



**COLLECTIVE AGREEMENT
No. 5**

BETWEEN:

CANADIAN NORTH INC.

(hereinafter referred to as the "Company")

AND

**THE NATIONAL AUTOMOBILE, AEROSPACE, TRANSPORTATION AND
GENERAL WORKERS OF CANADA (CAW-CANADA)
and its Local 2002**

(hereinafter referred to as the "Union")

Effective to:
December 31, 2012

14101 (02)

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ARTICLE 1 - PREAMBLE & PURPOSE

- 1.01 This Agreement is made and entered into by and between Canadian North Inc., hereinafter referred to as the "Company" and the National Automobile, Aerospace Transportation and General Workers of Canada (CAW - Canada), Local 2002, hereinafter referred to as the "Union".
- 1.02 In making this Agreement the parties hereto recognize the objective of promoting and maintaining the safety of air transportation, the efficiency and economy of operations, and a high quality of customer service. The parties also recognize that compliance with the terms of this Agreement and the development of a spirit of co-operation are essential for the mutual benefit of the parties.
- 1.03 This Agreement supersedes and cancels all previous agreements and practices between the parties, both oral and written.
- 1.04 During the life of this Agreement, the Company shall not engage in any lockout, nor shall the Union call or authorize a strike, until all the procedures provided for in this Agreement, and in the Canada Labour Code, for the adjustment and settlement of disputes or for the avoidance of interruption of work, have been exhausted.
- 1.05 Should any part or provision of this Collective Agreement be rendered invalid by reason of legislation, such shall not invalidate the remaining portions thereof, and they shall remain in full force and effect.

ARTICLE 2 - DEFINITIONS

Agreement - means the Agreement in effect, including amendments or interpretations thereto agreed upon and covered by letters signed/confirmed by responsible Company and accredited Union Officers/Representatives.

Base - means a geographical location designated by the Company as a Base of operations.

Location – means a work location(s) within a Base, examples of work locations are Airport and Cargo. Edmonton, Yellowknife and Iqaluit are considered to have separate work locations. All other base(s) will be considered as one Location/Base.

Casual Employee - means an employee who has been so classified by the Company and works on an as required basis.

Company - means Canadian North Inc. as represented through Officers and Management at various levels or their delegated representatives.

Date of Hire - means the first day an employee is on the Company's payroll.

Employee - means any person in the employ of the Company who is within the bargaining unit covered by this Agreement.

Full Time Employee - means an employee who has been so classified by the Company and who is working the standard hours of service.

General Holiday - means a Company paid holiday.

Part Time Employee - means an employee who has been so classified by the Company and who is working an average of less than the standard hours of service.

Position - means a position held by an employee in regards to status and base.

Shift - means a scheduled period of time within a day, as described in a Work Schedule, for which an employee is required to work.

Status - means whether an employee is a full-time, part-time or Casual.

Union - means National Automobile, Aerospace, Transportation and General Workers of Canada (CAW-Canada) and its Local 2002.

Vacancy - means an unfilled position, as determined by the Company, within the scope of this agreement.

Work Schedule - means a projection of all employees' shifts with regards to days worked and days off, including shift commencement and termination times.

ARTICLE 3 - RECOGNITION

3.01 The Company recognizes the Union as the sole certified bargaining agent for all Customer Service Agents of the Company, as described on Certificate(s) No. <>.

3.02 The provisions of this Agreement apply only to those employees employed within the territorial limits of Canada, and coming within the scope of this Agreement, defined under Article 3.01.

3.03 The Company will not schedule management employees to perform the duties of an employee covered by this agreement, except where a situation requires immediate action which could not have been planned for nor reasonably predicted.

3.04

(a) The Company will be exempt from the terms of Article 3.03 at those bases where the frequency/service is such that exclusive dedication to Managerial duties is not required. This currently applies to Cambridge Bay, Hay River, Norman Wells, Inuvik, Rankin Inlet and Iqaluit.

(b) Eligible vacation period shall not be adversely impacted as a result of 3.04 (a).

(c) It is understood that 3.04 (a) does not give such management personnel any rights or privileges which are not otherwise provided for under this agreement.

(d) Prior to establishing a base under 3.04 (a) the Company agrees to meet and discuss possible options with the Union.

(e) Article 3.04 (a) will not be used to avoid scheduling a bargaining unit employee if

operationally required.

ARTICLE 4 - MANAGEMENT RIGHTS

The Union recognizes that the Company shall have the sole and exclusive right, except as otherwise specifically limited by the express provisions of this Agreement, to determine all matters pertaining to the management of the Company and its affairs, and that the direction of employees is fixed exclusively in the Company and without restricting the generality of the foregoing, the Union acknowledges that it is the exclusive right of the Company to:

- (a) Maintain order, discipline and efficiency;
- (b) Hire, appoint, discharge, promote, demote, classify, transfer, lay-off, recall, suspend, or otherwise discipline employees for just cause;
- (c) Make and enforce rules and regulations to be observed by the employees;
- (d) Determine and change the service and business of the Company and the schedules with respect to same;
- (e) Determine and change the locations where the Company's business is carried on;
- (f) Determine and change the methods of carrying out the Company's business and service;
- (g) Set uniform standards for the performance of work.

ARTICLE 5 - RATES OF PAY

5.01 Rates of pay shall be determined by the employee's date of hire, provided the employee works the full progression period outlined below, or unless otherwise specified herein. Employees other than Full time shall be required to serve the hours equivalent (e.g. 12 months X 162.5 = 1950 hours).

- (a) The following monthly (hourly) rates of pay are for the duration of this agreement:

	2010	0
	Monthly	Hourly
0-6 months	\$2,105.96	\$12.96
7-12 months	\$2,270.46	\$13.97
13-24 months	\$2,432.68	\$14.97
25-36 months	\$2,757.63	\$16.97
37-48 months	\$2,921.00	\$17.98
49-60 months	\$3,084.36	\$18.98
61+ months	\$3,242.39	\$19.95

	2011	2
	Monthly	Hourly
0-6 months	\$2,148.08	\$13.22
7-12 months	\$2,315.87	\$14.25
13-24 months	\$2,481.33	\$15.27
25-36 months	\$2,812.78	\$17.31
37-48 months	\$2,979.42	\$18.34
49-60 months	\$3,146.05	\$19.36
61+ months	\$3,307.24	\$20.35

	2012	2.5
	Monthly	Hourly
0-6 months	\$2,201.78	\$13.55
7-12 months	\$2,373.77	\$14.61
13-24 months	\$2,543.37	\$15.65
25-36 months	\$2,883.10	\$17.74
37-48 months	\$3,053.91	\$18.80
49-60 months	\$3,224.70	\$19.84
61+ months	\$3,389.92	\$20.86

Where the employer has difficulty hiring or retaining new employees at a base due to the local economy, the Company may start new employees at any step on the wage scale provided that no employee working at that base is on a lower rate or that other employees who are being paid a lower rate are moved up to the same rate as the new employee.

5.02 Employees designated by the Company as Lead Agents shall receive a premium of \$375.00/month in addition to their normal salary. When an employee is designated as an "Acting Lead Agent", that employee will receive the prorated premium for the hours worked as such.

5.03 Premiums

(a) Non-Hub Station OPS Premium - twenty-five cents per hour (\$0.25)

ARTICLE 6 - HOURS OF WORK AND OVERTIME

6.01 The standard hours of work shall be based on an average of thirty seven and one half (37.5) hours per week (exclusive of a meal period) over a period not to exceed thirteen (13) weeks. The hours of service in this Agreement do not constitute a guarantee of minimum hours of work per day, or per week, or per month.

- 6.02 (a) Full-time employees will be scheduled to an average of thirty seven and one half (37.5) hours per week over a period not to exceed thirteen (13) weeks. A meal period up to one hundred and twenty (120) minutes may be scheduled to create flexible shifts or to retain Full-time jobs.

This meal period may be extended with mutual agreement from the union. Current agreements in excess of one hundred and twenty (120) minutes will remain in effect, provided there is no increase in the meal break period.

The Company will schedule Part-time employees to an average of twenty (20) hours per week over a period not to exceed thirteen (13) weeks. Where work requirements do not permit such scheduling, the Company may schedule employees for less than twenty (20) hours per week. Part time employees' daily hours must be consecutive unless otherwise agreed to by the employee.

6.03 Work Schedules

Shift schedules will be developed by the Company as follows:

- i) Full-time;
 - ii) then Part-time with benefits;
- (b) Employees may provide input into the shift schedule as long as it meets the manpower and scheduling requirements of the base.
- (c) The Company will determine the staffing requirements at each location and will design a shift schedule and review it with the local Union representative. The meeting will normally commence at least twenty-one (21) days prior to the implementation of the schedule.
- (d) The Union may propose an alternative schedule. The Company will not unreasonably refuse to implement a proposed alternative schedule that meets its manpower and scheduling requirements.
- (e) Schedules will be posted a minimum of fourteen (14) calendar days prior to implementation. Employees will be given a minimum of four (4) calendar days to select their shifts and assignments will be finalized seven (7) days prior to their effective date.
- (f) Shift schedules shall be offered by seniority to individuals who currently hold the applicable position, classification and/or status at the base a minimum of twice per year.
- (g) Scheduled days off shall be consecutive and no less than two (2) in duration at least once in a seven day period.
- 6.04 Rest Breaks: A fifteen (15) minute paid break will be provided for each complete four (4) hour block of a shift. Rest breaks should be taken in a manner which does not defeat the purpose of providing rest breaks. These breaks will be taken subject to operational requirements.

6.05 Where operational requirements dictate non-permanent changes to the schedule, employees will be provided with at least three (3) calendar days notice of a shift change and not less than fourteen (14) days notice of a change of days off. These limits may be reduced by mutual agreement between the affected employee and the Company. Where more than one employee is working the same shift, the shift change will be offered in order of seniority to those employees working the same shift provided that the change does not result in overtime which could otherwise be avoided.

6.06 All work schedules will contain periods of not less than eight (8) consecutive hours off duty between a shifts termination and the commencement of the next shift.

(a) If an employee is unable to receive the rest period due to an overtime draft, the employee may choose:

(i) to report for their next shift as scheduled and be paid the overtime rate for hours falling within the eight (8) hours rest period, or

(ii) to report for duty after the required eight (8) hour rest period with no loss in pay for the regular shift. The Company may require the employee to fulfill the total number of hours scheduled for the day. The employee will be paid overtime rates for the hours falling outside their scheduled shift.

(b) Employees who shift trade under Article 6.08 will not be eligible for the provisions of (a).

6.07 In the event that an employee is injured during the performance of his duties and as a result is unable to complete his shift, he shall receive compensation for the entire shift.

6.08 Shift Trades

Employees may arrange for another employee to work their shift subject to the following conditions:

(a) The employee covering the shift must be qualified and capable of performing the work.

(b) A request will be provided to management in writing at least twenty four (24) hours in advance, and will be signed by the employees involved. Employees shall advise their Manager/Supervisor in advance of cancellation of a shift trade. Once the request has been approved by the Company the employee(s) involved shall assume full responsibility for the shift for which they have agreed to work. Such approval will not be unreasonably withheld.

(c) All work time credits for the scheduled duration of the shift will be credited to the employee originally scheduled to work the shift.

(d) All overtime, time bank, and sick leave provisions will apply to the employee who actually works.

6.09 Overtime

Prior to the assignment of overtime, the other options available to the Company shall be exercised. These options will include offering extra hours to part time employees, then casuals; assigning hours to casuals and/or assigning hours to part time employees in accordance with Article 6.05.

6.10 Overtime requirements will be determined by the Company, except in cases of emergency or when prior authority cannot be obtained for a continuous operation.

6.11

(a) Full time employees who work in excess of the standard hours of work, as defined under Article 6.01 shall be paid overtime for that additional time at the rate of time and one half (1 1/2X) their hourly rate.

(b) Part time employees will be paid straight time wages until the total hours in a calendar week exceed thirty seven and one half hours (37 1/2), at which point overtime of time and one half (1 1/2 x) will apply to excess hours. In addition to the foregoing a part time employee will be paid overtime rates of time and one half (1 1/2 x) for hours worked in excess of ten (10) consecutive hours or their scheduled shift whichever is greater.

6.12 Full Time employees called to work on a scheduled day off, or called back for work following completion of their shift will receive payment for the greater of actual time worked at time and one half (1 1/2 x), or a minimum of four (4) hours at time and one half (1 1/2 x). Where the minimum is paid, the employee may be required to work the corresponding hours.

6.13 A Part Time employee who is called to work on a scheduled day off, or called back for work following completion of their shift will receive a minimum of four (4) hours straight time unless the shift being covered was originally scheduled as less than four (4) hours. Where the employee receives the minimum four (4) hours they may be required to work the corresponding hours.

6.14

(a) Overtime shall be voluntary except where operational requirements dictate. Where the Company must draft an employee to work it will be in inverse order of seniority of those on shift providing the employee will receive their rest period as per Article 6.06.

(b) When the Company is able to assign overtime in advance, overtime shall be distributed among the employees on the work schedule qualified and available to perform the work in order of seniority. Employees who do not wish to accept voluntary overtime on a day off will indicate this in the overtime log book and will not be called for overtime.

(c) Overtime will be computed and paid or banked to the nearest minute.

6.15 Time Bank

- (a) The Company will continue the present practice of allowing employees the option to bank Overtime or General Holidays for the purpose of taking paid time off.
- (b) Banking of overtime will be on the basis of one and one half (1 ½) hours for each hour of overtime. For example, an employee who works and submits two (2) hours overtime will have his/her bank credited with three (3) hours.
- (c) Part time employees will have the ability to bank hours, earned at straight time, in excess of their shift, as per the requirements of Article 6.03 and 6.17.
- (d) Following the vacation bid, employees will have the ability to request time off. Such time off must be taken from the employee's time bank in a minimum of one (1) week blocks. Up to two (2) one week blocks will be guaranteed and, at the employee's option, can be bid from open slots following the vacation bid. It is agreed that the Company can embargo July and August and the Christmas period as outlined below for this time bank. Time off will be approved in seniority order. All remaining one (1) week blocks will be approved subject to operational requirements at least four (4) weeks in advance. Granting of banked time will be given priority over requests for voluntary Leaves of Absence.

Embargo

Summer – July 1st (or Sunday prior) thru to and including Labour Day week.

Christmas – 2 weeks prior to Christmas and 1 week after New Year's.

- (e) Once time requested in (d) has been approved, bank time of less than one week will be granted on a first come first serve basis in accordance with Article 6.17 (c).
- (f) The maximum number of hours in the Time Bank shall not exceed one hundred and fifty (150) hours at any given time.
- (g) Upon request, employees may be paid out for hours banked under these provisions and such hours will be paid at straight time rates.

6.16 Training

- (a) The Company will continue to explore all approved methods available in order to reduce the amount of out of base training.
- (b) Should out of base training be required, travel time between the employee's base and the location of the training session shall be considered as time worked and paid at straight time rates.
- (c) Every reasonable effort will be made to hold training sessions during an employee's regularly scheduled work days. Operational and training schedules may not always allow this to happen. Where this is not achievable Article 6.05 will apply.
- (d) Travel time shall include thirty (30) minutes for airport processing/check-in.
- (e) It is recognized that employees must be available for training. If for reasons

beyond the employees control the employee cannot attend training, the Company will make every reasonable effort to train the employee at another time or at his or her base.

6.17 Relief

- (a) At bases where there are sufficient vacation and known training requirements the Company will establish relief lines on the schedule.
- (b) Where relief lines are scheduled employees will be provided with a minimum (4) four week schedule.
- (c) Where relief lines are not scheduled as indicated in (a) & (b) above the Company will post their coverage requirements four (4) weeks in advance for vacation, stats, overtime bank, training and any other planned hours. Requirements not submitted to the Manager four (4) weeks in advance will be accepted by part time and casual agents on a voluntary basis.
- (d) In either (b) or (c) above, additional hours which have not been scheduled will be offered to part time employees then casuals in seniority order.
- (e) Hours not covered will be assigned first to casual then to part time employees in inverse order of seniority.
- (f) Where additional training is required for employees who bid relief lines, the employee will be required to stay in that position for one (1) year.
- (g) Agents working relief lines will be considered ticket agents for bidding purposes.

ARTICLE 7 - PROBATION

- 7.01 All new employees shall be required to serve a probationary period. Full-time employees shall serve a probationary period of six (6) months active employment at work. Employees, other than Full-time, shall serve a probationary period of 975 hours or nine (9) months of active employment at work, whichever comes first. During the probationary period a probationary employee shall be regarded as coming within the scope of this agreement.
- 7.02 A person employed by the Company who is not within the scope of this Agreement, and who transfers to a position coming within the scope of this Agreement, will be required to serve a probationary period as described in Article 7.01.
- 7.03 The Company reserves the sole right to make decisions regarding the termination or retention of an employee at any time during their probationary period.
- 7.04 If a probationary employee is terminated or is not retained during the probationary period, the probationary employee may file a grievance but under no circumstances shall the grievance be processed beyond Step II in Article 14.08 of the Collective Agreement. The answer of the Company at Step II shall be final and binding upon the Company, the

Union and the employees involved and shall not be reviewed by any Arbitrator or Court.

ARTICLE 8 - SERVICE & SENIORITY

8.01 COMPANY SERVICE means the length of service with the Company or its predecessors and shall commence from the most recent date of hire to the Company or its predecessors.

8.02 BARGAINING UNIT SENIORITY AND SENIORITY means the length of service within the bargaining unit and shall commence from the most recent date of entry into the bargaining unit.

8.03 JOB SPECIFICATIONS OF CUSTOMER SERVICE AGENTS

The following job specification is not a limitation on assignment of work nor staffing requirements:

(a) Customer Service Agents - the duties generally performed by these employees may include but are not limited to the following:

Processing of passengers; computing fares; reservations sales and ticket sales and related activity; processing station accounting reports; processing baggage; attending to passengers requiring assistance to and from the aircraft; processing of weight and balance flight load forms and waybills and manifests for shipment of freight etc.; processing of claims for lost cargo or baggage; transmittal of load messages and other flight operations activity; assistance in sales related functions.

8.04 Seniority Lists shall be posted by March 1 of each year. Each employee will be permitted to notify the Company of any errors or omissions affecting her/his seniority provided that such notification is in writing. All requests for corrections will be actioned and finalized by the Company in consultation with the Union as soon as practicable. The corrected list shall then be posted.

8.05 As soon as possible following September 1 of each year, the Company will issue an addendum to the Seniority list showing all those employees who were hired subsequent to the posting under Article 8.04. Any corrections to the addendum will be made in accordance with Article 8.04.

8.06 A probationary employee's seniority shall not be exercised except as specifically provided for in this Collective Agreement.

8.07 In cases where employees were hired on the same day, the sequence of Seniority shall be determined:

(a) In the event that more than one employee has the same Seniority Date, the employee with the longer Company Service will be considered senior.

(b) In the event that employees were hired on the same day and have equal Company Service, seniority will be determined by drawing lots.

8.08 Seniority shall be accrued and retained, as indicated, subject to the provisions of this Agreement, during:

- (a) Absence due to layoff;
- (b) Sickness, Maternity and Child Care;
- (c) Authorized leave of absence;
- (d) Suspension without pay;
- (e) A legal strike or lockout.

8.09

- (a) When an employee accepts a position within the Company that is outside the scope of this Agreement the employee shall continue to accrue seniority for a period of six (6) calendar months. If the employee returns to the bargaining unit within these six (6) months they will revert to their previous job. An employee will be allowed to move once in an eighteen (18) month period. Except as outlined in Article 18.16.
- (b) If the employee has not returned to a position in the bargaining unit prior to the expiration of the six (6) month period they will lose all accrued seniority.
- (c) Positions, unless otherwise determined, will be filled as temporary vacancies for up to six (6) months.

8.10 An employee shall forfeit all seniority and her/his employment shall be considered terminated if she/he:

- (a) resigns, or is terminated for just cause;
- (b) is absent without leave;
- (c) is not recalled prior to the end of the lay-off period;
- (d) fails to return from layoff under the recall procedure under Article 11;
- (e) retires.

or as otherwise provided for under this agreement.

ARTICLE 9 - LEAVES OF ABSENCE

9.01 Voluntary

- (a) The Company may, upon written request and at its sole discretion, grant an employee a leave of absence without pay for a period of up to six (6) months. Extensions or leaves of a longer period may be granted by the Company, with

mutual agreement from the union.

- (b) Requests for Leaves of Absence will be considered by the Company in order of seniority among those at the base requesting a leave at time of granting.
- (c) Pay progression shall be retarded by a period equal to the length of the leave of absence.
- (d) Employees on a leave of absence will receive their vacation time entitlement according to Article 12, but will receive reduced vacation pay based on a percentage of their gross earnings in the calendar year in which the leave was taken.

9.02 Maternity, Parental and Child Care

- (a) Maternity, Parental, Adoption and Child Care Leave without pay shall be given in accordance with the provisions of the Canada Labour Code. Copies of the relevant articles of the Canada Labour Code shall be made available by the Company on request.
- (b) The employee must request the Leave of Absence in writing, no later than four (4) weeks prior to the Leave, accompanied by a medical certificate certifying pregnancy, and specifying the estimated date of her confinement, the date she/he wishes to commence her leave, and an anticipated date of return to work.
- (c) An employee may request and shall be granted an additional unpaid leave of up to twenty-four (24) weeks of Parental Leave in accordance with the Canada Labour Code.
- (d) In addition to 9.02 (c) above, the employee may request a further eleven (11) weeks to deal with Child Care responsibilities, provided such leave is in conjunction with the twenty four (24) weeks of Parental Leave. Such leave will be granted based on operational requirements and will be given preference over leaves outlined in 9.01.
- (e) When an employee commences legal proceedings under the laws of a Province or Territory to adopt a child or obtains an order under the laws of a Province or Territory for the adoption of a child, that employee is entitled to, and shall be granted a leave of absence from employment of up to thirty-seven (37) weeks commencing on the day the child comes into the employee's care.

9.03 Jury Duty

- (a) Employees subpoenaed for Jury Duty will be granted time-off with pay for the duration of that Jury Duty, provided they remit any compensation received from the court, with a copy of the subpoena, to the Company.
- (b) Employees required to attend court, an investigation, or coroner's request as a witness for the Company, or as a result of cases arising out of his/her employment with the Company will be granted time off with pay.

9.04 Bereavement Leave

When a death occurs in the immediate family of an employee, the employee shall be entitled to paid bereavement leave as follows:

- (a) Death of spouse, common-law spouse or child - the first seven (7) days immediately following the date of death.
- (b) Death of immediate family member other than spouse or child - the first five (5) days immediately following the date of death. For the purpose of attending the funeral, upon request, these days may be moved to a time which shall include the funeral date.
- (c) For the purpose of this agreement, spouse shall also mean common-law or same-sex partner.

In cases where a death occurs during an employee's vacation, paid bereavement leave will not apply. Immediate family is defined as the spouse (including common-law), children of employee and/or spouse, parents of employee or spouse, grandparents of employee or spouse, sisters and brothers of employee and spouse, and grandchildren of employee or spouse.

9.05 Compassionate Leave

Where there are circumstances which place an employee under severe strain and a temporary leave of absence is requested, every attempt will be made to accommodate the employee where possible. Compensation, if any, during this leave will be determined by the employee's Manager in consultation with the Human Resources Department.

9.06 Union Business

An employee elected or appointed to a full-time position with the Union, necessitating a leave of absence, will be granted that leave without pay. Requests for such leave shall be made at least thirty (30) days prior to commencement. The Company shall receive at least thirty (30) days notice of the employee's return to work. The Union will reimburse the Company for the Company portion of Benefit costs, and the employee shall continue to pay her/his cost of benefits to the Company. During this leave, the employee shall accrue Company Service and seniority. Travel privileges shall be continued for the period of the Leave.

ARTICLE 10 - TRANSFERS, CHANGES OF STATUS

10.01 Employees who wish to change status (i.e. part-time to full-time, or vice versa), or transfer to another base shall file a Letter of Preference with the Human Resources office. Employees shall list, in order of preference, the status and base to which they

wish to move.

- 10.02 Selection of employees for vacancies under Article 10.01 shall be governed by seniority.
- 10.03 A Letter of Preference, once filed, cancels and supersedes all previously submitted Letters of Preference and remains valid until it has been withdrawn in writing by the employee.
- 10.04 An employee who is awarded or refuses to accept a position as a result of a Letter of Preference shall be ineligible for any subsequent vacancies for a period of six (6) calendar months.
- (a) This requirement shall not apply when changing status within a base.
 - (b) The Company may, at its discretion, modify this to a lesser requirement.
- 10.05 New hire employees are not entitled to file a Letter of Preference in their probationary period, except to change status within their base. At the end of their probationary period they may file a Letter of Preference for other bases.
- 10.06 An employee transferring to another base under the provisions of Article 10.01, shall be given thirty (30) days notice before effecting the transfer. This can be modified by mutual agreement between the Company and employee.
- 10.07 When a new base is established all vacancies will be bulletined immediately and posted at all bases where employees are covered by this Agreement. The requirements outlined in 10.04 above may be waived.
- 10.08 Temporary Vacancies
- (a) Where temporary vacancies within the scope of this Agreement are created by the Company, they will be for a period of six (6) months or less, except in the case of coverage for the following, where the temporary vacancy shall be for the duration of the absence of the affected employee:
 - (i) Maternity, Parental, or Child Care Leave;
 - (ii) Authorized leave of absence in excess of six (6) months;
 - (iii) Absence on Weekly Indemnity or LTD;
 - (iv) Absence on Workers Compensation.
 - (b) Temporary vacancies will be offered to employees in the following order:
 - (i) employees who are laid off and have recall to the position;
 - (ii) part time employees working at the base;
 - (iii) casual employees at the base;
 - (iv) Letters of Preference;
 - (v) new hires.Note: Employees will have the right to refuse temporary assignments.
 - (c) An employee who accepts a temporary assignment under this Article shall not establish recall rights to that location by serving in such temporary assignment.

At the end of the temporary assignment, the employee shall return to his/her previous position.

- (d) Where the temporary position within the scope of this Agreement, not covered by the exceptions listed above, extends to six months plus a day, and the parties have not mutually agreed, in writing, that this position may be extended, the Company must either immediately cancel the temporary vacancy and return the employee working the temporary vacancy to their previous position, or declare a permanent vacancy with the incumbent temporary employee having no prior claim or preference to the position.
- (e) Temporary vacancies at the base filled by new hires will be placed on the casual seniority list at the completion of the temporary vacancy.

10.09 Mutual Exchanges

Employees will be entitled to make a mutual exchange of positions, subject to the agreement of the Company and the President of the Local Union or designate.

- (a) There will be a maximum of three (3) locations involved in the exchange of positions.
- (b) Mutual exchanges will be governed by Article 10.02 and 10.04, i.e. they will be governed by the same restrictions as Letter of Preference.
- (c)
 - i) The employees involved have the required training to perform the duties in the new position.
 - ii) The exchange will not result in additional training costs for the Company.
- (d) Mutual exchanges will be processed once per year at the spring/summer shift bid. Requests for mutual exchange must be filed with the headquarters of the Local Union. The deadline for filing and/or withdrawing a request for a mutual exchange will be February 01 of each year. Employees will be required to exchange positions provided the mutual request has been approved by the Company and the Union.
- (e) Mutual exchanges will be approved between the senior agents in the respective locations and will be offered first to employees with recall rights and then Letters of Preference.

ARTICLE 11 - STAFF REDUCTIONS AND RECALL

11.01 REDUCTION OF STAFF: When the Company determines that there is to be a reduction of staff at a base, it will be in inverse order of seniority within the status at the base, according to the procedure in 11.02. Notwithstanding the preceding, for staff reductions of less than thirty (30) days, for reasons such as operational disruptions, the Company may reassign employees as required.

At such time the Company will provide a seniority list that has been updated within the

last thirty (30) days prior to the lay-off, to the affected employee.

11.02

- (a) Probationary employees at the base will be terminated.
- (b) Employees covering a temporary vacancy at the base shall revert to their previous position.
- (c) The most junior employee at the base who is affected by the reduction of staff, will receive notice of the reduction of staff at least fourteen (14) days in advance of the reduction, and shall have the following options:
 - (i) Elect to displace the most junior employee in the other status at the location; or
 - (ii) Elect to displace the most junior employee in the same status at the other Location on the Base: or
 - (iii) Elect to displace the most junior employee in the system in either status; or
 - (iv) Elect to displace the most junior employee in either status at a base where there is a more junior employee; or
 - (v) Accept layoff status; or
 - (vi) Elect termination of service with the Company, with no right of recall. In such a case, the employee will receive severance pay in accordance with 11.12 (a).
- (c) Only an employee who has bumped the most junior employee as per 11.02 (c) (iii) or an employee who receives a position through a Letter of Preference at the time of their layoff shall be eligible for the provisions of the moving policy as per Article 18.16.

11.03 An employee who is displaced by the above procedure shall have options 11.02 (c)

11.04 If, as a result of a bump, training is required in order that the employee can perform the duties required of the new position the Company will train the employee within a reasonable time.

11.05 An employee who has received notice of a reduction of staff must advise the Company with respect to her/his choice of options provided in Article 11.02 or 11.03 above within fourteen (14) calendar days of the date of such notice of lay-off. The employee may be required to report to her/his new position within twenty-one (21) calendar days following the date of acceptance of her/his choice of options.

11.06

- (a) If an employee who has received notice of a reduction of staff does not advise the Company of her/his choice of options under Article 11.02 or 11.03, she/he shall be deemed to have accepted lay-off status.
- (b) If an employee does not elect to exercise her/his displacement privileges in accordance with Article 11.02 or 11.03, she/he will forfeit such displacement privileges.

11.07 An employee on layoff shall file, in writing, a Letter of Preference, her/his address and telephone number with the Company, and shall be responsible for keeping the Company informed of any changes. Such Letter of Preference shall not supersede the recall procedure outlined in 11.09.

11.08 The Company will consider requests for Leaves of Absence at an affected base in order to avoid the layoff of other employees.

Prior to implementing any staff reduction outlined in Article 11.01, 11.02 the Company will solicit for voluntary Leaves of Absence in order to mitigate laying off employees. The Company and the Union shall work together to explore mitigation programs that may mitigate lay-offs or the allocating of Leaves of Absences.

11.09 RECALL PROCEDURE: When a vacancy occurs within a status at a base, the following sequential procedure will be used until the vacancy is filled:

(a) Full-Time Vacancies:

- (i) Offer the vacancy to the most senior full-time employee who is currently laid off, or has been previously displaced, from that base.
- (ii) Fill the vacancy through Letters of Preference, according to Article 10.01 to 10.08.

(b) Part-Time Vacancies:

- (i) Offer the vacancy to the most senior employee, regardless of status, who is currently laid off, or has been previously displaced, from that base.
- (ii) Fill the vacancy through Letters of Preference, according to Article 10.01 to 10.08.

(c) Casual Vacancies:

- (i) Offer the vacancy to the most senior employee, regardless of status, who is currently laid off, or has been previously displaced, from that base.
- (ii) Fill the vacancy through Letters of Preference, according to Article 10.01 to 10.08.

11.10

- (a) An employee who is on laid off status shall be eligible for recall for a maximum of five (5) years. The employee will accrue seniority (except for pay purposes) during this period.
- (b) Should an actively working employee refuse a recall to her/his former status and base, she/he shall lose all right of recall to that base. In addition, if an employee is currently on lay-off, and refuses a recall to her/his former status and base, she/he will be considered as having resigned from the service of the Company, with loss of seniority rights and privileges.

11.11 An employee with recall/displacement rights to more than one position will have the option when recalled, of either accepting or declining the recall. If they accept, they will

automatically forfeit recall rights to any other position. If they decline, the employee will forfeit recall rights to the position to which they are being recalled and will maintain recall rights to other positions from which they were laid off or displaced.

11.12 Severance

- (a) When an employee terminates their employment in accordance with 11.02 (c) (v) or 11.03 (iv) they will receive severance allowance equivalent to one (1) week of pay per completed year of service or, a minimum of two (2) weeks pay to a maximum of sixteen (16) weeks.
- (b) If an employee on layoff does not return to work prior to the expiration of their recall rights they will receive severance in accordance with the Canada Labour Code.

11.13 Base Closure

- (a) Prior to the closure of a base the Company shall provide the President of the Local with as much notice as possible, but in no event will such notice be less than thirty (30) calendar days, outlining the number, names, status and seniority of employees who will be affected and the expected date of the closure.
- (b) 11.13 (b) Employees employed at a base which is to be closed shall have options as outlined in Article 11.02 (c), (iii), (iv), (v) and (vi). An employee who elects the severance option will be eligible for one pass for each completed year of service.
- (c) An employee who has received notice of a base closure must advise the Company with respect to her/his choice of options provided in Article 11.02 or 11.03 above within fourteen (14) calendar days of the date of such notice of lay-off. The employee may be required to report to her/his new position within twenty-one (21) calendar days following the date of acceptance of her/his choice of options.

11.14 In the event of an industrial dispute which requires a staff reduction, Article 11.01 through 11.12 shall not be actioned, except as outlined below, until an initial forty five (45) day period has passed.

- (a) When the Company has received sufficient warning of the disrupting occurrence, it will give each employee a minimum of fourteen (14) days notice.
- (b) Article 11.08 may be actioned immediately. If there are insufficient volunteers, layoff shall be in inverse order of seniority. In order to maintain the operation, work will be:
 - (i) offered by seniority, and then;
 - (ii) assigned in inverse order of seniority by status.
- (c) Previously approved vacation shall not be altered, except where mutually agreed between the Company and the employee.
- (d) No planned overtime will be worked while any employees are laid off.

- (e) The Company will maintain its share of the benefit premiums for the duration of the layoff.
- (f) Recall of employees after such a dispute shall be by order of seniority by calendar day at each location in accordance with the previously published shift schedule, provided it is still in effect. If it is no longer in effect, recall will be by seniority.
- (g) Following an initial forty five (45) day period, employees shall have the right to exercise their seniority in accordance with Article 11.

ARTICLE 12 - GENERAL HOLIDAYS

12.01 The following 10 days are recognized by the Company as General Holidays:

New Year's Day - January
 Good Friday - March or April
 Victoria Day - May
 Canada Day - July
 Heritage Day - August
 Labour Day - September
 Thanksgiving Day - October
 Remembrance Day - November
 Christmas Day - December
 Boxing Day - December

12.02 A Full Time employee who is scheduled to and works on a General Holiday will be entitled to receive either:

- (a) his regular wages for the hours worked and credit for an amount of hours equivalent to one half (1/2) his hours worked plus the equivalent of a regular day, as defined under Article 12.05, which shall be banked and taken at a mutually agreed upon date; or,
- (b) time and a half (1 1/2X) his hourly rate for the hours worked, and a regular day's wages, as defined under Article 12.05.

12.03 In the event a General Holiday falls on a Full Time employee's scheduled day off, he shall be entitled to receive a regular day off in lieu of the General Holiday, defined under Article 12.05, which shall be banked and taken at a mutually agreed upon date.

12.04 If an employee is scheduled to work on a General Holiday and is subsequently given the General Holiday off, the employee's wages shall not be adjusted.

12.05 A General Holiday will be equivalent to seven and one half (7 ½) hours for Full Time employees.

12.06 Part Time employees who work on a general holiday will receive one and one half times (1 1/2X) their regular rate for all hours worked on the holiday, and will receive the average dollar value of their last twenty (20) days worked, excluding overtime. At the

employee's option this option may be banked.

Part Time employees who do not work on the general holiday will receive 1/20th of gross wages earned in the thirty (30) days preceding the general holiday.

- 12.07 All employees must complete thirty (30) calendar days of employment in order to be eligible for the provisions outlined in this Article.
- 12.08 At bases where the Company reduces the work requirements on a General Holiday, the requirements will be filled in the following manner:
- (a) At least fourteen (14) days prior to the General Holiday, the Company will post the requirements.
 - (b) Requirements will be offered in order of seniority, by status, to those scheduled to work that day in that position.
 - (c) In order to meet any outstanding requirements, the most junior employees, within a position and status, who are scheduled to work that day, will be assigned the work.

ARTICLE 13 - VACATIONS

13.01 The Vacation Year shall commence January 1st in any year and terminate on December 31st of the same year. Vacation entitlement accrued in the current Vacation Year will be taken in the subsequent Vacation Year.

13.02

- (a) A Full Time employee who has worked a full Vacation Year shall be entitled to take the following vacation periods:

COMPLETED LENGTH OF SERVICE WITH THE COMPANY	VACATION ENTITLEMENT
Less than one year	Proration of 2 weeks
1 year to 2 years inclusive	2 weeks
3years to 7 years inclusive	3 weeks
8 years to 14years inclusive	4 weeks
15years or more	5 weeks

In the calendar year in which an employee attains two (2) years of service and fifteen (15) years of service, vacation entitlement for that calendar year will be prorated based on her/his anniversary date from her/his date of hire. For example, if an employee hired on July 1, 2001 attains two (2) years of service on July 1, 2003, her/his 2003 vacation entitlement (accrued in 2002) would be based on 6/12 of two (2) weeks and 6/12 of three (3) weeks.

A Full-time employee shall receive their normal salary when vacation is taken. If the appropriate percentage of the previous year's earnings is greater than the amount of vacation pay received the difference shall be paid to the employee

within two (2) months of the end of the calendar year.

- (b) A week of vacation for Full-Time employees shall be defined as thirty-seven and one half (37.5) hours of time.

- (c) Part-Time employees shall receive time-off for vacation purposes according to the entitlement schedule under Article 13.02(a); vacation pay shall be a percentage of their gross earnings in the previous calendar year, based on length of service with the Company:

Less than one year up to 2 years:	4%
3 years up to 7 years:	6%
8 years up to 14 years:	8%
15 years and up	10%

- (d) Vacation entitlement is not cumulative from one year to the next, unless special circumstances warrant otherwise, in which case prior approval is required in writing from the Director, Commercial Services or his designate.

13.03

- (a) The Company will post a list of available vacation periods at each base by November 1 of each year so that employees may select their vacation period for the upcoming year. The Company agrees not to embargo vacation periods without providing the reasons for such to the Union. Employees will be required to submit their choice of vacation period to the Company within 2 weeks of the posting of the vacation list. The Company will post an approved list of awards at each base not later than December 1.
- (b) Vacation awards at each base will be based on seniority. Employees who have transferred from another base, been displaced, exercised displacement rights, or have returned from a layoff or leave of absence, shall not be allowed to exercise their seniority and must select from available vacation periods.
- (c) An employee may split their vacation entitlement into a number of blocks equivalent to their vacation week entitlement. In such a case, an employee's first preference will be in order of seniority, with the awarding of his/her subsequent preferences occurring only after all other employee have made their selections. These subsequent preferences will be awarded in order of seniority.
- (d) Employees who fail to designate their choice of vacation dates prior to the times described in Article 12.03 (a) will be assigned dates after all other employees in that base have been assigned.
- (e) The Company's intention is to not adjust an employee's awarded vacation. Only under exceptional circumstances and after all alternatives have been exhausted will an employee's assigned vacation be changed. The affected employee shall be granted equivalent vacation at a period of their choice providing such period is

not embargoed.

- (f) Vacation periods which become available subsequent to the process in Article 12.03 (a) will be offered to employees according to the provisions of this Article.

- 13.04 An employee who is unable to commence her/his scheduled vacation period due to illness or injury may reschedule her/his vacation to a later available period.
- 13.05 Vacation dates will not be exchanged between employees without the prior approval of the Company and Union.
- 13.06 Employees who leave the service of the Company for any reason are entitled to receive pay in lieu of accrued vacation. Their date of termination will not be extended beyond the last day worked.

ARTICLE 14 - GRIEVANCE PROCEDURE

- 14.01 For the purposes of this Agreement a grievance is defined as any difference between the Company and the Union, and/or those parties on whose behalf this Agreement was entered into, concerning the interpretation or alleged violation of this Agreement.
- 14.02 Any employee who considered herself aggrieved shall first attempt to obtain a satisfactory settlement from her/his Manager within five (5) days of the occurrence of the event or reasonable awareness thereof. An extension to this time limit may be granted and shall not be unreasonably withheld. The supervisor will render their decision within five (5) days. Where the employee feels that the result is not satisfactory, a grievance may be initiated in writing within ten (10) days of the decision of the employee's manager. The written grievance shall be presented to the Vice President, Customer Services or his designate.
- 14.03 The Company or the Union may initiate a general or policy grievance in writing on any difference concerning the interpretation, or alleged violation of this Agreement within fifteen (15) days of the occurrence or reasonable awareness thereof. An extension to this time limit may be granted and shall not be unreasonably withheld.
- 14.04 Any grievance not submitted within the prescribed time limits will be considered to have been abandoned and without recourse. An extension to this time limit may be granted and shall not be unreasonably withheld.
- 14.05 All grievances shall be signed by the griever, or the Union Officer on her/his behalf, and specify in writing the following:
 - (a) The nature of the grievance and the circumstances out of which it arose.
 - (b) The Article or Articles alleged to have been violated.
 - (c) The remedy or correction requested.
- 14.06 At any hearing held throughout these grievance procedures, the griever(s) shall have the right to be represented by an employee of the Company or a duly accredited representative(s) of the Union.

- 14.07 Upon request of either party, the other party shall provide the requesting party with copies of all documents relevant to the grievance to the extent it is practical and reasonable to do so.
- 14.08 Once a grievance has been initiated the following limits shall apply:
- (a) A hearing shall be held within ten (10) days of receipt by the Company of a written notice of grievance.
 - (b) All decisions shall be rendered within ten (10) days of the hearing and shall be communicated in writing to all parties concerned.
 - (c) Grievance appeals shall be lodged in writing within ten (10) days of receipt of the decision.
 - (d) Time limits will be exclusive of Saturdays, Sundays and General Holidays and may be extended by mutual agreement in writing. Such extensions shall not be unreasonably withheld.
 - (e) Any grievance decision not appealed by the Union or the Company within the relevant time limits, except where the time limits have been extended by mutual agreement, shall be final and binding on the parties concerned, however it will be considered without prejudice.
 - (f) The Company shall make every effort to reply within the relevant time limits. Any grievance decision not rendered by the Company within the relevant time limits, except where the time limits have been extended by mutual agreement, shall be automatically advanced to the next step.
- 14.09 Any grievance not resolved may be referred to Arbitration, in accordance with Article 15.

ARTICLE 15 - DISCIPLINE AND DISCHARGE

- 15.01 No employee shall be disciplined or discharged without just cause. An investigatory hearing between the Company and the employee will take place prior to disciplinary or discharge action being taken.
- 15.02 The Company will advise an employee of the reason for any discussion regarding an investigation which could lead to discipline or discharge. The Company will offer an employee the right to have the presence of a duly accredited representative(s) of the Union. Should there be difficulty in obtaining a Union representative, the Union will be allowed a reasonable period of time to rectify the situation prior to proceeding with either the investigatory hearing or disciplinary action, provided any delay does not jeopardize the investigation or add to the Company's costs.
- 15.03 An employee who has been disciplined or discharged may file a grievance in accordance with Article 14. However, by mutual agreement between the Company and the Union, grievances under the provisions of this Article may proceed directly to Step Two of the Grievance procedure or to Arbitration.

15.04 Where disciplinary or discharge action is contemplated, the individual involved may, where necessary, be held out of service pending investigation for a maximum of seven days to provide the Company with sufficient time to investigate and consider all factors. In such a case, the employee's pay shall not be adjusted until a decision has been made by the Company.

Where disciplinary or discharge action is taken, the suspension will not be served until the grievance procedure has been exhausted.

15.05 When disciplinary or discharge action is taken by the Company, the employee will be advised in writing, together with the reasons therefore, with a copy to the District Chairperson and Headquarters.

15.06 Disciplinary documents will be removed from an employee's file(s) and considered inadmissible as evidence in any disciplinary proceedings after one (1) year, provided one (1) year has elapsed without further disciplinary action.

15.07 In the event that discipline or discharge is modified through either the Grievance or Arbitration procedures, the original advice shall be removed from the employee's personnel file, and replaced with the modified advice where the employee is not completely exonerated.

ARTICLE 16 - ARBITRATION

16.01 Notice of Intention to proceed to Arbitration shall be made in writing to the Director, Commercial Services or his designated representative within fifteen (15) calendar days of the decision at Step 2 of the Grievance Procedure, or as the case may be, within fifteen (15) calendar days from the date such decision should have been rendered. Following a further ten (10) day grace period, should the Notice of Intention not be submitted, it will be considered to have been abandoned and without recourse. Extensions to the above time limits may be requested and shall not be unreasonably withheld.

16.02 An Arbitrator, selected jointly by the parties, will be named within fifteen (15) calendar days of receipt of the Company's or Union's final decision. If the parties are unable to agree on the choice of Arbitrator within fifteen (15) calendar days of the notice of intent to arbitrate, either party may request the Minister of Labour to name the Arbitrator.

16.03 Following the appointment of an Arbitrator in 16.02, the Arbitrator shall meet and hear evidence of both parties and render a decision within thirty (30) days thereafter.

16.04 The decision of the Arbitrator shall be final and binding upon the Company, the Union and the employees involved.

16.05 The Arbitrator's award shall be stated in writing and furnished to the Company and the Union. The Arbitrator shall have no jurisdiction to alter, modify, amend or make any decision inconsistent with the terms of this Agreement.

16.06 The Arbitrator shall establish his own procedure consistent with the requirements of

natural justice.

- 16.07 At any Arbitration procedure, the Union and the Company shall have the right to be represented by any person(s) whom they choose or designate.
- 16.08 At any hearing(s) held throughout the Arbitration procedures, all witnesses and representatives who are employees of the Company shall be given time off without pay, subject to operational requirements and space available travel on Company flights, in accordance with Company policy. Expenses and lost time of witnesses and representatives for either party shall be borne by that party. Time off will not be unreasonably withheld.
- 16.09 The compensation of the Arbitrator and expenses incurred by him shall be borne equally by the Company and the Union.
- 16.10 The Company and the Union may, by mutual consent, submit any matter under this Article to a Board of Arbitration for determination in accordance with the above procedures.

ARTICLE 17 - HEALTH AND SAFETY

- 17.01 The Company and the Union agree to promote and encourage safety practices that will ensure the safety and health of all employees, pursuant to the Canada Labour Code and WHMIS legislation. Employee representatives will participate in any scheduled Company Safety and Health Committee meetings. Each employee is encouraged to bring situations, which in his/her opinion represent a hazard, to the attention of the employee at risk and/or the Company.
- 17.02 Safety and Health Committees

Safety and Health Committees shall be maintained and/or established pursuant to the requirements of the Canada Labour Code. Employees shall be represented on the Committees through a representative appointed by the Union.
- 17.03 The Company shall post and keep posted the names and bases of all the members of the Safety and Health Committee in a conspicuous place or places where they are likely to come to the attention of the employees.
- 17.04 Upon successful completion of basic CPR and/or First Aid Training employees shall be reimbursed for the cost of registration and books, providing prior approval has been received from their manager.
- 17.05 The Company shall provide CSA A standard hearing protection for each employee who performs duties on the ramp. Costs due to loss or damage shall be borne by the employee.
- 17.06 The Company's Clean Air Policy shall not be amended without prior consultation with the

Union.

- 17.07 The CAW Local 2002 National Health and Safety Coordinator shall have access to all work areas and staff covered by this agreement.
- 17.08 The Company will pay time off for related training for all Health and Safety Representatives up to a maximum of three (3) days per year.

ARTICLE 18 - GENERAL

- 18.01 The Union shall notify the Company in writing of the names of its designated representatives and the district chairperson, and of any changes in the personnel thereof.
- 18.02 Any Letter of Understanding negotiated between the Company and the Union shall be deemed to form part of this Agreement. To be valid, a Letter of Understanding shall be identified by a heading and a number, and must be signed by representatives of both parties at the Headquarters level.
- 18.03 (a) The Company shall supply the Union, twice per year, as agreed between the parties, with a bargaining unit employee address list and a current seniority list, including employees not on active payroll, with the reasons for the absence.
- (b) The District Chairperson shall be notified of any new hires and be provided time to orientate new employees with the Union.
- 18.04 System Union Management Committee meetings will be held as required between Union Headquarters and Company representatives. Topics for discussion shall not include matters submitted to the grievance or arbitration provisions of this agreement, except with the mutual agreement of both parties. The dates of these meetings will be established by mutual agreement.
- 18.05 a) Time-off for Union business will be granted at no cost to the Company, subject to the Company's operating requirements. The Union shall be billed at straight time for the time off.
- b) The Company will provide one (1) day per month paid time off for the District Chair person.
- c) In the event an employee is offered a full time Union position they will be granted time off with no loss of Company service and seniority.
- 18.06 Passes for Union business shall be provided on Company lines, subject to the Company's Pass Policy as follows:

Positive Space Passes - Collective Bargaining meetings with the Company; meetings with the Company which are requested by the Company; maximum of two for arbitration hearings; Grievance hearings; meetings with the Company which are requested by the Union.

Space Available Passes - Other Union business.

- 18.07 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 Union recognition now in effect and/or the certificate issued by the Canada Labour Relations Board then in existence shall not be affected in any way except as otherwise governed or directed by the Board. The Company further agrees to enter into negotiations with the Union relative to protection of employees' seniority and other conditions of this Agreement. Failing settlement, the provisions of the Canada Labour Code will apply.
- 18.08 The Company shall provide Bulletin Boards on which the Union shall have the right to post notices. The use of such bulletin boards shall be restricted to the business affairs of the Union and are to bear the signature of a designated employee representative or a member of the Executive of the Local or National Union.
- 18.09 One copy of this collective agreement and any subsequent changes will be furnished to each employee within sixty (60) days of ratification of this Agreement. The size and method of producing the Agreement shall be agreed to by the Company and the Union, and the cost of printing will be borne by the Company and the Union.
- 18.10 Technological change will be handled in accordance with the Canada Labour Code. The Company shall provide the Union with material pertaining to technological change which may be required to ensure that the fullest discussions will take place on matters affecting the employees in the bargaining unit.

18.11 Sexual And Personal Harassment

Purpose

To provide a work environment free of harassment for all employees which is supportive of the dignity, self-esteem and contribution of all employees.

To ensure all employees are aware of the seriousness with which the company views harassment. Harassment will not be tolerated by the company and confirmed incidents may result in disciplinary action, up to and including dismissal.

Definition

"Harassment" means conduct in the workplace that creates an intimidating, threatening, coercive or hostile work environment such that:

- the individual's work performance is impaired,
- the individual's employment relationship is adversely affected, or
- the individual's dignity or respect is denied.

Workplace harassment constitutes one or more of the following areas:

Conduct Constituting Personal Harassment that Targets:

- age,
- conviction for which a pardon has been granted,
- disability,
- marital or family status,
- political belief or affiliation,
- race, nationality or place or origin, colour,
- religion,
- sexual orientation,
- union membership.

Conduct Constituting Sexual Harassment:

Sexual harassment may be any singular or repeated comment, gesture, contact, or conduct of a sexual nature, which is known or ought reasonably to be known to be unwelcome. Sexual harassment targets gender and includes pregnancy and childbirth. Such conduct is usually one-sided and coercive, may be overt or implicit, and may include the following examples:

- sexual innuendo (even perhaps in the guise of humour),
- touching or patting,
- sexually suggestive remarks or other verbal abuse about gender,
- demands for sexual favours,
- leering or compromising invitations,
- physical assault,
- implied or actual threats to the victim or his/her job,
- offensive materials or language whether written or visual such as graffiti or degrading pictures,
- placing a condition of a sexual nature on employment, rewards, avoidance of punishment, or opportunities for training, transfers or promotion.

Conduct Constituting Harassment that Results in a Poisoned Work Environment for the Victim, such as:

- derogatory jokes,
- offensive literature,
- racial slurs,
- hazing or initiation activities,
- degrading comments,
- other activities that intrude upon a person's or group's dignity or that create an intimidating, hostile or offensive atmosphere.

Reporting of Complaints:

Any employee who believes he/she is a victim of harassment is encouraged to report this matter. Such incidents should be reported to any Director of the Company with a copy to the President of the Local. Retaliation in any form against a complainant or a witness to a case of harassment is unacceptable and will be subject to disciplinary action.

Resolution

Stage 1 – Informal Conflict Resolution

The informal conflict resolution process will not be utilized to investigate and resolve Human Rights Harassment.

Any employee who believes they have a potential complaint of harassment should make their objection known to the alleged harasser and is encouraged to resolve the matter wherever possible on an informal basis. The employee may choose to ask for help of their local manager or Union Representative to facilitate a meeting between the parties. In an environment of confidentiality, the definition of harassment, and discuss various possible courses of action with the parties in order to resolve the matter quickly and appropriately. At any point the complainant, management or the CAW may decide to discontinue the informal process and escalate the matter to Stage 2.

While the informal conflict resolution process will not assign formal responsibility for the conflict, management may need to address inappropriate behaviour on the part of individuals involved in the dispute, and warn that future incidents of inappropriate conduct may result in discipline and the more formal investigation process of Stage 2. Stage 1 resolutions should be completed within two weeks from the date of the initial complaint.

Stage 2 – Formal Investigation

If the matter remains unresolved, is a serious issue of personal harassment, or is an incident of Human Rights harassment, the complainant will make a complaint in writing in the form of an assigned letter to the President of the Local Union which will be forwarded to the Company's Harassment Policy Coordinator. The signed letter will contain sufficient detail to determine if the matter will proceed to a formal investigation. Should the conflict be between two CAW members, the CAW and the Company will each select an individual who will act as an investigator and will communicate the names of their designate to each other.

The Union and Company designates will then contact each other and arrange to conduct a joint investigation. At the beginning of the investigation the complainant's identity and the general nature of the complaint will be communicated to the alleged harasser (respondent). When the complainant and respondent are members of different bargaining units, the senior executive of the respondent's bargaining unit will be informed by the Company Harassment Coordinator and will have the right to appoint and investigator to hear all evidence in the formal investigation.

If the matter remains unresolved at the completion of the investigation, a joint report will be prepared by the investigators. Where the preparation of a joint report is not possible, the investigators may submit separate reports in which case each will receive a copy of the other's report. A recommendation to resolve the complaint will be made by the Company investigator. The Union investigator may choose whether or not to submit a

recommendation. The report will be submitted within 14 calendar days of the filing of the complaint. An extension of the time limit for submitting the report may be agreed between the Director of Human Resources and the President of the Local.

Within ten calendar days of receiving the investigation reports the Director of Human Resources shall issue such orders as may be necessary to resolve the complaint. Summarizing the findings of the investigation (harassment has been or has not been substantiated), these orders will be communicated in writing to the complainant, the respondent and the President of the Local Union. At any time during the formal investigation process the Director of Human Resources may take measures to separate employees, if deemed necessary.

Appeals

Where any party to the investigation is not satisfied with the decision, a letter requesting a review of the decision will be sent to the Director of Human Resources within 14 calendar days of receipt of the decision.

The Director of Human Resources and the President of the Local will jointly review the decision. Where the CAW is not satisfied with the decision, the complaint will be referred to expedited arbitration with a single arbitrator. Agreement on the selection of the arbitrator and the dates of his/her availability to rule on this matter will not be unreasonably delayed or withheld by either party.

In cases of Human Rights harassment where the complainant is not satisfied with the final outcome of the process s/he has the right to seek redress under the Canadian Human Rights Act.

Where changes in the workplace are made necessary by demonstrated harassment, the harasser shall be subject to changes such as transfer or reassignment, except where the complainant is transferred at his/her request.

18.12 Domestic Violence

The Company agrees to recognize that employees sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. For that reason, the parties agree that when there is adequate verification from a recognized professional (i.e. doctor, lawyer, professional counsellor), an employee who is in an abusive or violent personal situation will not be subject to discipline without giving full consideration to the facts in the case of each individual and the circumstances surrounding the incident otherwise supportive of discipline. This Article is subject to a standard of good faith on the part of the Company, the Union and affected employees, and will not be utilized by the Union or employees to subvert the application of otherwise appropriate disciplinary measures.

18.13 Uniforms

- (a) All Customer Service Agents shall conform to the Uniform Standards established by the Company.
- (b) Prior to implementing a change in uniforms style or material, the Company will advise the Union.

- (c) The Union shall appoint one employee from the bargaining unit to provide input into decisions regarding cost, style or changes to the uniform.
- (d) The Company will pay 100% of the cost of the required uniform. Customer Service Agents who purchase items required for work in addition to those that are provided, excluding parka's/trench coats shall be responsible for 50% of the cost and subject to payroll deductions for a period of up to twelve (12) months. The minimum payroll deduction will be twenty-five dollars (\$25.00) per month except for final balancing payment.
- (e) Uniform Items – Customer Service
 - 1 vest 4 blouses or shirts long or short sleeve or combination
 - 1 cardigan 2 pant/slacks or skirts
 - 1 belt 1 winter parka/trench coat
 - 1 medium weight summer jacket
 - 1 arctic winter pants, as determined by the company (excluding Edmonton)

Any additional pieces (e.g. dress, t-shirts) will be provided at no charge to the employee.

Uniform Items – Cargo

- 5 shirts long or short sleeve or combination
- 4 pairs pants
- 1 belt
- 1 winter parka/trench coat
- 1 medium weight summer jacket
- 1 arctic winter pants, as determined by the company (excluding Edmonton)

The current practice with regard to employees who work in both Customer Service and Cargo will continue.

All items have a useful life of twenty-four (24) months with the exception of the winter parka/trench coat and medium weight summer jacket which have a useful life of sixty (60) months. In the event that the summer jackets are unduly worn, they may be replaced earlier.

- (f) Uniform items damaged as a result of normal usage while on duty, shall be repaired or replaced at the company's discretion.
- (g) Full-timed employees who are required to wear a uniform will receive a monthly cleaning allowance of forty dollars (\$40).
- (h) Part-time employees who are required to wear a uniform will receive a monthly cleaning allowance of twenty dollars (\$20).
- (i) Upon written request, the Company shall provide, free of charge, a maximum of two (2) maternity jumpers or maternity pants and tunic for the required period of the pregnancy, which will be returned at the end of the maternity leave.

- (j) Where uniform footwear is a requirement of the Company, the Company will upon proof of purchase or repair, reimburse the employee fifty percent (50%) of the cost of the same to a maximum of one hundred and twenty dollars (\$120) every twelve (12) months.

18.14 The Company reserves the right to make payroll deductions for overpayment or any monies owed to the Company. Prior to making such deductions the Company will notify the employee of the amount owing and discuss the repayment schedule. The minimum payroll deduction will be twenty-five dollars (\$25.00) per pay cheque over a twelve (12) month period except for a final balancing payment.

18.15 In this agreement, unless otherwise specifically stated, the feminine shall include the masculine, and the singular shall include the plural.

18.16 Lead Agents

- (a) Lead Agents shall be responsible for directing the work of others while performing similar work. The duties of the employees will vary according to the work location. They shall have a general responsibility for work standards, instruction and direction of the employees for whom they are the lead. Leads shall not be required to carry out formal discipline of employees covered by this Agreement.
- (b) The decision to introduce, maintain or terminate a Lead position will rest with the Company.
- (c) Bids for a Lead position will be accepted first from the employees at that location. If there are insufficient qualified applicants, the company may award the position to an employee from another location/base provided that this does not result in the layoff of another employee at the location where the vacancy is being filled.
- (d) The Company shall have the right of selection from amongst the bidders.
- (e) The Company shall determine the required hours of coverage and shift schedules shall be built in consultation with the incumbents.
- (f) Except by mutual agreement, once a Lead Agent position has been accepted the employee shall remain in that position for at least twelve (12) months.

18.17 Hub Airport Operation CSA

- (a) The decision to introduce, maintain or terminate a Hub Airport Operation CSA position will rest with the Company.
- (b) Hub Airport Operation CSA's shall be selected on the basis of proven skill, ability, qualifications and knowledge. In the event that these factors are relatively equal, seniority will govern.
- (c) Except by mutual agreement, once a Hub Airport Operation CSA has been accepted the Employee shall remain in that position for at least twelve (12) months.

- (d) Employees designated by the Company as Airport Operation CSA's shall receive a premium of \$250.00/month in addition to their normal salary.
- (e) Subject to operational requirements, the Company will make an effort to minimize the number of Hub Airport Operation CSA's required at any one site.
- (f) When an employee is designated as an "Acting Hub Airport Operations Agent", that employee will receive the prorated premium for the hours worked as such.

18.18 Training and Special Assignments

When the Company determines it requires employees covered by this agreement to perform training or special assignments, the following will apply:

- a) The Company shall provide the Union with a list of duties and responsibilities for the position and the length of time the employee(s) is expected to be out of the bargaining unit.
- b) The positions will be posted and selection will be on the basis of seniority of those employees meeting the qualifications determined by the Company.
- c) Subject to agreement from the Union, seniority will continue for the length of the assignment.

18.19 Moving Policy

Provided an employee is eligible for a move pursuant to Article 11.02 (d), the following shall apply:

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

related reason.

18.20 The Company will ensure that two (2) employee representatives suffer no loss in pay for attending in direct collective bargaining with the Company.

Employees will not suffer any loss in pay for attending union management meetings and grievance meetings.

18.21 Bargaining Unit employees will be eligible for any Productivity Efficiency Programs (PEP) that are given to Flight Attendants.

18.22 Correspondence

All communications to an employee involving any of the following shall be in writing and copied to the Union District Chairperson: shift alterations of fourteen (14) days or greater, lay-offs and recalls, leaves of absence, transfers, changes of status, promotions, demotions, terminations, additionally all correspondence under Article 14 and Article 15 shall be copied to the Union District Chairperson.

ARTICLE 19 - COMPANY BENEFITS

19.01

- (a) Each Customer Service Agent shall be covered by the Company's Sick Leave, Weekly Indemnity, Group Insurance and Pension Benefits according to the terms of these Plans and as described in the Employee Handbook.
- (b) Premium cost share arrangements, effective upon ratification of this agreement, shall be maintained.
- (c) The benefits provided under the terms of the above Plans will not be amended without the consent of the Union. Insurance carriers may be changed at the discretion of the Company provided comparable benefits are maintained.
- (d) Where Provincial Medical Coverage is not provided for by legislation, the cost of such coverage shall be borne 60% by the Company and 40% by the Customer Service Agent.
- (e) During the first month of every quarter of each year, employees will have the ability to transfer money from their time bank into their Company Pension Plan as an extra voluntary contribution. Such transfers shall be made pursuant to the requirements of the applicable pension plan and the Income Tax Act.

ARTICLE 20 - DUES DEDUCTION

20.01 The Company shall deduct on the payroll for each pay period, as per the Company's designated payroll periods, from wages due and payable to each employee, coming within the scope of this Agreement, an amount equivalent to the dues of the Union; subject to the conditions set forth herein.

20.02 The amount to be deducted shall be equivalent to the regular dues payment of the Union

and shall not be changed during the term of the Agreement except to conform with a change in the amount of regular dues of the Union in accordance with its Constitutional provisions.

- 20.03 Membership in the Union will be available to any employee under the Constitution of the Union on payment of the initiation/reinstatement fees and assessments from employees as authorized by the Union.
- 20.04 Deductions shall commence on the first applicable pay period following an employees first date of service within the bargaining unit covered by this Agreement.
- 20.05 If the wages of an employee payable for any pay period are insufficient to permit a full deduction of dues, no such deduction shall be made from the wages of such employee by the Company in that pay period. The Company shall not, because the employee did not have sufficient wages payable in any pay period, carry forward and deduct from any subsequent wages the amount not deducted on an earlier pay period.
- 20.06 The amount of dues so deducted from wages accompanied by a statement of deductions from individuals, shall be remitted by the Company to the Union not later than thirty (30) calendar days following the last pay period in the month in which the deductions were made.
- 20.07 The Company shall not be responsible financially or otherwise, either to the Union or to any employee for any failure to make deductions or for making improper or inaccurate deductions or remittances other than to adjust the error in 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 Union.
- 20.08 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 defence of such action. Each party shall bear its own cost of such defence except that if, at the request of the Union, counsel fees are incurred, these shall be borne by the Union. Save as aforesaid, the Union 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.
- 20.09 Paid Education Leave

The Company agrees to pay into a special fund established by the Union, one thousand (\$1000) per year for the purposes of providing paid educational leave. Such monies will be paid into a trust fund established by the National Union, CAW and sent on February 1st of each year by the Company to the following address: CAW-Canada, PEL Training Fund, 205 Placer Court, Willowdale ON M2H 3H9.

- 20.10 The Company agrees to pay two-hundred and fifty (\$250) dollars per year into a "Social Justice Fund" established by the National Union. Such monies will be paid into a trust fund established by the National Union, CAW and sent on February 1st of each year by the Company to the following address: CAW-Canada, PEL Training Fund, 205 Placer Court, Willowdale ON M2H 3H9.

ARTICLE 21 - CASUAL EMPLOYEES

21.01 The Company will staff its operations with Full Time and Part Time employees providing there is productive use of employee resources.

21.02 Where the Company has a requirement to utilize Casual employees the following rules will apply:

- (a) Hours of Service - Casual employees will work on an as required basis as outlined in Article 6. Hours of work will be distributed among the employees available to perform the work in order of seniority. Casual employees will be required to make themselves available for work on a regular basis. A casual who refuses a third assignment in a three (3) month period without a valid reason will be considered to have resigned.

An employee with recall who has been considered to have resigned their casual status will not forfeit their recall rights as per Article 11.10 (a).

- (b) Overtime - as per Article 6.11.
- (c) Rates of Pay - Casual employees will be paid the hourly rate of pay in accordance with Article 5.01.
- (d) Seniority - Casual employees will have their own seniority list which shall commence from their date of hire. When a casual employee moves to a permanent position within the bargaining unit a new seniority date will be calculated to credit them with the accumulated hours.
- (e) Vacancies - Casual employees shall be permitted to submit a Letter of Preference, using date of hire seniority, which shall only be actioned after all other letters of preference.
- (f) Vacation - Vacation Pay of four percent (4%) of gross earnings will be paid on each pay cheque for a pay period.
- (g) Holidays - Compensation for work on a general holiday will be in accordance with the Canada Labour Code.
- (h) Pension - After two (2) years of service Casual employees will have the option of joining the Company Pension Plan.
- (i) Grievance - Casual Employees will have access to the grievance and arbitration procedure.
- (j) Dues - Deduction of Dues will be in accordance with CAW policy.

21.03 The Company will provide the Union with a list of Casual employees currently on staff. The Company agrees to advise the Union prior to hiring any casual employees. Should the Union have concerns regarding the utilization of casuals they may request a meeting in accordance with Article 6.03 (a).

ARTICLE 22 - DURATION AND RENEWAL

22.01 This Agreement shall be in effect from January 1, 2010 and continue in full force and effect until December 31, 2012.

22.02 This Agreement shall remain binding until its expiry date and from year to year thereafter, unless notification in writing to reopen this Agreement is served by either of the parties hereto, such notification to be served not earlier than one hundred and twenty (120) calendar days and no later than sixty (60) calendar days prior to the expiration date in any year. In the event such notice is given of intended changes, this Agreement shall remain in full force and effect while negotiations are being carried on for a new Agreement.

IN WITNESS WHEREOF the parties hereto have signed this Agreement on this 13th day of May, 2010.

FOR CANADIAN NORTH INC.

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION &
GENERAL WORKERS UNION OF CANADA
(CAW-CANADA), LOCAL 2002**

LETTER OF UNDERSTANDING #1

This Letter of Understanding is between Canadian North Inc. ("<>") and the CAW (the "Union"):

RE: AMENDMENT TO COMPANY SICK LEAVE PLAN.

1. The Company will provide a Sick Leave Plan with the following conditions:
- This is a fully Company paid benefit, at no cost to the employee.
 - Three (3) months full-time continuous service is required to be eligible.
 - Covers the first three (3) working days of absence at 100% of normal salary.
 - Twelve (12) working days are provided each calendar year, with a carryover of unused sick days to a maximum of eighteen (18) days.
 - Newly hired Customer service agents shall be credited with a proration of twelve (12) days on completion of three (3) full months on payroll.
 - The Company's Sick Leave Plan shall be amended to provide part time employees, who are eligible for Group Benefits, a maximum of eight (8) sick days per calendar year for use during periods of illness.

FOR CANADIAN NORTH INC.

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION &
GENERAL WORKERS UNION OF CANADA
(CAW-CANADA), LOCAL 2002**

LETTER OF UNDERSTANDING #2

New Bases

The parties agree that, where feasible, it is desirable for employees of Canadian North to handle CSA/Cargo bargaining unit work, within Canada. The Company commits to a joint review of any current or new base(s) with the Union with an aim to bringing the work into the bargaining unit.

FOR CANADIAN NORTH INC.

**FOR NATIONAL AUTOMOBILE,
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LETTER OF UNDERSTANDING #3

Contracting Out

The Company is committed to having its own employees perform work where feasible. It has no current plans to contract out work. In the event that circumstances require that it consider contracting out some work, the Company will provide the Union with notice as soon as possible, but in any event not less than thirty (30) days notice of same. The Company will provide details regarding the proposed contracting out as well as the reason why the Company is proposing to contract out the work. The company and the Union will have meaningful discussion in regards to cost, operational consideration and alternatives to contracting out.

All consultations under this Article shall be held in the strictest confidence.

In the event the plan presented by the Union is not acceptable, the Company agrees to meet with the Union in an endeavor to mitigate any adverse effects on employees who would otherwise be involuntarily laid off. Any employee who is involuntarily laid off as a result of contracting out work will receive a severance allowance equivalent of two (2) weeks of pay per completed year of service to a maximum of twenty-four (24) weeks.

Nothing in this agreement shall be construed to prevent the Company from utilizing contractors in an emergency. Emergent circumstances may prevent the notice required under this article. If the emergency requires the use of the contractor for more than thirty days, the Union shall have an opportunity to meet and review the decision in accordance with this article.

Memorandum of Agreement # 1

Northern Travel Allowance

This will confirm our discussion and agreement during negotiations for Agreement No. 5.

That the current level of Northern Travel Allowance in effect on January 01, 2010 will not be reduced during the term of Collective Agreement No. 5. Part-time employees Northern Allowance will be calculated on the basis of straight time pay for hours worked to a maximum of 37.5 hours per week.

FOR CANADIAN NORTH INC.

**FOR NATIONAL AUTOMOBILE,
AEROSPACE, TRANSPORTATION &
GENERAL WORKERS UNION OF CANADA
(CAW-CANADA), LOCAL 2002**

Letter of Intent

Part-time Benefits

The Company agrees to change their Weekly Indemnity Group Insurance Plan to include Part-time employees on the short and long term disability plans. Cost sharing arrangement will be the same as full time employees.

FOR CANADIAN NORTH INC.

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