02 For the purposes of this Article, any such complaints, issues, questions, or grievances are hereafter referred to as the "issue" or "issues".

27.03 If the Association or the Company has an issue as set out in *Article 27.01* above, such issue may be dealt with as follows, at the request of either the Company or the Association.

27.04 The issue is to be reduced to writing and given by the Association to the Company, or the Company to the Association for consideration and resolution. Once so given by one party to the other party, the other party must give a decision in writing within ten (10) calendar days.

27.05 If **no decision is** given pursuant to *Article 27.04*, or any unsatisfactory decision is given pursuant to *Article 27.04* within the applicable time limit, either party may submit the issue to be dealt with by way of an expedited proceeding as hereafter set out.

27.06 Expedited proceedings shall be heard by one of the following persons (the Arbitrator) who shall in every instance be selected by the parties drawing one of the four named Arbitrators on a random basis:

Robert Herman, Russell Goodfellow, Richard MacDowell and Barry Stevens or any other arbitrator mutually agreed to by the parties.

- 27.07 The written issue is to be submitted to the Arbitrator, as selected pursuant to Article 27.06. The Arbitrator shall arrange for a hearing to consider the issue within five (5) calendar days of receiving the issue, or such other time as may be agreed to in writing between the Company and the Association. The Arbitrator shall determine the time and place of hearing, after consulting the parties.
- 27.08 The parties shall attempt to agree on the facts relating to the issue, and make every reasonable effort to minimize the use of witnesses in such proceedings. The parties agree not to use lawyers to represent them in such proceedings. Such proceedings shall be conducted in the most informal and expeditious manner possible.
- 27.09 The Arbitrator hearing the issue shall base his/her decision upon a consideration of:
- a) The Agreement between the parties;
 - b) Applicable policies of the Company;
 - c) Existing practices relating to the issue;
 - d) Submissions of the parties; and
 - e) Any agreed to facts relating to the issue.
- 27.10 The Arbitrator hearing the issue shall, whenever possible, deliver a decision orally at the conclusion of the proceedings, or, give a brief written decision within ten (10) calendar days of the conclusion of the proceedings.
- 27.11 The fees and expenses of the Arbitrator shall be split equally between the parties.
- 27.12 The decision of the Arbitrator shall be final and binding on the parties and shall not be appealed, judicially reviewed, or pursued further pursuant to the provisions of Articles 24 and/or Article 25.

Articles 28, 29, 30, 31 intentionally left blank

**NORMAL OPERATIONS
&
SCHEDULING**

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32. CREDITS

32.01 Flight Credits

A Flight Crew Member shall receive credit equal to the greater of the following:

- a) The actual flight time, OR
- b) The minimum duty period guarantee of four **(4)** hours, OR
- c) One-half ($\frac{1}{2}$) of the actual duty period, OR
- d) A trip hour guarantee of one (1) hour for each six (6) hours of time away from base.

32.02 Training Credits

Flight Crew Members involved with training that is not part of a pairing will be credited as follows:

- a) Flight - the actual flight time for a training flight.
- b) Simulator/FTD - time will be credited at the rate of one-for-one for time actually spent in the simulator. Simulator instructors and check pilots will receive an additional two (2) hours of credit for briefing and debriefing for each simulator/FTD session conducted.
- c) Ground – four **(4)** hours credit for each day of ground school training. A ground school instructor will be credited with six (6) hours per day.
- d) There will be no overtime or draft premium paid for additional training or simulator checks required by a FCM who did not meet standard. If the FCM is rescheduled for such training on his GDO, the GDO will be replaced within forty-five **(45)** days.

32.03 Deadheading/ Positioning Credits

For any duty period consisting of deadheading or positioning, a Flight Crew Member shall receive credits equal to the greater of the following:

- a) Deadheading or positioning following flight duty: one-half ($\frac{1}{2}$) of the flight time from scheduled (or actual) departure to scheduled (or actual) arrival at final destination, or one-half ($\frac{1}{2}$) of the duty period, whichever is greater.

- b) Deadheading or positioning only duty periods shall be credited with one-half (%) the time from scheduled or actual departure to scheduled or actual arrival at final destination.

NOTE 1: When positioning is longer than scheduled, the times shall be annotated on the Positioning Report.

NOTE 2: Credits will not be granted for total ground transportation of sixty (60) minutes or less.

NOTE 3: Deadheading or positioning **is** considered a "Duty Period" as per *Article 32.01*.

32.04 Reserve Duty Credit

A Flight Crew Member shall receive three (3) hours credit for each period of reserve duty.

32.05 Vacation Credits

A Flight Crew Member shall receive four **(4)** hours credit per day of vacation.

32.06 Duty Change/Removal/Cancellation Credit and Reassignments

When a pairing, flight, and/or duty assignment *is* cancelled, the FCM will either be released from duty or made reassignable, and the following provisions apply:

- a) If the FCM is released, they will receive no credit for the originally scheduled flight and/or pairing.
- b) If reassigned and the originally scheduled duty period was a single duty period, the FCM will receive the credit for the originally scheduled duty period or the reassigned duty, whichever is greater;
- c) If the originally scheduled pairing was a multi-day pairing, the FCM may be reassignable for each day of scheduled duty. If reassigned, the FCM will receive the greater of the credit for each duty period completed, or the duty originally scheduled during those duty periods. Other than the first day, Crew Scheduling shall determine which reassignable period will be applicable for each day of the reassignable days.

Example – Removal from Duty

A FCM exceeds his maximum flight duty time in a 7 day period and is removed from a pairing. He shall receive no credit for the pairing from which he was removed and may be reassigned to duty for which he is legal. Should he be reassigned, he will receive the greater of the duty completed or the duty originally scheduled for the days in question.

- d) A reassignment will not extend beyond the original assigned or planned absence and any succeeding grey days.
- e) A FCM who is reassignable as in *Article 3.39* with an originally scheduled reporting time at or before 12:00L, shall contact Crew Scheduling between 14:00L and 18:00L the night before.
- f) A FCM who is reassignable as in *Article 3.39* with an originally scheduled reporting time after 12:00L, shall contact Crew Scheduling between 18:00L and 22:00L the night before.

32.07 Extended Charter Operations/Wet Lease

The Flight Crew Member shall receive credits and per diem allowance according to this Agreement except for specific agreements between the Company and the Association.

32.08 Displacement Credits

A Flight Crew Member shall receive the Flight Time Credits provided in *Article 32.01(a)* if displaced from a flight or flights in his block by Management/ Supervisory/Transport Canada flying or Training. He shall receive no other credit for such day displaced unless reassigned to other flight duty that entitles him to greater credit than the displaced flight(s).

Example– Displaced from a Duty

A FCM is displaced from a pairing so that a Supervisory pilot can complete a Line Check. He is placed on reassignable. If he is not reassigned to another duty, he shall receive credit for the pairing from which he was displaced. If the FCM is reassigned, he shall receive the greater of the duty completed or the duty originally scheduled.

32.09 Displacement or removal will not be used to prevent an overtime situation, except in the case of removal of a Reserve assignment as per *Article 32.10*.

Note: This Article does not preclude removal due to flight or duty cancellation or where legal requirements cause the removal.

32.10 The Company may remove a FCM's Reserve duty to prevent overtime under the following conditions:

- a) Notice of removal must be provided to the FCM by Crew Scheduling no less than twenty-four (24) hours prior to the beginning of the Reserve period being removed. The FCM will be considered to be released and on a Grey Day.

- b) A FCM who is called to duty on a Reserve day, where such duty extends into a Grey Day or GDO may be subject to having Reserve Duty removed to prevent overtime at the Company's discretion.
- c) Notwithstanding the provisions of this Article, a FCM who accepts a draft on a GDO or a Grey Day assignment during a month (as defined by this Agreement), shall not be removed from any duty to prevent overtime, and the provisions of this Article shall not apply.

32.11 Meeting Credit

A Flight Crew Member shall receive four **(4)** credit hours for each day of meetings that are requested by the Company including each separate day of travel to and from such a meeting, provided no other credit is given for such a day.

32.12 Month of Credit

When a sector starts in one month and ends in another (UTC), it shall be credited to the month in which it started. A sector is from departure to arrival of a flight or ground transport.

33. GUARANTEED DAYS OFF (GDO'S)

33.01 A Flight Crew Member will be entitled to receive a minimum of eleven (11) GDOs in each month, at his assigned or home base. A Flight Crew Member will not be assigned any stand alone GDOs unless requested by the FCM.

33.02 Every effort will be made to ensure that GDOs are not disrupted; however, Flight Crew Members may be drafted on a GDO as a last resort.

33.03 GDOs will be bid for and awarded by seniority during the normal monthly bidding procedure.

33.04 Open Flying List

a) An Open Flying List will be maintained by Crew Scheduling for any Flight Crew Member expressing their willingness to accept a GDO draft for pay and credit purposes under *Article 33.05*.

b) In order to Open Fly, the FCM will advise Crew Scheduling of date(s) he is available to fly. Least block disruption within the award will be taken into consideration.

c) The following criteria must be met in order to be awarded an open flight:

i) Guaranteed days off (GDOs) will be forfeited and not replaced; and

ii) The pilot must be legal in all aspects - crew rest, hard hours, etc.

33.05 Compensation for GDO/Vacation Duty

a) If drafted by the Company on a GDO or scheduled vacation, a Flight Crew Member will receive overtime pay at one hundred and fifty percent (150%) of his hourly rate for all credits earned during the drafted duty period. Such GDO or scheduled vacation shall not be replaced.

b) A Flight Crew Member whose previous duty day extends into a GDO shall be paid, in addition to his salary, those credits provided in *Article 32.01* earned on that portion of the flight or pairing which occurs on the GDO and such GDO shall not be replaced.

c) If a Flight Crew Member is drafted for a pairing which includes a GDO/Vacation and he thereby becomes illegal for a subsequent pairing (the "removed pairing"), he shall receive overtime pay for the credit earned on the GDO/Vacation, plus credit for the difference between the GDO/Vacation and the removed pairing credits.

Example 1:

A Flight Crew Member is drafted on a GDO for a pairing which accrues five (5) credit hours – he receives pay at overtime rates for those five hours under *Article 33.05(a)*.

If as a result of this GDO draft he becomes "illegal" for a subsequent pairing worth eleven (11) hours, he would receive overtime pay for the five (5) hours actually flown, and six (6) hours credit towards his monthly total under *Article 33.05(c)*.

If the reverse occurred, and the Flight Crew Member was drafted on a GDO for a pairing worth eleven (11) hours and became "illegal" for a subsequent five (5) hour pairing, he would receive eleven (11) hours overtime pay under *Article 33.05(a)* and no credit towards his monthly total.

- d) If he is reassigned during the removed pairing, he will receive overtime pay for the credit earned during the GDO/vacation assignment, plus credits equal to the greater of:
 - i) Those earned during the reassignment, or
 - ii) The difference between the GDO/vacation assignment and the removed pairing.

Example 2:

A Flight Crew Member is drafted on a GDO for a pairing which accrues five (5) hours becomes "illegal" for his next day's pairing which would have been worth eleven (11) credit hours. In this case, he is entitled to five (5) hours overtime pay under *Article 33.05(a)* and a minimum of six (6) credit hours calculated as follows:

If, during the "illegal" pairing period, he is not reassigned or is reassigned to a pairing worth six (6) credit hours or less, he will be credited with six (6) hours under *Article 33.05(d)(ii)*.

If he is reassigned to a pairing that is greater than six (6) credit hours, he will receive credit for the hours flown on the new pairing under *Article 33.05(d)(i)*.

- e) Credits accumulated and paid during a GDO will not be included in the monthly total.

33.06 A GDO will be shown as an "X" on the blocks.

33.07 GDOs will be pro-rated to reflect availability for duty during the block period.

34. RESERVE

34.01 The two reserve periods are:

- a) Reserve 1: 0300 - 1459
- b) Reserve 2: 1200 – 2359

34.02 When a FCM is on reserve, he is required to be available at a designated telephone number to receive flight duty assignments and to report for flight duty not later than two (2) hours after the assignment is received.

A FCM on Reserve who cannot be reached by Crew Scheduling after two (2) consecutive calls at least fifteen (15) minutes apart is deemed to be unavailable

A FCM on Reserve may be granted a temporary release from duty for personal reasons of up to two (2) hours at Crew Scheduling discretion. The FCM will not be considered to be unavailable during this time. Such release will not be unreasonably withheld.

34.03 A day of reserve only is not a flight duty period. Reserve duty does not constitute flight duty under time free from duty.

34.04 When a FCM is called to work while on reserve, the duty period should begin within the assigned reserve period. If the duty period does not begin within two (2) hours following the assigned reserve period, the Flight Crew Member will receive credit for the reserve period completed, as well as the flight time credits for the flight duty assignment.

35. ASSIGNMENT OF ADDITIONAL DUTY

35.01 Flight Crew Members may be assigned to additional duty not scheduled on their block award taking into consideration block disruption. Additional flying duty, including related deadheading may be assigned in advance amongst Flight Crew Members in the same assignment in the following sequence:

- a) Re-assignable
- b) On a Grey Day in order of lowest to highest hours with least block disruption.
- c) On scheduled Reserve.
- d) On a Grey Day in reverse order of seniority/bidding order.
- e) On a Guaranteed Day Off and registered for open flying in order of seniority/bidding order with least block disruption.
- f) On a Guaranteed Day Off and not registered for open flying in reverse order of seniority/bidding order.

35.02 Each Flight Crew Member accepting a grey day assignment will receive an additional GDO on a date mutually agreeable between Crew Planning/Scheduling and the Flight Crew Member within forty-five (45) days of the grey day assignment.

35.03 The Company reserves the right to assign any non-scheduled flight to a management Flight Crew Member without regard to the above sequence, and such flying shall be deemed to be "additional flying" under *Article 50.07(c)* of this Agreement.

35.04 A grey day will be shown as "/" on the blocks,

36. DEADHEADING/ POSITIONING

- 36.01 A Flight Crew Member shall not be planned to deadhead or position in the flight deck; however, they may be required to do so in unusual circumstances. When required by the Company to position and/or deadhead in the flight deck, the FCM shall receive full flight credits. If a FCM voluntarily agrees to change his pairing to deadhead in the flight deck, then he shall receive one half (1/2) credit as per a normal deadhead credit. Where there are repeated requirements for deadheading or positioning in the flight deck, the parties will discuss it with a view to minimizing such future requirements.
- 36.02 A Flight Crew Member deadheading in the passenger cabin will not be restricted to non-reclining seats.
- 36.03 A Flight Crew Member deadheading in the passenger cabin will be assigned Premier or Business Class seating when available.
- 36.04 (a) If positioning on another carrier, a FCM may travel economy on flights of less than 6 hours.
- (b) Except as provided for in *Article 36.05* and *Article 36.06*, FCMs positioning on another carrier on flights longer than 6 hours will position in Business Class. A FCM may accept less than Business Class for expediency, at his discretion.
- 36.05 Flight Crew Members positioning on another carrier on flights longer than six (6) hours to/from Canada where the final destination is/was in the E.U. in support of E.U. deployments as defined by *Article 41*, will be planned for travel using the following booking order:
- i. Premium Charter
 - ii. World Traveller Plus, Superior Economy or Equivalent
 - iii. Pre-assigned, reclining seats offering seat pitch of thirty-two inches (32") or greater
 - iv. Where (i), (ii) or (iii) are not available, the FCM shall be booked in Business Class.

- 36.06 (a) Flight Crew Members positioning on another carrier on flights longer than six (6) hours to/from Canada where the final destination is/was in the E.U., will be planned for travel using the following booking order provided that thirty-six (36) hours free from duty is provided to the FCM upon arrival at the destination:
- i. Premium Charter
 - ii. World Traveller Plus, Superior Economy or Equivalent
 - iii. Pre-assigned, reclining seats offering seat pitch of thirty-two inches (32") or greater.
- (b) Where *36.06(a)(i)*, *36.06(a)(ii)* or *36.06(a)(iii)* are not available, or where the Company is unable to provide thirty six (36) hours free from duty upon arrival at the destination, the FCM shall be booked in Business Class.
- 36.07 The Company and the Association shall meet on a seasonal basis, within sixty (60) days, but no later than thirty (30) days, prior to the commencement of any operation or deployment. At such meeting the parties will mutually determine and agree upon the most suitable travel arrangements (e.g. air carriers and routings).
- 36.08 If positioning on a charter carrier that permits pre-booking of seats, specific seats offering the most comfort will be pre-booked.

37. RELOCATION ALLOWANCES

37.01 The following sets out terms and conditions for the staffing of permanent and seasonal bases.

Positioning

37.02 For Flight Crew Members who travel to the base in a personal vehicle, the Company will allow the following days free of duty:

(a) Between current permanent base and the following designated new bases:

YYZ to/from YVR: 7 days free of duty

YYZ to/from YYC: 5 days free of duty

YVR to/from YYC: 2 days free of duty

(b) Between other bases, the days free of duty will be equal to the number of provinces traveled through, including the province of departure.

37.03 For each day free of duty allowed, as applicable, the FCM will receive full per-diem and re-imburement of submitted receipts for accommodation up to a maximum of CAD \$100.00 per night. Family/companion designees traveling with the FCM shall receive half per-diem.

37.04 If the FCM travels to the new base by car, a car allowance will be paid in accordance with the Company rate for actual distance driven from the current permanent base to the FCM's new base.

37.05 If the FCM travels to the base by air, then *Article 36* shall apply. Ground transportation between the eligible FCM's home and the applicable airport will be reimbursed by the Company, upon the submission of receipts, to a maximum of seventy-five dollars (\$75) Cdn.

Moving Costs

37.06 If the assignment is permanent, the Company shall reimburse submitted receipts for costs related to moving dependents, furniture, and effects. The Company shall designate the moving company, which moving firm shall be a national, reputable company. The Company will pay for insuring items, but packing/unpacking costs, or any other discretionary services will be at the FCMs own expense.

Articles 38, 39, and 40 intentionally left blank

SPECIALTY OPERATIONS

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41. DEPLOYED OPERATIONS

APPLICABILITY

41.01 The provisions contained herein shall apply to the following, as applicable:

- i) Canadian Registered – Seasonal Base
- ii) Canadian Registered (C-Reg) – Temporary Base Deployment
- ii) Foreign Registered – Temporary Base Deployment

Note: Seasonal Bases only apply to Temporary Captain Upgrades as defined in **Appendix G**.

41.02 There will be two (2) categories of deployments known as “Canadian Registered – Temporary Base” and “Foreign-Registered – Temporary Base”. Foreign Registered Deployments include, without limitation, Great Britain Registered (G-Reg) Deployments.

41.03 For the purpose of family/companion travel, “companion” shall be as defined in Skyservice travel benefits.

41.04 All FCMs hired after May 1, 2007 are required to accept a six (6) month deployment annually for the first five (5) years of employment with the Company.

41.05 The Company may assign Seconded FCMs, as defined in *Appendix E*, to seasonal and /or temporary bases prior to staffing these positions with Skyservice FCMs.

BID & AWARD PROCESS

General

41.06 The normal method used to fill vacancies at seasonal bases and temporary deployment bases shall be in accordance with the provisions of *Article 8 – Seniority*, except where specifically amended by this Article.

Deployments – General

41.07 Individual FCM deployment periods will be bid and awarded well in advance. A FCM must bid a minimum of thirty (30) consecutive days in order to be awarded a deployment schedule in accordance with this Article. FCMs will endeavour to bid for complete calendar months.

- 41.08 A FCM will not be required to be deployed outside his/her initially awarded deployment period without his/her written consent. In exceptional circumstances, a deployment may be extended for up to four (4) days. Extensions beyond four (4) days will be by mutual agreement only. Normal deployment terms and conditions will apply during this extension period.
- 41.09 Bidding, awarding and assignment to deployment will normally occur prior to the awarding of the vacation bids except where otherwise identified in this Article.

Canadian Registered – Temporary Base Deployment

- 41.10 Priority will be given to the FCM requesting the greatest continuous period away from their permanent base when awarding the deployment dates.
- 41.11 Flying will be awarded in accordance with seniority.
- 41.12 For any deployment of ninety (90) consecutive days or longer, previously awarded vacation will be taken while on deployment, unless mutually agreed between the Company and the FCM. For deployments of less than ninety (90) consecutive days, the Company shall reserve the right to move this vacation to another date outside the deployment period. Every effort will be made to move this vacation as close as possible to the original award date. While on vacation overseas, the FCM shall retain the use of the accommodations and vehicle provided, but will not receive per diem and gas allowance. Furthermore, vacation will not be deemed to break a continuous period of deployment; however, post-deployment vacation will not be used to trigger a bonus threshold.

Foreign Registered – Temporary Base Deployment

- 41.13 Subject to *Article 41.04*, FCMs may bid for a full deployment (six months) or a three-month deployment or a deployment period mutually agreed to between the Company and the Association. Individual FCM deployment duty periods for a specific base will be bid and awarded well in advance. Priority will **be** given in order of seniority when awarding the deployments.
- 41.14 In order to accommodate training, the deployment period may start earlier than the awarded bid period. Other than the above exception, a FCM will not be required to be deployed outside his/her initially awarded deployment period without the written consent of the member.

POSITIONING

Deployments

- 41.15 When positioning to/from a temporary base, the FCM will be positioned in accordance with *Article 36* except for the purpose of family travel which is subject to *Article 41.18*.
- 41.16 Pairings up to 20 days in support of deployments are subject to the travel provisions of *Article 36.05*.

Seasonal Bases

- 41.17 When positioning to/from a seasonal base, the FCM may be positioned in accordance *Article 37* at the Company's discretion.

FAMILY TRAVEL

Deployments

- 41.18 One (1) family/companion visit will be permitted for each six (6) week period of continuous deployment. The Company will book all flights. **All** such bookings will be on a confirmed status. Travel will be in charter or economy class unless the FCM requests a higher class, in which case the FCM will reimburse the Company for the difference. Should ground transportation be required between the airport of arrival and the FCM's base, the company will pay expenses associated with suitable transport to the FCM's base; however, the FCM will be responsible to coordinate such transport.
- 41.19 In lieu of family/companion travel, the FCM may travel back to their permanent base once every six (6) weeks on his/her own time and the Company will provide economy flights for this purpose. Per diem and fuel allowance will not be paid during this period. Travel of this nature will not be deemed to break a continuous period of deployment.
- 41.20 The FCM is eligible for either family/companion travel or personal travel for every six (6) consecutive weeks deployed as indicated above. The FCM may choose a combination of these options during the deployment period
- 41.21 The schedule for family/companion travel must be submitted to the Deployed Operations Coordinator as early as possible, but no later than three (3) weeks prior to the date of travel so the Company may better meet the FCM's or his/her family's/companion's needs. This requirement will not apply when a FCM is given less than four (4) weeks notice concerning their deployed

assignment. Any special requests or requirements must be submitted at this time.

- 41.22 The company will make every effort to pre-book seats so that dependants are assigned seating adjacent to the FCM or spouse/partner/guardian (as applicable). Any extra charges/fees for seat assignments (for those eligible as stated above), excess baggage (in accordance with *Article 41.73*), and any airport, improvement and/or security fees will be the responsibility of the Company.
- 41.23 The Company will make every effort to notify the FCM of his/her family/companion travel arrangements a minimum of seven (7) days prior to departure.
- 41.24 To eliminate confusion, FCM's or family members are not to contact airlines directly to change bookings.
- 41.25 The Company will make every effort to arrange air travel with the most direct and/or non-stop routing. However, travel dates may be adjusted to accommodate this provision.

ASSIGNMENT TO 30-DAY DEPLOYMENT(S)

- 41.26 In recognition of the importance of C-Registered deployments to the viability and stability of Skyservice Pilots' working conditions, 30-Day Deployments may be bid and awarded, or assigned, in accordance with the following provisions:
- 41.27 A 30-Day Deployment may only be used to fill a vacancy at a Canadian Registered temporary base.
- 41.28 A 30-Day Deployment shall be a maximum of thirty (30) days in duration.
- 41.29 30-day Deployment slots shall be identified during the C-Registered bid and award process. Vacancies shall be listed by aircraft type, base and status.
- 41.30 Following the C-Registered bid and award process, any remaining vacancies shall be filled using 30-Day Deployments that are bid for, and awarded, in order of seniority.
- 41.31 30-Day Deployments that are still not awarded at the end of the process defined in *Article 41.30*, will be assigned in reverse order of seniority, by aircraft type and status, subject to the restrictions set out in this Article.

- 41.32 A FCM may be assigned to one (1) 30-Day Deployment per fiscal year except as indicated in *Article 41.33*.
- 41.33 A FCM may be assigned to additional 30-Day Deployments providing all other FCMs of his status and type either have or will complete a deployment. This provision will carry over into the next fiscal year.
- 41.34 A FCM who has completed or will complete one (1) 30-Day Deployment may be assigned a subsequent 30-Day Deployment if the provisions of *Article 41.33* have been met.

A FCM who has completed or will complete sixty (60) days or more of deployment will be deemed to have completed ~~two~~ (2) 30-Day Deployments and will be bypassed until other FCMs have completed sixty (60) days of deployment during that same fiscal year.

Example 1:

During the bid and award process, an FCM is awarded a single 30-Day Deployment in August. If the Company needs to assign any FCMs to a 30-Day deployment in July of that fiscal year, the FCM shall be bypassed, and the next eligible FCM will be assigned to the July vacancy.

Example 2:

An FCM is assigned a 30-Day Deployment in July, and the Company requires an FCM of the same type and status to fill a 30-day vacancy in September. The FCM will be deemed to have fulfilled his obligation and will be bypassed. The next eligible, senior FCM will be assigned to the September vacancy.

Example 3:

An FCM is assigned to a 30-day deployment in May. All other FCMs of his type and status have or will complete one or more deployments that fiscal year, and the Company requires an FCM to fill a 30-day vacancy in October. Providing he is the most junior FCM and assignments commence at the bottom of the seniority list he may assigned a second 30-Day Deployment.

Example 4:

An FCM has been awarded a 2-month deployment for the months of May and June. All other FCMs of his type and status have or will complete a minimum of one 30-day deployment that fiscal year. Providing that there is at least one FCM of his type and status who has completed only one 30-day deployment that fiscal year, the FCM may be bypassed and the next most senior eligible FCM must be assigned a second 30-day deployment.

- 41.35 A FCM will not be assigned back-to-back (consecutive) 30-day deployments unless otherwise agreed to by the FCM.
- 41.36 A 30-Day Deployment vacancy that becomes available shall be identified on the monthly bid package cover letter. The name(s) of any FCM(s) required to fulfill their 30-Day Deployment obligation shall also be published. However, nothing shall preclude any other FCM from bidding for that vacancy as part of the normal, monthly bid and award process.

- 41.37 Exemptions from assignment to a 30-Day Deployment will only be in exceptional circumstances. Such circumstances shall be discussed by the Company, Association and FCM, and the exemption must receive agreement from the Association Executive and the Company.
- 41.38 Only deployments of 30 days or more that have been completed or will be completed will be considered as a 30-Day Deployment in accordance with this Article.
- 41.39 A FCM shall receive the Canadian registered per-diem as provided for in this Article.
- 41.40 Where a FCM has agreed to travel before commencement or after completion of a 30-Day Deployment, they will be paid the applicable per-diem rate for each travel day, prorated on an hourly basis for part days.
- 41.41 Per-diems shall be paid using Travelers' Cheques, unless arrangements have been made for direct deposit to the FCM's bank account.
- 41.42 A FCM assigned a 30-Day Deployment shall be scheduled for one (1) N/A day immediately prior to their departure from their permanent base. FCM's who bid for and were awarded a 30-Day Deployment shall be scheduled for one (1) N/A day, and if requested, ~~two~~ **(2)** GDOs immediately prior to their departure from their permanent base. The FCM shall be scheduled for one (1) N/A day and ~~two~~ **(2)** GDOs immediately upon their return to their permanent base. The FCM will be paid four (4) hours at one hundred and fifty percent (150%) of his hourly rate for each interrupted N/A day, to be credited and paid to the month in which they occur.
- 41.43 Travel to and from the 30-Day Deployment shall be in accordance with the provisions of *Article 36*.
- 41.44 For the duration of the 30-Day Deployment, the temporary base shall be considered the FCM's assigned base. GDOs shall be taken at that base, and pairings or flights away from that base will not attract additional per diem.
- 41.45 Accommodations for the duration of the 30-Day Deployment shall be in accordance with the standards outlined in this Article.
- 41.46 FCMs shall be provided with a vehicle for the duration of their 30-Day Deployment. The vehicle will meet the standards set out in this Article, including the insurance provisions. The daily C-registered per-diem rate is inclusive of the fuel allowance. Where the provision of a vehicle is not practicable, the Association and the Company will agree upon alternative transportation arrangements. Such agreement will not be unreasonably withheld.

TIME OFF

Deployments

41.47 Unless otherwise specified in this Article FCMs will receive the following time periods free from all Company Duty:

- a. Prior to departure from the FCM's permanent base:
 - i) Two **(2)** GDOs of their monthly entitlement will be scheduled immediately prior to the deployment period, unless specifically waived by the FCM; and,
 - ii) A minimum of one (1) N/A day to a maximum of three (3) N/A days from their entitlement (see "On return to Canada" for entitlement) as requested with their Bid.
- b. On arrival at the FCM's temporary base:
 - i) Thirty-six (36) hours.
- c. Prior to departure from the temporary base:
 - i) Twenty-four **(24)** hours if requested in writing by the FCM prior to travel arrangements being confirmed.
- d. On return to the FCM's permanent base from a Temporary Base deployment:
 - i) 3-month deployment: Six (6) N/A days;
 - ii) Full deployment (6-months): Seven **(7)** N/A days;
 - iii) These N/A days may be taken either prior to deployment (with restrictions as indicated above) or immediately upon return;
 - iv) N/A days will be assigned prior to any other duties unless mutually agreed upon between the FCM and his/her Pilot Manager;
 - v) Should any of the initial three (3) N/A days be interrupted, the FCM will be paid four **(4)** hours at 150% of his/her hourly rate for each interrupted N/A day. Any remaining interrupted N/A days will be replaced. It is understood that N/A days are for the purpose of re-establishing residence at home base in Canada, and therefore the Company will make every effort to ensure that such displaced N/A days are replaced at the earliest possible time.

Seasonal Bases

41.48 Unless otherwise specified in this Article FCMs will receive the following time periods free from all Company Duty:

- a. Prior to departure from the FCM's permanent base:
 - i) Two (2) GDOs of their monthly entitlement will be scheduled immediately prior to the secondment period, unless specifically waived by the FCM; and,
 - ii) A minimum of one (1) N/A day to a maximum of three (3) N/A days from their entitlement (see "On return to Canada" for entitlement) as requested with their Bid.
- b. On arrival at the FCM's seasonal base:
 - i) Thirty-six (36) hours.
- c. Prior to departure from the seasonal base:
 - i) Twenty-four (**24**) hours if requested in writing by the FCM prior to travel arrangements being confirmed.
- d. On return to the FCM's permanent base from a seasonal base:
 - i) **4** N/A days
 - ii) Two (**2**) GDO's immediately following the N/A if requested by the FCM.

TRANSPORTATION- DEPLOYMENTS

41.49 Except as otherwise mutually agreed, each FCM will be provided with a subcompact vehicle that includes full insurance with two hundred and fifty pounds sterling (£250) deductible. On request, a FCM will be provided a larger vehicle when his/her family arrives at the deployed base subject to the following guidelines:

- a) Individual FCM to a family of three (3): Peugeot 206 (equivalent) or larger;
- b) Family of four (4): Vauxhall Astra (equivalent) or larger;
- c) Family of five (5) or more: Mini Van or larger;

Note 1: "Family" includes the FCM and his/her immediate family.

Note 2: Where the provision of a vehicle is not practicable, the Association and the Company will agree upon alternative transportation arrangements. Such agreement will not be unreasonably withheld.

41.50 It is the responsibility of the FCM to give advance notice in writing to the Base Captain for the period that the larger vehicle is required. (i.e. arrival and departure dates of FCM's family). The vehicle will be replaced with the appropriate model once the FCM's family has departed his/her deployed base.

41.51 The FCM will be required to pay the vehicle deductible in the event it is damaged through abuse or negligence.

41.52 A fuel allowance is included in the per diem payments.

41.53 Ground transportation between the FCM's residence and home-base airport will be reimbursed by the Company, upon the submission of receipts, to a maximum of one-hundred dollars (Cdn\$100) when going to, and a maximum of one-hundred dollars (Cdn\$100) when returning from, deployment. Where personal vehicles are used, mileage will be paid at the Company rate up to a maximum of one-hundred dollars (Cdn\$100) when going to, and a maximum of one-hundred dollars (Cdn\$100) when returning from deployment. This allowance will increase by two dollars (Cdn\$2.00) effective April 1st of each year, for the duration of this Agreement.

41.54 While FCMs will endeavour to make alternative arrangements, personal vehicles may be parked in the Company parking lot for the duration of their deployment.

ACCOMMODATION

Deployments

- 41.55 Each FCM will be provided with separate accommodation in a safe and quiet neighborhood. Houses or apartments, with a minimum of two (2) useable bedrooms, will be provided to FCMs deploying for periods of thirty (30) days or greater. Consideration will be given to FCMs with families and children who accompany them. Other arrangements may be made when mutually agreeable between the Company and the Association.
- 41.56 The Company will pay costs associated with such accommodation including rent, utilities, cable or satellite TV, TV license, and telephone (excluding personal long distance charges). The FCM will be responsible for the daily upkeep of the accommodations (i.e. cleaning, minor repairs). Any individual found to be responsible for accommodation damages, beyond reasonable wear and tear, resulting in the loss of any portion of the deposit amount will be responsible for reimbursement of that amount.
- 41.57 The Company will make every effort to select accommodations with internet service (broadband where available). Alternatively, the Company will provide the FCM with a monthly allowance of twenty pounds sterling (£20) or equivalent upon verification of obtaining said service.
- 41.58 All accommodation will be fully equipped and furnished, as outlined in *Appendix F*.
- 41.59 A cleaning service will be provided, if required and requested, prior to the FCM moving into his/her accommodation and when the FCM vacates such accommodation. The Base Captain will authorize the cleaning service.
- 41.60 Where the Company is considering deploying FCMs to a location where accommodation standards set out in this Article are not available, or not practicable, the Association and the Company will mutually agree upon alternate accommodations. Such agreement will not be unreasonably withheld.

PER DIEM AND ALLOWANCES

Seasonal Base

41.61 A tax-free, pro-rated allowance of eight-hundred Canadian dollars (CAD \$800) per month for lodgings and incidentals will be paid from the day of arrival at the seasonal base until the day of departure (inclusive) from the seasonal base.

C-Registered Deployments

41.62 The daily per diem will be paid from the actual day of arrival until the day of departure (inclusive), except for vacation and FCM family travel.

41.63 For C-registered deployments less than ninety (90) consecutive days, the per diem rate shall be Sixty-two pounds sterling (€62) per day, or equivalent.

41.64 For C-Registered deployments of ninety (90) or more consecutive days, the per diem rate shall be Sixty-eight pounds sterling (€68) per day, or equivalent.

41.65 FCMs who complete a six (6) month C-Registered deployment period shall receive sixty-nine pounds sterling (€69) per day, or equivalent.

Foreign Registered Employer

41.66 (a) The 2007 and 2008 MyTravel (including the successor Operating Certificate airline to MyTravel) G-Reg per diem rate will be ninety-five pounds sterling (£95) per day.

(b) Foreign Registered (excluding *Article 41.66(a)* above) per diem rate will be the greater of:

- i) a target rate of ninety-five pounds sterling (€95) per day or equivalent conditional on agreement by the foreign carrier,
- ii) the maximum C-Registered per diem (above),
- iii) the per diem paid by the foreign carrier to their own pilots in the same operational theatre, and
- iv) the per diem paid by the foreign carrier to other contracted pilots in the same operational theatre.

(c) In the event the target per diem rate in *Article 41.66(b)(i)* above is not achieved through negotiations by the Company with the foreign carrier, and if the Association and the Company have not mutually agreed on an alternate rate as in *Article 41.66(b)(ii), (iii) or (iv)* above or some other rate, the matter will be referred to expedited binding arbitration. The arbitrator may hear evidence from the Company, the Association and the applicable foreign carrier in order to determine the per diem rate for the

deployment in question, taking into account, without limitation, the terms offered by the foreign carrier, the nature and unique business relationship that exists between the Company and its customers, the Company's financial considerations and fairness to the deployed FCMs.

- (d) Foreign Registered per diem will be paid from the actual day of arrival at the deployment base until the day of departure (inclusive) except for vacation and FCM family travel.

Deployments – General

41.67 The fuel allowance is included in the per diem rates.

41.68 The C-Registered per diem and the Foreign-Registered “target rate” per diem rate shall increase by two per cent (2%) on May 1st of each Collective Agreement year, commencing May 1, 2008.

RECREATION

41.69 The Company will provide access to recreational facilities at each deployed base. This may be arranged in the form of group memberships to gym and golf facilities whenever possible, consistent with reasonable cost.

EXTENDED HEALTH/DENTAL

41.70 The purchase of prescription drugs and dental work should be completed prior to departure from the FCM's permanent base whenever possible. Costs for these items that are incurred overseas must be submitted to the Skyservice Human Resources (HR) department using a Blue Cross Claim Form for reimbursement. HR should also be contacted to arrange more than a 30-day allotment of prescription drugs to cover the entire deployment period.

41.71 If the FCM or a family member incurs a sudden illness or dental work is required as the result of an accident, CanAssistance (514-286-7726) must be contacted (08:30 to 17:00 Eastern Time) in order to avoid out-of-pocket expenses.

INSURANCE

- 41.72 Contents insurance coverage for personal property will be provided for the FCM and dependents while occupying Company-provided accommodation to a maximum of seven-thousand, five-hundred dollars Canadian (\$7,500 CDN). The Company will settle all claims within sixty (60) days of receiving a police report from the FCM.

PERSONAL EFFECTS

- 41.73 FCMs and each family member will be entitled to carry personal baggage on flights to a limit of two (2) checked-in items per person. The Company agrees to pay any extra-weight costs associated with these items. Additional baggage may be carried on Company aircraft if space is available. Additional baggage not carried on Company aircraft will be shipped by the Company so as to arrive at its destination within two (2) weeks of the FCM placing it in the Company's care. The Company will pay for a maximum of one-hundred (100) kg of additional baggage per person traveling. FCMs must coordinate delivery of their effects through Flight Operations.

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TECHNICAL

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45. DATA RECORDERS

45.01 Any data or other information obtained from Data Recorders will not be used:

- a) By the Company to monitor Flight Crew Member judgement, ability, performance or technique in operating any aircraft subject to agreement reached under *Article 45.08*.
- b) By any party in any administrative, disciplinary, or discharge action proceedings of any kind against any Flight Crew Member, or for the development of information leading to such proceedings except in an accident or incident investigation.
- c) By any party in an incident or accident investigation as a means of seeking out information for use in any disciplinary, suspension, discharge, or termination action taken by the Company. However, data from such data recorders may be used to substantiate information obtained from other sources.

45.02 Video and audio recording may be utilized for training and checking purposes but will not be retained at the completion of the session and will be given to the Flight Crew Member(s) for erasure.

45.03 In the event of an incident or accident investigation, any data or other information from any Data Recorder shall be made available to the Company, accredited Association representatives, and the Flight Crew Member(s) or their estate(s).

45.04 All parties shall use their best efforts to ensure the security of all data or other information obtained from Data Recorders against unauthorized removal and/or playback.

45.05 No Data Recorders will record specific Flight Crew Member identification designators.

45.06 The removal of any Data Recorder (other than a completely erased cockpit voice recorder) for the purpose of data retrieval must be brought to the attention of the Association prior to the investigation of the incident or accident that caused the Data Recorder to be removed. No playback or other examination of any data or information will be undertaken by the Company or its representatives without the attendance or express prior approval of the Association and/or the Flight Crew Member(s) unless such attendance or approval results in a prejudicial delay.

- 45.07 In addition to the other restrictions of this Article, the use of any Cockpit Voice Recorders will be subject to the following:
- a) The Captain shall always retain the right to carry out a complete erasure at the end of any incident-free or accident-free flight, subject to regulatory requirements.
 - b) Prior to removal for maintenance purposes, a complete erasure is carried out by the maintenance personnel involved.
- 45.08 Provisions of this Article will not prohibit trend monitoring through a FOQA Monitoring Team. The terms of reference of this team will be subject to a comprehensive agreement on FOQA. Such agreement may be in the form of a future Letter(s) of Understanding.
- 45.09 Provisions of this Article will not prohibit trend monitoring through a LOSA/ LOSO program. The terms of reference of this program will be subject to a comprehensive agreement on LOSA/LOSO. Such agreement may be in the form of a future Letter(s) of Understanding.

46. ACCIDENTS OR INCIDENTS

- 46.01 Where a Flight Crew Member is involved in an accident or incident as defined by Transport Canada related to the operation of an aircraft while on duty, he may be held out of service with pay pending the outcome of any investigations into the accident or incident undertaken by the Company or any other governmental agency. In any case, the Association will be notified as soon as possible.
- 46.02 In order to hold a Flight Crew Member out of service, the Flight Crew Member must be so notified by the Director of Flight Operations or other management personnel that he may designate. In addition, within seven (7) days subsequent to such accident or incident, notification must be provided to the Flight Crew Member in writing along with the reasons thereof. A copy of the notice will be forwarded to the Association upon the Flight Crew Member's request.
- 46.03 In cases involving aircraft accident, a Flight Crew Member will not be required to commit himself orally or in writing to officials of the Company for twenty-four (24) hours following the accident unless the following conditions have been met:
- a) He has the opportunity to consult with the Association and/or his Legal Counsel, and
 - b) He shall make himself available for and has been afforded the opportunity of a medical examination by a medical examiner approved by the Association and the Company.
- 46.04 In cases involving aircraft incidents, a Flight Crew Member who is held out of service under the terms of *Article 46.01* above, will not be required to commit themselves orally or in writing to officials of the Company for twenty-four (24) hours following the incident unless they have the opportunity to consult with the Association and/or his Legal Counsel.

Where the investigation is undertaken by the Company:

- a) Every attempt will be made to issue a final report within three (3) months;
- b) Both the Flight Crew Member involved and the Association will be given the opportunity to participate in the Company investigation, and will be provided with a copy of any interim or final reports; and
- c) The Flight Crew Member involved and/or his designated representative(s) may, upon request and under the supervision of a Company designated representative, review any information contained in his files.

46.05 Any discipline or discharge action taken following an accident or incident shall be subject to the provisions of *Article 26 – DISCIPLINE / DISCHARGE*.

**MANAGEMENT
&
TRAINING**

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49. TRAINING AND QUALIFICATIONS

49.01 General

- a) The Company will make every effort to avoid scheduling a Flight Crew Member for simulator training between the hours of 0200L and 0600L.
- b) A Flight Crew Member shall be given all necessary briefings before undertaking simulator, aircraft training or proficiency checks. These briefings shall include the projected lesson segments and shall be in the form of a scripted session. All simulator training and checking conducted will adhere to the Transport Canada approved scripted lesson plan.
- c) The Company will make available a paper copy of the current student training package and relevant briefing notes. The training package and briefing notes will normally be made available at least ten (10) days, but not later than forty-eight (48) hours, prior to any simulator or FTD training.
- d) A Flight Crew Member shall be given, upon request, a copy of the Instructor's or Check Pilot's report on his training.
- e) A FCM may request one (1) GDO prior to recurrent training. If so requested, such GDO will be assigned prior to all other GDO awards. A FCM requesting a single GDO will not be deemed to waive the provisions of **Article 33.01**.
- f) The Company shall notify a Flight Crew Member a minimum of forty-eight (48) hours prior to recurrent training. A FCM will normally be planned with a recurrent simulator training session within forty-eight (48) hours prior to commencing a simulator check.

49.02 Failure to Demonstrate Proficiency - General

A Flight Crew Member who fails to demonstrate the required proficiency shall be subject to the following:

- a) He shall be given additional training in the areas in which the required proficiency was not demonstrated, which will be followed by the appropriate check.
- b) If the Flight Crew Member fails a second consecutive time to demonstrate the required proficiency, the Flight Crew Member's training record will be reviewed to determine whether or not additional training is warranted and justified. Consideration will be given to any factors outside the FCMs control. The Company will notify the Association of the intended course of

action. The FCM shall be advised of his future status within thirty (30) days.

- c) In the event additional training is not warranted, the Company shall deem the decision to terminate to be for just cause. If the pilot has appealed the failure to the Transportation Appeals Tribunal of Canada (TATC) within ten (10) days of the failure, the Company's decision will be postponed until the Tribunal has rendered a decision. The FCM will be on unpaid Leave status until the Tribunal's decision is rendered.

49.03 Failure to Demonstrate Proficiency – Recurrent Training

If a FCM fails to demonstrate proficiency during recurrent training, additional training will be provided to gain proficiency in the required areas. Such failure to demonstrate proficiency shall not be considered a "failure". If the FCM fails to demonstrate proficiency a second time after such additional training, *Article 49.02* will apply.

49.04 Failure to Demonstrate Proficiency – Type Conversion

A Flight Crew Member who fails to demonstrate the required proficiency shall be subject to the following:

- a) He shall be given additional training in the areas in which the required proficiency was not demonstrated followed by the appropriate check.
- b) If the Flight Crew Member fails a second consecutive time to demonstrate the required proficiency, he shall be advised of his future status within thirty (30) days.

49.05 Failure to Demonstrate Proficiency – Line-Check and Line Indoctrination

The following provisions apply:

- a) In the event that a FCM fails to obtain a recommendation for a Line Check in the Course of Line Indoctrination, he will be subject to the terms of *Article 49.02*.
- b) In the event a Flight Crew Member's line check is assessed as a failure, *Article 49.02* will apply and he will immediately be placed on Line Indoctrination status and will only fly under direct supervision of a Check Pilot for a maximum of twenty-five (25) hard hours which must include four (4) sectors unless determined competent sooner. He must successfully complete a line-check conducted by a different Check Pilot prior to reinstatement to line flying duties. If the Flight Crew Member fails a

second line-check he shall be advised of his future status within thirty (30) days.

49.06 Failure to Demonstrate Proficiency- Captain Upgrade

If a First Officer fails his upgrade or is not recommended for promotion to Captain, he will remain as a First Officer on the current type, or be returned to his former type, if applicable, at the Company's discretion.

Future upgrade attempts will be subject to *Article 20 - FILLING OF ASSIGNMENTS*. If at this time he is not considered as a potential Captain, he will be advised of his future status.

49.07 Failure to Demonstrate Proficiency – Additional Training or Check Ride

- a) In the event of the requirement for additional training or a check-ride, the Flight Crew Member shall have the option of having any additional training or checking conducted by a different Instructor or Check Pilot.
- b) The scheduling of subsequent training or a subsequent check ride, if any, will be set by the Company following examination of the reasons for the failure. Consultations will include the FCM, the Association and the Director of Flight Operations, or his designate.

50. MANAGEMENT AND SUPERVISORY FLYING

Management Flying

50.01 Management Flight Crew

Management Flight Crew are Flight Crew Members whose primary duty is the performance of managerial or executive duties for the Company, and who also operate Company aircraft as part of a flight deck crew. Management Flight Crew Members are:

- a) Vice President Flight Operations
- b) Director of Flight Operations
- c) Pilot Manager
- d) Manager Deployed Operations
- e) Manager of Standards & Training
- f) Chief of Standards – Airbus
- g) Chief of Standards – Boeing
- h) Chief of Training – Airbus
- i) Chief of Training – Boeing
- j) Chief of Ground Training
- k) Assistant Chief of Ground Training
- l) Flight Operations QA Manager
- m) Company Flight Safety Officer
- n) Deployed Operations Base Captains
- o) Flight Operations Project Manager

50.02 Nothing in this Agreement shall restrict the Company's rights to transfer Flight Crew Members to non-flying or management duties with their concurrence or the right to withdraw employees from such non-flying or management duties.

50.03 A Management Flight Crew Member shall notify the Company of his intention to resign his non-flying or management position, prior to returning to a line flying position.

50.04 A Flight Crew Member employed in a non-flying or management position or a Flight Crew Member who resigned from such duties will be permitted to exercise his seniority to bid on a vacancy in the same manner as Line Flight Crew Members, in order to return to line flying duties.

50.05 A Flight Crew Member transferred to non-flying or management duties shall retain and continue to accrue seniority.

50.06 The total revenue flying time to be operated by the Management Flight Crew Members listed in *Article 50.01(a)* through *Article 50.01(i)* should not be planned to exceed forty-five **(45)** hard hours per month.

50.07 Flying as described in **Article 50.06** shall not include:

- a) Displacement flying, in which a Flight Crew Member who has been scheduled for and is ready to fly, is displaced by a management Flight Crew Member, in which case the scheduled Flight Crew Member will be credited with the scheduled flying time so displaced. A Flight Crew Member so displaced shall be reassignable on the day(s) originally scheduled, provided such reassignment does not interfere with guaranteed days off or his next scheduled pairing;
- b) Flying to replace a Flight Crew Member who is not available as scheduled;
or
- c) Additional flying not previously scheduled.

Supervisory Flying

50.08 Supervisory Flight Crew

Supervisory Flight Crew are Flight Crew Members whose duty is to conduct training or checking of Flight Crew Members.

50.09 Nothing in this Agreement shall restrict the Company's rights to transfer Flight Crew Members to supervisory duties with their concurrence or the right to withdraw employees from such supervisory duties.

50.10 A supervisory Flight Crew Member shall notify the Company of his intention to resign his supervisory position.

50.11 Although Check and Training Flight Crew Members are considered supervisory Flight Crew Members, they will be members of the Association and their names will be retained on the appropriate Flight Crew Seniority List. The combined simulator, checking and line flying duties of Check and Training Flight Crew Members in any given month will not normally exceed the workload expected of Line Flight Crew Members.

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GENERAL

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53. MISCELLANEOUS

53.01 Copies of Agreement

The Company will provide each Flight Crew Member with a paper copy of this Agreement.

53.02 Savings Clause

Should any Article, or any provisions or part of this Agreement be void by reason of being contrary to law, the remainder of this Agreement shall not be affected.

53.03 Orders in Writing

All orders to a Flight Crew Member involving a change in assignment, promotion, demotion, dismissal, furlough, and leaves of absence, will be stated in writing with copies to the Association.

53.04 Technical or Personnel Files

A Flight Crew Member's technical or personnel files may be reviewed by the Flight Crew Member in the presence of an official of the Company at any time during office hours. All correspondence placed on a Flight Crew Member's file(s) will be copied to the Flight Crew Member. Prior to placing anything of an unfavourable nature on file, it will be reviewed by the Flight Crew Member and the Company. Disciplinary documents not related to technical competency will be removed from a Flight Crew Member's file and returned to the Flight Crew Member after twelve (12) months, provided twelve (12) months have elapsed without further disciplinary proceedings.

53.05 New Base Designation

Should the Company establish additional bases while this Agreement is in effect, the Company agrees to give the Association as much notice as possible in advance of the Company designating a base subject to competitive considerations and finalization of commercial arrangements.

53.06 Legal Counsel

The Company agrees to provide Legal Counsel and defend, free of charge, all Flight Crew Members and their estates in any judicial, quasi-judicial, or administrative proceeding or inquiry instituted by the appropriate authorities, arising in connection with the performance of their duties and to protect and hold them harmless from any judgement rendered there under, save in the case of gross negligence or wilful misconduct as ultimately found by court or

other body having jurisdiction, provided however that the rights of the employee or his estate will be assigned to the Company on request with respect to such actions.

53.07 Use of Company Equipment

No Flight Crew Member will be required to pay for the use of any Company equipment used in personnel training required by the Company, and no Flight Crew Member will be required to pay damage costs of airplanes or equipment damaged in the service unless such damage is due to the willful misconduct of a Flight Crew Member.

53.08 Reorganization of Corporate Structure

In the event that the Company changes ownership, merges with another company, or in any way changes its corporate identity, this Agreement will remain in full force and effect, and the provisions of the Canada Labour Code will apply.

53.09 Jury Duty

If a Flight Crew Member is summoned or subpoenaed for Jury Duty, Coroner's Inquest or to appear in court on behalf of the Company, the Company shall grant the employee a leave of absence, with pay.

53.10 Parking

Free car parking will be provided at the Flight Crew Members assigned base.

53.11 Jumpseat Policy

All active FCMs that appear on the Skyservice Pilot or Cruise Relief Pilot seniority lists shall be permitted to use the flight deck jump seat on any Company aircraft that appears on the Skyservice Airlines Inc. operating certificate, and the following provisions apply:

- a) FCMs must inform crew scheduling no later than twelve (12) hours prior to the scheduled departure time of their intended flight.
- b) FCMs must present themselves at the gate no later than forty-five (45) minutes prior to scheduled departure time and request jump seat approval from the Captain.
- c) FCMs shall be appropriately attired in uniform or business attire and must display their security pass.

- d) FCMs should not expect jump seat privileges during training and/or check flights.
- e) FCMs who are denied access to the jump seat may not exercise the complaint and grievance provisions of *Article 24*, and should notify the Association.
- f) In recognition of this provisions of this Article, the Association hereby agrees to the following:
 - i) All Skyservice FCMs are pre-authorized to occupy the jump seat without the prior approval of the operating Captain; and,
 - ii) The Captain will retain the final authority on the occupancy of flight deck jump seats; however, requests for jump seat entitlement shall be in accordance with the priority list outlined in Flight Operations policy.

Flight attendants, other Company personnel, and non-Company personnel will not be pre-authorized to occupy the jump-seat without the approval of the operating Captain. The Captain will have the final authority on the occupancy of cockpit jump-seats.

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54. DURATION

54.01 This Agreement shall be in effect from May 01, 2006 and shall continue in full force and effect until its expiry date on April 30, 2011, subject to Letters of Understanding as agreed to by the Company and the Association from time to time. This Agreement shall renew itself without change each succeeding year until written Notice to Bargain is served by either party within one-hundred and twenty (120) days prior to the expiry date. In the event that Notice to Bargain is given, this Agreement shall remain in full force and effect while negotiations are being carried on for the renewal of this Agreement.

In WITNESS WHEREOF, the parties hereto have signed this Agreement at Toronto, this _____ day of _____, 2007.

For
Skyservice Airlines Inc.

For
Skyservice Pilots Association of Canada
(SkyPAC)

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APPENDICES

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APPENDIX A - SENIORITY LIST

PILOTS (Seniority, Name & Date of Hire)

Seniority	Name	DOH	
1	Wim	Kuilder	05-Aug-90
2	Arnie	MacLeish	27-Jun-94
3	Alain	Jolicoeur	21-Aug-94
4	Don	Murray	11-Oct-94
5	Howard	Hendriks	13-Nov-94
6	Fernando	Gause	05-Feb-95
7	Bob	Walz	05-Feb-95
8	Marc	Siatkowski	27-Aug-95
9	Don	Burns	27-Aug-95
10	Len	Garand	27-Aug-95
11	Graham	Hudson	15-Oct-96
12	Dick	Reid	15-Oct-96
13	Dave	Wrathall	01-Jan-97
14	Jim	Cook	01-Jan-97
15	Darryl	Pajot	01-Jan-97
16	Anthony	Kairys	11-Feb-97
17	Dave	Buggie	11-Feb-97
18	Mark	Gallant	17-Aug-97
19	Jeff	Oliver	17-Aug-97
20	Denis	Cote	17-Aug-97
21	Don	Cowie	17-Aug-97
22	Peter	Nagnibeda	17-Aug-97
23	Robert	Mullin	17-Aug-97
24	Luis	Adame	17-Aug-97
25	Chris	McCabe	17-Aug-97
26	Graham	Ingham	17-Aug-97
27	Jim	Raleigh	17-Aug-97
28	Andrew	White	17-Aug-97
29	Randy	Jones	17-Aug-97
30	Murray	O'Shea	17-Aug-97
31	Trish	Bischoff	10-Mar-98
32	Steven	Simmons	01-Sep-98
33	Tom	Kluge	03-May-99
34	Nieram	Aieli	05-May-99
35	Tom	Clark	20-Jan-00
36	Tom	Kuilder	07-Feb-00
37	Brian	Reid	07-Feb-00
38	Mark	Kelso	03-Apr-00
39	Geoff	Scott	28-May-00
40	Matt	Bradley	28-May-00

41	Fazlollah	Mahdaviani	07-Jun-00
42	Eric	Murray	07-Jun-00
43	Santiago	Romero	07-Jun-00
44	Francisco	Gonzalez	07-Jun-00
45	Ed	Sawatzky	07-Jun-00
46	Mitch	Dumont	04-Jul-00
47	Danny	Ferracci	04-Jul-00
48	Dan	Harris	04-Jul-00
49	Iraj	Behnood	04-Jul-00
50	Reginald	Smith	04-Jul-00
51	Scott	McAllister	04-Jul-00
52	Cecil	Compagnon	04-Jul-00
53	Craig	Brown	08-Aug-00
54	Bertus	TenBrinke	08-Aug-00
55	William	Sherwood	10-Oct-00
56	Paul	Allred	10-Oct-00
57	Robert	Wrightson	10-Oct-00
58	Ali	Yazdan	10-Oct-00
59	Larry	Pinto	01-Dec-00
60	Tom	Young	01-Dec-00
61	Chris	Bigger	01-Dec-00
62	Vance	Envik	01-Dec-00
63	James	Harrison	01-Dec-00
64	Ian	Rampersaud	02-Jan-01
65	Andrew	Lillis	02-Jan-01
66	Jim	Burns	02-Jan-01
67	Mark	Moxham	02-Jan-01
68	Glen	Horseman	29-Jan-01
69	Neil	Savory	29-Jan-01
70	Thomas	Fairbank	29-Jan-01
71	Kevin	Chapeskie	29-Jan-01
72	Michael	McMahon	29-Jan-01
73	Andrew	Fasan	29-Jan-01
74	Brian	Laski	08-Feb-01
75	Kevin	Horrigan	08-Feb-01
76	John	McCann	08-Feb-01
77	Graham	Torgerson	01-Mar-01
78	Raffi	Ohannessian	01-Mar-01
79	Jeff	Armstrong	01-Mar-01
80	Ian	Robertson	01-Mar-01
81	Alec	Chritchley	01-Mar-01
82	Greg	Fitzpatrick	01-Mar-01
83	Nigel	Edwards	01-Mar-01
84	Dennis	Olichny	01-Mar-01

85	Elwyn	LouHing	01-Mar-01
86	Dan	Grant	01-Mar-01
87	Gary	Wieben	01-Mar-01
88	Peter	Jarrett	01-Mar-01
89	Glenn	Mitchell	01-Mar-01
90	Alison	Kerr	19-Mar-01
91	Damian	Cumiskey	19-Mar-01
92	Jon	Ascasibar	19-Mar-01
93	Peter	Plavins	19-Mar-01
94	Craig	Lortie	19-Mar-01
95	Terry	Clarke	19-Mar-01
96	Dwayne	Sperle	02-Apr-01
97	Greg	Pfeiffer	02-Apr-01
98	Peter	Tinios	02-Apr-01
99	Darcy	Mastad	02-Apr-01
100	Keith	Moore	16-Apr-01
101	Fraser	Allan	16-Apr-01
102	Barb	Hilliard	16-Apr-01
103	Nilesh	Mistry	27-Nov-01
104	Rob	Campbell	27-Nov-01
105	Joe	Davidson	27-Nov-01
106	Bill	Bodrug	27-Nov-01
107	Joe	Barnes	27-Nov-01
108	Mark	Cranfield	27-Nov-01
109	Philip	Wright	27-Nov-01
110	Joseph	Salonia	27-Nov-01
111	Robert	Tremblay	27-Nov-01
112	Gerry	Graham	27-Nov-01
113	Bob	Austin	27-Nov-01
114	James	Krueger	27-Nov-01
115	Thom	Hamilton	27-Nov-01
116	Chris	Ludwig	27-Nov-01
117	Bill	Comerford	27-Nov-01
118	Mark	Hughes	27-Nov-01
119	John	Bexfield	27-Nov-01
120	Fred	Ambs	27-Nov-01
121	Carl	Feldcamp	27-Nov-01
122	Scott	Cooper	27-Nov-01
123	Rodney	Chubbs	27-Nov-01
124	Robert	Jones	27-Nov-01
125	Michael	Kalucki	27-Nov-01
126	Michael	Baigent	27-Nov-01
127	Andre	DesRoches	27-Nov-01
128	Nicholas	James	27-Nov-01

129	Michael	Smith	27-Nov-01
130	Steven	Taggart	27-Nov-01
131	Michael	Huber	27-Nov-01
132	Michael	Parr	27-Nov-01
133	Chris	Culp	27-Nov-01
134	James	McPhee	27-Nov-01
135	Graeme	MacLean	27-Nov-01
136	Calvin	Humby	27-Nov-01
137	Stuart	Lewis	27-Nov-01
138	Jeff	Feltham	03-Jan-02
139	Bill	Lewko	16-Jan-02
140	Eugenio	Ardito	16-Jan-02
141	Jamie	Scero	16-Jan-02
142	David	Livingston	16-Jan-02
143	Donald	Hussey	16-Jan-02
144	Bernard	Castonguay	16-Jan-02
145	Susan	Macnamara	16-Jan-02
146	Glen	Crellin	16-Jan-02
147	Christopher	Lyons	16-Jan-02
148	John	Hudson	01-Feb-03
149	Chris	Kay	01-Feb-03
150	John	Pearson	01-Feb-03
151	Rida	Obeid	17-Feb-03
152	Andy	Dufault	17-Feb-03
153	Robert	Fleming	17-Feb-03
154	Craig	Finney	31-Mar-03
155	Peter	Mintha	31-Mar-03
156	Tim	Pirie	31-Mar-03
157	Gerard	Campbell	31-Mar-03
158	Malcom	Kenney	31-Mar-03
159	Derek	Gardner	04-Nov-04
160	Kevin	Figueredo	04-Nov-04
161	Chris	Kapetanou	01-Feb-05
162	Jeff	Martin	01-Feb-05
163	Rudolf	Jampen	01-Feb-05
164	Trevor	Tegart	01-Feb-05
165	Sandy	Boettcher	01-Feb-05
166	Aaron	Todd	01-Feb-05
167	Joe	Molnar	21-Mar-05
168	Steve	Bennett	22-Mar-05
169	Barry	Millward	01-Jul-05
170	Justin	Peter	15-Aug-05
171	Dennis	Agard	15-Aug-05
172	Javier	Cristancho	06-Sep-05

173	Andrew	Jarman	06-Sep-05
174	Alexander	Gushevski	19-Sep-05
175	Jasen	Brooks	19-Sep-05
176	Scott	Drover	19-Sep-05
177	William	Fulcher	03-Oct-05
178	Jeffrey	Young	07-Nov-05
179	Eric	Dionne	10-Oct-06
180	Kumar	Shanmugasundaram	23-Oct-06
181	James	Henderson	23-Oct-06
182	Christopher	Thomas	23-Oct-06
183	Johann	Hollerer	24-Oct-06
184	Gary	Wellstead	24-Oct-06
185	Brian	McDonald	24-Oct-06
186	Michael	Ramsay	24-Oct-06
187	James	Anderson	06-Nov-06

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APPENDIX B - PAY SCHEDULES

Captains

Old Level	New Level	May 01, 2006	May 01, 2007	May 01, 2008	May 01, 2009	May 01, 2010
	1	N/A	\$98,596	\$100,321	*	**
	2	N/A	\$100,644	\$102,096	*	**
1 →	3	\$102,816	\$104,615	\$106,446	*	**
2 →	4	\$105,774	\$107,625	\$109,508	*	**
3 →	5	\$115,566	\$117,588	\$119,646	*	**
4 →	6	\$122,910	\$125,061	\$127,249	*	**
5 →	7	\$129,438	\$131,703	\$134,008	*	**
6 →	8	\$135,966	\$138,345	\$140,766	*	**
7 →	9	\$143,922	\$146,441	\$149,003	*	**
8 →	10	\$151,980	\$154,640	\$157,346	*	**
9 →	11	\$155,754	\$158,480	\$161,253	*	**
10 →	12	\$160,548	\$163,358	\$166,216	*	**
					CPI - cap 3%	CPI - cap 3%

First Officers

Old Level	New Level	May 01, 2006	May 01, 2007	May 01, 2008	May 01, 2009	May 01, 2010
	1	N/A	\$50,875	\$51,765	*	**
	2	N/A	\$53,419	\$54,375	*	**
	3	N/A	\$55,962	\$56,919	*	**
	4	N/A	\$58,506	\$59,462	*	**
1 →	5	\$61,710	\$62,790	\$63,889	*	**
2 →	6	\$67,626	\$68,809	\$70,014	*	**
3 →	7	\$72,216	\$73,480	\$74,766	*	**
4 →	8	\$78,132	\$79,499	\$80,891	*	**
5 →	9	\$82,722	\$84,170	\$85,643	*	**
6 →	10	\$87,414	\$88,944	\$90,500	*	**
7 →	11	\$91,698	\$93,303	\$94,936	*	**
					CPI - cap 3%	CPI - cap 3%

* May 01, 2008 rates plus CPI capped at 3%

** May 01, 2009 rates plus CPI capped at 3%

Flight Engineer / Second Officer / Cruise Relief Pilots

70% of New Hire First Officer Pay Rates

Note: "New Level" will apply only to FCMs hired after June 6, 2007.

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APPENDIX C - PLANNING/SCHEDULING RULES

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SECTION ONE - INTRODUCTION

1. PURPOSE

1.01 The purpose of this Appendix is to provide the methodology for the distribution of Skyservice flying commitments.

2. AIM

2.01 To follow all regulations,

2.02 To ensure all flight crew are adequately rested and prepared for their flight operations.

2.03 To ensure equitable distribution of workload.

2.04 To achieve these aims, consideration will be given to length of duty day, periods of time off, cumulative duty hours and other such factors that may affect flight safety.

2.05 To prioritize requisite functions that affect flight operations. Such functions shall include training, line indoctrination, line training, check rides, vacation, leave of absence, and sickness, and

2.06 When a discrepancy arises between these rules and the associated government regulations, the most restrictive shall take precedence.

3. APPLICABILITY

3.01 With certain specified exceptions, these rules shall apply to all Flight Crew Members carrying out any duty at the behest of the Company.

4. RESPONSIBILITIES

Crew Planning

4.01 Crew Planning will publish rosters in advance so that operating crews can adequately plan pre-flight rest and days off.

- 4.02 Responsibility for the proper control of flight and duty time does not rest wholly with Crew Planning/Scheduling. Flight Crew Members have the responsibility to make optimum use of the opportunities and facilities that are provided for rest. They are also responsible for planning and using their rest periods properly in order to minimize fatigue. Government regulations place a further responsibility on Flight Crew Members in that they shall not act as operating flight crew if they know, or suspect, that their physical or mental condition renders them unfit to operate. Furthermore, they must not act as operating flight crew if they know that they are, or are likely to be, in breach of these or any applicable rules.

5. OPERATIONAL VARIANCE AND REVIEW

- 5.01 The Company and the Association, both recognize that any set of rules may not adequately address every situation that may occur. In resolving such exceptional circumstances, the Company shall be granted the latitude to resolve the issue, taking due recognition of the intent of these rules. Subsequently and periodically, these rules/circumstances will be reviewed by the Company and the Association, and the rules may be amended as mutually agreed.

SECTION TWO – CREW PLANNING

6. THE PLANNING PROCESS

- 6.01 Pairings are constructed by the Crew Planning department and distributed with a minimum of seven (7) days to bid for the following month's block. The bid closure deadline will not be earlier than the 15th day of the month. A FCM who is away from his home base on a pairing or training over the entire seven (7) day bid period will be provided a reasonable period of internet access at his accommodation at Company expense in order to complete his bid.
- 6.02 The final Bid Awards will normally be distributed by the 23rd of the month. These dates may be extended due to operational circumstances and will be posted in the bid and/or award packages as necessary. Any pairings that may have been deleted, changed, or added prior to the bid closure date will be posted as an "Update" on the website as well as an email notification to the entire pilot group. The Association will be advised whenever there are changes to the bid package.

- 6.03 The SkyPAC Flight Crew Scheduling Committee shall have the right to meet with the Company for the purpose of advising and consulting with regards to scheduling issues and problems as they arise from time to time and as otherwise provided in this agreement. The Association shall be notified of proposed schedule and pairing changes as far in advance as possible.
- 6.04 The SkyPAC Flight Crew Scheduling Committee should monitor and assist in the blocking process. Any inquiries or grievances arising from the published block awards shall be forwarded to the SkyPAC Flight Crew Scheduling Committee.

7. THE PAIRING BID PROCESS

Information

- 7.01 The following will be published by the Crew Planning department to provide Flight Crew Members with the required information to complete their monthly pairing bids:
- a) Bid closure date;
 - b) List of all Flight Crew Members who require recurrent training, ground training and required seminars, and the assigned dates if applicable;
 - c) List of all absences for each Flight Crew Member - vacation, SDO, LOA, N/A, and Association meeting dates;
 - d) A bid window average target for each Flight Crew Member status;
 - e) A pairing summary of all known pairings available with a chart showing check-in time, off-duty times, legal crew rest for the next pairing, total credit, month-end overlap credit, and crew required;
 - f) Each pairing summary will be numbered and shall include:
 - i) Dates;
 - ii) Flight numbers;
 - iii) Points of departure and arrival;
 - iv) Positions required;
 - v) Departure and arrival times in local and UTC time;
 - vi) Scheduled flight and duty times;
 - vii) Credit time for each sector, and total pairing credit; and
 - viii) Total Time Away From Base (TAFB);
 - g) The number of reserve duty periods to be completed;

- h) All ground school training will be bid for as part of the bid window where multiple dates are available;
- i) Recurrent simulator will be assigned and included in the bid package with consideration being given to advance requests; and
- j) Flight Crew Managers holding positions under *Article 50.01(a)* through *Article 50.01(i)* may select pairings prior to the publishing of the bid package. The intent of this provision is to allow management pilots to select a schedule which dovetails with other management functions. As a general rule, pairings will be selected based on operational need (e.g. new or challenging destination), oversight (training, checking), or schedule obligations.
- k) **All SkyPAC** pre-selected pairings in accordance with *Article 5.09*.
- l) The identification of training pairings to trainers, checkers, and students/candidates will occur prior to the publishing of the monthly bid package using the process and restrictions identified in *Appendix H*.

BIDDING

- 7.02 Each Flight Crew Member may submit a bid indicating his preferences.
- a) This bid may be faxed or emailed to the Crew Planning department.
 - b) In the event a Flight Crew Member submits an invalid bid, or does not bid sufficient pairings to protect his seniority, or fails to submit a bid, crew planning will rely on the Standing Bid in the computer. If there is no Standing Bid on file, the Crew Planner will assign the block.
 - c) **All** Flight Crew Members will be entitled to receive a minimum of eleven (11) GDOs in each month. A Flight Crew Member will not be assigned any stand alone GDOs by Crew Planning, except when specifically requested by the Flight Crew Member and when planning software/programs can accommodate such a request.
 - d) Crew Planning may assign a pilot who requires a check-ride or training flight to pairings that match the schedule of the assigned check/training pilot.

8. BLOCK CONSTRUCTION

Objectives

- 8.01 Crew Planning will construct the blocks with the following objectives:
- a) To grant the preferences bid by Flight Crew Members in order of seniority;
 - b) Avoid a pairing which conflicts with month-end overlap;
 - c) Adhere to the CARs regulation pertaining to consolidation period;
 - d) Ensure the correct number of GDOs are awarded;
 - e) Reserve days will commence no sooner than twelve (12) hours after the end of the previous duty period. Crew Planning may award and/or assign a pairing not less than twelve (12) hours after a scheduled Reserve day; and
 - f) The scheduling rules shall prohibit a pilot from bidding for flying or reserve duty for which he cannot perform due to prohibition or by regulation. Where regulations apply, the Scheduling Rules shall enforce restrictions.

Considerations

- 8.02 FLIGHT TIME LIMITATIONS - The flight time of a Flight Crew Member shall not exceed any of the following:
- i) 1200 hours in any 365 consecutive days;
 - ii) 300 hours in any 90 consecutive days;
 - iii) 120 hours in any 30 consecutive days; or
 - iv) 40 hours in any 7 consecutive days.
- 8.03 REPORT TIME - Report time will normally be scheduled one hour and thirty minutes (1:30) prior to the scheduled departure time. Report time may be reduced to one (1) hour for check-ins at the terminal, ferry flights, for flights scheduled with three (3) pilot crews, and where prior arrangements have been made to accommodate a reduced check-in.

8.04 FLIGHT DUTY TIME - Flight duty time as defined in this Agreement, is the time required to prepare, conduct, and terminate a flight or a series of flights.

- a) Where a Flight Crew Member is required to position/deadhead prior to a flight, all travel time following the reporting time will be included in the duty period. The reporting time for the purpose of calculating Flight Duty Time will be:
 - i) For travel by surface only, where the actual trip time is greater than thirty (30) minutes, the scheduled departure time of the ground transport; or
 - ii) For travel by surface and air, thirty (30) minutes after the scheduled departure time of the ground transport, or one (1) hour prior to the scheduled departure time of the flight, whichever occurs earlier; or
 - iii) For travel by air only, one (1) hour prior to the scheduled departure time of the flight.
 - iv) The actual travel time from a rest location to a designated reporting location will not be considered in the calculation of a duty day.
- b) A flight duty time period may be scheduled to fourteen (14) hours maximum if the period ends with the last leg operating. The fourteen (14) hour scheduled duty day may be extended up to one (1) hour by means of an augmented crew.
- c) When any additional Flight Crew Member is assigned to an augmented crew to provide in-flight relief, only one First Officer undergoing line-indoctrination training will be assigned.

8.05 SPLIT FLIGHT DUTY TIME - The flight duty time can be extended by up to one-half the length of the rest period used to divide the duty periods up to a maximum of three (3) hours so long as:

- a) The Flight Crew Member has advance notice of the split flight duty time;
- b) The Flight Crew Member receives a rest period of at least four **(4)** hours in suitable accommodation of single rooms;
- c) The Flight Crew Member's rest is not interrupted by the Company during the rest period, and;
- d) The subsequent minimum rest period is increased by an amount at least equal to the extension.

- 8.06 The minimum time between duties for a split duty day shall include fifteen (15) minutes post-flight time, four (4) hours at the hotel, travel time to/from the hotel, and the report time.
- 8.07 DUTY PERIOD - Duty period is the elapsed time during which a Flight Crew Member is continuously on duty from scheduled reporting time (or actual reporting time, whichever is later) until time of release from duty, and which is not broken by a minimum rest period.
- 8.08 A duty period may be planned up to a maximum of seventeen (17) hours when it ends with a deadheading/positioning period.
- 8.09 For unforeseen operational circumstances, and at the Captain's discretion, a duty period may be extended to twenty (20) hours when it ends with a deadheading/positioning period.
- 8.10 Ground training will be planned up to a maximum of eight (8) hours per day, excluding lunch and break periods.
9. LATE FINISH/EARLY START
- 9.01 No more than three (3) consecutive duties that occur within any part of the period 0100L to 0659L will be planned, nor will there be more than four (4) such duties in any seven (7) consecutive days not broken by a rest period of at least thirty-six (36) hours.
10. MINIMUM REST PERIOD
- 10.01 The minimum rest period following a duty period will be:
- a) Home Base - The minimum rest period at a Flight Crew Member's home base will not be less than thirteen hours and thirty minutes (13:30) chock to chock. This time may be reduced to thirteen (13) hours with a one-hour check-in.
 - b) Away from Home Base - The minimum rest period at a facility away from a Flight Crew Member's home base will not be less than twelve (12) hours chock to chock. This time may be reduced to eleven hours and thirty minutes (11:30) with a one-hour check-in.
 - c) Transoceanic Flight - On return to a Flight Crew Member's home base following a pairing that included a layover more than four (4) time zones away from home base followed by a transoceanic flight, the minimum rest will not be less than twenty-four (24) hours chock to chock.

- d) Long Range Flight- The minimum rest period must be at least equal to the preceding duty period.
- e) Deadheading/Positioning - When the duty period ends with deadheading or positioning, the minimum rest will be increased by half the amount of the deadhead period past the 14/15 hour duty day or the Long Range flight, whichever is greater.
- f) Company Related Requirements- Meetings and/or training will follow the minimum rest period.

11. TIME FREE FROM DUTY

11.01 A Flight Crew Member must be provided at home or away from home base:

- a) One period of at least thirty-six (36) consecutive hours within each seven (7) consecutive days or one period of at least 3 consecutive calendar days within each seventeen (17) consecutive days; and
- b) At least twenty-four (24) consecutive hours free from duty following three (3) consecutive flight duty time assignments that exceed twelve (12) consecutive hours unless the Flight Crew Member has received at least twenty-four (**24**) consecutive hours free from flight duty between each of these flight duty assignments.

12. DAY ROOMS

12.01 While away from home base:

- a) Day rooms will be provided for layovers of four (4) hours or more but less than eight (**8**) hours. For mixed gender flight crew, two (2) rooms will be provided; and
- b) Individual day rooms will be provided for any layover in excess of eight (8) hours.

13. LEAVE OF ABSENCE

A Flight Crew Member's block shall be reduced by two hours and fifty minutes (2:50) for each day of a planned leave of absence.

SECTION THREE - CREW SCHEDULING

14. OVERVIEW

- 14.01 Crew Scheduling is the day-to-day monitoring of flight operations and crew scheduling requirements and legalities. The considerations detailed in crew planning apply to crew scheduling.
- 14.02 Once the Crew Planning department has awarded and distributed the block awards, the information is downloaded into Crew Scheduling's computer system, which is now the "live" version of the blocks. This system constantly changes, day-to-day, to reflect the actual records of what happened or what is scheduled to happen up to the end of the current month. This system is used to track hours, hotels, per diem, transport, payroll, legalities, etc.
- 14.03 Once the actual times are entered into Crew Scheduling computer, the system will evaluate, calculate, and give warnings of potential upcoming problems. The computer program calculates the actual hard hours up to midnight local at the Flight Crew Member's base for Transport Canada Flight Time Limitations.
- 14.04 Once the month starts, any changes to the pairings will be handled by the Crew Scheduling department.
- 14.05 BOOKING OFF - when a Flight Crew Member is unfit to fly, he will call Crew Scheduling with as much notice as possible to book-off. The Flight Crew Member will remain on book-off status until he calls to book back on. Book off days will not be counted as sick days if they fall on a GDO, SDO, grey day or a vacation day.
- 14.06 BOOKING ON - to book on for the next scheduled pairing, a call to Crew Scheduling by 1300L the day prior is required. The Flight Crew Member may call scheduling prior to 1300L and request a hold to book back on no later than twelve (12) hours prior to scheduled flight departure time.
- 14.07 CHECKING IN - all Flight Crew Members are required to check in a minimum of twelve (12) hours prior, to the report time of all scheduled pairings.
- 14.08 DISPLACEMENT - When a Flight Crew Member has been displaced, as defined in *Article 3.15* of the current Agreement, he may now be classified as reassignable during this time. Displacement credits are summarized under *Article 32.08*.
- 14.09 REASSIGNABLE - When a Flight Crew Member is reassignable, as defined in *Article 3.39* of the current Agreement, he shall be treated as described in *Article 32.06*.

15. EXTENSIONS TO SCHEDULED DUTY DAYS/FLIGHT TIME LIMITATIONS

Unforeseen Operational Circumstances

- 15.01 The flight duty time limits (at home or away from base) may be extended by the Pilot-in-Command up to a maximum of three (3) hours when unforeseen operational circumstances are encountered after the Flight Crew Member leaves his rest facility to start his duty period if:
- a) The Pilot-in-Command, after consultation with the other crew members, considers that it is safe to do so; and
 - b) The minimum rest period prior to the next flight duty time is increased by an amount at least equal to the extension of the duty period beyond 14/15 hours.
- 15.02 Where an extension due to unforeseen circumstances causes a Flight Crew Member to exceed the Flight Duty Time or Flight Time Limitations, the flight is permitted to continue to destination and the Pilot-in-Command shall report the reason and the length of the extension in the Captain's report.

16. DELAYED REPORTING TIME

- 16.01 When a Flight Crew Member is notified of a delay in reporting time prior to leaving the rest facility (home or hotel), and the delay is in excess of three (3) hours, the Flight Crew Member's duty period will be considered to have started three (3) hours after the original reporting time. Where the delay is less than three (3) hours, the duty period will be considered to start at the actual delayed report time.
- 16.02 If the delay occurs less than ten (10) hours prior to the original report time, Crew Scheduling will attempt to advise the Flight Crew Member 1½ to 2 hours prior to report time.
- 16.03 The Flight Crew Member may be advised of a delay to establish a new report time, provided that the Flight Crew Member is advised at least ten (10) hours prior to the amended report time, and that he is not further disturbed by the Company until a mutually agreed hour.

16.04 For departures from a FCM's home base, the end of the revised duty period must not exceed twenty-four (24) hours from the earlier of the actual delayed report time and three (3) hours after the original report time. If the FCM is advised of a duty at least fifteen (15) hours prior to the amended report time, normal flight duty limitations shall apply. The FCM may waive the provision of this Article provided they are given the opportunity to obtain eight (8) hours of prone rest prior to reporting for duty.

Example 1:

The original report time is 0440L. The FCM is called at home and advised that the new report time is 0740L. Prior to 0740L the FCM is contacted and advised that the new report time is 1740L (i.e. minimum 10 hours notification period). The FCM's revised duty period must be planned to be completed by 0740L the following day.

Example 2:

The original report time is 0500L. The FCM is called at home and advised that the new report time is 0800L. The FCM arrives for duty and a creeping delay ensues. At 1300L the FCM is advised that their new report time is 0400L the following day. Normal Flight Duty time limitations will now apply.

17. EXTENSIONS TO REST PERIODS

17.01 The following crew rest extensions will apply at home or away from base:

- a) Where the flight duty time has been scheduled to be more than 14 hours, by means of an augmented crew, the minimum rest period following must be increased by two (2) hours.
- b) Where the crew duty day has been extended by unforeseen operational circumstances beyond the 14/15 hour duty day, the minimum rest period will be increased by the amount at least equal to the extension of the flight duty period beyond 14/15 hours.
- c) Where the Flight Crew Member has been required to travel for positioning after a duty period, the minimum rest period will be increased by an amount at least equal to one-half (1/2) of the extension of the duty period over fourteen (14) hours.
- d) Where the Flight Crew Member has completed a Long Range Flight, the minimum rest period must be at least equal to the length of the preceding flight duty period.
- e) Where the flight duty time has been extended by means of the split duty time rule, the subsequent minimum rest must be increased by at least the time equivalent to the extension of the flight duty time above fourteen (14) hours.

- f) Following a transoceanic flight, the standard company rest period prior to any duty is twenty-four **(24)** hours chock to chock when at home base.
- g) Following a transoceanic flight that terminates away from home base, the greater of crew rest of "Long Range Flight" (see (d) above) or the "away from home base" (12 hours chock-to-chock, but may be reduced to eleven hours and thirty minutes (1 ■30) with a one-hour check-in) rest will apply.

18. FLIGHT DELAYS

- 18.01 Crew scheduling will advise the family or a designated contact person of a delay arriving back at home base of two (2) hours or more beyond the original scheduled time. Should a Flight Crew Member not wish such notification to be provided, he must advise crew scheduling accordingly.

19. HOTEL ROOMS

- 19.01 Upon completion of a duty period in excess of sixteen (16) hours terminating at home base, the Flight Crew Member shall, upon request, be provided with a hotel room at Company expense.
- 19.02 Upon completion of a duty period that ends with a deadheading/positioning that extends such day beyond eighteen (18) hours and terminates at home base, the Flight Crew Member shall, upon request, be provided with a hotel room at Company expense.

20. FLIGHT EXCHANGES

20.01 Flight Crew Members may trade pairings (includes reserves and GDOs) with other crew holding the same base, equipment and status.

- a) The exchange must be in writing and submitted to Crew Scheduling at least forty-eight (**48**) hours in advance; if positioning on another carrier is involved, then seventy-two (72) hours advance notice is required. Under exceptional circumstances, a switch may be approved without the above advanced notice.
- b) Switches must be legal in all respects; minimum crew rest, flight time limitations, and qualifications for aircraft type, etc.
- c) A switch will not be approved if it creates overtime credits, unless the resulting overtime or GDO is waived as part of an agreed condition prior to approval.
- d) New-hire, upgrade/downgrade, and transition Flight Crew Members are restricted from mutual switches until they complete their line indoctrination.
- e) It is the responsibility of each Flight Crew Member involved in a switch to contact crew scheduling to ensure the switch is approved or disapproved. Once a switch is approved, it forms part of each Flight Crew Member's block.

APPENDIX D – COMPANY PHYSICIANS

The following are Company approved physicians:

1. Dr. Randy Knipping
2. Dr. Gary Magee

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APPENDIX E – SECONDED PILOTS

The parties agree to the following conditions for the employment of “Seconded” pilots, deployed to Canada under a Reciprocal Agreement with First Choice Airways (“FCA”) and/or MyTravel Airways (“MYT”) (or their successors) or any other third party air operator mutually agreed to in writing, with which the Company has a Reciprocal Agreement. Such Reciprocal Agreement is understood to involve the mutual sharing of crew resources.

1. APPLICABILITY

- 1.01 Seconded Flight Crew Members (FCMs) from any mutually agreed Company with which Skyservice has a Reciprocal Agreement may be used to fill seasonal and/or temporary base assignments left vacant after any Skyservice permanent base bid has been awarded.
- 1.02 Seconded FCMs will bid for their monthly rosters after Skyservice FCMs and before contract FCMs. Notwithstanding that Seconded FCMs are not contract FCMs, for purposes of clarity, *Articles 10.01 (c), (e) and (f)* apply to Seconded FCMs.
- 1.03 Should the number of man-months utilized by Seconded FCMs exceed the number of man-months offered to Skyservice FCMs by the third party air operator pursuant to the Reciprocal Agreement, the Company shall pay to the Association a monetary penalty of one (1) month’s base salary at the third (3rd) year Captain rate or the third (3rd) year First Officer rate, as applicable. Partial months will be pro-rated based on an eighty-five (85) credit hour month.
- 1.04 In the event of there being an insufficient number of Seconded First Officers provided under the Reciprocal Agreement, the Company may hire contract pilots to fill the vacant positions. These contract pilots will not be included in the quota set out in *Article 10.01 (a)*.
- 1.05 In the event of there being an insufficient number of Seconded Captains provided under the Reciprocal Agreement, the Company may offer temporary Captain upgrades to the most senior, eligible Company First Officer(s) qualified on type. In order to hold a temporary Captain position, the First Officer may be required to bid for a seasonal or temporary base assignment on the terms set out in *Appendix G*. These affected FCM(s) will be returned to their previous assignment when their service as a Captain is no longer required, or prior to invoking the provisions of *Article 21*.

- 1.06 In the event of there being insufficient eligible First Officers bidding on, or eligible for, these temporary Captain assignments, the Company may employ contract Captains to fill the vacant positions. In these circumstances, the provisions of *Article 10* will apply except as follows:
- a. these contract Captains will not be included in the quota set out in *Article 10 (a)*; and
 - b. *Article 10.01 (h)* will not apply except when:
 - i) a contract Captain is employed at a seasonal or temporary base where a Seconded Captain could have been assigned, and
 - ii) a Seconded Captain is employed at a permanent Base, both of whom are operating the same type as the affected Company First Officer, in which case the affected Company First Officer will be compensated in accordance with *Article 10.01 (h)*.
- 1.07 The Company shall provide the Association with a complete list of all Seconded and contract FCMs to include their names, seniority number, assignment, as well as the contact information of those individuals who have consented in writing to releasing this contact information. The Company will provide the Association with any updates or changes to this information within seven (7) business days.
- 1.08 The Company shall provide the Association with a summary of the previous month's credit hours completed by Seconded and contract FCMs. This information is to be provided prior to issuing the monthly bid information package.
- 1.09 While any Seconded FCM is deployed and/or employed by the Company, the Company will guarantee and protect the assignment of all Skyservice FCMs, other than for disciplinary or qualification reasons.

APPENDIX F – DEFINITION OF FULLY FURNISHED

ALL BEDROOMS	KITCHEN
<p>Adequate Clean Flooring Painted / Decorated walls Bedside Table(s) Bedside Lamp(s) Curtains / Blinds Built In / Free Standing Wardrobes with Coat hangers Large Set of Drawers Mirror Double Bed / Single Bed (whichever is applicable) Double Mattress / Single Mattress 2 Sets of Clean (good quality) Bedding Clock radio or alarm clock (Master bedroom only)</p>	<p>Good Quality, Clean Flooring Painted / Decorated Walls Light Curtains / Blinds Cupboards Dishwasher (if applicable) Oven & cooktop Microwave oven Fridge / Freezer Toaster / Kettle Coffee Maker Teapot / Sugar and Milk Jug Selection of Glasses Set of Crockery (sufficient quantity) Set of Cutlery (sufficient quantity) Selection of Cooking Utensils Dustpan & Broom Selection of Cooking Dishes Selection of Pans with Lids Roasting Tins / Baking Trays Set of Knives Can Opener / Corkscrew Cutting Board Dish Drainer Tea Towels / Dusters Iron & Ironing board Bucket and Mop Washing Machine** Dryer (or Combination)** Vacuum Cleaner Trash Bin</p>
<p>ENSUITE OR MAIN BATHROOM</p> <p>Adequate Clean Flooring – <u>preferably no carpet</u> Painted / Decorated Walls Wall Mounted Mirror Ceiling Light Roller Blind or Curtain</p>	
<p>WC + BATH</p> <p>Adequate Clean Flooring – <u>preferably no carpet</u> Hand Basin Bathing facilities to include a shower Wastepaper Bin Toilet Brush and Holder Selection of clean bathroom towels Bath / Pedestal Mats</p>	
<p>DINING ROOM</p> <p>Good Quality Flooring Painted / Decorated Walls Centre Light Fitting(s) Curtains / Blinds Dining Table Dining Chairs</p>	<p>LOUNGE</p> <p>Good Quality Flooring Painted / Decorated Walls Lighting (uplighter) Curtains / Blinds One 3 seater / one 2 seater sofas Central Heating (applicable to all rooms) Small Occasional Tables Telephone TV Satellite or Cable Coffee Tables Lamps</p>
<p>GARAGE (if applicable)</p> <p>Selection of Garden Tools (as applicable) Lawnmower (if required)</p>	

The company will give full consideration to specific issues with respect to the above-listed items.

* Please ensure that the property presents a simple but comfortable feel.

* Property preferably alarmed.

* **All** items **MUST** be functional.

** May be in building for apartments

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APPENDIX G – TEMPORARY CAPTAIN UPGRADES

Reference Appendix E, Article 1.05

- 1.01 Should the First Officer be awarded a temporary Captain position at a base other than the FCM's permanent base assignment, he will be provided with the following:
 - a) A monthly allowance of \$800.00
 - b) Transportation for the FCM to the base at the start of the assignment and return to his permanent base at the end of the assignment. Should the FCM choose to drive his own vehicle, he will be reimbursed for fuel expenses supported by receipts. The Company may elect to position the FCM via air carrier and provide a rental vehicle for the duration of the base assignment.
- 1.02 The FCM will be responsible for his own accommodation for the duration of the temporary assignment.
- 1.03 The FCM will earn per diem in accordance with *Article 13* when away from his Temporary/Seasonal base.

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APPENDIX H – TRAINING PAIRINGS

In recognition of the importance of completing line-indoctrination and line-checking in an efficient and timely manner, the parties agree to the following:

1.01 The Company and the Association agree to the following definitions:

High-credit:	9 credit hours or more per day
Medium-credit:	more than 6 credit hours and less than 9 credit hours per day
Low-credit:	6 credit hours or less per day

- 1.02 The Company will identify pairings that are conducive to conducting line-indoctrination and line-check flights consistent with this Appendix. These pairings will be known as “Training Pairings”.
- 1.03 Training Pairings shall consist of a similar number of medium-credit and/or low-credit flights only. High-credit pairings, as defined under *Article 1.01* of this Appendix will not normally be used. High-credit pairings will be used as Training Pairings only when required to meet training and/or checking timelines or when insufficient other pairings are available by type, base, and status (as applicable).
- 1.04 Training Pairings will be identified to differentiate them from regular line pairings, and will be published on the Airbus and Boeing pairing information pages.
- 1.05 Only those Skyservice FCMs, who are qualified to conduct line-indoctrination and line-checking, may bid for Training Pairings. Seniority bidding shall apply. Skyservice Training and Checking personnel accept as part of their duties/responsibilities that training requirements may take priority over other bidding requests in order to complete training. Other terms and conditions of the Scheduling Rules shall apply.
- 1.06 Only those FCMs who are undergoing line indoctrination and checking may be assigned to Training Pairings selected under *Article 1.02* of this Appendix. The Company shall honour bid requests from these pilots for that period of the month when training/checking has not been assigned.
- 1.07 During peak training months (eg. Nov, Dec, Jan), suitably qualified management pilots shall either pull or bid for Training Pairings only.

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LETTERS OF UNDERSTANDING

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LETTER OF UNDERSTANDING No. 1
BETWEEN
SKYSERVICE AIRLINES INC.
AND
THE SKYSERVICE PILOTS' ASSOCIATION OF CANADA
CONCERNING
VOLUNTARY FLIGHT DATA MONITORING PROGRAM

THIS LETTER OF UNDERSTANDING is made and entered into by and between Skyservice Airlines Inc. (hereinafter referred to as the "Company"), and the Skyservice Pilots Association of Canada ("SkyPAC"), (hereinafter referred to as the "Association").

WHEREAS it is the intent of the parties to implement a Flight Data Monitoring (FDM) program to analyze data for the sole purpose of enhancing safety; and

WHEREAS the parties enter into this LOU in accordance with *Article 45.08* of the Collective Agreement; and

WHEREAS the Company and the Association are in agreement that the prevention of Incidents and Accidents is a primary objective in the course of operating an airline; and

WHEREAS the Association wishes to participate and cooperate as an active partner with the Company to develop an operational data collection system to optimize flight safety; and

WHEREAS the analysis and investigation of operational flight data in a non-punitive, problem solving environment is an effective method of achieving these goals; and

WHEREAS the Company and the Association agree that a system of operational flight data collection and investigation that contemplates company discipline against flight crew members is detrimental to the objective of enhanced safety and flight operations; and

WHEREAS Transport Canada has issued CBAAC No 0193 dated November 1st, 2001 (attached hereto as *Appendix C* and made a part hereof), stating that, "Transport Canada will not use information derived from a voluntary FDM program for enforcement purposes."

NOW THEREFORE THE Company and the Association agree as follows:

1. DEFINITIONS

- 1.1. "FDM" – Flight Data Monitoring is the proactive, non-punitive controlled use of Operational Flight Data, which may include the use of de-identified Germane Information, obtained from routine flight operations to improve aviation safety.
- 1.2. "Operational Flight Data": is any digital data (binary or encrypted) acquired, transmitted, recorded, stored or downloaded by use of, but not limited to, a Flight Data Recorder (FDR), Quick Access Recorder (QAR), Digital Flight Data Recorder (DFDR), Digital Flight Data Acquisition Unit (DFDAU), Digital Flight Data Management Unit (DFDMU), Flight Data Acquisition and Management Units (FDAMS), Cockpit Voice Recorder (CVR), Video Recorder, Personal Computer Memory Card International Association (PCMCIA) Card, Aircraft Communications Addressing and Reporting System (ACARS) and Server (onboard & external) or any other form of telemetry or recording device. This data is also considered Raw Data.
- 1.3. "FDM Data": is De-Identified Operational Flight Data (excluding CVR data) generated during routine line operations which is collected and analysed to provide greater insight into flight operations for the purpose of enhancing flight safety. Operational Flight Data is processed to become FDM data.
- 1.4. "Identifying Data": Any data or combination of data which allows recorded, collected or stored Operational Flight Data to be associated with a specific crew member.
- 1.5. "De-Identified Data": is Operational Flight Data from which all information capable of identifying a flight crew member has been irretrievably stripped (removed). Operational Flight Data is processed to become FDM Data.
- 1.6. "Raw data": shall be understood to mean all Operational Flight Data or any FDM data that includes Identifying Data.
- 1.7. "Germane Information": is relevant information that shall include tapes, transcripts, reports, papers, memos, statements, studies, charts, graphs, flight animation or any other description, analysis or compilation of data collected by any means.
- 1.8. "Aggregate (trend) Data": is FDM data, which may include the use of Germane Information, that has been analysed, reviewed by the ERT, and provides useful information relating to flight safety.

- 1.9. "Event Review Team (ERT)": a committee made up of a minimum of three (3) Association nominated FCMs and one (1) Company nominated Training and/or Standards FCM. Members will include fleet-specific Flight Crew Members (FCMs). The selection of ERT members will be by mutual agreement between the Company and the Association.
- 1.10. "Exceedance Event": An event, as determined by recorded data, indicating that an aircraft was operated outside of the normal agreed upon flight operations envelope or tolerances.
- 1.11. "Exceedance Event Set": A list of events (triggers) pertaining to each specific aircraft type in the Skyservice fleet that is derived from the Master Event Set and is maintained by the Event Review Team (ERT).
- 1.12. "3rd Party Service Provider": A designated company contracted for the purpose of Operational Flight Data collection and/or Storage and/or analysis and/or Flight Animation & Software and/or Risk Analysis Report preparation and/or for any other purpose agreed by the parties.
- 1.13. "Gatekeeper": the Gatekeeper and an alternate Gatekeeper shall be selected by the SkyPAC Executive from members of the ERT. The Gatekeeper(s) have the sole ability to retrieve Identifying Data from Operational Flight Data and Germane Information, and be the only representative(s) permitted to contact FCMs. The Gatekeeper(s) are also responsible for reporting to the parties to this Agreement that all aspects of Data Security, Transfer, Storage and Destruction (deletion) are being adhered to as per the terms and conditions set out by this Agreement.
- 1.14. "Reportable Aviation Incident": as per Transportation Safety Board (TSB) Regulations.
- 1.15. "Reportable Aviation Accident": as per Transportation Safety Board (TSB) Regulations.
- 1.16. "Risk Analysis": is a rational process used to estimate the significance of a risk; assessing the likelihood of its occurrence and considering what actions and controls need to be taken to manage it.
- 1.17. "FDM Working Group": also known as the "WG", comprised of the ERT and may include other mutually agreed FCMs and Company representatives from, but not limited to, Training and Standards, SMS, Flight Safety, and Maintenance and Engineering.

2. INTRODUCTION

- 2.1. The purpose of this LOU is to enable the Skyservice Airlines voluntary Flight Data Monitoring (FDM) Program. This program will be managed and operated by Skyservice Airlines to routinely collect and analyze FDM Data obtained from line operations.

3. GOALS OF THE FDM PROGRAM

- 3.1. The FDM Program is intended to enhance flight safety by providing more information about, and greater insight into, the flight operations environment through controlled automated recording and analysis of flight data generated during line operations.
- 3.2. The spirit and intent of any FDM Program at Skyservice, at both its development and operational stages, is that the Program is to be used for the sole purpose of improving flight safety.
- 3.3. This program is a component of the Skyservice Safety Management System (SMS). It compliments Canadian and International efforts to:
 - improve safety within the air transportation system;
 - identify hazardous situations to prevent incidents and accidents; and
 - encourage aviation personnel and operators to use safe practices and procedures in all aviation activities.

4. NON-PUNITIVE POLICY

- 4.1. The parties agree that the Skyservice FDM program will be non-punitive. Any information or data gathered under the investigative processes of the FDM Program will not be used for disciplinary purposes. Should any breach of this provision occur, the discipline shall be void ab initio, and such further remedy granted as the parties, or failing agreement between the parties, an arbitrator may determine to be just and appropriate. The design of the FDM Program shall ensure the confidentiality and anonymity of individual flight crew members.
- 4.2. The FDM program will ensure that information obtained from Operational Flight Data or cockpit voice recorder shall not be used to evaluate or monitor the judgement or performance of an individual pilot or crew.

4.3. No flight crew member may waive his/her right to confidentiality provided by the FDM Program as defined in this Letter of Understanding (LOU) without the explicit, express, written agreement of the Association. The reasons given by any crew member for this waiver will be a matter of record and shall be set out to the Association in writing by the flight crew member, prior to any written agreement of the Association being granted.

5. OUTLINE

5.1. The LOU will cover the following aspects of the FDM program:

- Collection of Operational Flight Data
- De-Identification of Operational Flight Data
- Analysis of FDM data
- Dissemination of FDM data
- Protection and Security of Operational Flight Data and FDM data
- Commitment
- Implementation
- Validity

6. COLLECTION OF OPERATIONAL FLIGHT DATA

6.1. Operational Flight Data (excluding CVR data) for the purposes of FDM will be regularly downloaded from company aircraft and uploaded onto a designated server. This process will be defined by the ERT and the WG.

6.2. For the purpose of the collection and storage of data the Company and/or 3rd Party Service Provider will meet the requirements under *Appendix A*.

6.3. Any Operational Flight Data collected, stored or analysed, may be not be used to monitor or evaluate any individual FCM's judgement, ability, performance or technique.

6.4. No Flight Data Recorders, Quick Access Recorders or video recorders or any device capable of producing Operational Flight Data for recording, storing or transmitting from the aircraft to any ground station, not required by the CAR's or other legislation or regulation, or not currently utilized in the Company's aircraft, will be installed for FDM analysis, except by mutual agreement of the Company and Association.

7. DE-IDENTIFICATION OF OPERATIONAL FLIGHT DATA

7.1. Operational Flight Data collected for the purposes of the FDM Program will be de-identified.

8. ANALYSIS OF FDM DATA

- 8.1. Event parameters will be defined and published by the WG. These parameters will be provided to the Association prior to the implementation of the FDM program.
- 8.2. For the purpose of the analysis of Operational Flight Data, the Company and/or 3rd Party Service Provider will meet the requirements under *Appendix A*.
- 8.3. FDM data will be processed for exceedance event sets.
- 8.4. Only the designated Event Review Team (ERT) members shall be able to review any specific data (FDM Data) collected under the FDM Program.
- 8.5. The ERT will review the exceedance reports for trends and derive recommendations and/or conclusions related to flight safety.
- 8.6. FDM Facilities are to include consideration for, but not limited to, Secure Data Storage and access on premises, confidential meeting area for the ERT, dedicated computer access with password security protection, secure Office hard copy file storage. To be determined prior to implementation of the FDM Program.

9. DISSEMINATION OF FDM DATA

- 9.1. FDM data will be relayed to the Company by the ERT to improve flight safety and to facilitate improvements to:
 - flight crew performance,
 - aircraft performance,
 - aircraft systems performance,
 - air carrier operating procedures,
 - air carrier training programs,
 - training effectiveness,
 - air traffic control,
 - airspace structures and procedures,
 - aircraft operations and design, and
 - airport maintenance and design.
 - meteorological issues
- 9.2. The ERT will provide recommendations and/or conclusions to the FSO and/or SMS Manager based on Aggregate (trend) Data and de-identified Germane Information (when required).
- 9.3. The FSO will correlate trends with non-FDM data for validity.

- 9.4. A risk analysis will be conducted by the Company.
- 9.5. The results of the risk analysis will be forwarded to the applicable area within the company for corrective action at the discretion and direction of the Company, which discretion shall be reasonably exercised.
- 9.6. The ERT will be responsible to assess the effectiveness of the corrective action and provide feedback to the FSO and/or SMS Manager.
- 9.7. After a period of not less than one (1) year, an FDM Operations Manual will be developed by the WG. The FDM Operations Manual will detail, but is not limited to:
 - a. the roles and responsibilities of ERT members,
 - b. the process for analysing FDM data, preparing reports, charts, graphs and other statistical information for dissemination,
 - c. the protocols and procedures used by the Gatekeeper when contacting FCMs,
 - d. the process for dealing with serious events that may warrant the use of other resources such as Maintenance, Flight Safety, Human Resources, medical practitioners, simulator time, etc.
 - e. the process by which the ERT will make recommendations,
 - f. the process for providing briefings to FCMs, Training and Standards, and/or other departments within the Company.
- 9.8. Sufficient de-identified data shall be maintained to fulfil the requirements of the FDM Program. All de-identified data and analysis of such data will be made available, to all parties signatory to this agreement, upon request.
10. PROTECTION AND SECURITY OF OPERATIONAL FLIGHT DATA AND FDM DATA
- 10.1. This Article applies only to Operational Flight Data collected and stored pursuant to the FDM Program.
- 10.2. FDM data cannot be used for regulatory enforcement action. This protection is provided by the "TCCA policy on the Use of Information Obtained from Voluntary FDM Programs", as published in CBAAC No 0193 (attached at *Appendix C*).
- 10.3. FDM data will be protected from release through the Access to Information and Privacy Acts. Transport Canada will not be provided with any raw data relevant to the FDM program.

- 10.4. The Operational Flight Data collected for the purposes of FDM will be erased from the retrieval/storage device immediately after transfer to the Company and/or 3rd Party Service Provider.
- 10.5. The Company and/or 3rd Party Service Provider will maintain Operational Flight Data and FDM Data in a secure facility.
- 10.6. The Operational Flight Data (Raw Data) or identifying link will be deleted by the 3rd party Service Provider within 30 days of being received from Skyservice.
- 10.7. The Company shall ensure that each 3rd Party Service Provider who has contact with any Identifying Data used in the FDM Program shall be prohibited from divulging such data to any individual other than the designated Gatekeeper.
- 10.8. No information pertaining to FDM will be released, except under the terms specified by this LOU, unless mutually agreed between the Company and the Association.
- 10.9. In the event it is demonstrated that any member of the Working Group or ERT has divulged any Identifying Data to any individual other than the designated Gatekeeper, such member shall immediately be removed from the Working Group or ERT as applicable. In the event of a dispute about whether an individual has disclosed such information, they shall be suspended from the WG or ERT pending resolution of the dispute.
- 10.10. In the event it is demonstrated that any 3rd Party Service Provider or employee or agent of such 3rd Party Service Provider has divulged any Identifying Data to any other individual other than the designated Gatekeeper in contravention of the terms of this Letter of Understanding, the Company will take whatever action necessary to either cease doing business with the 3rd Party Service Provider or to ensure that the employee or agent of the 3rd Party Service Provider no longer participates in the Skyservice FDM Program.
- 10.11. Notwithstanding any other provisions in this LOU, in the event of a Reportable Aviation Incident or Reportable Aviation Accident investigation, any data (stored or transmitted) or other information from any data recorder shall be made available to the Company, appropriate Transportation Safety Board, accredited association representatives, and the flight crew member(s) or their estate(s).

11. COMMITMENT

- 11.1. The parties agree that the Voluntary Flight Data Monitoring Program is a tool for enhancing flight safety, which is a benefit to both the Company and the employee group.
- 11.2. The Company will provide the financial resources to support FDM. As part of this significant commitment, the Company will ensure that sufficient personnel resources are dedicated to managing this program. The Flight Safety Officer, SMS Manager, and applicable Flight Operations Managers will be tasked with implementing corrective action plans based on the recommendations of the ERT. The Company will plan crew blocks to ensure that Flight Crew Members of the ERT are available to meet on specified days to complete their assigned duties under this program.
- 11.3. FCMs will be planned to meet as part of the ERT and/or WG on days specified in their monthly award (block) and shall receive four (4) credit hours per month for performing his/her duties related to the FDM Program. The number of FCMs making up this committee (ERT) will include the Gatekeeper, and a representative from each fleet, not to exceed three (3) FCMs. For the initial three (3) months, from the date the ERT is formed, all three (3) FCMs shall receive credit when performing their duties. After this time period, one (1) FCM will become an alternate ERT member and will only receive credit when required (eg. vacation, deployments, etc.). If the workload of the ERT warrants the addition of the alternate ERT member, his/her credit will be subject to approval by the Company.

In the event the ERT is unable to complete their tasks, the provisions of this Article shall be increased by mutual agreement of the Company and the Association.
- 11.4. No meeting of the ERT will take place unless a minimum of two (2) of the Association representatives are in attendance.
- 11.5. Any violation by the Company of the non-punitive, privacy, or security provisions of the FDM Program or this Agreement (LOU) shall give the Association the right to require the suspension of the FDM Program and the analysis of all data collected under the Program, pending the outcome of any grievance and/or arbitration proceeding, unless such suspension is expressly prohibited by statute or regulation. In the event of the enactment of such statute or regulation, the parties agree to meet and review and amend as necessary this LOU within 30 days of such enactment.
- 11.6. The Parties agree to take all reasonable measures to inform FCMs and Company Managers and Directors of this agreement.

12. IMPLEMENTATION

- 12.1. The design, implementation and operation of an FDM Program shall be a cooperative process between the Company and the Association. Any variation from the agreed-upon FDM LOU shall require a mutual written agreement between the parties.
- 12.2. The Company is responsible for all financial decisions pertaining to this program.
- 12.3. The Company will make the final decision regarding the selection of the 3rd Party Service Providers in accordance with the requirements of *Appendix A*.
- 12.4. The Company will advise the Association when the process of collecting, transferring and analysing FDM data has commenced.
- 12.5. The analysis of FDM data may commence upon signing of this LOU in accordance with the conditions provided therein.
- 12.6. An Event Review Team (ERT) will be appointed within thirty (30) days of the signing of this LOU.
- 12.7. The FDM Working Group shall oversee the FDM Program and ensure compliance with the provisions of this Agreement.
- 12.8. The WG shall establish the Exceedance Event Sets (triggers, limits). The limits shall be subject to ongoing review and evaluation. The ERT may recommend changes to the "Exceedance Event Sets" as required.
- 12.9. When required, the ERT may direct the Gatekeeper to request Germane Information from the FSO and/or SMS to provide insight into Exceedance Events requiring further clarification. The confidentiality and non punitive principles resident in our current Safety Reporting Systems will be respected by all members of the ERT.
- 12.10. When requested by the ERT, solely for the purpose of validation and clarification, the Gatekeeper will retrieve and provide to the ERT, the specific human-factors information associated with an Exceedance Event or Events. This information shall not include the identity of any individual or individuals.
- 12.11. The sole contact with any flight crew member associated with an Exceedance Event shall be through the designated Gatekeeper.
- 12.12. Any flight crew member may decline a request by the designated Gatekeeper to meet to discuss a specific event.

12.13. The ERT will meet monthly to complete their duties as defined by this LOU. This frequency may be increased with the mutual agreement of both parties.

13. VALIDITY

This LOU will become valid once signed by a minimum of two officials from each party. This LOU will be valid for a period of one (1) year from the date of signing, but may be renewed annually upon mutual, written agreement between the Company and the Association. The Parties agree to review this Agreement within 90 days of the anniversary date of the signing of this Agreement.

IN WITNESS WHEREOF, the parties have signed this agreement on the dates indicated.

For
Skyservice Airlines Inc.

For
Skyservice Pilots' Association of Canada

Robert Giguere

Fred Ambs

Mark Gallant

Nigel Edwards

Sandy Buik

Bill Bodrug

Cal Humby

Dated this _____ day of _____, 2006

At _____, Ontario.

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APPENDIX A
TO
LETTER OF UNDERSTANDING No. 1
BETWEEN
SKYSERVICE AIRLINES INC.
AND
THE SKYSERVICE PILOTS ASSOCIATION OF CANADA
CONCERNING
VOLUNTARY FLIGHT DATA MONITORING PROGRAM

Skyservice/ 3rd Party Service Requirements

1. Company and/or any 3rd Party Service Provider servers, whether used for data collection, storage, processing, analysis or dissemination, must meet or exceed Canadian privacy laws and/or access to information laws;
2. Company and/or any 3rd Party Service Provider must have the ability to erase all Operational Flight Data and/or FDM Data upon specific request from the Company;
3. Any data storing device for the purpose of the FDM Program, excluding a device required under the CAR's or pursuant legislation or regulation, that is installed onboard Company aircraft for the collection and/or storage of Operational Flight Data, must have the ability to be completely erased, or re-formatted, or overwritten by Skyservice Maintenance once removed from the aircraft;
4. The Company and/or 3rd Party Service Provider will provide FDM analysis and/or event investigation training to all members of the ERT;
5. The Company and/or 3rd Party Service Provider must be capable of providing support outside of normal office hours.
6. The Company and/or 3rd Party Service Provider must be capable of providing secure data transfer and analysis throughout Skyservice's theatre of operations and deployments.
7. The Company and/or 3rd Party Service Provider must post FDM analysis results within one week after the download of the Operational Flight Data.

8. The Company and/or 3rd Party Service Provider must provide a type-specific Master Event Set.
9. The Company and/or 3rd Party Service Provider must be capable of providing reports that meet the requirements of this Agreement.
10. Any 3rd Party Service Provider **will** be bound by a confidentiality agreement that meets the requirements of this LOU.

APPENDIX B
TO
LETTER OF UNDERSTANDING No. 1
BETWEEN
SKYSERVICE AIRLINES INC.
AND
THE SKYSERVICE PILOTS ASSOCIATION OF CANADA
CONCERNING
VOLUNTARY FLIGHT DATA MONITORING PROGRAM

Skyservice Airlines Inc. Non-Punitive Policy

(attached)

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APPENDIX C
TO
LETTER OF UNDERSTANDING No. 1
BETWEEN
SKYSERVICE AIRLINES INC.
AND
THE SKYSERVICE PILOTS ASSOCIATION OF CANADA
CONCERNING
VOLUNTARY FLIGHT DATA MONITORING PROGRAM

Transport Canada CBAAC No. 0193
Dated 1 November, 2001

(attached)

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LETTER OF UNDERSTANDING NO. 2

BETWEEN

SKYSERVICE AIRLINES INC.

AND

THE SKYSERVICE PILOTS ASSOCIATION OF CANADA

The parties agree on the following definitions to further clarify Family/Companion travel as mentioned in *Article 41.03* of Agreement #3.

For the purposes of this agreement, a Flight Crew Member may designate a Companion in the event that the Flight Crew Member has no married or common-law spouse.

Dependent children living with the Flight Crew Member may be designated, provided they are less than twenty-one (21) years of age. These children must travel with either the Flight Crew Member or his designated spouse or companion. Individual circumstances will be reviewed by the DFO on a case-by-case basis and may require a travel waiver for children under eighteen (18) years of age.

This designation shall be made in writing on a form to be provided, and submitted to Skyservice Flight Operations for forwarding to Human Resources. Changes to persons so designated can be made only if no changes have been submitted in the twelve months prior, unless the Flight Crew Member has a change in his legal marital status.

For
Skyservice Airlines Inc.

For
Skyservice Pilots Association of Canada
(SkyPAC)

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LETTER OF UNDERSTANDING NO. 3

BETWEEN

SKYSERVICE AIRLINES INC.

AND

THE SKYSERVICE PILOTS' ASSOCIATION OF CANADA

The parties agree on the following terms and conditions relative to Training Incidental Expense Allowance relating to simulator training duties.

Seventy dollars (\$70) will be paid to Simulator Instructors and Check Pilots for each simulator session while conducting simulator training in their own base.

In WITNESS WHEREOF, the parties hereto have signed this Agreement at Toronto, this ____ day of July, 2007.

For Skyservice Airlines Inc.

For
Skyservice Pilots Association of Canada
(SkyPAC)

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LETTER OF UNDERSTANDING NO. 4

BETWEEN

SKYSERVICE AIRLINES INC.

AND

THE SKYSERVICE PILOTS ASSOCIATION OF CANADA
(SKYPAC)

THIS LETTER OF UNDERSTANDING is made and entered into by and between Skyservice Airlines Inc. (hereinafter referred to as the "Company"), and the Skyservice Pilots Association of Canada ("SkyPAC"), (hereinafter referred to as the "Association").

WHEREAS, both parties agree that a method of assigning special days-off, in order of seniority is a benefit to the morale of the entire pilot group.

NOW THEREFORE the Company and the Association agree as follows:

1. APPLICABILITY

- 1.01 Special Day Off (SDOs) are available to all Full-time Flight Crew Members (FCMs).
- 1.02 New hire Full-time Flight Crew Members will be entitled to SDOs commencing the start of the year (01 May) after their employment date.
- 1.03 This LOU shall not apply to Seconded FCMs.
- 1.04 SDOs are not available to G-Reg deployed FCMs, however those FCMs shall be entitled to the remainder of any unused allotment of SDOs upon return from their deployment.
- 1.05 SDOs are to provide day off certainty around special occasions. It is understood that SDOs cannot be used as a mechanism to interfere with scheduling requirements.

2. BID AND AWARD PROCESS

- 2.01 Each FCM shall be entitled to six (6) SDOs per year (01 May to 30 April). SDOs for each following year will be prorated based on twelve (12) months of service within the previous year.
- 2.02 A maximum of two (2) SDOs per month may be awarded to an FCM. These SDOs are included in the total number of GDOs provided under *Article 33* of the Collective Agreement.
- 2.03 There shall be no carry-over of unused SDOs into the next year.
- 2.04 SDOs shall be requested by an FCM no later than 17:00 L (YYZ) on the 10th day of each month.
- 2.05 Requests for SDOs are to be emailed to the Planning Department with the words "Special GDO Request" in the subject line of the email.
- 2.06 Black-out dates are: December 24, 25, 26, 31, and January 1. The Company may add two (2) additional black-out dates; however, two (2) months notice will be given if additional black-out dates are added.
- 2.07 SDO requests shall be assigned in order of seniority, and will take precedence over any other GDO request.
- 2.08 For planning purposes only, SDO's will be published in the monthly bid cover letter. A SDO will not be considered to be "awarded" to an FCM until it appears in their monthly block.
- 2.09 A FCM drafted on a SDO shall be paid GDO draft pay. The SDO forfeited, shall not be counted towards the yearly allotment of the SDOs, and will be returned to the FCM's SDO "bank".
- 2.10 A SDO may be shown as an "S" on the blocks.
- 2.11 Crew Scheduling will not contact a FCM on a SDO; however, an FCM may be contacted and/or drafted by a manager if required.

3. VALIDITY

3.01 This LOU will become valid when signed by two members of each party, and is effective May 1st 2007 and until superseded by another LOU or new Collective Agreement.

IN WITNESS WHEREOF, the parties have signed this agreement at Toronto on the ____ day of July, 2007.

For
Skyservice Airlines Inc.

For
Skyservice Pilots' Association of Canada
(SkyPAC)

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LETTER OF UNDERSTANDING NO. 5

BETWEEN

SKYSERVICE AIRLINES INC.

AND

THE SKYSERVICE PILOTS, ASSOCIATION OF CANADA

The parties agree on the following terms and conditions for FCMs undergoing initial type-conversion training. Where not specifically amended by this LOU, all other terms, conditions, and benefits of employment will remain in effect.

It is understood that it may not be possible to obtain all GDOs required under the Collective Agreement while undergoing initial type-conversion training. Accordingly, the parties agree that these GDOs may be deferred and will be inserted into a FCMs block at the sole discretion of the Company within one year following the completion of line indoctrination training.

Should the Company be unable to schedule these days within the allotted time period, they will be paid out as per the Collective Agreement.

Should the FCM resign his or her employment with the Company, any remaining deferred GDOs will have no credit or monetary value.

This LOU will remain in effect until the expiry date of the Collective Agreement unless other wise superseded.

In WITNESS WHEREOF, the parties hereto have signed this Agreement at Etobicoke, this ____ day of July, 2007.

For
Skyservice Airlines Inc.

For
Skyservice Pilots Association of Canada
(SkyPAC)

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LETTER OF UNDERSTANDING NO. 6
BETWEEN
SKYSERVICE AIRLINES INC.
AND
THE SKYSERVICE PILOTS ASSOCIATION OF CANADA
(SKYPAC)

THIS LETTER OF UNDERSTANDING is made and entered into by and between Skyservice Airlines Inc. (hereinafter referred to as the "Company"), and the Skyservice Pilots Association of Canada ("SkyPAC"), (hereinafter referred to as the "Association").

The Company and the Association have entered into a Collective Agreement dated May 1, 2006 and both parties agree to adopt special terms and conditions to assist in the acquisition of an agreement with Purolator Courier Ltd (hereinafter referred to as "Purolator").

Therefore the Parties agree to the following:

1. This Letter of Understanding becomes null and void should Skyservice Airlines Inc. not enter into a contract with Purolator for the provision of pilot and/or aviation and/or cargo/courier services as related to the RFP for the provision of services commencing 2009.
2. At the end of the above mentioned Collective Agreement, on April 30th 2011, the Company and the Association will negotiate in good faith to establish new terms and conditions for all Skyservice pilots.
3. If the parties are successful in negotiating a renewal of said Collective Agreement by its expiry the conditions in this Letter of Understanding will become null and void.
4. Without prejudice to the negotiations of other terms of a renewal Collective Agreement, the following provisions of the Collective Agreement (dated May 1st, 2006) will be extended for an additional twenty-four (24) months beyond the expiry date as described in the following:
 - a) The Association affirms and guarantees that there shall be no labour action that affects the proper maintenance of the Purolator contract for a twenty-four month "extension" following the expiry of the Collective Agreement.

- b) In recognition of this extension, the Company hereby commits to an increase in wages for the first year of extension to be equal to CPI (year ending April, 2011).
 - c) The increase in wages for the second year of the extension will be equal to the CPI increase (year ending April, 2012).
 - d) Notwithstanding paragraphs (b) and (c) above, in both years the maximum amount of (yearly) wage increase shall be no greater than three percent (3%).
 - e) Where either party feels that unusually high inflation or hypo inflation has made this agreement severely injurious to one or both parties, they may seek remedy through the expedited arbitration process.
5. The terms and conditions of the Collective Agreement dated May 1st, 2006 will not be altered except as provided by paragraph 4 or except as mutually agreed to by the parties.
6. Validity

This LOU will become valid once signed by a minimum of two authorized officials from each party.

In WITNESS WHEREOF, the parties hereto have signed this Agreement at Toronto, this _____ day of July, 2007.

For
Skyservice Airlines Inc.

For
Skyservice Pilots' Association of Canada

Robert Giguere

Fred Ambs

Mark Gallant

Nigel Edwards

Mark Hughes

Randy Jones

Deborah Pikula

Mark Kelso